



NEW BELGIUM.

2017

BUSINESS AS A FORCE FOR GOOD

CERTIFIED B CORPORATION



GREETINGS FROM NEW BELGIUM BREWING!

2016 was undoubtedly one of the most surprising years in recent memory.

Since this report covers New Belgium's social and environmental work, it is worth noting that core concerns of ours, like environmental protection and social equality, have been and continue to be focal points of national debate. In addition to the daily work of improving our breweries' environmental impact, our teams regularly contribute to national and local movements to protect the purity and availability of our beer ingredients (like water and barley) and the well-being of those who both brew and enjoy New Belgium beers today and in the generations ahead.

Even in the midst of national upheaval, New Belgium had a few reasons to pop open some beers to celebrate some big milestones in 2016: we opened our second brewery in Asheville, North Carolina, where we revitalized a piece of land on the beautiful French Broad River and welcomed an amazing new crew of coworkers.

The brewery opened up in just enough time to host New Belgium's 25th birthday party. Has it really been that long since Jeff took that fateful bicycle ride across Belgium? The revelry was made even more meaningful when we were awarded B Corp's "Best for the World" designation which is a wonderful affirmation that what we've been doing the last 25 years is not only wildly fun, but is also making a positive difference in the world.

Whether you're a new fan to NBB or you've been with us from the start, we're raising our glasses to you in gratitude for making this whole thing possible. There's much good work we can do together and a good number of beers to share along the way! Meanwhile, check out what we've been up to the past year, and as always, we love to hear your thoughts and ideas. Visit www.newbelgium.com/sustainability to continue the conversation. **CHEERS!**

OUR PURPOSE:

To manifest our love and talent by crafting our customers' favorite brands and proving business can be a force for good.

OUR CORE VALUES + BELIEFS:

- Remembering that we are incredibly lucky to create something fine that enhances people's lives while surpassing our consumers' expectations.
- Producing world-class beers.
- Promoting beer culture and the responsible enjoyment of beer.
- Kindling social, environmental and cultural change as a business role model.
- Environmental stewardship: Honoring nature at every turn of the business.
- Cultivating potential through learning, high involvement culture, and the pursuit of opportunities.
- Balancing the myriad needs of the company, our coworkers and their families.
- Trusting each other and committing to authentic relationships and communications.
- Continuous, innovative quality and efficiency improvements.
- **HAVING FUN!**

B CORP

NEW BELGIUM IS A CERTIFIED B CORP

B Corp is to business what Fair Trade certification is to coffee and USDA Organic certification is to milk. B Corps are for-profit companies certified by the nonprofit B Lab to meet rigorous standards of social and environmental performance, accountability, and transparency.



B IMPACT REPORT	NBB SCORE	MEDIAN SCORE*
WORKERS	56	18
ENVIRONMENT	55	7
COMMUNITY	21	17
GOVERNANCE	10	6
OVERALL	142	55

*of all businesses that have completed the B Impact Assessment. 80 out of 200 is required to be eligible for certification.

BEST FOR THE WORLD

New Belgium's B Corp score is in the top 10% of all certified B Corporations in 2016, and we were honored to receive the "Best for the World" award.



COWORKERS

IN BUSINESS, PEOPLE ARE YOUR #1 ASSET

Our founder, Kim Jordan, has often said that the number one asset at the brewery is not the equipment or the building; it's the people. Inspired by Kim's previous career as a social worker, New Belgium has invested a great deal in coworker well-being because we know our coworkers spend much of their lives here and we want that to be meaningful. Happy, healthy people make better beer. With almost 800 coworkers, it is not easy to serve everyone's core needs, but we do consider it a priority and continuously explore new and better ways to tend this spirited culture.

New Belgium is 100% employee-owned, the company pays 100% of coworker health care premiums and 50% of spouse and dependent premiums, including those for same-sex couples. This year in Fort Collins, we added an on site medical clinic and staff to make both acute and preventative care more accessible and more affordable.

WELLNESS

New Belgium has a full time Health & Wellness Specialist and a Wellness Committee that give people of all fitness levels opportunities to participate in wellness activities at work. We encourage our NBB community of coworkers and families to initiate and expand healthy lifestyles at work and at home.

