



For the Good of Ontario

LCBO SPIRIT OF
SUSTAINABILITY

2021/22
Impact Report



A Brighter Ontario

At the LCBO, we recognize that with great influence comes great responsibility. As one of the largest retailers and wholesalers of beverage alcohol in the world, we are committed to going above and beyond our meaningful contributions to the Government of Ontario. We're proud that our \$2.55B return to the province supports public programs and services, including healthcare, education, and infrastructure all across Ontario.

We strive to be a purpose-led organization, and this comes to life through our social impact platform, Spirit of Sustainability (SoS).

Through our focus on Good People, Good Partners, and Good Planet, we're committed to supporting Ontario's social and environmental needs — and in doing so, creating a strong, sustainable Ontario.

Whether it's providing products that are safe to consume, investing in Ontarians' health, or championing sustainability and diversity in the industry, we're using our collective influence to have a positive impact in our communities, so everyone has the opportunity to thrive.

In this year's report, we've highlighted how the LCBO — together with our customers and industry partners — has made a meaningful, positive impact. We invite you to learn more about the work we do for the good of Ontario.

George Soleas

President & Chief Executive Officer

For the Good of Ontario

Good People: We're committed to improving the well-being of our customers, employees, and communities across Ontario.

Moderation Mandate – We provide the products, information, and responsible services Ontarians need to make positive drinking choices that support a healthy lifestyle.

Thriving Communities – We are building communities where all individuals have equitable access to essential resources needed to live happy, healthy lives, regardless of gender, age, sex, race, class, religion, ethnicity, ability, language, sexual orientation, or gender identity.

Engaged Employees – We support an energized and mobilized employee population that feels connected to the LCBO's mission and values, is physically and mentally supported, takes pride in their work, and is empowered to achieve and exceed their goals.

Good Planet: We're committed to minimizing our impact on the environment.

Waste & Energy Reduction – We advance practices that reduce the energy used, and waste generated, by our business operations and product offerings.

Responsible Supply Chains – We innovate to establish environmentally conscious standards across the production, transportation, and distribution of products.

Good Partnerships: We're committed to improving the sustainability of the industry through leadership and partnerships.

Influence Industry Standards – We empower the beverage alcohol industry to promote inclusive social and environmental practices and share knowledge to advance sustainability.

Recognize Good Partners – We champion diverse suppliers, partners, and products who are making strides in sustainability through diversity, inclusion, community investment, and environmental practices.

Enhance Industry Diversity – We are committed to utilizing our resources to increase opportunities for diversity in the industry.



Community Impact

Our Diversity, Inclusion, Belonging and Equity (DIBE) commitments aim to build communities where all individuals have equitable access to essential resources needed to live happy, healthy lives. Achieving these commitments would not be possible without our generous customers, dedicated employees, and Good Partners — from charitable organizations to beverage alcohol suppliers. We're excited to showcase how, working with our Good Partners, we've strived to put DIBE at the centre of everything we do to drive collective impact.

We're proud to be a signatory of **the BlackNorth Initiative CEO Pledge**, created to remove systemic barriers that negatively affect the lives of Black Canadians and commits LCBO to specific actions designed to create opportunities for diverse communities.

The Spirit of Inclusion Initiative (SOII) is a program designed to create opportunities for diverse women to enter, advance, and thrive in the beverage alcohol industry. To date, five women have been awarded scholarships through the program.



The Art & Science of Impact

As key collaborators in the Spirit of Inclusion Initiative, we sat down with Rachel Joanis, Artist & Illustrator, and Shawna Chen, Research Scholar, to explain the ways artistic and scientific thinking is required to create meaningful social impact.

Rachel Joanis Q&A

What excited you about the possibility of partnering with the LCBO on this project? I was so excited when the LCBO reached out to me to create these illustrations. Knowing that my contribution would promote values and outcomes that I care deeply about — reducing barriers for women and people of colour pursuing careers in the industry, creating mentorship programs, and democratizing resources — made it all the more exciting to me to work on this project.

What inspired your illustration style for the initiative, and what kind of story did you want to tell? I really wanted the artwork to feel approachable to viewers and capture their attention. But I think beyond that, I wanted everyone to feel seen and well represented in the artwork. We feature so many different types of women in this campaign, and I really wanted to highlight and accentuate the beauty in all of our differences.

A lot of your work focuses on promoting different ethnicities and body types to help further inclusivity. What role do you see art playing in a more inclusive society, and why is this issue so important to you? It's such a visual medium; it can grab your attention just at a glance. It has the power to shift people's cultural perspectives, spark debate, raise awareness. It also has a lot of power in making people feel seen and well represented. As a person of colour, I know firsthand the importance of representation in media, and I also feel both a desire and a responsibility to create a broad representation of different ethnicities and body types in my artwork. That's always at the forefront of my work.



“We feature so many different types of women in this campaign, and I really wanted to highlight and accentuate the beauty in all of our differences.”

