



The Beer Store Responsible Stewardship 2025

Adapting Sustainability to an Evolving Landscape

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Symbol Key

- ✓ Figures for which our auditors, Ernst & Young (“EY”), provided a limited level of assurance.



Message from the President

Reduce, reuse and recycle. For many, this is a slogan. For The Beer Store this is how we do business and contribute positively to the environment and to sustainability.

I'm proud to share our 2025 Stewardship Report: a snapshot in time of our commitment to our customers, industry and the environment. This report tracks our progress on key markers related to stewardship and sustainability and highlights contributions our employees make in communities across Ontario.

For close to 100 years The Beer Store has placed an emphasis on promoting stewardship practices that help support awareness of the circular economy. Our commitment to industry and consumers is to be the best destination in Ontario to return empty beverage alcohol containers and get deposit money

back. Our deposit return program provides a powerful incentive for Ontarians to participate by returning empty alcohol containers to Beer Store and partner locations across Ontario. The deposit return program ensures that returned glass is either reused or recycled into new products and also prevents glass contamination in the blue box system.

The deposit return program is a great example of The Beer Store's ongoing commitment to stewardship and sustainability efforts leading to positive change in the environment. The data tells a compelling story, in 2025 The Beer Store accepted close to 1.6 billion empty alcohol containers for reuse and recycling. Whether consumers return a two-four, single bottle or a combination in between, it adds up and makes a big difference.

We are proud of our continued efforts to

onboard Empty Container Dealers to provide coverage across Ontario to consumers to return their empty containers and collect their deposits in the most convenient way possible.

We have a legacy of leadership in the circular economy, but that's not a reason to rest on our laurels. This report includes examples of recent innovation and changes to our stewardship practices. Chief among these examples is Project SORT, which endeavours to make the returning and collection of empty containers easier for consumers and our employees alike.

This is a time of change for the beer and alcohol retail market in Ontario. Despite the changes, The Beer Store remains committed to being the best destination for all things beer with the widest selection of ice-cold beer

and home to a leading deposit return program that supports sustainability and ensures Ontarians get their deposit back.

There's an adage that actions speak for themselves. This report tracks our actions and demonstrates the Beer Store's commitment to supporting stewardship and sustainability practices and our contribution to the circular economy.

