



**CARLSBERG MARSTON'S**  
BREWING COMPANY



# 2023

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



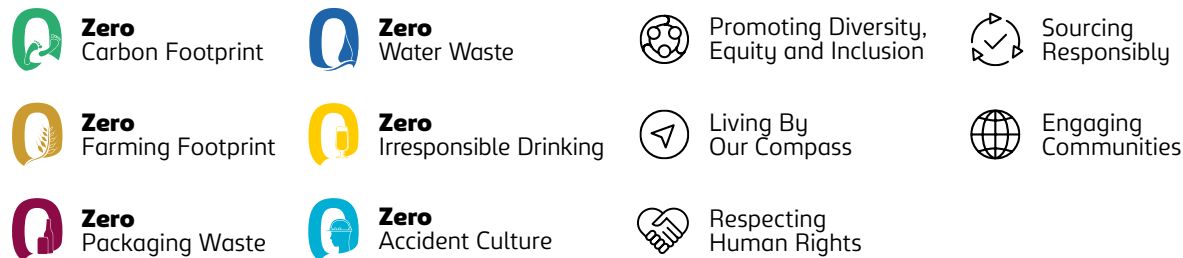
# INTRODUCTION

**WELCOME TO CARLSBERG MARSTON'S BREWING COMPANY'S ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT FOR 2023.**

**Hear from Carlsberg Group's CEO and Chair as well as CMBC's CEO on our key progress and achievements in 2023.** [Page 3](#)

**Discover how our Together Towards ZERO & Beyond ESG programme supports our business, society and the planet.** [Page 6](#)

**Learn about the progress we are making by working together with our people and partners across our 11 focus areas.** [Page 10](#)



**Explore the data summary for our Together Towards ZERO and Beyond focus areas.** [Page 27](#)

## ABOUT THIS REPORT

As a responsible business, we are committed to transparent reporting. Each year, we publish a UK report which follows the release of Carlsberg Group's ESG Report.

It is our belief that our goals and progress should be made public in this way so we can be held accountable for the actions we are taking to tackle global challenges, reduce our impact on the planet, and support the communities in which we operate. This report describes our approach to and performance on our most material ESG issues for the financial year 1 January to 31 December 2023. The brewery sites included in this report reflect the five sites in operation during 2023: Banks's Brewery in Wolverhampton, Carlsberg's Northampton Brewery, Marston's Burton Brewery, Ringwood Brewery and Wychwood Brewery.

### TELL US WHAT YOU THINK

We welcome feedback on our Together Towards ZERO programme, our progress and our sustainability reporting.

Please contact us at [sustainability@carlsberg.com](mailto:sustainability@carlsberg.com)

# MESSAGE FROM CARLSBERG GROUP'S CHAIR AND CEO

**Our purpose of brewing for a better today and tomorrow has never been more timely as we support global efforts to tackle urgent environmental and social challenges.**

Meeting our global goals, and achieving measurable results, for our climate and nature will require innovation, partnerships across the value chain, engagement with civil society and a science-based approach.

This year, we joined other corporate leaders at the Climate Week NYC to issue a global call for action to prevent uncontrolled global warming. We also emphasised the need for a transition to regenerative agriculture, at speed and scale, to restore the ecosystems that are vital for nature, society and the global economy to thrive.

To do our part, we are working to deliver on the bold ambitions set out in our Together Towards ZERO and Beyond (TTZAB) programme – from targeting a net ZERO value chain and sourcing all raw materials from regenerative agricultural practices by 2040, to replenishing all the water we consume at our breweries in areas with high water risk by 2030.

Achieving a 16% reduction in value chain carbon emissions from 2015 to 2022 globally marked a key milestone on our journey,

and this year we worked with partners to expand the use of regenerative agriculture practices in Europe and to establish water replenishment projects in Asia.

Under the leadership of a new CEO and a new CFO, we are building on the strong progress made since 2015 with steadfast commitment from Team Carlsberg to deliver on our ESG ambitions. We are continuing along the path set in 2022 and made progress across all 11 of our TTZAB focus areas in 2023. Our preliminary double materiality assessment reconfirmed that these ambitions focus our actions in the right places to address the environmental and social topics that are most material for our business.

Efforts to reinforce safe behaviours across the business helped to deliver a 25% reduction in lost-time accident rates in 2023 and we have also enhanced our focus on psychological safety and wellbeing. We have achieved our target of 30% women in senior leadership roles, and engagement amongst our people remains strong as we continue to embed a culture of inclusion, respect and compassion. We remain committed to the fair and equal treatment of people within and beyond our workforce, having reinforced efforts to respect human rights across the value chain and have enhanced transparency in this area with dedicated human rights reporting going forward.

TTZAB is integral to our business success and our SAIL'27 corporate strategy. The programme enables us to mitigate ESG risks and capitalise on opportunities for business

growth – for example, by expanding our portfolio of no- and low-alcohol brews, which now makes up 28.5% of our global sales volumes, as part of our commitment to ZERO Irresponsible Drinking. The growth of this portfolio supported broader commercial successes this year.

Regulatory scrutiny across our industry is increasing and stakeholders expect companies to take action and enhance disclosures on material ESG issues. Our performance is detailed in this report, highlighting our progress and achievements as well as key challenges and areas where we have more to do. Given the breadth of our commitments, we recognise that a tremendous amount of work lies ahead to meet all our targets.

The format of our ESG reporting will evolve next year with the EU Corporate Sustainability Reporting Directive (CSRD) coming into effect. Our commitment to transparency is unwavering, and we strive to provide our stakeholders with both financial and non-financial information that meets their needs, adds value and fosters trust.

In the face of geopolitical uncertainties, we remain committed to modelling good global citizenship and meeting the high standards we set for ourselves, our suppliers and other business partners throughout the value chain and across our markets.

As we look ahead, we see a growing role for Carlsberg Group as a leader and innovator on sustainability, building on our heritage as a pioneer and on our global reach to deliver

**“Our journey Together Towards ZERO and Beyond connects and inspires our brands, employees, suppliers, business partners, communities and consumers around the world.”**



lasting results for society, our stakeholders, our people and our business.

**Henrik Poulsen**  
Chair of the Supervisory Board

**Jacob Aarup-Andersen**  
Group CEO

# MESSAGE FROM CMBC'S CEO

**In the UK, at Carlsberg Marston's Brewing Company (CMBC), we embody our purpose of Brewing For A Better Today and Tomorrow, reflecting this ethos in every pint we brew and every decision we make.**

Amidst the shifting tides of consumer preferences and ongoing cost-of-living challenges, our commitment to sustainability and ethical practices has become even more pivotal, offering our customers compelling reasons to choose CMBC.

Nothing gives us more satisfaction than seeing people enjoy our beer with their friends and families, supporting local pubs that are a focal point of many communities across the UK, or choosing to add a few of our drinks to their weekly supermarket shop. Through our Together Towards Zero and Beyond (TTZAB) programme, they can do so with the knowledge that CMBC is taking the right actions in the right way to reduce

our impact on the planet and create positive benefits for people today, as well as in the long-term.

In our third full year as CMBC, I'm proud to share the notable strides we've taken in our journey, particularly in embedding sustainability at the core of the new, innovative projects we've delivered. This includes our exciting acquisition of French beer brand 1664, bolstering our portfolio and necessitating significant upgrades to our Northampton Brewery enhancing our production capacity, efficiency and sustainability. We've invested more than £10 million in these projects, including a second-generation machine for packaging cans using our innovative Snap Pack glue dot technology [\(read more on page 16\)](#), alongside a new laser can encoder and an improved can filler and seamer. The new packaging line will operate at twice the speed of the previous one, enabling us to fully transition our four- and six-can packs at our largest brewery into the Snap Pack format, while significantly reducing water usage and energy consumption.

Challenging financial headwinds on our business and the industry continued with inflationary pressure lingering in our economy. Unfortunately, pubs have

continued to suffer, and we have seen a sustained transition to more drinking at home rather than in pubs and bars. We made the difficult decisions to close our Wychwood Brewery from October 2023 and Ringwood Brewery from January 2024. This left us with a strong network of three breweries at the end of 2023, which we continue to invest in and support.

Across our brewery network we saw improvements leading to a 10% reduction in absolute carbon emissions and total water use down by 8.7% from 2022. We were also able to get a view of our full value chain emissions since becoming CMBC [\(see page 11\)](#). This data showed that we managed to reduce our relative emissions (per hl of beer produced) by 22% compared with 2015, another remarkable achievement.

With our new regenerative farming targets being launched in 2022, this year saw our first year working with almost two dozen farmers to start growing regenerative barley for our brews [\(see page 14\)](#). With 1,736 hectares of land area impacted through these farms – the size of 4,290 football pitches – and 686 tonnes of barley ready for brewing in 2024, I am excited to see how this project develops.