Rachel Joanis,
Artist & Illustrator



Shawna Chen,
Research Scholar

“What really excites me about this opportunity, partnering with LCBO, is that I really want my research to be rooted in a community.”

Shawna Chen Q&A

What excited you about the possibility of partnering with the LCBO on this project? What really excites me about partnering with the LCBO on this opportunity is that I really want my research to be rooted in a community. I've been doing research on women entrepreneurs, and I've been residing in the Niagara region for the past seven years, and I've been thinking, “how can I kind of bridge my research with the community?” When I heard about this Spirit of Inclusion opportunity, I jumped right in. I thought that would be a good way to bridge the difference and contribute to the community.

Why is research so critical in advancing equity and diversity, and what role does it play in promoting social change? There are multiple research projects currently ongoing. We did a content analysis, grabbing all the websites and job boards and seeing what people are talking about in terms of diversity, inclusion, and equity. We have a sentiment analysis representing how people feel when they talk about this subject. We also

have a survey that was just recently launched to gauge the diversity and inclusion climate, as well as psychological safety and leadership, because those are all correlated to how people feel really valued at work so that they can advance in the workplace.

When you think about diversity and representation, what measures need to be taken for the good of Ontario? Ontario has been taking a lot of diversity measures, but I think there is room for improvement for inclusion, because diversity is nothing without inclusion. You can put a group of all different people with diverse backgrounds together in a workplace or in a team, but the team may not function well if they cannot work together, if they don't feel included in a workplace, if they don't feel they belong and that they can be their unique self. It's important to also address inclusion at the workplace, so I think that's where we can go next.



We continue to be **an official sponsor of Pride Toronto**, celebrating the 2SLGBTQ+ community with our employees, customers, and partners. Our **#ToastToPRIDE** campaign launched across Ontario, recognizing our Good Partners who are giving back to the 2SLGBTQ+ community, fundraising for Women's College Hospital Foundation, and supporting local bartenders and chefs. Thanks to the generosity of our customers, we raised over \$2.1M for research programs that support the health and well-being of members of the 2SLGBTQ+ community.

We continue to work towards Truth & Reconciliation by partnering with and investing in community partners. **Together with Habitat for Humanity, we support the Indigenous Youth Skills training program**, designed to engage more Indigenous youth and women on Habitat builds. Focusing on education and through our partnership with ReBOOT, we support the Network Management Analyst internship in the communities of Pic River (Biigtigong Nishnaabeg) and Moose Factory (Moose Cree First Nation).

Through our Good People we aim to provide products, information, and the **responsible services Ontarians need to make positive drinking choices**. This is why customers can now discover [our lighter choices page on LCBO.com](#) that includes innovative options that are lower in sugar, calories, and alcohol or even alcohol-free as part of our Moderation Mandate.

To remind Ontarians of the dangers of drinking and driving during the summer, we launched **the Muskoka Chair Campaign**. Working with Trevor McIntyre, a Hamilton-based artist with Imagine Metal Art, we reimagined one of our province's most recognizable symbols: the wooden Muskoka chair. Made out of car wrecks and displayed at LCBO locations en route to popular cottage destinations, the Muskoka chair installations gave customers a moment to pause and reflect on the dangers of drunk driving. A permanent Muskoka chair installation is located at our flagship store in Toronto.

Our Quality Assurance experts at **the LCBO Lab are committed to bringing Ontario only the best in quality and innovation**. The LCBO Lab's standards are used as a benchmark by other Canadian liquor jurisdictions and alcohol producers. They screen for everything from illegal additives, sugar, and caffeine levels to label accuracy and sustainability practices. The lab is also enhancing the information available to customers: They have created an algorithm that tests for sugar and acidity levels, so customers know how sweet or dry a wine tastes to inform their purchase.



Taking Action for Our Planet

At the LCBO, we care about the environment and continue to take steps to minimize our impact on the planet. From streamlining our supply chain to reducing waste and energy across our retail stores and warehouses, we champion innovative practices to decrease the footprint generated by our business operations and product offerings.

The LCBO has been an international leader in reducing beverage alcohol container waste, through **the Lightweight Bottle Program**. Since the program launched a decade ago, we have reduced annual waste by more than six million kg. The program continues to broaden to new products, and not only reducing waste and carbon emissions through sustainable emissions by through distribution, but also supporting the health & well-being of our Retail and Supply chain employees through decreased case weight.



ReBOOT provides new life for our retired devices. Since 2018 we've distributed **1,489** devices to underserved individuals, provided **16,199** people with access to free Wi-Fi, and funded **13,150** paid-placement hours for marginalized youth.

We continue to minimize our reliance on single-use plastics in store. **LCBO reusable bags** are made from recycled water bottles, and we announced our transition away from plastic gift cards to chalk gift cards, so customers have even more eco-friendly options.



In November 2021, we moved our head office to the Sugar Wharf development at 100 Queens Quay East in downtown Toronto. Keeping our SoS commitments firmly in mind, we ensured **sustainability from the ground up in our new head office.**

The Sugar Wharf development placed a heavy emphasis on sustainable, high-density design principles. These include extensive sustainability features with elements that target a LEED® Platinum rating and align with the environmental commitments of SoS.