Roy Benin

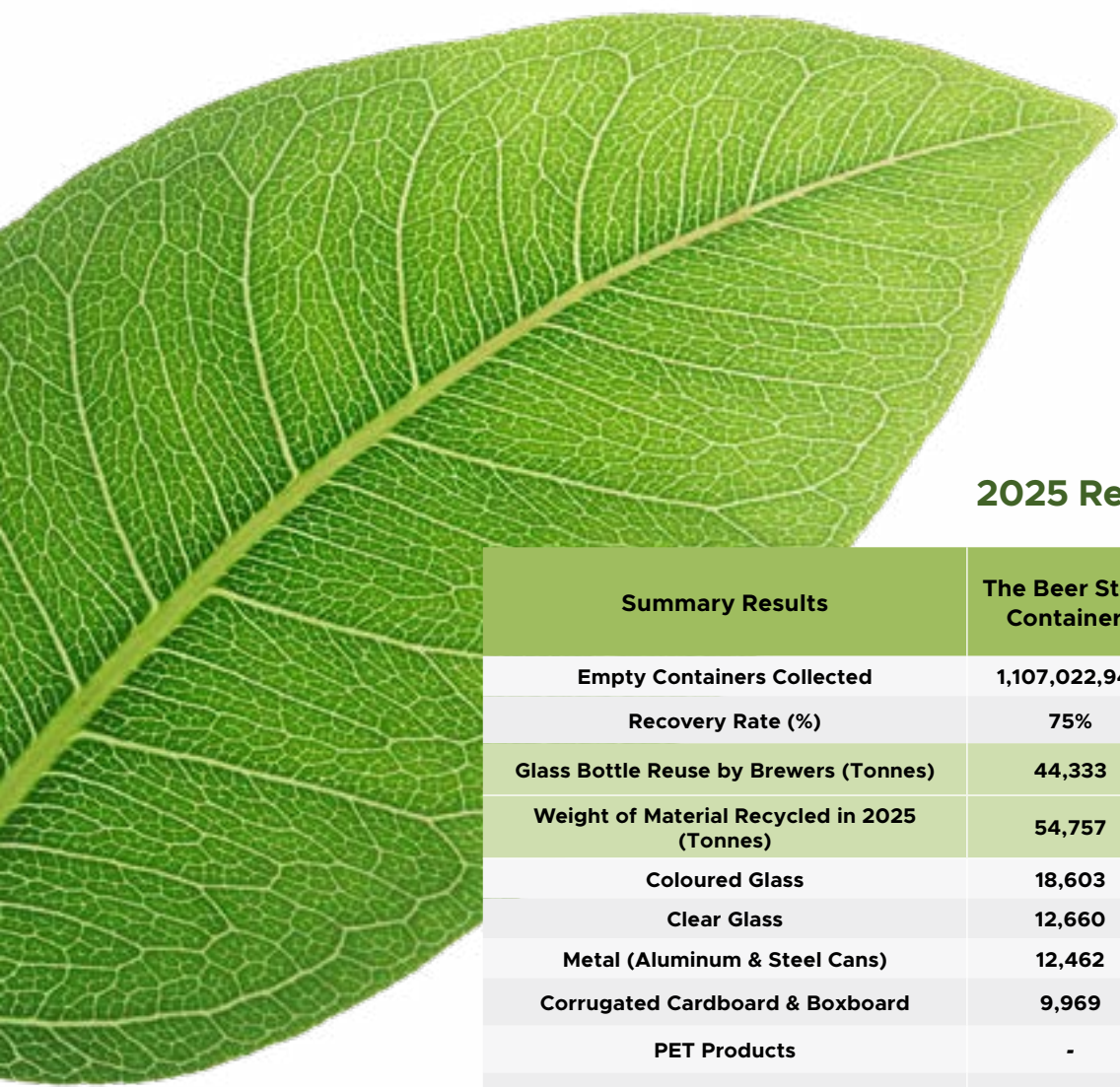
**PRESIDENT &
CHIEF EXECUTIVE OFFICER**





Responsible Stewardship in Ontario

Summary Results



2025 Results at a Glance

Summary Results	The Beer Store Containers	Ontario Deposit Return Program Containers
Empty Containers Collected	1,107,022,949	463,613,118
Recovery Rate (%)	75%	71%
Glass Bottle Reuse by Brewers (Tonnes)	44,333	-
Weight of Material Recycled in 2025 (Tonnes)	54,757	72,140
Coloured Glass	18,603	40,796
Clear Glass	12,660	26,425
Metal (Aluminum & Steel Cans)	12,462	4,147
Corrugated Cardboard & Boxboard	9,969	-
PET Products	-	771
Mixed Plastic	1,064	-
Total Tonnes of Containers and Packaging Collected for Reuse or Recycling	99,091	72,140

Sale Locations

As of December 31, 2025, there was a total of 25,728 beverage alcohol sales locations in Ontario:

#	Type Of Location
301	The Beer Store Locations
354	On-site Brewery Retail Stores (beer containers only)
390	LCBO Convenience Outlets
693	LCBO Stores
1,073	Grocery Stores
5,314	Convenience Stores
614	Ontario Winery Retail Stores
86	Ontario Distillery Retail Stores
16,903	Licensed Establishments (bars, restaurants, etc.)
25,728	Total Beverage Alcohol Sales Locations ¹

Redemption Locations

As of December 31, 2025, there was a total of 1,115 beverage alcohol redemption locations in Ontario:

#	Type Of Location
301	The Beer Store Locations
354	On-site Brewery Retail Stores (beer containers only)
390	LCBO Convenience Outlets
70	The Beer Store Contracted Empty Container Dealers
1,115	Total Beverage Alcohol Redemption Locations

To find a redemption location near you, visit <https://www.thebeerstore.ca/where-to-return-empties>

¹ Figures for grocery stores, convenience stores, breweries, wineries, distilleries, LCBO stores, and licensed establishments are provided by the LCBO and AGCO

Prioritizing Sustainable Solutions in an Evolving Landscape

The Beer Store (“TBS”) first launched in 1927 as a brewer cooperative and is still going strong, almost 100 years later! As of 2025, TBS regularly supports brewers across Ontario from warehousing, to transportation, to retail, and of course, empty beverage alcohol container collection.

In 2025, TBS’ retail system operates over 300 retail stores, which sell a large selection of beer, non-alcoholic ready to drink beer, and malt-based beverages from around the world. The TBS team also supports thousands of other beverage alcohol service locations, such as retail, convenience and grocery stores, bars, restaurants, and other licensed venues. We continue to add new customers as the market evolves.

But across this system, one thing remains consistent: **TBS’ commitment to sustainability.**

Since its inception, TBS has consistently operated a return-to-retail deposit system for empty beverage alcohol containers sold through the TBS system as well as their associated packaging. This deposit system offers a financial incentive for sustainability, with deposits ranging from 10 cents for small containers, 20 cents for larger containers, to \$50 for large sized kegs. This incentive promotes participation in an efficient system that offers real, effective, sustainable solutions, as the aluminum, glass, plastic, and cardboard we receive is processed and recycled to be used in new ways, often in the very same industry that supports their collection.