**Together, we are not only brewing beer; we're crafting a legacy of positive impact and enduring value - for a better today and tomorrow.**



# MESSAGE FROM CMBC'S CEO

While we need to drive significant change ourselves when it comes to reducing our environmental impact, we also have a role in informing and inspiring our customers and consumers to make positive choices. Our award-winning partnership with WWF **(see page 12)** has been recognised for the way in which it engaged shoppers with key sustainability issues related to water while also driving positive brand appraisal and growing sales – a truly winning formula, and a proud achievement for our business.

Similarly, the strength of our portfolio and our long-term commitment to responsible consumption and a healthier society is reflected in the excellent Alcohol-Free Beers (AFBs) we offer our customers and consumers. We expanded our portfolio in 2023 with the relaunch of Carlsberg 0.0. We

will continue to promote our AFBs, making them available across the On and Off Trade, growing AFB on draught and encouraging the responsible enjoyment of all our drinks.

Our number one business priority continues to be the health and safety of our people, our customers, and those we work with. A renewed focus on embedding our ZERO Accidents Culture **(see page 20)** is generating impressive results with lost-time accidents down by 75% year on year. Our first company-wide Health and Safety Week was a brilliant example of how we are embedding safety into the culture of our organisation.

Our progress against our ambitious Together Towards Zero and Beyond goals is of course due to the dedication of our teams and

the partnerships we have formed across the industry. From breweries to depots, customer service teams and head office, every one of us plays our part in making CMBC a better business every day. I'm proud of the progress we are making to improve the diversity of our organisation and the investments we're making in our people's wellbeing. I'm optimistic about the innovation and growth potential I see ahead and grateful for the privilege to lead an organisation filled with passionate individuals who are driving us forward. Together, we are not only brewing beer; we're crafting a legacy of positive impact and enduring value – for a better today and tomorrow.

Paul Davies  
CEO, CMBC



**Our progress against our ambitious Together Towards Zero and Beyond goals is of course due to the dedication of our teams and the partnerships we have formed across the industry.**



# TOGETHER TOWARDS ZERO & BEYOND




**ZERO**  
Carbon  
Footprint



**ZERO**  
Farming  
Footprint



**ZERO**  
Packaging  
Waste



**ZERO**  
Water  
Waste



**ZERO**  
Irresponsible  
Drinking



**ZERO**  
Accidents  
Culture

Responsible  
Sourcing

Diversity, Equity  
& Inclusion

Human  
Rights

Living By  
Our Compass

Community  
Engagement

**Our purpose is  
brewing for a better  
today and tomorrow.**

Together Towards ZERO and Beyond supports our purpose with ambitious targets and commitments across 11 focus areas to deliver positive impact for people and the planet, help us manage social and environmental impacts, and support sustainable business growth. Meeting these targets and commitments will be challenging and demands transformative change – across our operations and value chain – that we cannot achieve alone. Partnering with suppliers, customers, consumers and communities remains central to our approach as we drive progress Together Towards ZERO and Beyond.





# DRIVING PROGRESS TOGETHER TOWARDS ZERO AND BEYOND

## Our ESG programme, Together Towards ZERO and Beyond (TTZAB), is an integral part of our SAIL'27 corporate strategy to create value for shareholders and society.

The programme focuses on 11 areas we identified through an assessment of the most material ESG impacts of our business. This year, we reconfirmed the relevance of these topics through our preliminary double materiality assessment, in line with coming EU regulation which impacts our global business **(see page 93 of Group ESG Report)**. Our targets and commitments in these areas enable us to tackle global social and environmental challenges while supporting our licence to operate and our ability to brew better beers now and in the future.

The enhanced TTZAB programme, launched in 2022, builds on our pioneering Together Towards ZERO (TTZ) programme. Through TTZ we achieved significant milestones between 2015 and 2022 – including a 16% cut in our value chain carbon footprint, reported for the first time this year. With TTZAB we have expanded

the focus and reach of our programme and further raised our ESG ambitions.

A year into TTZAB, we have already taken action to support progress across our focus areas – detailed in this report – as we continue to pioneer more sustainable models for the brewing industry, and to leverage partnerships for collective action and progress.

The implementation of the programme is supported by robust governance, including oversight from our ESG Steering Committee of leaders and experts from across the business. Remuneration for our Extended Leadership Team and many other roles is linked to performance on TTZAB topics **(see page 88 of the Group's ESG Report for more on ESG governance)**.

### SUPPORTING OUR BUSINESS

TTZAB is championed by our leadership and embedded into our business strategy and value chain.

Our preliminary double materiality assessment this year **(see page 93 of the Group ESG Report)** confirmed that the TTZAB programme addresses the ESG risks and opportunities that are most material to the business financially, as well as the areas where we have material impacts on

people and the environment and how these are concentrated along the steps of our value chain.

The actions we are taking to deliver on our TTZAB focus areas help us mitigate risks and capture opportunities, including the generation of new business. For example, we are responding to growing consumer demand for no- and low-alcohol brews.

Our ESG programme also bolsters our licence to operate, boosts our reputation and strengthens our relationships with stakeholders – including our people, consumers, suppliers, customers and investors – by demonstrating our deep commitment to acting responsibly and taking positive action on ESG.

### CONTRIBUTING TO SOCIETY

TTZAB represents our response to pressing global challenges – from climate change, biodiversity loss, plastic waste and water scarcity to health concerns related to harmful alcohol consumption and safety at work. Ambitious targets for 2030 and 2040 (see next page) commit us to work towards a ZERO Carbon Footprint, a ZERO Farming Footprint, ZERO Packaging Waste, ZERO Water Waste, ZERO Irresponsible Drinking and a ZERO Accidents Culture.

Our commitments in five further focus areas encompass our ongoing efforts to promote diversity, equity and inclusion, uphold ethical business practices, respect human rights, source responsibly, and engage and give back to communities.

### TRACKING OUR PERFORMANCE

We follow robust methodologies to establish baselines for our TTZAB targets and track our performance.

Our progress, including performance highlights and key challenges, is transparently disclosed in the relevant sections of this report.

More detail on our ESG reporting data and methodologies can be found on pages 112, 113, 122 and 163 of **Carlsberg Group's 2023 ESG Report**. Select data in this report is subject to independent assurance.





ESG focus areas	Targets
<b>ZERO Carbon Footprint</b>	<b>2040</b> <b>2030</b> <ul style="list-style-type: none"> <li>&gt; <b>Net ZERO</b> value chain</li> <li>&gt; <b>ZERO</b> carbon emissions at our breweries</li> <li>&gt; <b>30%</b> reduction in value chain carbon emissions</li> <li>&gt; <b>All</b> renewable electricity must come from new assets (e.g. via power purchase agreements)</li> </ul>
<b>ZERO Farming Footprint</b>	<b>2040</b> <b>2030</b> <ul style="list-style-type: none"> <li>&gt; <b>100%</b> of our raw materials are from regenerative agricultural practices and are sustainably sourced</li> <li>&gt; <b>30%</b> of our raw materials are from regenerative agricultural practices and are sustainably sourced</li> </ul>
<b>ZERO Packaging Waste</b>	<b>2030</b> <ul style="list-style-type: none"> <li>&gt; <b>100%</b> recyclable, reusable or renewable packaging</li> <li>&gt; <b>90%</b> collection and recycling rate for bottles and cans</li> <li>&gt; <b>50%</b> reduction in virgin fossil-based plastic</li> <li>&gt; <b>50%</b> recycled content in bottles and cans</li> </ul>
<b>ZERO Water Waste</b>	<b>2030</b> <ul style="list-style-type: none"> <li>&gt; Water usage efficiency of <b>2.0 hl/hl</b> globally and <b>1.7 hl/hl</b> at breweries in high-risk areas</li> <li>&gt; <b>100%</b> replenishment of water consumption at breweries in high-risk areas</li> </ul>
<b>ZERO Irresponsible Drinking</b>	<b>2030</b> <ul style="list-style-type: none"> <li>&gt; <b>100%</b> responsible drinking messaging through packaging and brand activations</li> <li>&gt; <b>100%</b> of our markets run partnerships to support responsible consumption</li> <li>&gt; <b>100%</b> availability of alcohol-free brews</li> <li>&gt; <b>35%</b> of our brews globally are low-alcohol or alcohol-free</li> </ul>
<b>ZERO Accidents Culture</b>	<b>2030</b> <ul style="list-style-type: none"> <li>&gt; <b>ZERO</b> lost-time accidents</li> </ul>
<b>Diversity, Equity &amp; Inclusion</b> <b>Living By Our Compass</b> <b>Human Rights</b> <b>Responsible Sourcing</b> <b>Community Engagement</b>	<p>In these areas, we focus on the continuous enhancement and implementation of policies, partnerships and other initiatives that address the additional ESG topics having material impacts on our employees and operations, as well as on our value chain and wider society.</p> <p>While we have an established ambition and ongoing actions to promote Diversity, Equity and Inclusion (DE&amp;I), in 2022 we introduced additional DE&amp;I targets that are quantitative and shorter-term: <b>30%</b> women in senior leadership positions by 2024, ramping up to <b>35%</b> by 2027 and a minimum of <b>40%</b> over time.</p> <p>We continuously strive to Live By Our Compass and maintain a high-integrity culture through a robust compliance programme, and we have long-standing ambitions to source responsibly, respect human rights along the value chain, and engage communities responsibly.</p>







# ZERO CARBON FOOTPRINT

Carlsberg Group, alongside other Danish businesses, underlined our ambitions and called on governments to help accelerate the green business transformation in the lead-up to the COP28 climate conference and committed to stepping up momentum to achieve the UN Sustainable Development Goals.

