



Company, Incorporated

500 Linden Street Fort Collins, Colorado USA newbelgium.com 970-221-0524

Fourteen years ago Jeff Lebesch and Kim Jordan put their dream of brewing beer into action. No small feat by any standard even when it was considered a small basement operation. Jeff and Kim's intention to produce fine Belgian style ales has been a great success. From basement conception to the current facility that produces upward of 325,000 barrels of beer, New Belgium has never lost focus of the commitment to environmental stewardship, as stated in our Core Values and Beliefs: minimizing resource consumption, maximizing energy efficiency and recycling. The balance that has been created by recognizing the impacts that brewing can create on the environment and being committed to offsetting these impacts largely contributes to the success achieved at New Belgium.

The pride that New Belgium employees exhibit is genuinely heartfelt and for good reason. In 1998 New Belgium employees unanimously voted to subscribe 100% of our electricity use to the City of Fort Collins' wind power program. This decision came after an in-house environmental audit revealed to us that the coal plant that supplied us with our electricity was producing our largest CO₂ emissions. The original contract with the City required only one 660 kW turbine, and now we have increased that amount to 1.4 turbines. As we grow and our energy use increases, we will continue to use wind power. New Belgium was the first brewery in the USA able to boast this accomplishment, and is still the brewery with the largest wind consumption in the country. In doing so we have reduced CO₂ emissions by 29,414,473 lbs., saved 15,224,218 lbs. of coal from burning and have purchased 18,066,508 kWh of wind energy (November 1999 through March, 2005).

As the 4th largest craft brewery in the country, expansion and growth is a reality for us at New Belgium, so we have made the commitment to grow in a sustainable fashion. Our biological process water treatment facility is made of a combination of anaerobic and aerobic digestion ponds (commonly known as a bio-digester). The anaerobic ponds generate enough methane to run a co-generation engine for 15 hours a day, supplying another alternative energy source to the brewery. The energy produced from this plant allows us to cut back on our peak hour energy use from the city utility grid, generating over 10% of our total energy needs for 2004, and just over 5% for the first quarter of 2005. The heat produced is used to heat the water going to the water treatment facility. The process water treatment facility also runs using gravity to move the water, requiring electricity only for the processes that take place in the lab.

Daylighting, the use of ambient sunlight, has always been important, and now as we grow we rely on it even more. Sun tubes are common throughout most of the production area, skylights adorn a hallway and large windows coated with a heat filter glaze surround most of the building. Where daylighting is not a fulltime option, we use motion and light sensor controlled fluorescent lights. We also try to capture and reuse heat wherever possible through a series of heat exchangers located in the brewhouse,

cellar and freon and ammonia compressors. Our latest expansion, a new 200-barrel brewhouse, also features temperature sensor windows, cooling chimneys, and a state-of-the-art Merlin brew kettle, which is up to 75% more efficient than standard brew kettles.

Aside from our physical plant we have taken steps towards lessening our impact by switching over many of our shirts to organic cotton. We are currently the largest private consumer of organic cotton t-shirts in the country, purchasing them from Patagonia Beneficial T's. We have also started using other alternative materials such as hemp and clay dyes. Our label artwork originated from a local watercolor artist (she was Kim and Jeff's neighbor when they started the brewery) and has become extremely popular not only on the beer bottles, but also in all kinds of point of sale (POS) items. This high demand for our POS means we have the chance to support many local vendors and artists, as well as companies that share the same type of commitments as we do. We stay as true to this as possible, supporting hundreds of local and socially responsible businesses on a daily basis.

New Belgium also cares about the footprint we leave outside of the brewery. As a result, we have initiated a zero-waste goal with our traveling festival Tour de Fat. Since we started using corn-based plastic festival cups in 2003 we have been able to bring awareness to composting at Tour de Fat, as well as recycling. In June of 2004 we brought this environmental awareness to the trucks that deliver our beer locally by filling them with B20 (20% biodiesel and 80% diesel). Going one step further, we have had many conversations with other businesses and festivals that are interested in lessening their environmental impact. Most notably we have worked closely with Planet Bluegrass, the producers of Telluride Bluegrass Festival, to help make their festival lighter on the community and environment.

Our vision is truly one of sustainability and forward thinking, recognizing that decisions we make now will have a huge impact on everything around us in the future. This includes how we treat our local community and each community that embraces our products and us. We donate \$1 per barrel brewed every year to different philanthropic causes, balancing our giving between the realms of cultural, social, environmental, and drug and alcohol awareness programs. Based on sales percentages, we divide this money so that each state we distribute to will be effected. We also sponsor all different kinds of events, from bike races to musical events and donate items to various groups and organizations throughout the year. It is as equally important to us to support the people and communities that support our business as it is for us to stay true to our environmental commitments.

Supporting a brewery of our size, with our 15-state distribution, hundreds of festivals each year, groovy POS items, and administrative support, requires a lot of goods. Over 98% of the materials received into the brewery are diverted from the landfill as they leave the brewery, either finding a second use in another industry, or getting recycled into something else. In 2003, we sent the equivalent of 6 48-foot tractor-trailer loads to the landfill, while diverting a whopping 326 tractor-trailer loads.