But as changes occur across a modernizing retail marketplace, TBS continues to adapt so that our acts

of stewardship remain as strong as they’ve always been.

Empty containers eligible for deposit are not only reimbursable at TBS retail stores, but also through other external locations partnered with TBS. These include LCBO Convenience Outlets, participating grocery and convenience stores, as well as Empty Container Dealers. In 2025, 28 new empty return locations partnered with TBS to reimburse customer’s deposits and support container recycling in communities across Ontario. These new locations, in addition to our already established empty returns network, were able to process close to 1.6 billion containers.

Establishing new deposit return locations is essential to maintaining and growing our return network to serve customers across Ontario.

The types and volumes of containers collected by TBS changes with consumer preferences, regulations and evolutions to the retail market. Since 1927, TBS has enabled the use of refillable bottles, including the Industry Standard Bottle which is reusable on average 15 times, and steel kegs which can remain in circulation for decades. While these reusable containers remain integral to the sustainability of the beverage alcohol market, producers continue to experiment with new container shapes, materials, and sizes. Despite these changes, TBS continues to reimburse customers with their deposits as we always have, regardless of the type of container and packaging. In doing so we have reduced the need for new glass, plastic, and aluminum production across the market, which in turn reduces the amount of energy and water use in addition to the

associated greenhouse gas emissions required for continuous alcohol container production.

Other changes that were made to support the evolution of our empties return network this year included the launch of a brand-new website feature: the **‘Where to Return Empties’** locator tool (www.thebeerstore.ca/where-to-return-empties). This brand-new website section provides customers with not only the ability to see TBS locations live on a map, but also the ability to see all external partners who provide deposit returns as well as their operating hours. This new tool provides customers with access to a comprehensive and up-to-date list of deposit return locations near them as our network continues to shift and expand to serve the province better.

Moving forward, sustainability remains a cornerstone in TBS’ operations, standing as a world class model of circularity, adaptability, and leadership in the evolving consumer landscape we work within. Throughout this report, examples of change and adaptability in 2025 will be highlighted, offering a snapshot into how our operations continue to deliver sustainable solutions that empower our customers, communities, and partners towards a brighter and greener future.



The tables below detail the total containers and packaging sold and returned in 2025 that are a part of TBS’ return system (see Appendix A):

Table 1

The Beer Store Container Sales and Recovery by Container Type

January 1st, 2025 – December 31st, 2025

Container Type	The Beer Store Sales (units)	LCBO Sales (units)	Returns (units)	System Recovery Rate (2025)	System Recovery Rate (2024)
All Glass Bottles (Refillable and Non-Refillable)	211,976,127	82,324,790	252,176,931	86%	86%
Refillable Bottles (ISB and Non-Standard)	166,795,459	46,528,976	190,032,454	89%	89%
Non-Refillable Bottles	45,180,668	35,795,814	62,144,477	77%	81%
Metal Cans	537,415,547	650,216,571	853,776,141	72%	73%
Kegs ²	1,037,175	0	1,069,878	103%	102%
Total (by Units)	750,428,849	732,541,362	1,107,022,949	75%	76%

Table 2

Secondary Packaging

January 1st, 2025 – December 31st, 2025

Packaging Type	The Beer Store (Tonnes Sold)	LCBO (Tonnes Sold)	Total (Tonnes Sold)	Recovered Tonnes (2025)	Recovered Tonnes (2024)
Corrugated/ Boxboard ³	7,625	6,289	13,914	9,969	12,098
Metal	449	177	626	66	81
Plastic	172	29	201	851	824
Total	8,246	6,496	14,741	10,886	13,003

² Keg recovery rates sometimes exceed 100% due to a lag between collection and shipment, and/or due to direct brewery sales outside of the TBS network.

³ ‘Tonnes Sold’ reported at both The Beer Store and the LCBO is the packaging associated with the sale of beer products only. ‘Tonnes Recovered’ reflects all packaging returned to The Beer Store, including non-beer packaging.

Sustainable Integrations in an Evolving Business

Logistics

Since January 2025, our **Keg Repair Department** at Draught Services has processed over 20,000 kegs, which saw 200,000 pounds of scrap steel reintegrated into the circular economy in six weeks. This mitigated ~200 tons of CO2 that would have been generated from mining/forging raw steel.

Starting in 2018, TBS began an initiative with the LCBO to co-deliver products on TBS delivery trucks. In doing this, TBS and LCBO have continued to reduce the number of trucks dedicated to beverage alcohol deliveries on the road and to optimize each delivery by maximizing use of available trailer transport space. In 2025, we made co-deliveries to beverage alcohol retail points in cities in southern Ontario, including Kingston, London, Oshawa, Whitby, Windsor, and more, as well as several locations in northern Ontario serviced out of our Thunder Bay Distribution Centre.