Carlsberg was among the first three companies in the world to have a near-term 1.5°C target for 2030 approved by the Science Based Targets initiative (SBTi). As the standards have since evolved, in 2024 we will review our carbon targets in line with the updated SBTi guidance.

## BREWERY EMISSIONS

We have cut brewery emissions across our UK network by 10% this year – and by 18% at our Northampton Brewery since 2015 – on our road to ZERO carbon emissions. Relative emissions per hectolitre of beer have decreased by 8.7% across our UK network in 2023 as we continue to improve brewery efficiency. During 2023 we saw a very slight drop in volumes by 1.5% which shows our reductions in absolute and relative emissions were born out of improvements in efficiency and network changes.

Our UK brewery network continued to consolidate in 2023. Following the sale of Eagle Brewery and closure of Jennings

Brewery in 2022, we made the difficult decisions to close Wychwood Brewery from October 2023 and Ringwood Brewery from January 2024 after an unsuccessful sale process.

Northampton Brewery showed process improvements in the brewhouse reducing relative energy consumption by 5.9% compared with last year and work to improve Can Line 3 efficiencies saw 4.7% relative consumption improvements.

We undertook successful trials of 4G malt, a barley variety developed by Carlsberg Research Laboratory, which provides beer quality and energy reduction benefits in the brewhouse. In 2024 we will be expanding our use of 4G malt for the Carlsberg Danish Pilsner brand and will monitor the energy reduction benefits. 2024 will also see a new third boiler installed to ensure the business is set up for volume increases as we incorporate the 1664 brand, acquired in 2023.

The other two breweries making up our network in the UK are the Marston's Brewery in Burton and Banks's Brewery in Wolverhampton. Marston's Brewery made a few notable improvements, especially in optimising the compressed air systems which allowed pressure to be reduced, leaks repaired and improved understanding of demand in each area.

The pressure of the pumps used to move liquid around the brewery were also reduced which helped improve the efficiency of electricity used.

The Combine Heat and Power (CHP) system, installed in 2022, was further optimised in terms of heat recovery and to make use of waste heat. We are continuing work to make the CHP as efficient as possible, so it generates electricity locally, ensuring that any heat generated in the process is then used to generate steam and hot water to further reduce load on the boilers. The steam load was also reduced by improving insulation on the hot water tanks to keep in the heat within tanks, rather than leaking.

## 10%

reduction in absolute emissions across our UK brewery network compared with 2022.

**We aim to eliminate carbon emissions from our breweries by 2030 and reach net ZERO for our entire value chain by 2040.**





# ZERO CARBON FOOTPRINT

## VALUE CHAIN EMISSIONS

In-depth analyses of Scope 1, 2 and 3 greenhouse gas emissions at each key stage of our value chain – from growing barley in the field to recycling bottles and cans after use – helps us understand our value chain carbon footprint and measure progress towards our targets. The latest three-yearly analysis was completed in 2023 based on 2022 data.

We are working closely with suppliers and other partners to find ways to reduce our emissions beyond our breweries – from growing our ingredients to packaging, transporting, distributing and chilling our beer. Our latest analysis shows that in the UK we achieved a 22% reduction in value chain emissions per hectolitre of beer between 2015 and 2022, ensuring we are contributing to the Group 30% relative reduction target by 2030.

In the agricultural and processing stages of our value chain, we experienced a 25% reduction in carbon intensity due to efficiency improvements in the malting of the barley by our partners. Brewing was the only area of increased carbon intensity. This is largely due to the incorporation of smaller and less efficient breweries following the completion of the Joint Venture and the overall growth of our brewery network since 2015. However, we will expect improvements from 2023 onwards as we consolidated our brewing network to three sites. We continue to explore avenues for improvement in this

area, sharing best practice systems and processes across our locations.

Packaging, which represents 49% of our total value chain emissions, saw improvements of 21% as aluminium can and glass bottles partners were able to produce our packaging more efficiently, using higher volumes of recycled content as well as driving higher recycling rates. Since the Joint Venture, we have seen higher keg volumes which has had a positive impact on carbon intensity as they are reused many times. However, more glass bottles have entered our packaging mix since the Joint Venture and this packaging type is the most carbon intensive. In recent years we have been moving certain brands into aluminium cans, which is our most widely used primary packaging.

We have driven improvements in transportation through the deployment of more efficient vehicles with two electric HGVs continuing to operate out of our Cardiff and Thurrock depots. Cooling improvements reflected national grid electricity moving to more renewables and improved refrigeration technology.

## WHAT WE MEAN BY ZERO CARBON FOOTPRINT

### BREWERY EMISSIONS

By 2030, we aim to cut absolute greenhouse gas emissions from brewing by at least 95%, before removing any

residual emissions, to reach ZERO across our breweries globally. Beginning in 2023, we include all CO<sub>2</sub>-equivalent (CO<sub>2</sub>e) greenhouse gas emissions, not just CO<sub>2</sub>, in our target and reporting on brewery emissions. Brewery emissions include Scope 1 (direct, such as from burning fuel to generate heat) and Scope 2 (indirect, such as from purchased electricity). Emissions from in-house logistics and distribution operations are excluded from brewery emissions, but they are included in our value chain target.

### VALUE CHAIN EMISSIONS

By 2040, we aim to achieve net ZERO carbon emissions in our value chain. Our net ZERO pathway follows the guidance set out by the Science Based Targets initiative (SBTi), with the focus on reducing greenhouse gas emissions by at least 90%, before removing or offsetting any residual emissions. As an interim target, we aim to reduce our value chain emissions per hectolitre (hundred litres or hl) of beer and beverages produced by 30% by 2030 from a 2015 baseline. Both the 2030 and 2040 value chain targets include Scope

1, 2 and 3 CO<sub>2</sub>e emissions from: growing and processing raw materials; brewing, packaging, transporting, distributing and chilling our products; and handling used packaging. We measure progress through an analysis of our value chain emissions, to be completed annually from now on. The results of this analysis are disclosed in our ESG reporting for the following year due to the time required to collate value chain data.

### RENEWABLE ELECTRICITY

We already source the electricity for our breweries from renewable sources in the UK and many of our breweries globally, mainly purchased from the grid, with certificates linking the power we purchase to existing renewable assets. By 2030, we are committed to sourcing all our renewable electricity from new assets that support investment in additional renewable energy capacity. We will achieve this by installing on-site renewables at our breweries where feasible and investing in power purchase agreements (PPAs) to source energy from new off-site and/or new on-site renewable assets.

# 22%

reduction in value chain emissions per hectolitre of beer between 2015 and 2022.



# OUR VALUE CHAIN EMISSIONS: LATEST ANALYSIS BASED ON 2022 DATA



**Global & regional value chains**

**Agriculture & processing**  
Growing and processing of our raw ingredients

**Breweries**  
Production of our beer and beverages

**Packaging**  
Manufacturing and disposal of our packaging

**Transportation & distribution**  
Distribution of our products to customers

**Cooling**  
Refrigeration of our products in bars and retail stores

		Agriculture & processing	Breweries	Packaging	Transportation & distribution	Cooling
Global	Emissions share in 2022	24%	11%	45%	10%	10%
	Emissions change since 2015	-18%	-41%	-3%	-10%	-26%
CMBC	Emissions share in 2022	18%	17%	49%	7%	9%
	Emissions change since 2015	-25%	+45%	-21%	-11%	-59%

\*The above compares the relative carbon emissions from 2015 and 2022, meaning the amount of CO2e per hl of beer produced. For example, in 2015 Carlsberg UK only operated Northampton Brewery, whereas now CMBC's network includes multiple breweries which are not all as efficient as Northampton. All other areas have improved in their efficiency.







## CARLSBERG PARTNERSHIP WITH WWF-UK

Our Carlsberg brand has been partnering with WWF-UK since 2021. During the first two years of the partnership our focus was on protecting ocean wildlife and restoring seagrass meadows along the UK coastlines. In 2023, we evolved the partnership to align more closely with the environmental impact of our product and specifically the landscapes and habitats we rely on to grow barley, one of our key ingredients.

During 2023, we supported WWF-UK to help selected farmers replenish up to 175 million pints of fresh water. WWF-UK work in partnership with Norfolk Rivers Trust, who are central to protecting rivers surrounding farmland in the East Anglia region.

