



## **The Beer Store Responsible Stewardship 2020**

# ***Our Key Role Within a Sustainable Network***

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# EMPTYES EXCHANGE

WE WERE GREEN  
BEFORE GREEN WAS COOL.

RECOGNIZED WORLD CLASS LEADER IN RECYCLING.

# Message from the *President*

Welcome to The Beer Store's 2020 Responsible Stewardship Report. 2020 has truly been a year like no other, with social, economic, and medical impacts of the COVID-19 pandemic affecting lives across the world. Despite the challenges many have faced this year, the response from our communities in support of their members has truly amazed us. I have also never been prouder of our staff, who not only quickly adapted to ensure we maintained the highest level of safety for our fellow coworkers and customers, but went even further this year to support our local communities through organizing and supporting bottle drives to raise funds for families and local health organizations.

The title of our report this year is "Our Key Role Within a Sustainable Network." This year more than ever, it has been clear how interdependent our lives are, and how the decisions and actions we make as individuals and organizations play a key part in broader systems, and how sensitive to change these systems can be. The role The Beer Store has in promoting a sustainable beer industry in Ontario has always been clear, but this year we were especially reminded of the part we play on a larger scale. Since 1927, we've been working on behalf of the brewers to maintain a container collection system that supports reuse and recycling. Brewers who produce product in reusable containers rely on our deposit system to provide a consistent flow of containers, reducing their need to source new bottles and cans for production. Further, the deposit material we collect and sort for recycling is used as higher end feedstock

to create new products. Recycled beer, wine, and spirit bottles are broken down and can be repurposed into new glass containers for all food and beverage packaging or into fibreglass insulation to keep homes warm. Aluminum beer and cooler cans returned through our system are melted down to create new beverage and food cans. The cardboard case you purchase your beer in is recycled to create new cardboard boxes that can be used in a wide array of industries such as home deliveries.

As you can see, our return system plays a key role in a vast network that goes beyond beer. This entire chain is able to operate the way it does thanks to our wonderful customers and staff who participate in making our return system a success year after year, and for that, we extend our sincere gratitude. As we look forward, we remain hopeful that better days lie ahead, but confident that Ontarians will continue to demonstrate resilience and kindness regardless of what the next year brings.

Wishing you and your families the best,

Ted Moroz



***Ted Moroz***  
**PRESIDENT**

# Responsible Stewardship

## *Summary Results*

Summary Results	Beer Store Containers	Ontario Deposit Return (ODRP) Containers
Containers Collected	1,353,314,601	415,547,390
Tonnes Diverted from Disposal	167,367	97,924
Recovery Rate (%)	77%	69%
Glass Bottle Reuse by Brewers (Tonnes)	105,651	-
Weight of Material Recycled in 2020 (Tonnes)		
Coloured Glass	22,750	59,004
Clear Glass	10,671	34,956
Aluminum Cans	12,493	3,092
Corrugated Cardboard & Boxboard	14,670	-
PET Products	-	872

## Sale Locations

as of December 31<sup>st</sup>, 2020

#	Type Of Location
431	Beer Store Locations (includes 4 Beer Store locations that do not accept empty returns)
345	On-site Brewery Stores (beer containers only)*
399	Beer Store Retail Partner Stores & LCBO Convenience Outlets
673	LCBO Stores*
445	Grocery Stores
594	Ontario Winery Retail Stores*
59	Ontario Distillery Retail Stores*
18,144	Licensed Establishments (bars, restaurants, etc.)*
<b>21,090</b>	<b>Total Beverage Alcohol Sales Locations</b>

## Redemption Locations

as of December 31<sup>st</sup>, 2020

#	Type Of Location
427	Beer Store Locations
345	On-site Brewery Stores (beer containers only)*
399	Beer Store Retail Partner Stores & LCBO Convenience Outlets
3	LCBO Stores
84	Beer Store Contracted Empty Bottle Dealers
<b>1,258</b>	<b>Total Beverage Alcohol Container Redemption Locations</b>

*\*Figures from LCBO and AGCO*

# **Our Commitment to** *Sustainability*

The Beer Store is a brewer co-operative based in Ontario that over 200 brewers participate in. In addition to operating over 400 retail stores dedicated to the sale of beer, we also assist brewers in storing and delivering their products across the province to thousands of retail stores and licensees, such as restaurants, bars, or special event venues. With beer as our specialty, we take pride in the work we do by providing quality customer service to Ontarians, ensuring responsible sales, and prioritizing health and safety.