Finally, this year saw the completion of TBS’ Extended Warehouse Management implementation in Ottawa and London. This moved TBS away from paper picking to tablet based data management. As the last two warehouse sites that were using paper assembly within TBS, this has allowed us to reduce paper waste through a digital based workstation.

Health & Safety

The Beer Store’s partnership with Watson Gloves continues to provide cut-resistant safety gloves to our employees. Made from recycled PET polyester (“rPET”), the manufacturing process for these rPET polyester gloves uses 59% less energy and emits 32% less CO2 versus the comparative regular polyester

gloves. TBS is pleased to work with innovative partners like Watson Gloves who share similar goals to TBS, as they strive to deliver quality products while minimizing their waste production through the regeneration of materials and intentional limiting of their company’s impact on the environment.

Information Technology

Compugen’s Green4Good program provides end-of-life IT asset disposition services across North America. Their certified recycling processes ensure that hazardous materials in electronics and other items are carefully managed, and that valuable commodities including metals and plastics are separated to be recycled into new products. TBS participates in the Green4Good program to responsibly manage retired hardware.

TBS also partners with Lexmark, our printer provider, to participate in the Lexmark Cartridge Collection Program. Toners used at our retail, distribution, and corporate locations are collected once empty and returned to Lexmark, where they are recycled into new toner cartridges or other products. Additionally, Lexmark arranges reforestation projects through their partnership with Print Releaf. Through this program, TBS’ tracks our paper use so that an equivalent number of trees to the paper consumed through our business are replanted via reforestation projects in Canada. In 2025, approximately 1,761 trees were replanted. Since the beginning of this partnership in 2019, approximately 12,088 trees have been replanted in total.



Expanding the Deposit Network for a More Sustainable Ontario

In 2025, the alcohol retail landscape in Ontario continued to evolve and expand.

Market changes included additional convenience, grocery, and big-box stores receiving the license to sell beverage alcohol in Ontario. This expansion adds more deposit-bearing containers into the already extensive network of LCBO Convenience Outlets, LCBO retail, and TBS retail locations which have sold alcohol beverages to the Ontario public for decades. In a changing retail landscape, TBS has continued to responsibly adapt our existing deposit return system to maintain empties return coverage across the province.

As of January 1, 2026, licensed grocery stores have the following options regarding the empty return deposit program:

- 1) Accept empty alcohol containers and reimburse consumers for paid deposits on site.
- or

- 2) Enter into a voluntary arrangement agreement that supports alternate empty return locations across Ontario.

Over this past year, TBS has conducted research and outreach to ensure our deposit return network remains strong and efficient in 2026 and beyond. We will continue to expand our deposit return network and work with business owners, local organizations, and municipalities to facilitate solutions that work best for their communities.

Supporting Communities: Success in Blind River

A primary example of TBS’ commitment to finding sustainable solutions within local communities was our partnership with the Town of Blind River in fall 2025. As an active tourist destination and community hub for the surrounding areas, both the Town of Blind River and TBS understood the value of establishing a central site for customers to

return their empty deposit containers. TBS worked with the municipality to help fund and implement a municipally operated empties return location. The Town of Blind River team embraced a learn-as-they-go strategy when it came to taking back returns, and they were able to adapt to the sorting and deposit refund guidance outlined by TBS. Local customers were more than pleased to receive their deposits locally. Recently, the Town celebrated filling an entire transport trailer, an exciting moment that TBS and the municipality were able to share together!

“This was a milestone moment for us [seeing a transport fully loaded] and having a clear visual of what was diverted. Additionally, the boots-on-the-ground staff from TBS are exceptional to work with. This is new to us, and the team is nothing short of caring and readily accessible to answer questions. We appreciate this level of camaraderie as we navigate this new system.”

–Karen Bittner, Town of Blind River.

The Blind River Repository drop off is located at 110 Indiana Avenue, directly behind the Town’s bustling arena, and beside the brand new municipal pickleball and tennis courts. The area provides ample customer parking and room for workers.

The Town is eager to continue learning, tracking the demands of each season, and continuously improving service delivery.



Blind River Site Pick Up December 2025. Photo: K Bittner.

Ontario Deposit Return Program Results

Since 2007, TBS has facilitated the Ontario Deposit Return Program (“ODRP”). The ODRP provides for all beverage alcohol containers greater than 100mL in size that are not part of TBS’ return system to be sold with a 10-cent or 20-cent deposit that is fully refundable when the container is returned through TBS’ return network. TBS also accepts any packaging associated with the sale of these containers. Under this program, TBS commits to ensuring all ODRP containers returned through our system are recycled through high-value streams.