WELLNESS BY THE NUMBERS:

- **93** Coworkers participated in our first annual "Pow Wow 5k" during our annual retreat
- **3** on site fitness areas for coworkers
- **2** on site sand volleyball courts
- **1** on site cyclocross track
- **20** Wellness programs throughout the year for coworkers, including ski/snowboarding conditioning, meditation, circuit training, and yoga.
- **20** Minutes for the longest-held plank in the offices' plank challenge

BEST PLACES TO WORK

In 2016, we once again made Outside Magazine's list for **Best Places to Work**. We also re qualified for World Blu's list of Freedom-Centered Workplaces, a certification that's given based on coworkers' responses to a company-wide questionnaire.



COMMUNITY

PHILANTHROPY

Did you know that every time you buy a New Belgium beer, some of that money goes to a good cause? For every barrel of beer we sell, we give \$1 to non-profit organizations in your community. This adds up to over \$9 million over our 25 years! Who decides where the money goes? Coworkers from across the brewery gather together five times a year to review the applications for each category and choose who to fund.

VOLUNTEERISM

Coworkers volunteered 4,220 hours in 2016. That's a 56% increase from last year. New Belgium coworkers receive 1 hour of paid time off for every 2 hours they volunteer for a nonprofit.

2016 DONATIONS

Youth Environmental Education	\$100,247
Bicycle Advocacy	\$96,750
Smart Growth & Climate	\$122,215
Water Conservation & Restoration	\$211,500
Sustainable Agriculture	\$115,000
Community Projects	\$258,577

GREENWAYS IN NORTH CAROLINA

In 2016, New Belgium co-founded Brewing for Greenways in North Carolina, an initiative to fund greenways in Buncombe County which has raised more than \$20,000 for Friends of Connect Buncombe in 2016.



ADVOCACY

New Belgium exists, in part, to prove that business can be a force for good in the world. As a brewery, we like to bring people together. Whether it's helping like-minded friends advocate for climate policy or sharing a beer and learning about our local watershed, we're doing what we can to help a divided nation come together to secure the health of people, profits and planet for our country.

• 100 Days to Change our Ways

Collaboration is so important in advocacy. In 2016, we again partnered with Ben & Jerry's and brewed a dessert-worthy Chocolate Chip Cookie Dough beer. At dozens of pairing events across the country, beer lovers and ice cream aficionados wrote to the incoming president, urging him to make climate issues a priority in the first 100 days in office. Money from sales benefited Protect Our Winters (POW).

• Equal Pay

In 2016 New Belgium was proud to stand with leading companies throughout the country and the White House to sign the Equal Pay Pledge. As a 100% employee owned company, we know that when we take care of one another, our workplace and our businesses are healthier. We're proud to have women and men in every part of our company working side by side, earning wages that reflect our commitment to equal pay, advancement based on merit, and a spirit of community.

• Be Nice to People

With over 40 brewery partners in North Carolina we spoke out against HB2, a state policy that would discriminate against the LGBTQ community. We participated in a collaboration brew called "Don't Be Mean to People, Golden Rule Saison" a beer crafted to bring people together in the face of policy that was driving people apart.



ENVIRONMENT

5 YEAR OPERATIONAL SUSTAINABILITY PLAN

In 2007, New Belgium formalized our commitment to environmental stewardship by creating a Sustainability Management System. We set goals to reduce greenhouse gas emissions, water consumption, and waste to landfill. Our approach at the time was cutting edge. In the 10 years since we set our original goals, the scientific community has strengthened their consensus that human activity, specifically the burning of fossil fuels, is accelerating climate change at unprecedented rates.

The Intergovernmental Panel on Climate Change (IPCC) has called for carbon neutrality by 2100 to avoid catastrophic levels of climate change, and many scientists believe the deadline will be as early as 2060. With climate change being the most threatening environmental risk to our planet and our businesses (water and barley are particularly at risk for brewers), corporations and governments are being asked to set more aggressive greenhouse gas reduction goals in line with the trajectory scientists are prescribing. Science Based Targets offers guidelines for setting these goals for absolute GHG reductions.

