



From Pints to Principles: ESG’s Brewing Revolution in Craft Distilling A Catalyst for a Generational Mindset Revolution

By Matthias Kadnar & André Chiaradia



“Beer... now there’s a temporary solution!”
Homer Simpson

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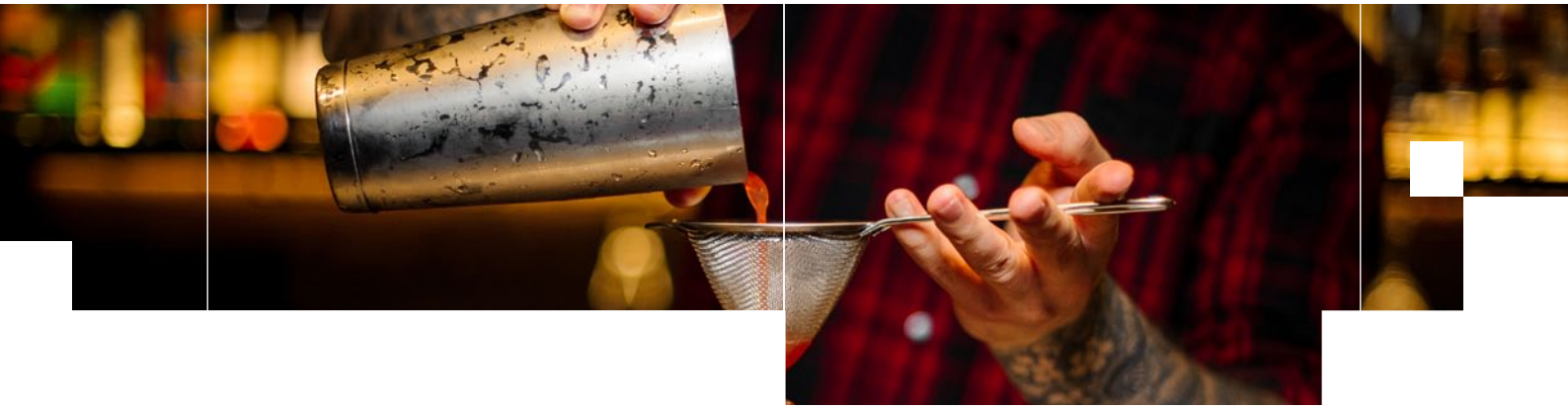
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Sustainability on Tap: ESG’s Recipe for Brewing a Generational Mindset Revolution

Luckily, Homer Simpson’s perspective that beer is a temporary solution does not apply to the principles of sustainability and the need to address impacts of climate change. Environmental Social Governance (ESG) was developed to lay a path to solutions for this global problem. Within the foundation of ESG is a catalyst for a generational mindset revolution that aims to change thinking, align values, and deliver solutions. Impacts from climate change are generational so the principals of ESG speak directly to the younger succeeding generation. There is a growing awareness of environmental protection, social justice, and engagement of ethical business practices that go along with a recognition that consumers can do their part to improve the planet. Buyers of products and services are more selective where they spend their money. They seek products and services that reflect their concerns and demonstrate their commitment. Producers need to announce their answers to the problem with a transparency and accountability for their processes. Many craft brewers and distillers have answered the call from consumers by incorporating sustainable approaches, they provide craft products that also offer solutions to the crisis.

Crafting Values, Distilling Change: Micro-Spirit Producers Toast to ESG’s Revolution

Micro-spirit and microbrewer producers can use ESG to show their commitment to sustainable practices as a way to distinguish their brands. For most producers this commitment is a distinction that also reflects their personal beliefs. These are people willing to do their part and not willing to be part of the problem. The paradigm shift brought on by discerning consumers has changed the market. People are not only seeking something tastier to drink but one that is created in a way that mirrors their values. Including phrases like, sustainability, carbon neutral, and green production is not sufficient. The measures used to evaluate these claims has to be in conformance with benchmarks, accepted industry practices, and in accordance with directives and regulation. Determining carbon output can be complex, confusing, and subjective. Small businesses like, micro-spirit and micro brewers, have additional challenges as well, knowing what is applicable and what is not. Standards to draw from include criteria found in the EU Taxonomy, Renewable Energy Directive, Energy Efficiency Directive, Carbon Border Adjustment Mechanism, Carbon Removal Certification Scheme, Corporate Sustainability Reporting Directive, Green Bond Standard, Corporate Sustainability Due Diligence Directive, German Supply Chain Act, French Commercial Code & Duty of Vigilance Law, Green Claims Directive, Ecolabels/Digital Product Passports, and more. Which are to be applied and which are important also reflects how craft product makers values their brand.



Imagine taking a sip of an espresso martini that not only tantalizes your taste buds but also carries the rich flavor of sustainability!

Empowering Change: Educating Consumers to Drive ESG Principles and Sustainability

Consumer Education plays a pivotal role in fostering a deeper connection between conscientious consumers and the principles of Environmental, Social, and Governance (ESG). By delving deeper into educating consumers about these sustainability principles and the practices adopted by microbreweries and micro-spirit producers, a profound shift in consumer behavior can be ignited. Transparent labeling and clear communication act as the guiding lights, illuminating the path towards informed consumption. When consumers understand the ESG initiatives behind the products they purchase, they are not just buying a beverage; they are investing in a shared commitment to a greener and more equitable world. This education empowers consumers to align their choices with their values, transforming them into champions of change who influence industries and spark positive environmental and social impacts through their purchasing decisions.