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

January 1st, 2025 – December 31st, 2025

Table 3

ODRP Containers ⁴	Deposit Value	Sales (Units)	Sales Distribution ⁵	Sales by Material Type
Glass containers less than or equal to 630ml	\$0.10	32,426,340	5.0%	31.6%
Glass containers greater than 630ml	\$0.20	173,505,055	26.6%	
Aluminum or steel cans less than or equal to 1L	\$0.10	401,957,364	61.7%	61.7%
Aluminum or steel cans greater than 1L	\$0.20			
Tetra Pak and Bag-In-Box containers less than or equal to 630ml	\$0.10	974,917	0.1%	1.7%
Tetra Pak and Bag-In-Box containers greater than 630ml	\$0.20	9,941,824	1.5%	
Polyethylene Terephthalate (PET) or plastic containers less than or equal to 630ml	\$0.10	21,665,852	3.3%	5.0%
Polyethylene Terephthalate (PET) or plastic containers greater than 630ml	\$0.20	11,137,764	1.7%	
Total		651,609,116	100.0%	100.0%

ODRP Containers: Sales & Recovery

January 1st, 2025 – December 31st, 2025

Table 4

Container Type	Sales in Units ⁶		Returns in Units		Recovery Rate					
	Small Containers	Large Containers	Small Containers	Large Containers	Small Containers (2025)	Small Containers (2024)	Large Containers (2025)	Large Containers (2024)	Combined (2025)	Combined (2024)
Glass	32,426,340	173,505,055	24,387,180	138,613,009	75%	96%	80%	80%	79%	83%
PET	21,665,852	11,137,764	7,105,251	5,029,702	33%	36%	45%	50%	37%	41%
Tetra/BIB	974,917	9,941,824	149,585	2,740,652	15%	29%	28%	26%	26%	27%
Subtotal	55,067,109	194,584,643	31,642,017	146,383,363	57%	72%	75%	76%	71%	75%
Cans	401,957,364		285,587,738						71%	73%
Grand Total	651,609,116		463,613,118						71.1%	73.8%

⁴ Containers larger than 100 ml qualify for deposit return refunds under the program.

⁵ Figures may not sum to 100% due to rounding.

⁶ Domestic distillery container sales reporting no longer submitted to the LCBO.

Combined Environmental Performance Results

The following table demonstrates the avoided GHG emissions and energy consumption as a result of the containers reused or recycled through TBS’ container collection program and the ODRP.⁷ The avoided emissions are equivalent to taking approximately 44,547 cars off of the road for an entire year!

Table 5

The Beer Store & ODRP Disposal Diversion, Estimated Avoided GHG Emissions, & Avoided Energy Consumption (2025)

January 1st, 2025 – December 31st, 2025

	Glass Reuse	Clear Glass Bottle Recycling	Coloured Glass Bottle Recycling	Aluminum Recycling	Steel Recycling	PET Recycling	Mixed Plastic Recycling ⁸	Total Diversion
The Beer Store Tonnes Diverted	44,333	12,660	18,603	12,396	66	0	1,064	89,122
ODRP Tonnes Diverted	0	26,425	40,796	4,147	0	771	-	72,140
Total Tonnes Diverted	44,333	39,085	59,399	16,543	66	771	1,064	161,262
Avoided GHG Emissions (MTCO2E)	16,847	4,299	3,267	159,810	78	2,806	3,874	190,981
Avoided Energy Consumption (GJ)	301,468	65,663	64,745	1,445,235	831	65,755	90,800	2,034,495

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

⁷ Source for avoided energy and emissions multipliers: Determination of the Impact of Waste Management activities on Greenhouse Gas Emissions: 2005 Update Final Report, ICF Consulting for Environment Canada & Natural Resources Canada, October 2005 and GHG Calculator for Waste Management, Update Oct 2009, ICF Consulting for Environment Canada. Multipliers for avoided GHG Emissions (eCO2/tonne) used were 0.38 for glass reuse and 9.66 for aluminum recycling. Avoided GHGs from glass bottle reuse (0.38) is not presented in the Determination of the Impact of Waste Management activities on Greenhouse Gas Emissions: 2005 Update Final Report. This multiplier was provided in the previous version of the report from 2004. Pollutant reductions associated with recycled versus virgin aluminum production and glass production from Weitz, Keith A. et al. 2003. Life-Cycle Inventory Data Sets for Materials Production of Aluminum, Glass, Paper, Plastic and Steel in North America. Report prepared by RTI International for the U.S. EPA, Office of Research and Development. EPA-600/Q-03-001. Research Triangle Park, NC.

⁸ “Avoided GHG” and “Avoided Energy” coefficients for PET Recycling used for Mixed Plastic figures.





Community Involvement

TBS is proud to partner with Ontario charities and not-for-profit organizations that make an impact in the communities where we operate. The deposit return system enables these partnerships, with many customers graciously donating their empty container deposits or extra change to make a difference. Bottle drives large and small are a funding mechanism for many not-for-profit organizations across Ontario. We are thankful to our patrons who generously donate and want to make a difference in their communities.