Given our role in the beer industry in Ontario, we believe in the importance of promoting environmental sustainability, which is why we've made environmental leadership one of our core values. As millions of beer containers are sold through our system every year, a key focus of our operations is responsibly managing what happens to these containers once they are empty. To prevent this material from ending up in landfill, we integrated a deposit return system into our business when we first opened our doors in 1927, which we still successfully run today. With a deposit added to the sale of every bottle, can, and keg sold in our system, customers have an environmental as well as a financial incentive to return these containers to an authorized TBS return site, where they receive the full deposit value back. This system allows us to collect back the majority of the containers we sell and ensure that where they go next supports a sustainable system.

For refillable containers, this means being washed, sanitized, and filled right back up with beer. Our return system was built around the industry standard refillable bottle, or ISB, which is a sturdy, amber bottle designed to withstand numerous uses and that is shared by multiple brewers. Some brewers in our system elect to use other forms of refillable containers, such as unique refillable bottles or kegs, which we also collect, sort, and return to their respective brewers. Refillable containers play a crucial role in support of a sustainable beer industry, as they reduce the natural resources and energy associated with





container production.

Any containers and packaging sold within our system that are not reusable are sent for recycling once returned to us. Because our staff are trained to process the containers and packaging into their individual streams immediately upon receipt, this reduces cross-contamination of material types and results in maintaining valuable inputs for unique recycling streams. Cross-contaminated material is more difficult and costly to recycle and often this material can only be used for low-end recycling purposes, where the recycled content is used to create a product of lower quality than the original input. As such, manufacturers of food and beverage containers depend on reliable and consistent deposit return systems such as ours, as these sources are able to provide continuous flows of

high-quality material for recycling, reducing the need for virgin materials. The materials recycled through our system are not only able to create new beer containers, but can also be used to create other containers and packaging used for food and beverage products in general, so the success of our system is not only integral to the beer industry in Ontario, but for numerous industries essential to our daily lives.

The Beer Store's comprehensive system of distribution, sale, and container recovery has played a key role in promoting sustainable networks across North America. The charts below outline the results of our returns program for 2020 by detailing the containers and packaging sold and returned.

Table 1

## The Beer Store Container Sales and Recovery by Container Type

January 1<sup>st</sup>, 2020 – December 31<sup>st</sup>, 2020

Container Type	Beer Store Sales (units)	LCBO Sales (units)	Returns (units)	System Recovery Rate (2020)	System Recovery Rate (2019)
All Glass Bottles (Refillable and Non-Refillable)	500,725,201	103,770,884	540,822,431	89%	94%
Refillable Bottles (Industry Standard Bottle (ISB) and Non-Standard)	407,196,929	47,489,358	429,958,048	95%	97%
Non-Refillable Bottles	93,528,272	56,281,527	110,864,383	74%	83%
Metal Cans	733,161,850	419,698,391	811,896,389	70%	81%
Kegs	537,286	-	595,780	111%	103%
<b>Total (by Units)</b>	<b>1,234,424,337</b>	<b>523,469,275</b>	<b>1,353,314,601</b>	<b>77.0%</b>	<b>86.7%</b>

Table 2

## Secondary Packaging

January 1<sup>st</sup>, 2020 – December 31<sup>st</sup>, 2020

Packaging Type	Beer Store (Tonnes Sold)	LCBO (Tonnes Sold)	Total (Tonnes Sold)	Recovered Tonnes (2020)	Recovered Tonnes (2019)
Corrugated/Boxboard*	14,366	4,436	18,802	14,670	19,835
Metal	1,057	257	1,315	146	158
Plastic	514	294	808	789	894
<b>Total</b>	<b>15,937</b>	<b>4,987</b>	<b>20,925</b>	<b>15,605</b>	<b>20,887</b>

Note:

\*'Tonnes Sold' reported at both The Beer Store and the LCBO is the packaging associated with the sale of beer products only. 'Tones Recovered' reflects all packaging returned to The Beer Store, including non-beer packaging. Province-wide measures that began in March 2020 in response to the COVID-19 pandemic impacted container and packaging recovery in 2020.



