

**BEER
AS A
FORCE
FOR
GOOD**



2019 UPDATE

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BORN AND RAISED IN BYRON BAY, STONE & WOOD IS PROUDLY LOCAL AND INDEPENDENT, BREWING APPROACHABLE SESSIONABLE BEER IN THE NORTHERN RIVERS OF NSW.

Inspired by the idea of creating a village brewery and with the vision of building a conscious business, we're striving to do good in our community and support our region.

Whether you're here for a quick glance or you're keen to scratch behind the label, this report is our way of keeping our community up-to-date on where we're at and what we're up to – so, cheers for checking it out!

While some companies of yesterday give business a bad name, we believe that we can use business as a force for good – something we've contemplated from the beginning.

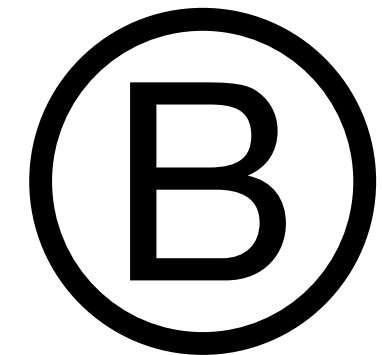
WE BELIEVE THAT WE CAN USE BUSINESS AS A FORCE FOR GOOD

For us, good means more than just the quality or the taste of the beer; it's how we fulfil our role as the local brewer and encapsulates our approach to business.

By making a profit, it allows us to do more for our communities, enabling us to contribute to positive change and pay it forward.



Certified



Corporation

As a B-Corp certified business, we're part of a global movement of businesses working to create positive impact in the world, accredited as a result of their high standard practices around the environment, community and team.

We use this score as a benchmark to review and improve the way we run our business.

Each of these communities is represented in something we call the Stone & Wood Wheel – a stakeholder model that guides all of our business decisions. We think of it like a compass that directs us toward our true north.

In the Wheel you can see each of our communities.

Community

People living in the areas where we work.

Environment

How we work with and give back to our natural environment.

Team

Our entire Stone & Wood crew.

Suppliers

Our local and national business partners.

Customers

The passionate venue-owners, bottleshops and publicans that stock our beer.

Shareholders

The owners, people who supported us in getting started and the team who own shares in the business.

Drinkers

People like you, people who love our beer!

**THE STONE & WOOD WHEEL
GUIDES HOW WE OPERATE,
COLLABORATE AND SUPPORT
OUR COMMUNITIES.**



**THE
STONE
& WOOD
WHEEL**

ENVIRONMENT

Our approach to sustainability encompasses all the inputs and outputs of the brewery, while focussing on three key areas: water, energy and waste.

Over the last couple of years, we've reduced our water and energy consumption while continuing to grow in scale. Moving forward, we'll continue to improve our efficiency and processes to capture, conserve and recycle more resources.

OUR THREE KEY AREAS FOR SUSTAINABILITY ARE WATER, ENERGY AND WASTE.



WATER

Since water is the main ingredient in beer, we're conscious of how much we use in production and throughout the rest of the brewery – we strive to use less than industry standards.

The water we use for our beer and brewery in Murwillumbah comes from the ancient caldera of the Wollumbin Volcano, also called Mount Warning, which erupted over 20 million years ago.



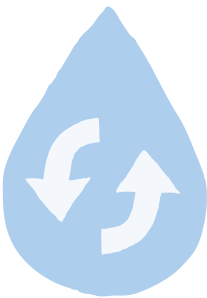
INDUSTRY STANDARD: 4.7L water per litre of beer



STONE & WOOD: 3.98L water per litre of beer

WE'RE COMMITTED TO:

- Capturing and recycling water from our bottle rinser and piping it through our refrigeration system
- Re-using cleaning chemicals recovered through a CIP system
- Collecting rainwater onsite to water our lawn and fruit trees
- Re-using treated wastewater for local farm irrigation
- Treating our wastewater with a UF-RO system for re-use



UF-RO: ULTRAFILTRATION AND REVERSE OSMOSIS

UF-RO removes all impurities from our wastewater stream to produce clean water, which we re-use in the brewery for cleaning and utilities. The water treated and produced by our UF-RO system is so clean that it's safe to drink.