The Leukemia & Lymphoma Society of Canada

The Leukemia and Lymphoma Society of Canada (“LLSC”) is Canada’s largest registered charitable health agency that is dedicated to aiding the blood cancer community in Canada. The LLSC continues to be the main charity of choice for TBS and our valued union partner, UFCW 12R24, which represents TBS’ hourly workers. TBS supports the LLSC through fundraising events throughout the year and an annual bottle drive that has been taking place since 2006.

Thanks to the generous support of our staff and customers, during our 2025 LLSC Bottle Drive we raised \$987,512.24 for blood cancer research! Over the years, we have proudly contributed more than \$25 million to support LLSC’s profound mission to cure leukemia, lymphoma, Hodgkin’s disease and myeloma, and improve the quality of life of patients and their families.



New Way of Fundraising for the Annual LLSC Bottle Drive

In May of 2025, Villains Beastro in downtown Windsor provided further support for the LLSC bottle drive by hosting a karaoke event to raise money for the fundraiser. The Karaoke Night was open to everyone at the Pub and welcomed many friends and local community members who were excited to support the cause, many of which have loved ones affected by blood cancer and were invested in organizing the fun event. The group of creative and caring individuals were able to raise \$311.90 for LLSC and hope this begins an annual tradition to support the LLSC bottle drive.

Black Mental Health Canada & the Amherstburg Freedom Museum

In February, TBS continued our tradition of celebrating Black History Month by supporting two incredible organizations: Black Mental Health Canada and the Amherstburg Freedom Museum.

Black Mental Health Canada provides culturally safe, accessible and affordable Mental Health Care to diverse Black communities in Canada.

The Amherstburg Freedom Museum is a community based non-profit museum devoted to sharing the history of African-Canadian individuals and their contributions to Canada, many of whom found freedom in Amherstburg as refugees from enslavement in the United States. Opening in 1975, the museum recently celebrated its 50th anniversary. TBS is proud to support an organization that works hard to preserve and share the history of African Canadians and the Underground Railroad.

Through our fundraising efforts from February 3 to March 2, we raised an inspiring \$56,090 to support the important work of these organizations. These contributions will directly support mental health initiatives for Black communities and preserve the history of Black Canadians, empowering future generations.

Gord Downie & Chanie Wenjack Fund

During the month of October 2025, TBS took part in Secret Path Week and raised \$31,894 for the Gord Downie & Chanie Wenjack Fund (“DWF”). DWF aims to build cultural understanding and create a path toward reconciliation between Indigenous and non-Indigenous peoples in Canada. Their vision is to improve the lives of Indigenous peoples by building awareness, education, and connections between all people in Canada.



Rainbow Railroad

Since their founding in 2006, Rainbow Railroad has helped numerous 2SLGBTQIA+ individuals find safety through emergency relocation, crisis response, cash assistance, and other forms of assistance. Rainbow Railroad is a global organization that helps people in countries where they are not accepted and who have faced violence and oppression for simply being who they are in the 2SLGBTQIA+ community. During Pride Month 2025, TBS raised \$78,544 in support of Rainbow Railroad, supporting their operations which allow more than 19,000 2SLGBTQIA+ individuals worldwide to lead safer lives.



Rainbow over Stoney Creek Distribution Centre

Holiday Helpers Canada

As we wrapped 2025, TBS was happy to support the WIN Initiative Holiday Helpers campaign from November 24th to December 7th. Holiday Helpers Canada is a Toronto based non-profit whose mission is to provide low-income families with young children with a one-time Christmas package to allow for joy, encouragement, and the necessary poverty relief needed to improve their situation. These customizable packages aim to brighten up each families’ holiday seasons by providing a holiday meal, decorated Christmas tree, customized Christmas

gifts, and a minimum \$150 gift card to a local grocery store for a warm meal. Through TBS’ support we were able to raise \$31,043 in support of Holiday Helpers Canada to support their operations.

Regional Fundraising

Annually, in late summer and early fall, TBS supports fundraising campaigns across Ontario. Through this initiative, we raise money and empty donations for several charities that provide invaluable support and resources to their communities. In 2025, \$109,725 went towards the following organizations:

- DEBRA
- Rankin Run
- Habitat for Humanity
- Juravinski Hospital
- Roger Nielson Children’s Hospice
- Norfolk General Hospital
- Joseph Brant Hospital
- Terry Fox
- Brantford General Hospital
- Dunnville Hospital



Promotional & Educational Activities

2025 Earth Day Event

In celebration of Earth Month, TBS partnered with the Toronto Region Conservation Foundation (“TRCF”) and the Toronto and Region Conservation Authority (“TRCA”) to take part in a guided hike and litter cleanup. On April 16, TBS team members gathered at Tommy Thompson Park on the Toronto Waterfront and walked the coastline as a team, ending the day by collecting over 30lbs of litter from the trail!