Our Natural Resource Management Team modeled a 5-year greenhouse gas reduction strategy that would set us on the path toward achieving the Science Based Target in 2050, and estimated the cost of implementing that strategy in the short-term. However, the investment required over the next 5 years to straight-line the 2050 goals was prohibitive. We have dialed in the plan to reach these goals, just not as quickly as we had hoped. This realization emphasizes the need for businesses to support smart energy and climate policies to accelerate the technology for and affordability of renewable energy and energy efficiency innovations.



RECYCLE GLASS BOTTLES

NEW BELGIUM IS SERIOUS ABOUT RECYCLING BEER BOTTLES

Q: What is the largest contributor to New Belgium's greenhouse gas emissions?
(Hint: check out the graph on the next page!)

A: Glass contributes 38% of annual GHGs.

In 2016, New Belgium joined forces with Diageo and the Glass Packaging Institute to found the Glass Recycling Coalition. For the first time ever, businesses from across the entire glass value chain are working together to get more glass recycled to its highest and best use. Learn more at www.glassrecycles.org.

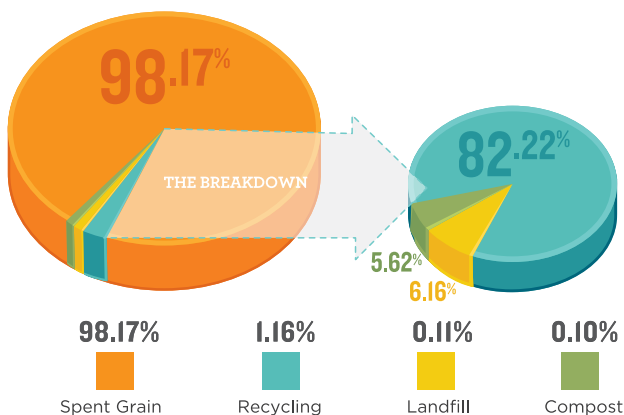
WANNA HELP?

Do your part by recycling your beer containers. Both bottles and cans are endlessly recyclable, and yet Americans landfill billions of dollars of these materials every year. By recycling these materials, we reduce GHG emissions and generate more jobs in the U.S. Can't recycle glass where you live? Tell your City officials to check out www.glassrecycles.org for support to get in the game!



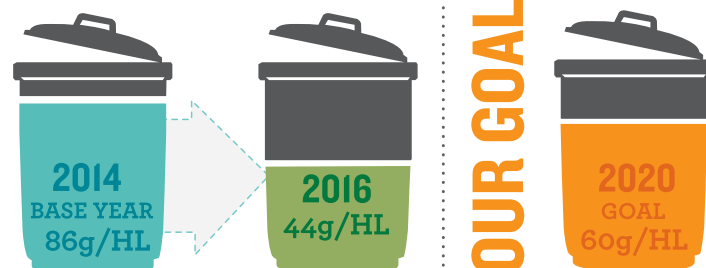
WASTE DIVERSION

NBB 2016 = 99.9% of our waste (by weight) escaped final death in the landfill! Did you know we make enough money in recycling revenues to pay for four salaries? By separating our materials like glass, paper, cardboard, metal, and shrink wrap, we're able to sell them.



LANDFILL WASTE

WASTE SENT TO LANDFILL

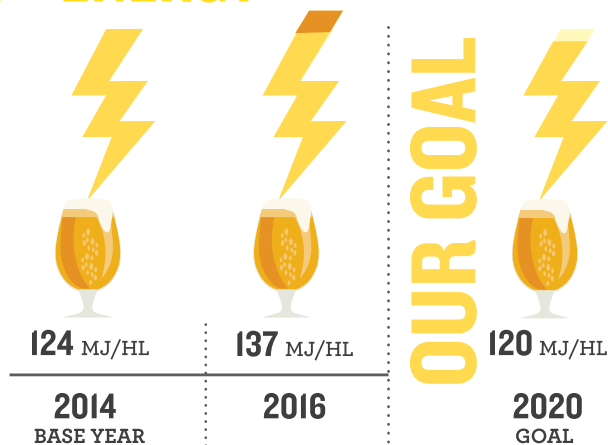


• Grams (g) of landfill waste per hectoliter (HL) packaged

MOST BREWERS HAVE A HIGH DIVERSION RATE

Most brewers have a high diversion rate because spent grain has value and rarely goes to landfill. That part is usually easy. The true measure of the effort is what happens with the remaining 2%.