The most recent collaboration will help farmers reduce river pollution and the amount of water they use, meaning there's more fresh water available for nature to thrive. One of the techniques used supports farmers to build sediment traps which reduces pollutants running off farms into local rivers.

In September, representatives from the Carlsberg brand team and CMBC's sustainability team visited the Norfolk River Trust teams to see some farms benefiting from the partnership. We witnessed clear, positive outcomes for nature in the area such as stronger soil structures, habitat protection

and improved carbon storage in soils. A visit to the river Nar, a globally rare chalk-stream designated as a Site of Special Scientific Interest (SSSI), highlighted the importance of protecting these habitats. By ensuring the farms nearby have measures in place to reduce surface run off we can make sure that the river has clear water for the local wildlife to flourish. In 2024 we will continue to support the current project in Norfolk.

This new phase of our partnership was activated via limited edition packs and in-store activations displaying 'A Pint for you a Pint for WWF' in key retailers to show the positive impacts of the WWF-UK project. Our previous year's campaign and in-store activations were recognised by key industry awards, including a Gold POPAI Award, three Institute of Promotional Marketing Awards and two European IMPACT Awards for the way in which they engaged consumers with the seagrass project while generating commercially impressive results.

The work in Norfolk aligns well with a project we undertook with 23 UK farmers in 2023 to grow regenerative barley for Carlsberg Danish Pilsner ([see page 13](#)). Norfolk is one of the UK's foremost barley growing regions and through the WWF-UK partnership we can continue to support farmers and the land which we all rely on.

**“The food and drinks industry depends on a healthy planet with a stable climate, so businesses across the sector must play their part in accelerating the transition to a net zero economy and restoring our precious nature. We're proud to be working with Carlsberg both to support farmers to work more in harmony with nature in an important farming region of the UK, and to bring environmental issues to life for UK beer drinkers.”**

Tanya Steele  
CBE, CEO, WWF-UK

Carlsberg gave £150,000 to WWF-UK (reg. charity 1081247 & SC039593) in 2023 to support participating farmers in East Anglia to replenish up to 100 million litres of fresh water, by helping them save water and reduce river pollution. See [carlsberg.co.uk/wwf-farming](https://www.carlsberg.co.uk/wwf-farming) for more details. Carlsberg gave £465,000 to WWF-UK across 2021/22, of which £265,000 supported UK seagrass restoration projects. See [www.carlsberg.co.uk/wwf/](https://www.carlsberg.co.uk/wwf/) for full details.

# ZERO FARMING FOOTPRINT

**We are partnering with suppliers and experts to take action on climate change and biodiversity loss by targeting a ZERO Farming Footprint.**

Agriculture is the second largest driver of our value chain carbon emissions, and we cannot reach net ZERO by 2040 without taking steps to reduce its climate impact. Today's farming and food systems are accelerating the biodiversity loss that is threatening the health of the planet and having knock-on effects for businesses, with half the world's economy under threat.

We have set bold targets to ensure all our raw ingredients are sourced sustainably and produced using regenerative agricultural practices by 2040. These commitments will support global action on environmental challenges, improve farmers' livelihoods and help us secure a sustainable supply of raw ingredients – from barley to hops – to make our brews now and in the future.

Crops generally grow in the top layer of soil, half of which has been lost worldwide in the last 150 years. Farmers adopting regenerative practices can produce the same amount of food in a more sustainable way by preserving and enriching depleted soil. But

it will take time, effort, innovation, and far-reaching collaboration to extend this approach across our agricultural value chain.

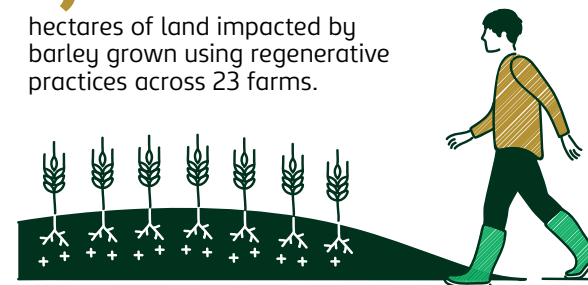
The UK is one of the markets taking a lead in this area and 2023 was the first full year of our regenerative barley project. We worked with 23 farmers from across the UK to grow regenerative barley, impacting 1,736 hectares of land area – this is the equivalent of 4,290 football pitches. Due to challenging weather, a higher proportion of barley grown did not meet brewing specification. However, the project still produced 686 tonnes to brew with in 2024. We are continuing to progress towards our regenerative barley commitment of full coverage for Carlsberg Danish Pilsner by 2027 and all UK brewed brands in 2031.

Post-harvest, we gathered with the farmers growing for us at our Banks's Brewery and Head Office in Wolverhampton. By gathering feedback on how the harvest went, their views on our regenerative protocol and data collection requirements, we were able to share learnings and develop a collective way forward to plan for future growing seasons. As we grow our volumes of regenerative barley, it's of the utmost importance that we work closely with farmers and learn from their experiences.

In 2024, we will continue to grow our regenerative barley volumes in line with our commitments, establish new partnerships and start working with our hops suppliers to understand how we can continue to support the farmers growing this essential ingredient for our beers.

## 1,736

hectares of land impacted by barley grown using regenerative practices across 23 farms.



## 686

tonnes of barley were produced in 2023 for use in brewing, enough for 8 million pints.



Farmers meeting at Banks's Brewery



## COMBINING REGENERATIVE AND 4G BARLEY: HOW IT WORKS IN PRACTICE

**“Agricultural systems vary hugely across the world due to climate, soil type, crops grown, scale and technology. Therefore, adapting the approach across markets is essential to success. Government and industry support for farmers will help scale these practices – from expert advice and facilitating peer-to-peer learning to gathering local data to give more farmers confidence to adopt new practices.”**

Alice Andrew  
Associate Partner, Ceres Rural

We have partnered with agriculture consultancy Ceres Rural to develop a regenerative agricultural protocol for participating farmers to follow that will be used to audit the farms. The protocol is tailored to local contexts and requirements in the UK while aligning with our global criteria for regenerative agriculture.

The farmers are using techniques such as no- or low-tillage, planting cover crops and restricting chemical use to the minimum that the crop requires. We will measure the impact over time on farm carbon emissions, carbon sequestration in the soil, soil health and biodiversity.

We are supporting farmers in the transition to regenerative practices, including helping them to measure and track carbon emissions and soil health. Participating farmers also have opportunities to learn from each other, and to promote regenerative and replenishment techniques beyond the core groups.

The variety of barley they are growing (4G), developed at the Carlsberg Research Laboratory, brings brew quality benefits and additional climate benefits by reducing the amount of energy and associated carbon emissions during the brewing process ([see page 9](#)).

In a complementary initiative through our longstanding partnership with WWF-UK, and together with the Norfolk Rivers Trust, we are working with farmers to introduce water-sensitive interventions to replenish up to 100 million litres of fresh water across East Anglia ([see page 12](#)).



# ZERO PACKAGING WASTE

**We are driving innovation in packaging that delivers sustainability benefits along with delivering our beer to drinkers.**

Packaging gets our beer safely to consumers and influences what they buy. It's essential for the safe and effective transport of our products to pubs, bars, retailers and wholesalers. However, awareness of the environmental impact of packaging continues to grow. Consumers expect brands to be doing more to improve the sustainability of their packaging and reducing its environmental impact is high on the agenda for policymakers.

Packaging is responsible for almost half (49%) of our value chain carbon emissions and cutting its climate impact is a priority. Our focus on ZERO Packaging Waste goes beyond carbon to drive progress towards circularity. We aim to use less virgin fossil-based plastic and more renewable, recycled or recyclable materials. We also strive to increase the amount of packaging that is collected and reused or recycled after use.

## INNOVATION

Achieving these targets will be challenging and requires innovation, partnership with suppliers, and collaboration in our industry and beyond to develop the solutions required to support a circular economy across our markets.

Our secondary packaging innovations continue to be scaled up. Snap Pack, our glue dot technology, was being used on 65% of four- and six-can multipacks produced at our Northampton Brewery by the end of 2022. During 2023 we were only able to increase this slightly and we needed to upgrade our capacity at the brewery to ensure we could scale this up to 100% of our brands. During early 2024 we started the installation of a new Snap Pack line, increasing capacity. We also successfully trialled removing the handle from Snap Pack to further reduce packaging (see next page for more information).