ENERGY

We brew in one of the sunniest countries on Earth, so we run 400 solar panels on our Murwillumbah brewery, generating enough to power 15 households. Through this, our carbon emission reduction has been equivalent to planting 7,500 new trees.

We've also installed an energy-efficient refrigeration system that has dropped our electricity consumption by 10 per cent since 2017.

In our breweries in Byron Bay and Murwillumbah, we use gas boilers to produce steam for heat. When we upgraded these in 2017, we cut our gas usage by 20 per cent.

ELECTRICITY



INDUSTRY STANDARD: 16.2 kWh/HL



STONE & WOOD: 13.2 kWh/HL

GAS



INDUSTRY STANDARD: 126 MJ/HL



STONE & WOOD: 114 MJ/HL

**OUR CARBON EMISSION
REDUCTION HAS BEEN
EQUIVALENT TO PLANTING
7,500 NEW TREES.**

WASTE

On average, our beer bottles are made from 50 per cent recycled content, while around 50 per cent of our cardboard packaging is made from recycled cardboard.

On top of this, when China's plastic import ban started to impact Australia's recycling systems in 2017, we looked into our own waste and decided we needed to do more.

We installed our own skip bins onsite for several types of plastic, cardboard, glass and aluminium and now send these directly to the right processors. Additionally, we send back our glass waste back our supplier to be recycled into new glass.

This has helped bring down our waste-to-landfill rate to around 8 per cent; we're working toward less than 1 per cent.

CO² FOOTPRINT COMPARISON (PER LITRE)

330mL BOTTLES

375ML CANS

50L KEGS



WE AIM TO SELL 50% OF OUR BEER IN KEGS, AS THEY HAVE ABOUT HALF THE CARBON-FOOTPRINT OF BOTTLES OR CANS

LIFE CYCLE ASSESMENT

A life cycle assessment is a tool for assessing the environmental impacts of a product throughout its entire life, from the production of ingredients through to the disposal of packaging.

Through a life cycle assessment, we've found that our kegged Pacific Ale has about half the carbon-footprint of that in bottles or cans. With this in mind, we aim to sell about 50 per cent of our beer in kegs, which also ensures our customers are receiving the freshest supply.

FOR CUPS SAKE!

We live and work on the edge of the Pacific Ocean and often see first-hand the negative impacts of single-use plastic.

Besides rallying the team for beach clean-ups to do our bit locally, we're working to eliminate single-use plastic from our brewery where we can.

One way we do this is through **#forcupssake**, our re-useable cup program that we run at our local events that enables drinkers to rent and return their cups – or take them home – when they're done.

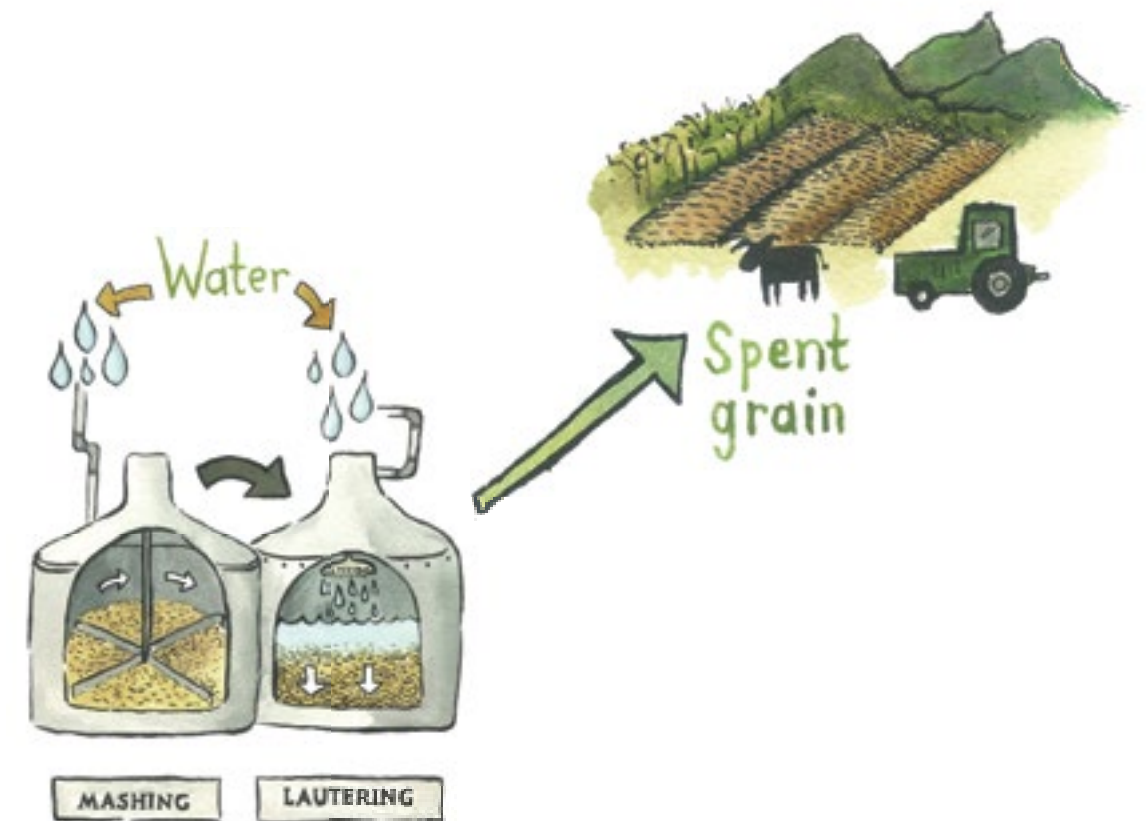
**WE'RE WORKING TO ELIMINATE
SINGLE-USE PLASTIC FROM OUR
BREWERY WHERE WE CAN.**