ENERGY



RENEWABLE ELECTRICITY PRODUCED ON SITE



- Electricity and natural gas consumed in mega joules (MJ) per hectoliter (HL) of beer packaged

Brewers Association Benchmark > 100,000 bbls = 275 MJ/HL (234 MJ/BBL)

INTERNAL ENERGY TAX

What is an internal energy tax? New Belgium taxes ourselves for every kilowatt hour of electricity we purchase. 100% of that money funds energy efficiency and renewable energy projects around the brewery that help us reach our goals.

Beverage Industry Environmental Round table Benchmark = 123 MJ/HL (144 MJ/BBL)

WATER



- Hectoliters (hl) of water to make 1 hl of beer packaged.

ASHEVILLE HIGHLIGHT

In North Carolina (unlike Colorado), capturing rainwater at a brewery and using it for irrigation is legal! We're using that water to nourish the native plants on our new grounds. You will see Asheville data in our next report once we have a full year to report on.



Brewers Association Benchmark > 100,000 bbls = 4.58 BBL water: BBL beer

Beverage Industry Environmental Round table Benchmark = 3.65 BBL water: BBL beer



GREENHOUSE GAS EMISSIONS

SCOPE 1: 6.6%

DIRECT EMISSIONS

Emissions directly occurring from sources that are owned or controlled by the institution, including: on-campus stationary combustion of fossil fuels; mobile combustion of fossil fuels by institution owned/controlled vehicles; and "fugitive" emissions.

SCOPE 2: 7.5%

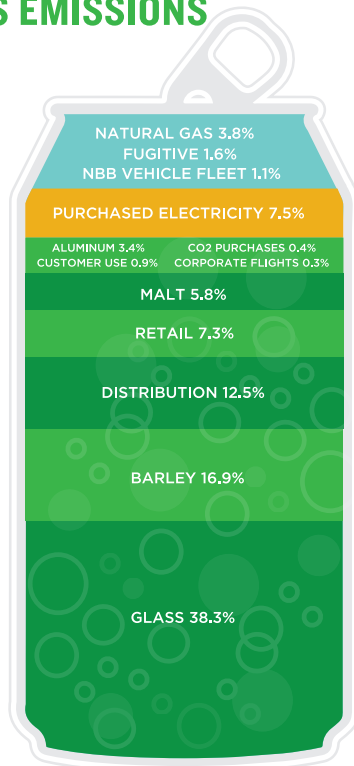
INDIRECT EMISSIONS

Indirect emissions generated in the production of electricity consumed by the institution

SCOPE 3: 85.9%

INDIRECT EMISSIONS

All the other indirect emissions that are a consequence of the activities of the institution, but occur from sources not owned or controlled by the institution



GOAL: REDUCE ABSOLUTE SCOPE 1-2 EMISSIONS BY 50% FROM 2014 TO 2050.

PARIS CLIMATE AGREEMENT

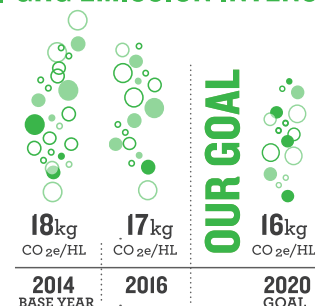
Featured in *The Guardian*, New Belgium joined nearly 400 businesses encouraging our new President to uphold the Paris climate agreement.

"The Paris climate accord is the planet's best chance to avoid the most catastrophic effects of climate change. As brewers, we are dependent upon agricultural cycles and so climate change is a direct threat to our industry. Like all businesses, we depend on economic stability.

But most importantly, as humans, climate change imperils our way of life. All the work we've done at New Belgium for the past 25 years to be environmental stewards - while at the same time growing our company - seems almost irrelevant given the prospect of US inaction. If the Trump administration walks away from efforts to protect our planet, it will be tantamount to lighting the match that finally sets it fully aflame.

Individuals, businesses, political leaders - we all need to raise our voice loudly on this. Time is running out." *-Jenn Vervier, director of sustainability & strategy*

GHG EMISSION INTENSITY



Kilograms (kg) of carbon dioxide equivalents (CO_{2e}) emitted per hectoliter (HL) of beer packaged. Scopes 1 & 2 only.