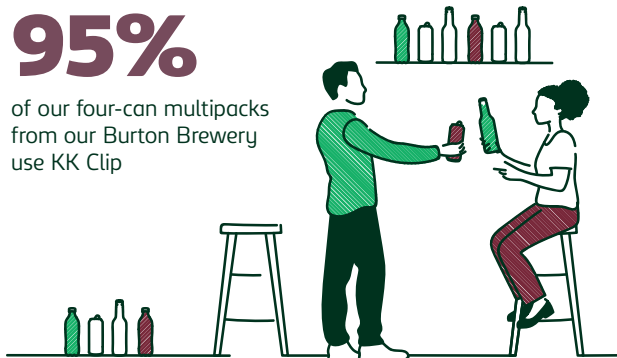
At our Burton Brewery the KK Clip, a paperboard top for can packs, is now being used for 95% of CMBC branded four-packs produced at the brewery. Changes were also made to the shape of glass bottles with slimmer bottles allowing more to fit on pallets, lowering transports costs and emissions. During 2024, the final brand will transition to KK Clip, so that all brands are packaged at the brewery this way. With Snap Pack and KK Clip, we have showcased that we can effectively replace plastic rings and scale these solutions across our portfolio.

This year, we rolled out a Sustainability Scorecard to put environmental impact at the forefront of our decisions on all new packaging products. This ensures that sustainability considerations are front and centre when decisions are made, for example, in areas such as materials type and pack format.

## PACKAGING REGULATION

UK and EU regulatory developments are paving the way for circularity in packaging by promoting reuse and recycling as well as increased use of recycled materials. During 2023, we had a particular focus on the UK Extended Producer Responsibility (EPR) regulations and submitted our first data submission under these regulations in October 2023. This process has helped us improve our packaging data and we continue to assess the impacts of this regulation whilst we await further details on the fees associated with the packaging we place on the market.

We are also keeping close to developments associated with the potential introduction of a UK Deposit Return Scheme and, with the help of our colleagues in Europe, the upcoming EU Packaging and Packaging Waste Regulations (EU PPWR).



Paul Davis, CMBC CEO, reflected

**“It is great to see us scaling up this innovative packaging solution to cover all of our brands produced at Northampton Brewery. By taking ambitious action now, we can deliver on our sustainability goals, through carbon and plastic reduction, and enable even more of our innovative Snap Pack multipacks to make their way to consumers.”**



## OUR TRANSITION TO SNAP PACK

First launched in 2018, Snap Pack uses innovative glue dot technology to hold cans together, removing the need for plastic rings and making multipacks more sustainable. Snap Pack was co-developed by Carlsberg Group and KHS GmbH, an international manufacturer of filling and packaging equipment.

This ground-breaking technology has been used across some of the best-known and most popular beers in CMBC's extensive portfolio, including Carlsberg Danish Pilsner, San Miguel, Birrificio Angelo Poretti, and Brooklyn Pilsner.

By the end of 2022, Snap Pack was used for 65% of the four- and six-can multipacks produced at the brewery with some small increases during 2023. In order to further scale the innovation, additional investment and capacity at Northampton Brewery was required. We will be adding a new Snap Pack machine and can filler to help us increase capacity and focus on this packaging innovation at Northampton Brewery.

The new second-generation Snap Pack machine will allow double the number of Snap Pack multipacks to be produced, with the aim to fully transition by the end of 2024. By eliminating plastic rings from packaging, once fully rolled out across four- and six-can multipacks, it is estimated that Snap Pack will reduce

CMBC's plastic usage by up to 76%, compared to previous multipacks.

To further improve this format, we ran successful trials with a key retail partner to remove the handle from Snap Packs, further eliminating excess packaging. This change will be rolled out across other brands in 2024. Once complete we will have completely removed plastic rings and handles on our products.

Edgar-George Petsche, Executive Vice President of Market Zone Europe/CIS at KHS, said:

**“As a long-standing partner of CMBC, we are proud to join forces and help them increase their capacity to produce the Snap Pack packaging innovation. Energy-efficient machinery and equipment as well as safe and environmentally friendly packaging solutions are central to KHS's sustainability strategy and CMBC share these ambitions.”**

# ZERO WATER WASTE

Everyone needs water, including us. Simply put: no water, no beer.

Water is an essential ingredient in our beer. We also need it to grow our hops and grains, and for cleaning and production processes at our breweries.

The effects of climate change and population growth are putting stress on water supplies around the world, with the effects felt most acutely in certain high-risk river basins.

We are working hard to minimise our impact by making all our breweries as efficient as possible – in the UK we aim to reach 2.0 hl/hl by 2030.

## BREWERY WATER USE

CMBC’s total water use for 2023, covering five breweries, reduced by 8.7% and relative water use improved by 7.3% with a ratio of 3.3 hl/hl. During 2023 we saw a very slight drop in volumes by 1.5% which shows our reductions in absolute and relative water use were because of improvements in efficiency and network changes.

Northampton Brewery saw volume increases during 2023 which drove up total water use at this site, however, efficiency improvements

did see relative water use improve by 1%. We implemented software improvements to the pasteuriser on Can Line 1 to ensure we were using the right amount of water to sterilise the can. This was a significant change, resulting in a reduction in the water ratio for that area of 25%, saving 18 million litres of water (equivalent to 1% of annual brewery consumption). Further investments at Northampton in 2024 will see a new canning filler installed which is set to save around 11 million litres every year.

The positive improvements at Burton Brewery were spread across a few parts of the brewing process. A water recovery system was installed on sample units for the generation of chlorine dioxide, which is used as an antibacterial agent for cleaning. Water losses were also reduced in the Water Deaeration and Decarbonation Systems (DAL) Plants, these are essential to reduce oxygen pick up in beer to ensure it stays fresh and the flavours are preserved. Additionally cooling tower water use was optimised to reduce the overall amounts needed – the cooling tower provides large amounts of water to various parts of the process and helps to efficiently cool down temperatures. Banks’s Brewery in Wolverhampton reduced water consumption by optimising how much water is used to wash the kegs externally, and then reusing as much of the water as possible back to external keg washing.

CMBC breweries have seen an

**8.7%**

decrease in total water use compared with 2022



CMBC breweries water efficiency is

**3.3 hl**

of water to a hl of beer – improving by 7.3% since 2022





# ZERO IRRESPONSIBLE DRINKING

**We promote responsible drinking and offer great-tasting drinks for every occasion as more people embrace healthy lifestyles and moderation.**

Consumer attitudes towards alcohol are changing. Globally, nearly four in ten consumers say they are drinking alcohol in moderation, and 15% are actively trying to consume less alcohol<sup>1</sup>.

Beer and cider are already relatively low in alcohol content compared with wine and spirits, and we are rapidly expanding our range of no- and low-alcohol brews to make them a positive and moderate choice for consumers across the UK.

Our ZERO Irresponsible Drinking ambition is good for society, supporting the UN and World Health Organisation goal to reduce harmful alcohol consumption. It is also good for our business, with continued growth in our no- and low-alcohol sales. Our global aim is for 35% of the brews we sell to

contain no more than 3.5% alcohol by volume (ABV) by 2030 so the UK will continue to contribute to this.

We encourage consumers to enjoy all our products responsibly. Curbing underage drinking is a priority, and we work with social media companies to prevent those under the legal drinking age from seeing our advertising. We address alcohol misuse through clear on-pack messaging, such as age restriction symbols, and local responsible drinking partnerships tailored to our market.

## POSITIVE PRODUCT CHOICES

Our commitment to consumer choice includes publishing nutritional and ingredient information on our bottles and cans, and we are exploring the use of QR codes to share more product details.

Our portfolio now includes more low- and no-alcohol options than ever before, with brilliant breadth of choice across our varied brand portfolio. In 2023, we relaunched Carlsberg 0.0, alongside an additional format of Erdinger Alkoholfrei as initial results in the Off Trade demonstrated the beer's strong popularity with consumers. Carlsberg 0.0 was launched in March in Tesco stores initially and was then available for other retailers. This has further strengthened our no- and low- alcohol offering alongside favourites such as Brooklyn Special Effects, San Miguel 0,0 and Erdinger Alkoholfrei.



<sup>1</sup> Source: GlobalData (2021) globaldata.com

# ZERO IRRESPONSIBLE DRINKING

With our strong brand and product offering, the focus has and will continue to be on ensuring the pack formats we offer are the best fit for our consumers and customers. This includes promoting draught options for Brooklyn Special Effects and San Miguel 0,0 to offer consumers the same familiar experience they enjoy with alcoholic beers in bars and pubs.

## CAMPAIGNS AND BRAND ACTIVITY

We have supported a range of activities and campaigns, through our partnership with Drinkaware. Drinkaware is an independent charity which aims to reduce alcohol-related harm by helping people make better choices about their drinking. Through our partnership we have helped to attract over 6 million visitors to the Drinkaware website in 2023. Drinkaware's Drinking Check, which helps people assess their patterns of alcohol consumption, was completed over 550,000 times, up 36% from 2022.

Through our festival partners we launched Bar Zero in the summer of 2023 at Latitude and Reading Festivals. These bars offered a range of alcohol-free options, driving awareness of alcohol-

free beers and ensuring everyone is catered for. We also continued our 'Find Your Free' campaign in major supermarkets with prominent displays showcasing the great low- and no- brands we brew. We used Dry January and Sober October as key moments to promote this campaign and highlight our brands as a positive choice for consumers all year round.