Our efforts contributed to the restoration of over 60,038 square metres of land on the Toronto waterfront. TRCF is a charitable foundation that works in partnership with TRCA whose conservation campaigns and sustainable projects directly impact local ecosystems. TBS is proud to have worked with them in 2025 to help restore such a beautiful and hidden gem on the Toronto waterfront.



TBS representatives pictured from left to right: Emily Thouless, Chris Fredericks, Natasha McVie, Caitlin Guse, Elena Mora, Marissa Marston, Jeff Zabalet, Nancy McGann, Stella Wong, Carol Wonnacott, Manvinder Pabla, Emily Holmes, Michael Gentile



The Beer Store Named One of Canada’s Greenest Employers 2025

In April 2025, TBS was pleased to have been named one of Canada’s Greenest Employers 2025. This award recognizes employers that lead the nation in creating a culture of environmental awareness and exemplify initiatives that symbolize the brand to external employees and partners to the organization. Receiving this award reflects TBS’ dedication to being stewards for our communities. We are proud and grateful for this recognition and to everyone involved in making this possible.

“In collaboration with brewers, commodity buyers, and Ontarians, we ensure that our recycling system upholds the highest standards of sustainability. This recognition paired with our annual report, demonstrates the incredible work the entire TBS team has put forth as leaders in sustainability.” Said Roy Benin, President & Chief Executive Officer. “At The Beer Store, sustainability leadership is a core value. We are proud to act as stewards for our communities and consider the environment in our actions.”



Empties Made Easy: Introducing the Empty Return Locator

As part of our ongoing commitment to sustainability and responsible recycling, we’re proud to share the launch of our Empty Return Locator tool, introduced this past August (www.thebeerstore.ca/where-to-return-empties). This resource helps Ontario residents quickly find locations where they can return empty beverage alcohol containers and get their deposit back.

The new Empty Return Locator shows all TBS locations accepting alcohol containers as well as authorized alternative return sites across the province. These additional sites serve as strategic extensions of our business and recycling network, reinforcing their role as valued partners in our sustainability efforts.

This initiative is one of many more to come as we continue to evolve with the changing beverage alcohol landscape and respond to the demand for accessible empty return sites across Ontario communities.



Sign titled “Guide to Better Returns” detailing how to sort empty returns.

SORT: Enhancing Deposit Returns Through Customer Service

The objective of SORT which stands for “Simplify Operations for Returns and Transformation”, was to provide a consistent empty return process by improving customer experience that aligns with our core values. This included updating in-store signage to promote understanding between staff and customers in store, providing improved online training, and building customer trust through a uniform return experience at every TBS retail location. After SORT’s implementation in 2025, TBS saw a 44% decrease in empty-related complaints compared to 2024.

“I believe the Project SORT framework is effective, and my team has responded well to the structure and clarity it provides.”
- Store Manager Megan Mosseau at TBS Almonte and Arnprior, ON

The SORT initiative not only ensures customers are educated on proper empties ‘etiquette’ but also assists in improving the flow of empties at the front of store, allowing for a positive and efficient deposit return on all sides of the transaction.



Sign stating “Thank You for Returning Your Empties” with a detailed list of the material types empties are sorted by.

Marketing Initiatives: Campaigning in Barrie & London

As part of our Sustainability Leadership commitment and our ongoing efforts to support Ontario’s Deposit Return System, we took advantage of the summer’s good weather and cottage season to launch a geotargeted awareness campaign in Barrie and the surrounding area. The initiative highlighted our world-class recycling system, the 10- and 20-cent deposit values Ontarians receive when returning eligible containers, and the full range of containers accepted through both the TBS network and the ODRP.

The campaign was powered by an omni-channel media strategy, featuring a mix of static and video content across out-of-home billboards, social media, digital platforms, and partnered local radio stations. We also reinforced the message in our Barrie-area stores with additional in-store signage.

Building on this momentum, we have expanded the campaign into a new region. With the support of two of TBS’s recycling partners, we leveraged the ‘Return Your Empties’ platform to guide our approach in the city of London during fall 2025, allowing us to scale and reinforce the message. While each campaign was tailored to each city, both were rooted in the same Environmental Leadership strategy and our commitment to improving empty-container returns and deposit awareness across Ontario.



TBS advertisement stating “Deposits aren’t for keeps. Claim your cash back.”