Sustainable Spirals: Microbreweries Leading the Circular Revolution in Waste Management

In the realm of Waste Management and the Circular Economy, microbreweries and micro-spirit producers are crafting a sustainable narrative that extends far beyond the bottle. Embracing the ethos of the circular economy, these innovative artisans are rewriting the script on waste disposal. By delving into the art of waste management, they're transforming byproducts like spent grains into valuable resources through methods like composting. Moreover, their commitment to sustainability goes beyond the brewing process and extends to the very packaging that cradles their creations. Through ingenious repurposing and upcycling of packaging materials, these producers not only curtail waste but also breathe new life into materials that would otherwise contribute to environmental burden. This embodiment of the circular economy concept serves as a testament to their holistic approach towards environmental stewardship, reflecting a dedication that resonates with conscious consumers seeking products that align with their sustainability aspirations.

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Refilling Beer Bottles: A Key Chapter in Microbreweries' Circular Journey



Pouring Truth into Labels: ESG's Recipe for Transparent Micro-Spirit Sustainability

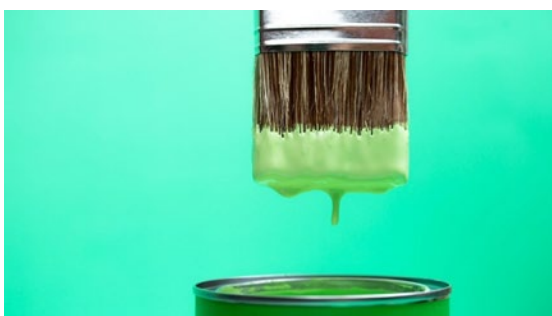
To apply the label of sustainability, ESG compliance, and carbon neutrality that is valid, that can be properly evaluated against other producers, and is constructed using applicable standards with the correct terminology needs a knowledgeable solution provider. What is required is an understanding of production processes, the nature of the business, and a system to collect and process the information gathered with proper techniques. System outputs will include key indicators, accounts for pertinent components, and track KPIs over time enabling producers to demonstrate improvements and their journey to net zero. Producers who preface their craft products with micro cannot just make claims of sustainability just because of the size of their business. Sustainability and carbon neutrality is a self-reporting process but requires the establishment of reliable indicators. Implementing systems to account for the different sustainability processes (including carbon) and working with knowledge experts that convert the producer's information is essential.

Cultivating Sustainability: Partnering with Expert Consultants to Craft Reliable Micro-Producer Reports

Within the realm of sustainability reporting, the scope and resources of large firms often overshadow the needs and capacities of micro producers. While these giants possess valuable expertise, their services might not align with the realities of smaller businesses. For craft creators, finding the perfect fit requires seeking consultants who understand the intricacies of their scale and industry. The ideal partnership involves a consultancy that not only caters to the specific size and goals of micro producers but also collaborates closely with them. This collaboration ensures that every facet of the sustainability journey is accurately documented and effectively communicated. By enlisting the right consultants, micro producers can harness the power of experienced guidance and tailored solutions, resulting in sustainability reports that embody reliability, transparency, and effortless verification

Setting the Compass: The Authenticity Dilemma Faced by Micro Producers

When small breweries want to show they're doing good for the environment, they face a tough choice: should they work with experts who know about sustainability, or should they hire marketing companies? Both options seem good, but they're actually quite different. Experts, also known as consultants, go beyond just making a brand look good. They understand the details of how to be sustainable and follow the rules. They're like helpful guides on a journey. They know how to balance taking care of the Earth with making money, something small breweries really care about. On the other hand, marketing companies focus more on making things look nice. But when it comes to real knowledge about being eco-friendly, they might not have what it takes. Consultants make sure that the things a brewery says about being green are true and proven, not just pretty words. They help breweries stay honest and make real changes that people can trust. So, if you want to be truly authentic and make a difference, consultants are like the compass that points in the right direction, helping you avoid the wrong turns that marketing companies might lead you towards



Marketing Companies as a Barrier to Genuine Sustainable Chang

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From Hops to Hope: Navigating the Path to Truly Sustainable Brews

Our journey began with the understanding that sustainability is no fleeting notion, unlike Homer Simpson's view on beer. As the foundational principles of Environmental Social Governance (ESG) emerged to tackle the challenges of climate change, a generational shift in mindset was set in motion. ESG speaks directly to the younger generation, highlighting the urgency of addressing climate impacts. This generational commitment extends to the choices consumers make, as they seek products and services that align with their values and contribute to positive change.

In this pursuit of meaningful change, microbreweries and micro-spirit producers stand at a pivotal crossroads. The quest for authenticity in sustainability reporting is a choice between consultants and marketing firms, and this choice embodies the essence of genuine transformation. While large firms possess expertise, their alignment with smaller businesses can be misaligned. Craft creators need partners who grasp the nuances of their industry and scale. Expert consultants not only provide guidance but become trusted co-captains on the sustainability voyage, ensuring that every step is documented with transparency and precision. Unlike marketing firms, consultants go beyond surface gloss, weaving authenticity into every aspect of sustainability reporting. They navigate breweries away from greenwashing, upholding accountability to consumers and stakeholders.

The decision, however, is clear. Authenticity isn't merely an option; it's the compass that sets the course for change. Small breweries can truly make a difference when guided by consultants who understand their world, their aspirations, and the depth of their commitment to sustainability. With consultants as their compass, these micro producers navigate toward a future where authentic change is not just a concept but a reality, aligning with the very essence of the sustainability revolution."

Matthias Kadnar and R André Chiaradia are with Lion Environmental, a leader in Environmental Social Governance solutions. Partnering with Emex, a provider of Sustainability & ESG reporting software, Lion supports micro distillers and brewers with reliable, cost-effective solutions. Ready with hops and hope, we're here to guide you through your sustainability journey. Reach out to us at mkadnar@Lionenvironmental to start making a genuine impact.

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