**“ Given our role in the beer industry in Ontario, we believe in the importance of promoting environmental sustainability, which is why we’ve made environmental leadership one of our core values. ”**



# Taking Action

**While we commit to reusing or recycling the containers and packaging associated with our business, our efforts don't stop there. With environmental leadership as one of our core values, we are always looking for ways to continuously improve as an environmental steward in every aspect of our business.**

## **Supporting our employees and customers during COVID-19**

Our focus this year was to maintain high levels of safety for both our customers and staff, while still providing the services our customers and brewers depend on. Early in the year, we created a COVID-19 task force to monitor the ever-evolving situation and provided quick responses to ensure the continued safety of our employees and customers. The following are a few of the changes we made to our operations this year to continue safely operating our returns program and promoting a greener Ontario:

- At the outset of the pandemic being declared, we paused empty container collection at all of our retail locations. This gave us a chance to acquire sufficient inventory of PPE to resume operations. As preparations were finalized, we slowly began to re-open empty container collection in stages.
- While we began re-opening empty container collection, our distribution centres opened to the public and a drive-thru system was established to accept empty container returns with minimal contact. This provided customers with an alternative return method while we facilitated an orderly re-opening of our recycling program.
- We also worked to create a new empty return policy to reflect new measures that maintain standards for customers and staff, and to provide consistent updated direction on empty returns procedures across all our retail locations in the province. We worked closely with our health and safety specialists, the UFCW Local 12R24, our retail, distribution, and corporate employees, and business partners to identify concerns and provide solutions to ensure high levels of safety while still ensuring that all material be recycled through high-value streams. We'll continue adapting our business to better meet the needs of our communities and employees.
- This year we also piloted a program to provide delivery of beer and pick-up of empty containers for our senior citizens in the Whitby and Brampton areas.
- Many of our stores also designated areas for customers to have the option to drop off their returns for donation, allowing customers a fast and easy way to return their containers and give back to their communities.

## Continuous Growth & Efficiency



### Reusable Bags

Starting in January 2020, TBS discontinued providing single-use plastic bags across all of our retail locations. Instead, we now offer an all-new reusable bag as an alternative for customers to purchase, in addition to newly designed paper bags and 8 pack carriers made from 100% recycled materials. While The Beer Store continues to accept plastic bags used in the return of containers for recycling, we believe that reduction is an important aspect of environmental sustainability and encourage all our customers to use reusable bags or boxes when purchasing their beer and when returning empty containers.

### Upgrading Our Stores

Since beer is our speciality, keeping products cold is an important aspect of our business. With sustainability in mind, to date, we've upgraded the refrigeration system in 51 stores, completely replaced the refrigeration in 13 stores, and installed several air curtains to prevent the mixing of hot and cold air. These upgrades help us to increase efficiencies while still delivering fresh, cold product.



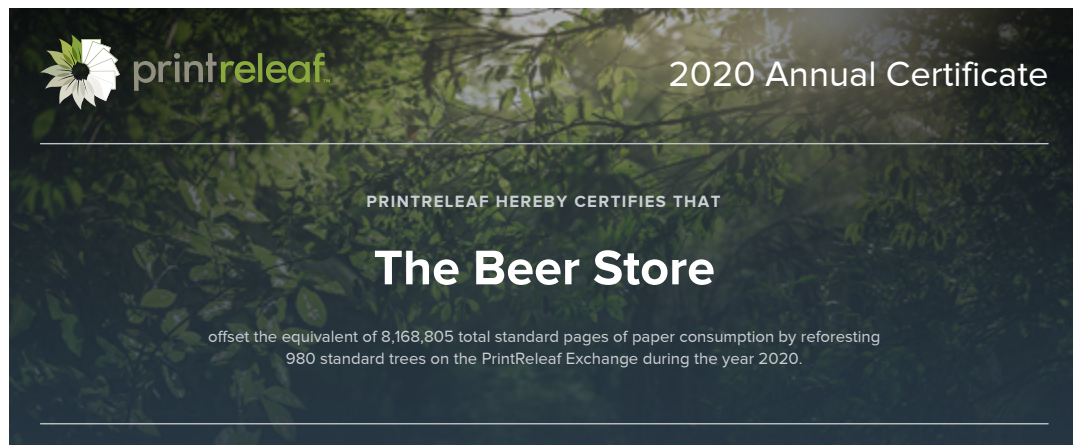


IMAGE:

Certification from PrintReleaf stating the total pages of paper used by TBS in 2020, and the equivalent number of trees reforested to offset the consumption.