A Toast to our Good Partners

We know it takes an entire industry of passionate, purpose-driven organizations to create a more sustainable, diverse, and inclusive Ontario. That's why we're raising a glass to a few of our Good Partners who are making a difference.

D'ONT POKE THE BEAR

D'Ont Poke the Bear are standing up for kids across the province. Every sale of their VQA wine and craft cider helps to raise money for Kids Help Phone. In the last year, they raised \$75,000 to provide in-class counseling for over 400 students. This initiative comes from a personal place for the founders, who experienced bullying at school. Today, they channel their own experiences to create positive change and help the next generation find healthy coping mechanisms in their own lives.

MEGALOMANIAC WINES

To acknowledge and celebrate the heroic efforts of Ontario's healthcare workers throughout the pandemic, Megalomaniac Wines delivered 720 bottles of their specially labeled wine, Much Obligated, to 30 healthcare facilities. In addition, for every bottle of Much Obligated sold on LCBO.com, a portion of proceeds was donated to Food Banks Canada.

MOËT HENNESSY CHARTON HOBBS, LABATT & DIAGEO

Moët Hennessy, Labatt, and Diageo share in our SOII commitments and help to bolster our efforts through financial donations, access to mentors, and offers of employment opportunities. Their joint efforts will help to identify and remove systematic barriers for diverse women seeking to enter, advance, or thrive in the beverage alcohol industry.

DIAGEO & CORBY

The Bartenders Benevolent Fund was set up to assist those who have fallen under serious financial hardship, offering programming to elevate our industry and those within it. Two of the largest spirits companies in Canada (and our Good Partners), Diageo and Corby, have joined forces to support the work of this incredible not-for-profit organization.



PRIDE GOOD PARTNERS

Our Good Partners are as proud to celebrate Pride as we are. This past year, Left Field Brewery, Vizzy Hard Seltzer, Absolut Vodka, Bud Light, Ernest Dry Cider, and Muskoka Brewery joined our efforts to support the 2SLGBTQ+ community.



Measurable Impact



Moderation Mandate

699,170 QA tests performed through the LCBO Lab

745 extra-light and light beverage alcohol products offered at LCBO retail stores and on LCBO.com

10,047 low-sugar beverage alcohol products offered at LCBO retail stores and on LCBO.com

Thriving Communities

\$16,780,310 in charitable funds raised to support the health and well-being of Ontarians

\$81,270 donated through Spirit of Inclusion Initiative to Brock University & Niagara College

\$107,000 donated to various charities in support of Truth & Reconciliation

81% of customers agree the LCBO makes a positive difference in Ontario communities through its fundraising and charitable partnerships



Waste & Energy Reduction

81% of Retail Service Centre waste was diverted from landfills

75% of containers were returned by customers through the Ontario Deposit Return Program, which is funded by the LCBO Return Program

25 tonnes of greenhouse gas emissions were saved through the Lightweight Glass program and lighter freight loads



Recognize Good Partners

2,763 Ontario local beverage alcohol products offered that generated **\$1.33 billion** in support of the local economy

91% of customers are confident in their ability to find Ontario-based beverage alcohol products at the LCBO

Enhance Industry Diversity

5 diverse women are participating in the Spirit Of Inclusion Initiative

81% of customers believe the LCBO is taking action to increase diversity and representation within the beverage alcohol industry

2021/22 Community Partners

We strategically select charitable partners with a strong track record of driving meaningful community impact across the province. By ensuring our charitable partnerships strengthen our SoS commitments, **we raised \$16,780,310** last year to support the health and well-being of Ontario’s diverse communities. In addition, we are proud to contribute to the Government of Ontario, delivering **a dividend of \$2.55 billion (2021-22)** that supports critical services like healthcare, education, and infrastructure.

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|-----------------------------------------------|---------------------|
| Brock University | \$15,000 |
| Campfire Circle | \$25,000 |
| Children’s Health Foundation | \$1,013,973 |
| Children’s Hospital of Eastern Ontario (CHEO) | \$990,630 |
| Habitat for Humanity Canada | \$50,000 |
| MADD Canada | \$1,866,767 |
| McMaster Children’s Hospital Foundation | \$1,300,245 |
| Niagara College | \$66,270 |
| reBOOT Canada | \$7,000 |
| Sick Kids Foundation | \$4,170,458 |
| United Way | \$3,046,656 |
| Water First Education & Training Inc. | \$50,000 |
| Women’s College Hospital Foundation | \$4,178,311 |
| TOTAL | \$16,780,310 |

For the Good
of Ontario.



Tomorrow's SoS for Tomorrow's Ontario

Without you, our generous customers, dedicated employees, and good partners, our collective impact would not be possible. Thank you for building a stronger and more inclusive province.

We invite you to continue to create meaningful change with us. Follow us to learn more.

   @LCBO  @LCBO + @LCBONews

lcbo.com/sustainability



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