Our Carlsberg and San Miguel brands used the Christmas period to encourage responsible drinking and promoting their alcohol-free brands to help to moderate drinking during the festivities. Carlsberg tied in a promotion allowing thousands of drinkers to have a brilliant alcohol-free option at no cost to them by purchasing Carlsberg 0.0 at Tesco and claiming back the cost.

To support responsible drinking and safe driving, San Miguel once again gave out 0,0 bottles to designated drivers at the Classic Ibiza event in the Summer. For all San Miguel product campaigns, we continue to show San Miguel 0,0 in the end frame of the TV adverts to showcase this as a positive choice.

## 100%

of CMBC customers have access to our alcohol-free options, with Carlsberg 0.0 relaunching in 2023



## 550,000

people completed Drinkaware's Drinking Check in 2023 which we continue to support, up 36% from 2022



# ZERO ACCIDENTS CULTURE

We are creating a ZERO Accidents Culture that aims to ensure that everyone returns home safely every day.

We strive to protect the health and safety of everyone working at, or visiting, our sites. This commitment fosters the resilience of our people and our business, underpins our high-performance culture and strengthens our reputation as a company that cares.

Increasingly, we are going beyond physical health and safety to promote psychological safety and wellbeing through awareness raising and practical guidance for our leaders and employees.

In 2023 we made some great progress with accidents, which reduced to 19 from 76 the previous year. We ran our first Health and Safety Week across all our sites, offices and for our sales teams to raise further awareness of health and safety as our number one business priority (see next page for details). Safety walks were conducted across sites on a more regular basis and targeted at high-risk areas. We improved knowledge with driver safety e-learning and inductions in logistics to embed our safety-first culture as a priority for employees as soon as they join CMBC.

## ALL CMBC SITES

A key area of focus for health and safety during the year was observing and mitigating associated risks, such as working in confined spaces and manual handling. Effective assessment and management of such risks ensures that our team members can work safely wherever they are brewing or delivering. We deploy a range of tools to support this programme including training to assess risks before entering a cellar for our logistics teams, and dynamic risk assessments which emphasise the importance of checking for potential hazards on every site visit, however regular or familiar it may be.

Local leaders play a critical role in promoting and modelling safe practices, ensuring that safe behaviour is at the top of the agenda every day so our people can go home safely. We conducted an average of 95 safety walks per manager in 2023 (around two a week) and have rolled out health and safety leadership training to 1,690 people managers in our UK production and logistics functions to clarify roles, responsibilities and expectations. Feedback from employees indicates that they feel their leaders prioritise safety and genuinely want everyone to be safe.

Another example of training was our selling safely initiative, delivered to our front line sales teams. This was in partnership with the Suzy Lamplugh Trust, who aim to reduce the risk and prevalence of abuse, aggression, and violence - with a specific focus on stalking and harassment.

Over the last three years, we have achieved a step change in safety performance in our UK operations through our focus on behaviour safety and investment in increased health and safety resources. We have cut lost-time accidents by 75% since 2022 as we continue to strive for a ZERO accidents culture.

## 75%

reduction in accidents compared with 2022



## 1,690

people managers in our UK productions and logistics functions have received health and safety leadership training.





# HEALTH & SAFETY WEEK

In March 2023, a company-wide Health and Safety Week was used to raise awareness of Health and Safety best practice, with interactive sessions at sites and for our head office teams to bring the new culture to the forefront for all employees.

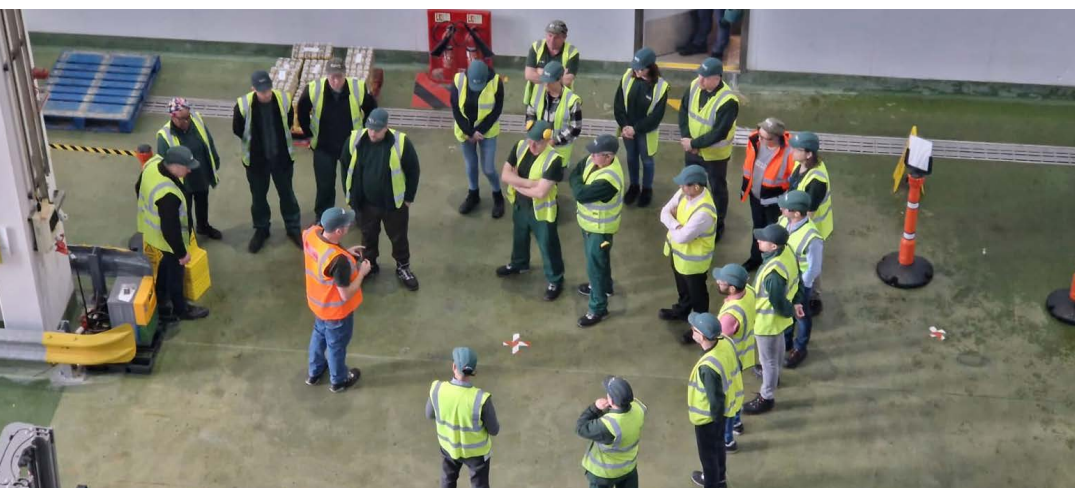
Whilst Health and Safety is a focus 365 days of the year, this week of dedicated activities drove an increase in awareness and highlighted new ways for teams to improve safety collectively at each site. Time was specifically allocated to run through a range of practical and fun learning activities. These ranged from understanding traffic safety, chemical awareness, and forklift blind spots, through to the impact that multi-tasking and distractions have on our ability to prevent accidents.

By learning together, teams were able to identify where accidents are most likely to occur, physically run through scenarios to highlight risk factors in the safety of a training environment and even compete in quizzes to demonstrate their Health and Safety knowledge. Different sites from offices, depots and breweries adjusted their program of activities based on the types of safety risks they encounter, and local leadership ran the day with support from the central Health and Safety team.

High engagement and participation from all sites were key in delivering a reduction in accidents throughout 2023. Many left the day making pledges to set out how they would bring the lessons from the week into their day-to-day work. During 2024 we will be continuing Health and Safety Week with more flexible sessions across our sites between March and September.

**“I am incredibly proud of the journey we have been on in the UK. The whole organisation is focused on not only their own safety but the safety of others. We will remain relentless in our pursuit of ZERO accidents.”**

Sarah Perry  
VP, Integrated Supply Chain,  
Carlsberg Marston's Brewing Company





# PROMOTING DIVERSITY, EQUITY AND INCLUSION

**At CMBC, our ambition is to build an inclusive culture that is truly understanding of others, is fair and unafraid of differences.**

Diversity, Equity and Inclusion (DE&I) is a business priority. We have a responsibility to promote diverse perspectives and voices in today's society.

When every colleague can be themselves, our business thrives and benefits from the diversity of experiences and perspectives. This sense of belonging supports creativity and innovation, making our business more successful.

Promoting equity also builds trust in our culture. We provide equal access to opportunities through consistent, fair and transparent policies and practices, and we have zero tolerance for discriminatory behaviours and harassment.

In 2023, we were proud to achieve our 2024 target of 30% women in senior leadership one year early, with 32.5% senior leadership

roles in the UK held by women at the end of 2023. We also revisited our longer-term target (40%) to make it time-bound to 2030. Our progress in elevating women into senior leadership roles, surpassing our 2024 goal ahead of schedule, is a milestone we celebrate. It signifies not just a number but a shift towards balanced representation and leadership.

In addition to our work to develop, promote and attract more women into CMBC, we've continued to embed inclusivity across every aspect of our business, with a focus on listening to our colleagues about their experiences of inclusivity and delivering education and awareness on a number of DE&I topics. All our efforts were in the spirit of creating a safe and inclusive culture at CMBC.

## TRAINING AND KNOWLEDGE BUILDING

A safe place to work needs to be both physically and mentally safe. To that end, we have continued to raise awareness of mental health challenges and have provided more support and training for our Mental Health Champions to help support colleagues. The role of leaders within our business is essential when it comes to developing and maintaining a culture that is truly inclusive. We strengthened this area with Inclusive Leadership training for our

leadership and management population to increase understanding, commitment and skill.

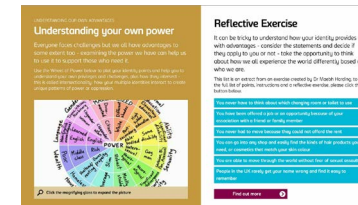
In order to improve knowledge and awareness of lesser understood topics we launched new resources for colleagues, including DE&I Toolkits and our 'Welcome You Library' series of magazines, focusing on key diversity topics, including neurodiversity, LGBTQIA+, and Black History Month. In 2024 we will continue to expand the library, building a blended education offer focused on inclusion themes that is self-directive and accessible. The library includes a regular personal development activity calendar and the launch of our internal CMBC Welcome You Podcast.