## Lexmark Sustainability Program

2020 marked the second year of our involvement with the Lexmark Sustainability Program. Toners used at our retail, distribution, and corporate locations are collected once empty and returned to Lexmark, where they are recycled into new toners or other products. We also participate in Lexmark's Print Releaf program, which tracks our paper consumption and enlists replantation experts to replant the amount of trees equivalent to our consumption. In 2020, 980 trees were replanted. To date, we've replanted over 1,900 trees.

## Transportation Efficiency

This year, we expanded a co-delivery program with the LCBO that has been running since 2018. By delivering wine, spirits, and coolers on our trucks along with our products, we are working collaboratively to reduce the amount of beverage alcohol delivery trucks on the road and improve efficiency. Select grocery and liquor convenience outlets in Whitby, London, Windsor, and Thunder Bay now receive consolidated deliveries.



## Recognition



### **2020 Canada's Greenest Employers**

The Canada's Greenest Employers competition, organized by Canada's Top 100 Employers project, recognizes organizations where environmental awareness plays a key part across the business. This year, The Beer Store and Brewers Distributors Ltd. are proud to have won this designation, as well

as being recognized as one of Canada's top employers for recent graduates. With Environmental Leadership as one of our core values, our employees across all divisions are consistently working to identify ways where we can operate more sustainably, while continuing to support and encourage the success of our deposit return program, while also achieving outcomes that support our customers' desire to re-use and recycle responsibly.

# Ontario Deposit Return Program *Results*

The Ontario Deposit Return Program (ODRP) was started in 2007 by the Ontario government to create a deposit return program for wine, spirits, and cooler containers. Consumers pay either a 10- or 20-cent deposit on the containers purchased in Ontario, which is fully refundable at any TBS authorized return location. The Beer Store has been contracted by the Ontario government to collect, sort, and ship these containers, and to ensure that all containers collected are sent for high-value recycling. The ODRP has demonstrated its success in preventing wine, spirit, and cooler containers from going to landfills, reducing the number of bulky containers that go through municipal recycling streams, and by providing consumers a convenient and streamlined system for the return of all beverage alcohol containers.





## ODRP Sales, Deposit Value by Container Type, & Market Share

January 1<sup>st</sup>, 2020 – December 31<sup>st</sup>, 2020

Table 3

ODRP Containers*	Deposit Value	Sales (Units)	Sales Distribution**	Sales by Material Type
Glass containers less than or equal to 630ml	\$0.10	53,093,171	8.8%	45.6%
Glass containers greater than 630ml	\$0.20	221,700,568	36.8%	
Aluminum or steel cans less than or equal to 1L	\$0.10	285,338,997	47.4%	47.4%
Aluminum or steel cans greater than 1L	\$0.20			
Tetra Pak and Bag-In-Box containers less than or equal to 630ml	\$0.10	1,518,032	0.3%	2.4%
Tetra Pak and Bag-In-Box containers greater than 630ml	\$0.20	13,005,954	2.2%	
Polyethylene Terephthalate (PET) or plastic containers less than or equal to 630ml	\$0.10	16,843,621	2.8%	4.6%
Polyethylene Terephthalate (PET) or plastic containers greater than 630ml	\$0.20	10,688,772	1.8%	
Total		602,189,114	100.0%	100.0%

\* Containers larger than 100 ml qualify for deposit return refunds under the program.

\*\* Figures may not sum to 100% due to rounding.

## ODRP Containers: Sales & Recovery

January 1<sup>st</sup>, 2020 – December 31<sup>st</sup>, 2020

Table 4

Container Type	Sales in Units*		Returns in Units		Recovery Rate					
	Small Containers	Large Containers	Small Containers	Large Containers	Small Containers (2020)	Small Containers (2019)	Large Containers (2020)	Large Containers (2019)	Combined (2020)	Combined (2019)
Glass	53,093,171	221,700,568	38,410,560	160,133,334	72%	78%	72%	87%	72%	85%
PET	16,843,621	10,688,772	6,514,476	6,185,729	39%	44%	58%	72%	46%	53%
Tetra/BIB	1,518,032	13,005,954	193,796	3,160,853	13%	17%	24%	28%	23%	27%
Subtotal	71,454,823	245,395,294	45,118,831	169,479,915	63%	69%	69%	83%	68%	79%
Cans	285,338,997		200,948,643						70%	78%
Grand Total	602,189,114		415,547,390						69%	79%

\*Domestic distillery container sales reporting no longer submitted to LCBO.