PARTNERSHIPS

We've also found ways to recycle our brewing waste through ongoing local partnerships.

Our spent brewers' grain is sent to farmers in the region for cattle feed, while our organic brewing waste, such as yeast and hops, is composted locally and used on Northern Rivers farms.



TEAM

Our team – across the Northern Rivers and Australia – make Stone & Wood what it is. A down-to-earth and diverse bunch who all share a love for beer, it's our mutual passion, values and community spirit that bind us together.

We place great importance in bringing the right people into the business – people who respect our vision and contribute to cultivating our unique culture.

**OUR MUTUAL PASSION, VALUES
AND COMMUNITY SPIRIT BIND
US TOGETHER.**

**OVER 70 PER CENT OF OUR
TEAM ARE PARTNERS IN THE
BUSINESS.**



EMPLOYEE SHARE PROGRAM

As an independent brewery, we're proud that we can freely pursue our vision without it being muddled by someone else's.

Through our employee share scheme, over 70 per cent of our team are shareholders in the business, which contributes to our sense of pride, accountability and ownership over what we've created and continue to build.



BREWLIFE

Our employee program Brewlife promotes a healthy work-life blend through team days and events, training opportunities and personal benefits.

Every year, full-time staff with 12 months in the business receive \$500 personal development fund to hone their talent outside work or start a new hobby, plus a \$2,500 professional development fund to develop their skills and strengths.



> In early 2019, our Gold Coast rep Patty put his personal development fund toward making his own timber bed frame with help from his mate, local woodworker Lambert Vrain.



VOLUNTEERING

Giving back is an important part of our culture, so all our crew enjoy a paid volunteer day per year. Whether it's picking up rubbish at our local beaches or hanging out with senior citizens in the area, we feel this is a great opportunity to create new connections and meaningfully offer our time and skills.



CHILDCARE

Meanwhile, with the knowledge that returning to work is often accompanied by the financial pressures of childcare, our Brewlife program offers up to \$5,000 to full-time employees, or their partners, who are returning to work within 18 months of childbirth or adoption.

COMMUNITY

From the beginning being ingrained in the community has been intrinsic to who we are, it's our responsibility to give back, pay it forward and support the people who support us.

Through donating \$1/100L and raising money through Karma Kegs and fundraising at our events we have donated over \$750,000 to environmental and social initiatives between 2013 and 2018.

**WE FEEL IT'S OUR
RESPONSIBILITY TO GIVE BACK
AND PAY IT FORWARD.**



> Profits of \$17,000 from our Festival of the Stone 2017 were directed to local conservation organisation, Big Scrub Landcare.

KARMA KEGS

We believe when it comes to giving, what goes around comes around, which is why we launched our Karma Kegs.