One of the critical interventions in 2023 was the delivery of a dedicated online and face-to-face inclusion and anti-sexual harassment training programme, mandatory to all our employees. This was a huge achievement that took effort and engagement from every single CMBCer across our business. In developing the programme, we created an environment where people felt safe to explore boundaries, admit mistakes and learn how their behaviour could impact others, empowering them to reflect and change where necessary. We delivered more than 100 face-to-face sessions to 1,100 colleagues across our sites nationwide.

**We are committed to making CMBC a great place to work, whoever you are, and whatever your background.**



### The Welcome You Library Edition 8: Allyship



# EMBEDDING DE&I

**To ensure the views of our employees are front and centre of our planning, we launched our annual DE&I Survey as part of our wider employee engagement listening process.**

This provides the insight we need to develop resources, training and support to improve our culture and working practices. In 2024, we will be carrying out further work on our data capture and back-end systems so we can better track progress and to inform our DE&I strategy and areas of focus for the future.

Our Candid Conversations programme helped to create a safe forum for diverse employees to share what it is like to work at CMBC directly with our CEO. This was further strengthened with the formation of two employee resources groups – Women

at CMBC and our CMBC Pride community. In 2024, we will be holding further 'Candid Conversations' with our CEO and delivering Allyship training for our Management Team to continue to drive understanding and action on these topics.

We continue to look at how our business processes can be improved. For example, we reviewed all of our recruitment advertising and assessment processes to drive out barriers to opportunity for underrepresented groups. Alongside this we conducted a full review of our people policies in order to identify any gaps and ensure we fairly reflect the workforce that we are supporting and the diversity of our customer base.

Our commitment to fostering an inclusive culture, where diverse perspectives are not only welcomed but celebrated, is unwavering. And while we take pride in the progress achieved, we recognise that the path toward true equity is ongoing. By embedding DE&I principles into every facet of our business, we aim to not only enhance our workplace, but also to reflect the diverse world in which we operate, driving innovation, engagement, and excellence across the brewing sector.



# 2023 ACHIEVEMENTS AND 2024 PRIORITIES

## BUSINESS PRIORITIES

Annual DE&I Survey  
 Candid Conversations with CEO and employees  
 Mental Health awareness and Champion support and upskilling

### 2024 Priorities

Welcoming Outside In with Accreditations and external partnerships

## EQUITY

Preventing Sexual Harassment Training  
 Review, create, amend and publicise all 'Inclusive' policies

### 2024 Priorities

Launch 'Inclusive' policies  
 Disability in Focus starting with Disability Confident Employer (DWP Scheme)

## DIVERSE REPRESENTATION

Maintain progress against DE&I targets  
 Hiring Manager Education & Engagement  
 Review of our advertising and assessment processes  
 Continue with employee resource groups

### 2024 Priorities

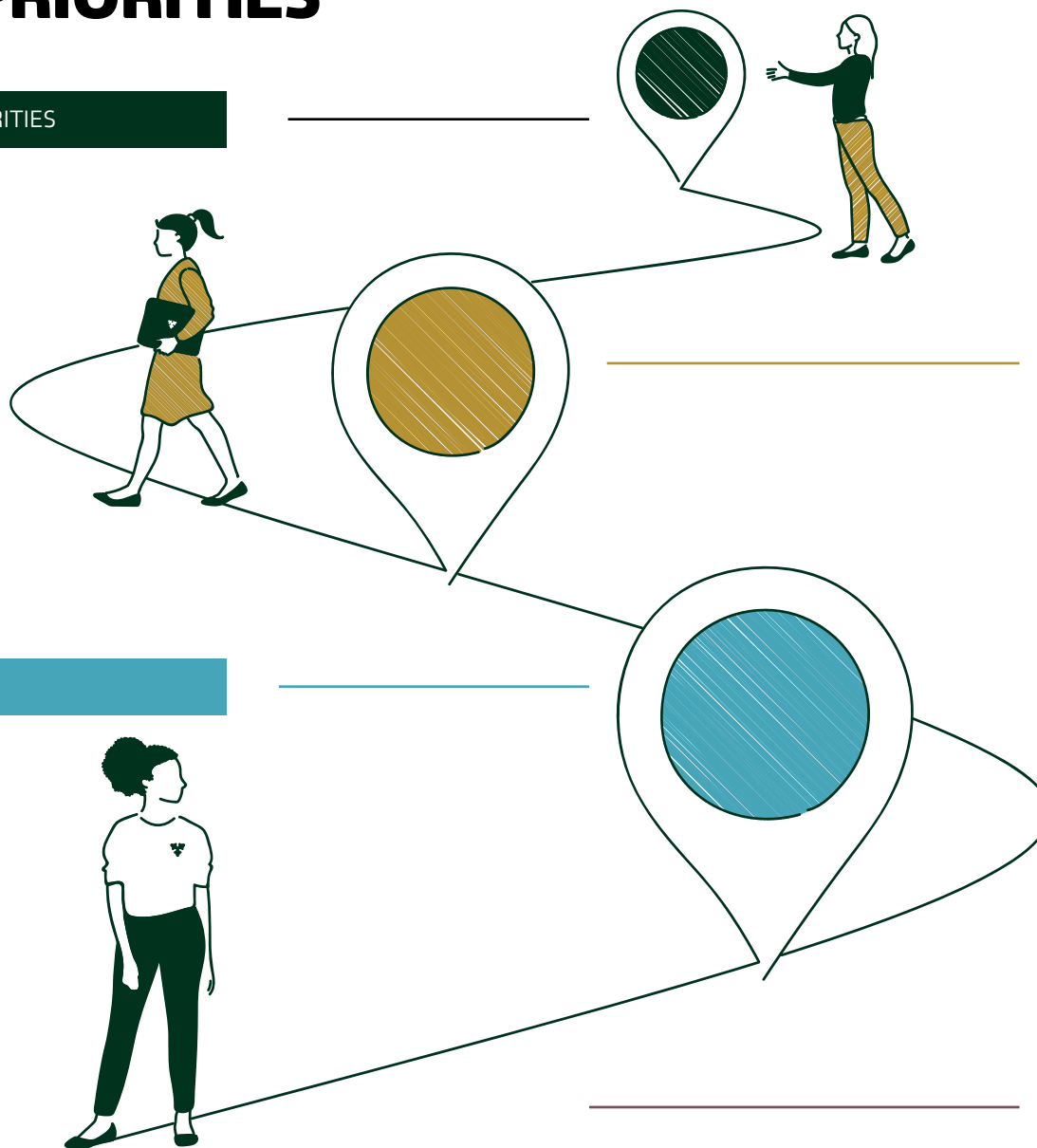
Hiring Manager Education & Engagement  
 Review of our attractions and selections processes

## INCLUSIVE CULTURE

Inclusive leadership training  
 'DE&I monthly e-booklet'  
 Highlight the challenges and impact of the Menopause

### 2024 Priorities

'One Team' training across frontline colleagues  
 Achieving external benchmarking & accreditations





# LIVING BY OUR COMPASS AND RESPECTING HUMAN RIGHTS

**Doing the right thing is essential to our winning culture – and enables our customers, partners and stakeholders to put their trust in us.**

Our success is rooted in doing business well and responsibly, upholding our commitment to making the right choices in how we conduct our business as we brew for a better today and tomorrow.

We expect and empower all our people to act ethically in their daily work – an approach we call Living by our Compass. Our leaders set the tone from the top, reinforcing the importance of legal and regulatory compliance for our business success, reputation and ESG programme.

Everyone at CMBC must follow the rigorous standards for ethical behaviour enshrined in our Code of Ethics & Conduct and Anti-bribery & Corruption Policy. Our compliance programme also includes third-party screening of relevant business partners and suppliers, and anyone working for or with us can raise ethical concerns via our Speak Up channels.

We monitor laws and regulations as they evolve across our markets, and we are

committed to continual improvement in our compliance efforts. For example, we further rolled out our third-party screening process, a simple tool to check for bribery or trade sanctions. We also provided updated training on Competition Law for those employees that work in areas where there is a risk of exposure to and interaction with other businesses in our industry and to ensure we are operating within the rules when working in partnership with competitors.