# Combined Environmental Performance Results

The following table demonstrates the avoided GHG emissions and energy consumption as a result of the containers reused or recycled through The Beer Store's container collection program and the Ontario Deposit Return Program.

Table 5

## The Beer Store & ODRP Disposal Diversion Estimated Avoided GHG Emissions & Avoided Energy Consumption (2020)

January 1<sup>st</sup>, 2020 – December 31<sup>st</sup>, 2020

	Glass Reuse	Clear Glass Bottle Recycling	Coloured Glass Bottle Recycling	Aluminum Recycling	Steel Recycling	PET Recycling	Mixed Plastic Recycling*	Total Diversion
<b>Beer Store Tonnes Diverted</b>	105,651	10,671	22,750	12,493	146	-	986	152,696
<b>ODRP Tonnes Diverted</b>	-	34,956	59,004	3,092	-	872	-	97,924
<b>TOTAL Tonnes Diverted</b>	105,651	45,627	81,754	15,584	146	872	986	250,620
<b>Avoided GHG Emissions (MTCO2E)</b>	40,147	5,019	4,497	150,546	173	3,172	3,590	207,145
<b>Avoided Energy Consumption (GJ)</b>	718,429	76,654	89,111	1,361,459	1,835	74,353	84,136	2,405,978

Figures in table may not add to the total due to rounding.

\* "Avoided GHG" and "Avoided Energy" coefficients for PET Recycling used for Mixed Plastic figures.

Source for avoided energy and emissions multipliers: Determination of the Impact of Waste Management activities on Greenhouse Gas Emissions: 2005 Update Final Report, ICF Consulting for Environment Canada & Natural Resources Canada, October 2005 and GHG Calculator for Waste Management, Update Oct 2009, ICF Consulting for Environment Canada. Multipliers for avoided GHG Emissions (eCO<sub>2</sub>/tonne) used were 0.38 for glass reuse and 9.66 for aluminum recycling. Avoided GHGs from glass bottle reuse (0.38) is not presented in the Determination of the Impact of Waste Management activities on Greenhouse Gas Emissions: 2005 Update Final Report. This multiplier was provided in the previous version of the report from 2004. Pollutant reductions associated with recycled versus virgin aluminum production and glass production from Weitz, Keith A. et al. 2003. Life-Cycle Inventory Data Sets for Materials Production of Aluminum, Glass, Paper, Plastic and Steel in North America. Report prepared by RTI International for the U.S. EPA, Office of Research and Development. EPA-600/Q-03-001. Research Triangle Park, NC.





# Community *Involvement*



Ottawa DC teamed up with OSEG to raise funds for Ottawa Food Bank.

## **Fundraising for Health Centres and Food Banks**

In response to the COVID-19 pandemic, The Beer Store facilitated empty container donations to raise money for local food banks and health centres that were selected by staff as important to their local community. Thanks to the generosity of our customers, \$2.3 million has been donated to approximately 165 charities through this initiative. “We thank the people of Ontario for their incredible generosity. To donate their returns in such large numbers clearly demonstrates how much they want to show their support for people working at local Health Centres and Foodbanks,” said TBS president Ted Moroz. Here are some of the stores and communities that went above and beyond to help others in this effort:

- The Georgetown community demonstrated an incredible achievement this year, as over \$107,000 was raised for the Georgetown Hospital Foundation through TBS Store 2008.
- TBS stores in the Niagara region collectively raised over \$140,000 for the Niagara Health Foundation through monetary and empty container donations.
- Approximately \$118,000 was raised for the Grand River Hospital through TBS stores in the Kitchener area.
- The Guelph General Hospital received over \$123,000 in donations, thanks to the generous donations of our customers at nearby TBS stores.
- Several stores in our GTA Central district worked together to raise roughly \$100,000 for the Newmarket Southlake Regional Health Centre.



## Community Run Bottle Drives

Despite the many challenges Ontarians faced this year, the community support we've witnessed across the province has been remarkable. A number of individuals and groups recognized need for support this year and in response organized their own local bottle drives. Organizers were blown away by the generosity of their community members and were able to generate a substantial amount of empty container donations. Our Distribution Centre employees were there to help sort and pick up the donations for drives where organizers struggled to handle the volume of returns that were generously donated, and to witness the hard-work and dedication that was involved to drive these initiatives run by local residents to help local communities. While we wish we could share every story of the heart-warming generosity of our communities, here are a few highlights:

- The TBS London DC assisted with an enormous fundraiser for a local community member who was diagnosed with a very aggressive form of cancer. The value from the empties picked up totalled over \$50,000.
- The London community was on a roll this year, as our DC team helped out another massive fundraiser that took place here. A local family organized empty donations for the London Health Sciences Foundation's COVID-19 Response Fund, where they were amazed to have received about 20 times the donations they were expecting.
- The Silver Willow Farm Rescue Fundraiser was a huge success, collecting enough empty donations that our Brampton DC needed to send 4 trucks pick them all up.