When a local organisation, charity or individual could use a helping hand, we donate a Karma Keg to a local pub or venue partner and direct proceeds from the keg sales directly to the cause. Locally, we donate around 110 Karma Kegs every year.



> In August 2018, when a severe drought hit NSW, we donated Karma Kegs in local pubs to raise funds to purchase 100 locally made hay bales and sent these across the ranges on our delivery trucks to Northern NSW farmers in need.

THE INGRAINED FOUNDATION

As the next step in this commitment, we established our national not-for-profit, the inGrained Foundation, in 2018 to generate funds to help charities capacity-build for future generations, in the areas where we work and live.

We donate \$1 per 100 litres of beer sold and give \$2 for every tasting paddle bought in our Tasting Room, which goes directly to the Foundation throughout the year.

Also, with the help of the community, we fundraise at our events, such as:

Murwillumbah Open Day 2019

\$25k to Wedgetail Retreat and Tweed Palliative Care

Festival of the Stone 2019

\$11k to Mullum District Neighbourhood Centre

> Our team members Lizzy and Josh collect donations for the Mullumbimby District Neighbourhood Centre at Festival of the Stone 2019.



**OUR INGRAINED FOUNDATION
HELPS GENERATE FUNDS TO HELP
LOCAL CHARITIES CAPACITY-BUILD
FOR FUTURE GENERATIONS.**



> Our inaugural Northern Rivers Large Grants Program is announced to members of our community after an inGrained Foundation Golf Day in March 2019.

NORTHERN RIVERS LARGE GRANTS PROGRAM

In 2019, our inGrained Foundation launched its inaugural Northern Rivers Large Grants Program, inviting local charities with DGR-status to apply for a grant between \$15,000 and \$30,000 to help bring their projects to life.

This funding pool of \$60,000 has supported the successful applicants, SHIFT Project, Shaping Outcomes and Bangalow Koalas, to strengthen their impact in our region.

SUPPLIERS

Wherever possible, we engage local and Australian suppliers. The Original Pacific Ale, is 100 per cent Australian-made. In fact, 85 per cent of our entire brewing ingredients and packaging materials are made in Australia.

**THE ORIGINAL PACIFIC
ALE IS 100 PER CENT
AUSTRALIAN-MADE.**



> Happy cows enjoy our spent grain at our friend Ace's farm in Federal, 20 minutes from our brewery in Byron Bay.

SUPPLIERS AS PARTNERS

Importantly, we see our suppliers as partners; they're an essential part of our story, our business and the community. In fact, many of them have grown alongside us from the beginning.

In the early days, local company Shoebridge Transport would leave us a truck on Friday nights so that our team could load them with beer over the busy weekend, while the driver would take a taxi home. Today, Shoebridge Transport continues to be one of our most important partners.

Meanwhile, Murwillumbah-based business Coastal Feeds started out composting our organic brewing waste as a trial on the vacant block beside our Murwillumbah brewery. Today, they're an entire composting and waste management business.

CUSTOMERS

Like our suppliers, many of our customers have been with us from the beginning. As more people have started drinking our beer around the country, we've developed strong friendships with these passionate publicans, venue-owners and their families.

As we continue to grow, we still sell 50 per cent of our beer within three hours of the brewery. We call this our backyard.

**WE KEEP 50 PER CENT OF OUR
BEER WITHIN THREE HOURS OF
THE BREWERY.**

**WE'RE COMMITTED TO BREWING
QUALITY BEER THAT'S SIMPLY
GOOD TO DRINK**



> Our team members Sam and Viren enjoy a cold one at the Beach Hotel, the venue that inspired our Pacific Ale.

For us, everything you've just read is what inspires and drives us as a business and as a team; working together with a common purpose is what gets us out of bed every day.

We feel it's a privilege to be able to brew good beer everyday, give back to our local community, continue to work on ways to reduce our impact through working with our suppliers, connect with our drinkers and create a great workplace for our team. It's our vision to continue adding value to all of the stakeholders that make up the Stone & Wood Wheel as we grow sustainably into the future.

This is how we see that we can use beer as a force for good.

Cheers.



BORN & RAISED IN BYRON BAY
BREWED AND BOTTLED IN THE NORTHERN RIVERS
stoneandwood.com.au