## RESPECTING HUMAN RIGHTS

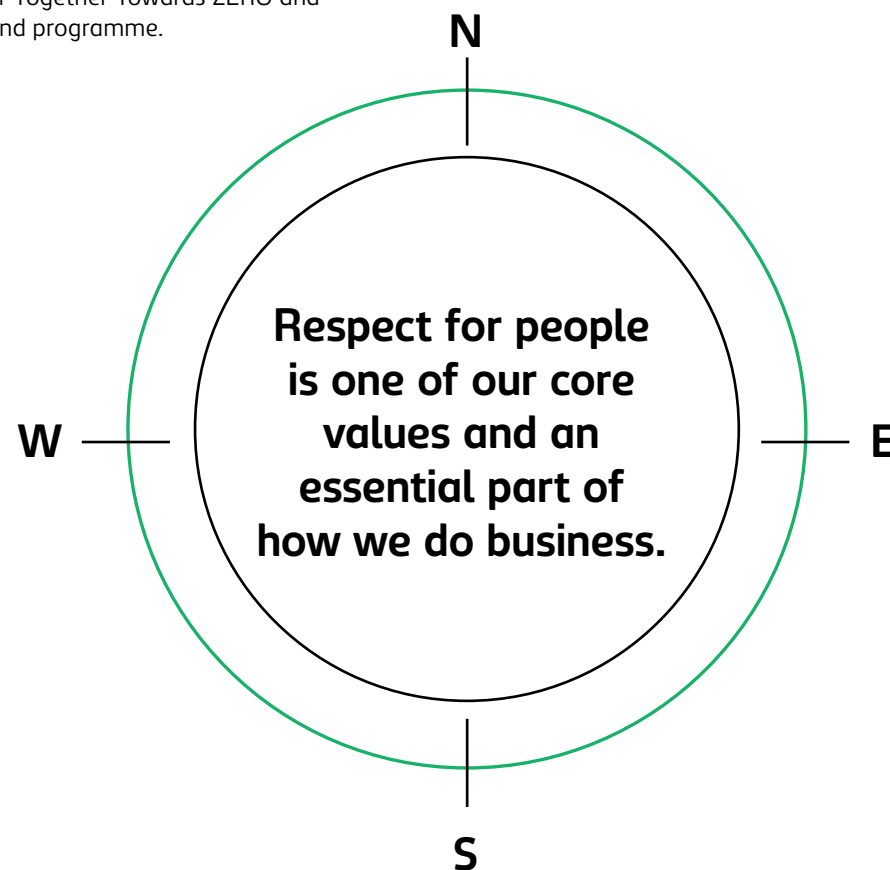
Respect for people is one of our core values and an essential part of how we do business.

Our commitment to respect human rights applies to all our activities and relationships – with employees, contractors, suppliers, licensees and others – throughout the value chain.

The UN Guiding Principles on Business and Human Rights guide our approach. We are signatories through Carlsberg Group to the UN Global Compact and we are committed to its Ten Principles, which include a strong focus on human rights.

Our Human Rights Policy, overseen by our Executive Committee, sets our expectations for employees and business partners globally. All suppliers and licensees must also commit to our Supplier & Licensee Code of Conduct, which incorporates human rights.

In today's globalised and polarised world, human rights challenges are constantly evolving. Each year, we reassess the risks that are most salient to our business. Our first standalone Human Rights Report provides more detail on our due diligence approach and the actions we are taking to uphold human rights throughout our value chain. This is a key focus area of our Together Towards ZERO and Beyond programme.



# SOURCING RESPONSIBILITY AND ENGAGING COMMUNITIES

**We strive to partner with suppliers who share our values and responsible approach to doing business.**

The impact of our business goes well beyond our operations. CMBC partners with many suppliers in the UK and worldwide, who provide us with the ingredients, packaging and logistics we need for our beer, as well as goods and services to keep our business running.

To work with us, suppliers must meet the requirements of our **Supplier & Licensee Code of Conduct** and accompanying technical standards, and commit to extending these requirements to their own suppliers. The wide-ranging standards cover business ethics, labour and human rights, health and safety, and environmental sustainability.

This year, we rolled out an enhanced Responsible Sourcing programme to identify, assess and audit high-risk suppliers. We provided accompanying guidance sessions for our procurement teams.

Collaboration is at the heart of our approach. We work directly with suppliers and through the Sedex and AIM-Progress platforms to drive positive change in our supply chain and beyond. During 2023 we completed the Sedex Self-Assessment Questionnaire at our Burton Brewery

across the four pillars of Labour Standards, Health & Safety, Environment and Business Ethics. The audits are planned for 2024. We also partner with suppliers to deliver our Together Towards ZERO and Beyond targets on carbon, farming and packaging.

## ENGAGING COMMUNITIES

We give back to the communities we are part of through local partnerships, brand campaigns, employee volunteering and the Foundations.

As a global business with well-known brands, we influence consumers and have an impact on people's lives wherever we operate. Our beers stand at the heart of moments that bring people together, and we extend this spirit of togetherness to our engagement with communities on the environmental and social causes they care about.

In the UK, we support a range of community organisations and local charities around our offices, depots and breweries. We match employee money raised for charities through our 'Founders Fund' and our brands support causes such as the Carlsberg brand partnership with WWF-UK (**WWF case study on page 12**).

Further support for communities is provided through the three Carlsberg Foundations, with each creating benefits in different areas. The Carlsberg Foundation was established in 1876 by our founder, J.C. Jacobsen, and has supported visionary and innovative scientific research ever since. The




New Carlsberg Foundation was founded by Carl Jacobsen in 1902 and supports the arts, while the Tuborg Foundation supports civil society, with a focus on youth communities.

As our principal shareholder, the Carlsberg Foundation receives almost 30% of Carlsberg Group dividends. Our unique

structure (**see page 89 of Group's ESG Report**) means that the more successful our business, the more the Foundations can give back to society using Carlsberg Group dividends. In 2023, the three Foundations donated over DKK 1 billion to scientific research, the arts and civil society.



# TOGETHER TOWARDS ZERO & BEYOND 2023 DATA SUMMARY

TARGET	BY 2040*	BY 2030*	BY 2022*	2023	2022	2021	
 <b>ZERO CARBON FOOTPRINT</b>	Reduction in value chain carbon footprint compared to 2015	90%	30%	15%	-	-22%	-
	Total CO <sub>2</sub> e emissions from brewery (kt CO <sub>2</sub> e)	0	0	-	24.22	26.92	25.73
	Relative CO <sub>2</sub> e from brewery (kgCO <sub>2</sub> e/hl)	-	-	-	3.99	4.37	4.26
	Low-climate-impact cooling	100%	100%	100%	100%	100%	100%
	Electricity from renewable sources	100%	100%	100%	100%	100%	100%
 <b>ZERO FARMING FOOTPRINT</b>	% of our raw materials from regenerative agriculture practices	100%	30%	-	>1%	-	-
	Volume barley grown with regenerative agriculture practices (tonnes)	-	-	-	686	0	0
 <b>ZERO PACKAGING WASTE</b>	Recyclable, reusable or renewable packaging (%)	-	100%	-	TBC***	-	-
	Collection and recycling rates for bottles and cans (% based on UK average****)	-	90%	-	76% (aluminium), 69% (glass)		-
	Recycled content for bottles and cans (% based on supplier average)	-	50%	-	59% (aluminium), 48% (glass)		-
	Virgin plastic (tonnes)	-	50% reduction	-	TBC***	-	-

\* For 2040, 2030 and 2022 we contribute to Carlsberg Group TTZAB targets




\*\* All CO<sub>2</sub> data has been converted to CO<sub>2</sub>e based on improved data collection and methodology, so data now includes amount of carbon emissions and equivalent greenhouse gasses.

\*\*\* to be disclosed in 2024 ESG Report based on confirmed volumes from Extended Producer Responsibility (EPR) data submissions.

\*\*\*\* Metal Packaging Europe (european-aluminium.eu) and Eurostat (ec.europa.eu)



# TOGETHER TOWARDS ZERO & BEYOND 2023 DATA SUMMARY

	TARGET	BY 2040*	BY 2030*	BY 2022*	2023	2022	2021
 <b>ZERO WATER WASTE</b>	Total water use (million hl)	-	-	-	20.03	21.95	22.01
	Relative water use (hl/hl)	-	2.2	-	3.30	3.56	3.65
 <b>ZERO PACKAGING WASTE</b>	Availability of alcohol-free beer (AFB) (% of customers provided with option)	-	100%	-	100%	100%	100%
	Responsible drinking messaging through packaging and brand activations	-	100%	100%	100%	100%	100%
	Run Partnerships to support responsible consumption	-	-	-	Partnership with Drinkaware	Partnership with Drinkaware	Partnership with Drinkaware
	Volume of beer, cider and ales with <3.5% ABV sold relative to total volume of beverages sold	-	35%	-	TBC**	-	-
 <b>ZERO ACCIDENTS CULTURE</b>	Lost time accidents (LTA)	0	0	0	19	76	55
	Lost time accident rate (LTAR per 1000 employees)	0	0	0	8.8	35.9	50.4

\* For 2040, 2030 and 2022 we contribute to Carlsberg Group TTZAB targets

\*\* to be disclosed in 2024 ESG Report based on confirmed sold volumes

# FIND OUT MORE

## SOCIAL MEDIA

Follow CMBC on X (formerly known as Twitter) and LinkedIn for regular updates on our work towards ZERO



[linkedin.com/company/](https://www.linkedin.com/company/cmbcuk/)



[@cmbcuk](https://twitter.com/cmbcuk)

## CARLSBERG GROUP ESG REPORT

Download Carlsberg Group's 2023 ESG Report for further details on our Together Towards Zero programme and progress



## CMBC WEBSITE

Visit the CMBC website for more on our approach and progress on sustainability



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