IMAGE:  
Empties collected for Rock for Our Jack, fundraising for a young Stittsville boy born with CHARGE syndrome.



IMAGE:  
Empties at a warehouse in Mount Brydges from a bottle drive in support of Hunter Weston.



IMAGE:  
Whitby DC with empties collected for Leukemia Bottle Drive.

## **Leukemia & Lymphoma Society of Canada**

TBS stores across Ontario raised over \$625K for the Leukemia & Lymphoma Society of Canada this year thanks to the generous donations of our customers. The LLSC is an important organization that leads research projects dedicated to finding a cure for leukemia, lymphoma, Hodgkin's disease and myeloma, and provides support for those affected by blood cancers and their families.

As well, for several weekends every year, TBS employees volunteer at the Mosport raceway to collect empty container donations in support of the LLSC. While the races were cancelled this year due to the pandemic, it did not stop the generosity of our employees, who instead organized a multi-weekend bottle drive. They were able to collect over \$8,000 in donations to support those affected by blood cancers.

## **Habitat for Humanity**

TBS employees in the GTA and Oshawa Districts devote their efforts every September to raising monetary and empty container donations for Habitat for Humanity. This year, they raised over \$100,000 to support the organization in increasing access to community and affordable housing to those in need.

## **Renewed Computer Technology of Ontario**

This year, we began recycling our unused IT assets through the Renewed Computer Technology of Ontario. This organization, with the help of youth interns, renews the donated items so they can be distributed to low income families, schools, and charities in need of technology. The benefits of this program are numerous, as it prevents e-waste from going to landfill, provides education to youth interested in IT, and increases access to technology for those who need it most.

# *Sponsorships*

## **Recycling Council of Ontario**

The Recycling Council of Ontario is a leading organization in the world of environmental sustainability, whose goal is to educate Canadians on the importance of waste reduction and management and how to use resources more efficiently. This year, the RCO announced the start of their transition to the Circular Innovation Council, an effort to better represent the full scope of what the organization offers. The Beer Store has worked closely with the RCO in the past to build and improve on our sustainability goals and looks forward to continuing this work with the Circular Innovation Council to further advance the circular economy in Canada.



IMAGE:  
Sample of social media posts promoting the importance of the TBS deposit return system for the Canadian food and beverage industry.



# Promotional & Educational *Activities*

## Waste Reduction Week

TBS is proud to be an ongoing sponsor of Waste Reduction Week, which is held by the Recycling Council of Ontario (RCO) annually. The goal of Waste Reduction Week is to showcase the results of year long support of the circular economy, waste reduction, and resource efficiencies. The Beer Store has been practicing the core values of a circular economy since its inception in 1927, through the promotion of reusable containers and ensuring the reintegration of single-use materials into production of new material. As the “Circular Economy Monday” sponsor for Waste Reduction Week, The Beer Store, with the RCO, used social media to promote the concept of a circular economy and how deposit return systems are integral to this model.

To further promote WRW, The Beer Store’s Head Office lit up blue and green in celebration of the campaign, in conjunction with several local landmarks, including the CN tower, Niagara Falls, the City of Brampton Clocktower, and many more!



IMAGE:  
The Beer Store was the lead partner for Waste Reduction Week in 2020.

## Social Media

TBS dedicated several social media campaigns to promote beverage alcohol container returns throughout the year. Messaging was shared around the impact reuse and recycling has on reducing harmful emissions, how deposit return systems contribute to a circular economy, and how numerous containers returned through The Beer Store's return program are put to reuse. We shared information on best return practices to simplify the process and help customers save time while returning. In response to the events of this year, we also shared messaging and statistics related to the importance of recycling for keeping the Canadian food and beverage industry moving by providing consistent and necessary inputs for recycled content within containers and packaging.