Sponsorship & Memberships

PAC Global

PAC Global is a not-for-profit advisor that organizes a member-based global packaging network. Their core principles are material/package neutrality, sustainable, circular, inclusive, and accessible packaging design. As a member, TBS has access to invaluable information regarding packaging management, recycling, and other circular solutions that we can utilize every day in our operations.

Circular Innovation Council

The Circular Innovation Council (“CIC”), originally established as the Recycling Council of Ontario, is dedicated to the promotion of the circular economy in Canada. Through collaborating with businesses and organizations, the CIC has helped to infuse the principles of the circular economy in various industries, including the beer industry, by identifying sustainable solutions and putting them into action.

Appendix A

Packaging Return System: Container Sales and Recovery by Container Type

The detail included on pages 5-7 within “Adapting Sustainability to an Evolving Landscape,” and the values presented in Table 1 were prepared following The Beer Store’s requirements under Section 69 (3) of the Waste Diversion Transition Act, 2016. The table below includes the criteria used to measure the data included in Table 1 on page 7.

Subject Matter	Criteria
Beer Store Sales (units)	Net sales of containers through TBS in the current year. Data collected through internal systems. Detailed by container type.
LCBO Sales (units)	Sales of containers common to TBS sold through the LCBO, grocery stores, convenience stores, LCBO northern convenience outlets, licensed establishments, embassies, and other channels (on-site retail sales through Ontario producers are not part of the TBS deposit return system). Container sale results are manually obtained from a sales report provided by the LCBO and Ministry of Finance for the current year. Detailed by container type.
Returns (units)	Empty TBS system containers returned through the TBS return network, including TBS locations, TBS Retail Partner stores, LCBO Liquor Convenience Outlets, and TBS contracted Empty Container Dealers, (on-site Brewery returns are not part of the TBS deposit return system), in the current year. Data collected through internal systems and estimated based on the data received from Ministry of Finance by container type. TBS system empty can and non-refillable returns are estimated using an average return rate, which is calculated as the total returns (returns of TBS system cans and non-refillable bottles, and ODRP cans and non-refillable bottles) divided by total sales, which includes all cans and non-refillable bottles of alcoholic beverages sold in the province of Ontario during the current year (TBS container system + ODRP sales).
System Recovery Rate (%)	Recovery rate of containers associated with the TBS deposit return system in current year. This is calculated as return of container type collected by TBS, divided by the sum of sales of each container type by TBS and the LCBO. Presented as a percentage.

Independent practitioner's assurance report

To the Management of Brewers Retail Inc.

Scope

We have been engaged by Brewers Retail Inc. ("BRI") to perform a 'limited assurance engagement,' as defined by Canadian Standards on Assurance Engagements, hereafter referred to as the engagement, to report on select performance indicators, specifically, The Beer Store ("TBS") Sales, LCBO Sales, Returns and System Recovery Rate (collectively, the "Subject Matter") for the year ended December 31, 2025, contained in The Beer Store Responsible Stewardship Report 2025 (the "Report").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Brewers Retail Inc.

In preparing the Subject Matter, BRI applied internally developed criteria as described in Appendix A of the Report (the "Criteria"). Such Criteria were specifically designed to meet the reporting requirements under Section 69 (3) of the Waste Diversion Transition Act, 2016. As a result, the subject matter information may not be suitable for another purpose.

Brewers Retail Inc.'s Responsibilities

BRI's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the Canadian Standard on Assurance Engagements ("CSAE") 3000, Attestation Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Management

We have complied with the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Canadian Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires us to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- ▶ Conducting interviews with relevant personnel to obtain an understanding of the business and process for collecting, collating and reporting on the Subject Matter;
- ▶ Undertaking analytical procedures, making inquiries with relevant personnel, comparing data to underlying source information on a limited a sample basis, and reperformance of select calculations;
- ▶ Checking the presentation and disclosure of the Subject Matter in the Report.

We also performed such other procedures as we considered necessary in the circumstances.



Inherent limitations

Non-financial information, such as the Subject Matter, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the Subject Matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques which can result in materially different evaluation and can impact comparability between entities and over time.

Conclusion

Based on our procedures and the evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter for the year ended December 31, 2025, is not prepared, in all material respects, in accordance with the Criteria.

EY

Chartered Professional Accountants
Licensed Public Accountants

March 31, 2026
Toronto, Canada

Schedule

Our limited assurance engagement was performed on the following Subject Matter for the year ended December 31, 2025:

Key Performance Indicators	Criteria	Unit	Reported Value	Report page(s)
The Beer Store Sales	Internally developed ¹	Units	750,428,849	6
LCBO Sales	Internally developed ¹	Units	732,541,362	6
Returns	Internally developed ¹	Units	1,107,022,949	4, 6
System Recovery Rate	Internally developed ¹	Percent (%)	75%	4, 6

¹ The internally developed criteria are described in Appendix A of the Report.