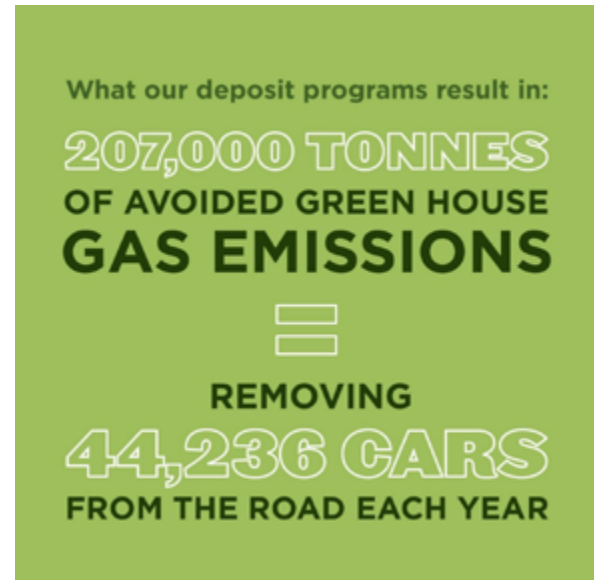


IMAGE:  
Sample of social media posts promoting the importance of the TBS deposit return system for the Canadian food and beverage industry, and the avoided greenhouse gas emissions as a result of our deposit return program.

## Restaurants Canada Trade Show

In February 2020, the TBS team ran an informational booth at the Restaurants Canada Trade Show in Toronto. The event is targeted towards restaurants, bars, chefs, and suppliers. As licensees across Ontario handle numerous beverage alcohol containers, the TBS team came to promote our returns system and the ODR program, to remind licensees of the economic and environmental benefits of working with our distribution teams to return program containers.

## Earth Day 2020

Like many other events, the celebration of Earth Day looked a little different this year. In light of this, to celebrate Earth Day despite being physically disconnected, our corporate staff remained both socially and environmentally connected by sharing the ways they connected with nature, found happiness from being in nature, or found joy in other new (socially distanced) ways. Some of our employees shared encouraging messages that they found painted on rocks in their communities. Others took this opportunity to promote the messaging of reuse, starting projects to repurpose old items, such as toys, into valuable new uses to share with their families and friends. Overall, our staff took this time to step back and appreciate the natural world around them and to consider the ways we can reduce our impact on the environment.



## EARTH MONTH 2020

IMAGE:

Collage containing quotes from TBS staff on ways they connected with nature in 2020.



my social distance on top of  
Winnipeg ...the sunrises and  
ever cease to amaze."



B  
BEER  
STORE

"...I've enjoyed many walks  
the last few weeks. I  
especially enjoy the painted  
rocks that line the pathway  
with illustrations and  
messages of hope."



"I restore my old toys and give  
them new homes to kids in my  
neighborhood."

up the yard and re-purposing  
the car parts, preventing them  
from ending up in landfill."



"I hiked along Georgian Bay shores. It's a treat because  
it's something I never get to do on a weekday."



"Enjoying a bike ride amongst  
the Halton Hills escarpment!"



"My family has started to pickle things like onions  
and cabbage to make kimchi. We can keep food  
longer and prevent food waste. It's tasty too!"



Rachel Morier  
Director, Sustainability  
Brewers Retail Inc.  
5900 Explorer Drive  
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## **RE: Specified Procedures with respect to The Beer Store Stewardship Report**

As specifically agreed with Brewers Retail Inc. (the “Company”), we have performed specified procedures on select information within The Beer Store’s (“TBS”) 2020 Stewardship Report (the “Report”) for the period January 1, 2020 to December 31, 2020. These procedures were performed solely to assist management and the audit committee of the Company to meet the reporting requirements under Section 69 (3) of the Waste Diversion Transition Act 2016, c.12 (the “Act”).

The following procedures were completed with respect to the following container types: All Glass Bottles (Refillable & Non-Refillable), Refillable Bottles (Industry Standard Bottles and Non-Standard), Non-Refillable Bottles, Metal Cans, and Kegs (collectively, the “Container Types”). For each Container Type, the amount in Table 1 of the Report were compared to the tables contained in the 2020 Calendar Year Audit of Beverage Container Recovery Methodology and Results Report (the “MRR”) - Part A file prepared by the Company and not included in the Report.

### **A. Information in the Report in Table 1: The Beer Store Container Sales and Recovery by Container Type (Table 1)**

1. We compared the units for The Beer Store sales, Liquor Control Board of Ontario (“LCBO”) sales, and Returns by Container Type (except All Glass Bottles (Refillable and Non-Refillable)) in Table 1 to the working tables A.2.1 Standard and Non-Standard Refillable Bottles, A.3.1 Non-Refillable Bottles, A.4.1 Metal Cans (aluminum & steel), and A.5.1 Kegs of the MRR;
2. We recomputed the units for The Beer Store sales, LCBO sales and Returns for all Glass Bottles (Refillable and Non-Refillable) in Table 1 by totaling the units in the detailed working table A.2.1 Standard and Non-Standard Refillable Bottles and A.3.1 Non-Refillable Bottles of the MRR;
3. We recomputed the System Recovery Rate for 2020 for each container type in Table 1 by dividing the Return units in Table 1 by the sum of the Beer Store sales and LCBO sales for each Container type.

The following procedures were completed with respect to the supporting summary tables contained in Appendix A - Sales by Package Calendar 2020 (Appendix A), Appendix B - LCBO Sales of TBS Products Calendar 2020 (Appendix B), Can Settlement Calendar 2020 (Can





Settlement), C20 Package Sales and Volume by Type of Sale Schedule (C20 Schedule by Type), and related supporting tables prepared by the Beer Store.

## **B. Information in the supporting summary tables**

4. We compared the Beer Store sales, LCBO sales and Returns units in tables A.2.1 Standard and Non-Standard Refillable Bottles and A.3.1 Non-Refillable Bottles, and A.5.1. Kegs of the MRR to Appendix A;
5. We compared the Beer Store sales, LCBO sales, and Returns units in the detailed working table A.4.1 Metal Cans of the MRR to the Can Settlement

## **C. The Beer Store sales units**

6. We re-computed the total sales units for each Container Type (excluding Metal Cans) in Appendix A by summing the sales units for the respective size names within each container type;
7. We recomputed the total sales units (excluding Metal Cans) in Appendix A of the respective size names by multiplying the number of packages of each size name sold by the number of units in the package;
8. We compared the sales for the respective size names (excluding Metal Cans) in Appendix A to the C20 Schedule by Type;
9. We compared the total Beer Store sales units in hectoliters from the C20 Schedule by Type to Appendix A prepared by the Company;
10. We recomputed the total sales units for Metal Cans in the Can Settlement as the sum of the sales units;
11. We recomputed the total sales units of Metal Cans in the Can Settlement by multiplying the number of sales by 12;
12. We compared the sales for Metal Cans in the Can settlement to the Report.

## **D. LCBO Sales Units**

13. We compared the LCBO sales units in Appendix A (excluding Metal Cans) to Appendix B which contains the calculation of Beer Store sales (net of the Beer Store sales direct to the LCBO) and LCBO sales;
14. We recomputed the total sales units for each Container type in Appendix B by summing up sales for the respective size names in hectoliters and dividing by the size of the respective containers within each container type;
15. We compared the sales for the respective size names in Appendix B to schedules of LCBO sales volume for import and domestic sales by size and name (LCBO Sales Schedules).



## E. Return Units

16. We recomputed the total returns by Container type (excluding Metal Cans) by summing up the number of units by individual size names;
17. We compared the total number of packages returned by Container type (excluding Metal Cans) with the total number of packages returned as contained in the TBS Returns CY20 schedule prepared by The Beer Store.

As a result of applying the above procedures, we found no exceptions. However our procedures do not constitute an audit of the Report, Table 1, the MRR or any of the supporting summary tables and schedules for the year ended December 31, 2020, and accordingly we do not express an opinion or provide any form of assurance on the Report, Table 1, the MRR or any of the supporting summary tables and schedules. Had we performed additional procedures, or had we made an examination of the Report, Table 1, the MRR or any of the supporting summary tables and schedules, other matters might have come to our attention that would have been reported to you. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Accordingly, we make no representations regarding the sufficiency of these procedures either for the purpose for which this report has been requested or for any other purpose.

This report is intended solely for the information and use of the audit committee of the Company, management and the Resource Productivity and Recovery Authority (RPRA) in connection with the reporting requirements of the Act and should not be used for any other purpose. Any use that a third party makes of our report, and any reliance or decisions made based on it, are the responsibility of such third party. We accept no responsibility for any loss or damages suffered by any third party as a result of decisions made or actions taken based on our report.

Yours very truly,

Chartered Accountants  
Licensed Public Accountants

March 31, 2021  
Toronto, Canada