

FY16 Lion Sustainability Report

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SCOPE

This report covers all Lion operations in Australia and New Zealand for the financial year from 1 October 2015 through to 30 September 2016, unless otherwise stated.

Joint ventures (JVs) are included in some data and will be specifically referenced as such. JVs with Vitasoy and Capitol Chilled Foods Australia (CCFA) are included in environment measures, people and engagement data, and the facilities listed on page 4.

This financial year is referred to as FY16 throughout the report. The report does not cover the operations of our parent company Kirin Holdings.

In accordance with GRI G4, our report boundaries for material issues are disclosed on page 13.

If you would like to review our assurance process or read our GRI Index, please click [here](#).



WELCOME

Welcome to Lion's FY16 Sustainability Report and the introduction of a significant evolution to our sustainability communications.

This FY16 report, as well as future reports, will focus solely on Lion's sustainability performance on material issues. This will provide greater accessibility and transparency when it comes to the metrics that matter most to you. Fundamental to this, our reporting continues to comply with GRI G4 requirements, and key disclosures are subject to limited assurance by KPMG.

To develop an ongoing conversation with our stakeholders, we are evolving the way we communicate our sustainability initiatives and strategy. Our new sustainability microsite will be launched in mid-September, and will allow us to tell the story of sustainability at Lion as it happens.

At Lion, we define our core purpose – our central objective – not in terms of shareholder returns, but as the value we deliver for society. Lion exists to enrich our world every day by championing sociability and helping people to live well. It reflects an unwavering belief that enduring financial success can only be achieved by generating ongoing societal value, while treading as lightly as possible on the planet.

Central to achieving this are our sustainability priorities and targets. In FY16, we continued to make progress against these targets and launched some important new initiatives. One of these was the Lion Dairy Pride By-Products Program, which offers farmers in South Australia and South East Queensland the opportunity to access brewers' grain for stockfeed at highly competitive rates.

We were also pleased to experience improvements in both safety and engagement throughout FY16.

With many successes, there have also been some areas in our sustainability mission that continue to present challenges. Our efforts to innovate in the areas of mid to low-strength alcohol products and in smaller pack options in dairy and juice have placed upward pressure on our water intensity.

Overall, our progress is pleasing but there is still work to do. Our new microsite and our reports will help keep you abreast of our progress, as well as our challenges.



Stuart Irvine
Chief Executive Officer



Libby Davidson
Group General Counsel, Sustainability
and External Relations Director

ABOUT LION

In Australia and New Zealand we have the following facilities.

31 sites across 6 states
in Australia and New Zealand

1

Winery

1

Plant milk facility

2

Contract and wine
bottling facilities

9

Milk processing
facilities

2

Dairy food facilities

6

Major breweries

2

Specialty cheese facilities

6

Craft breweries

2

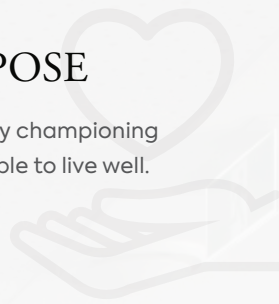
Juice facilities

Our leading brands



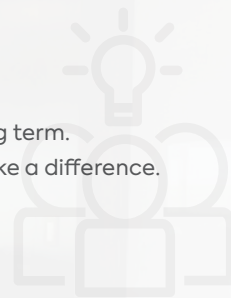
CORE PURPOSE

Enrich our world every day by championing sociability and helping people to live well.



VALUES

Do the right thing for the long term.
Be courageous. Work together to make a difference.



VISION

To achieve enduring leadership positions at home and in new markets by relentlessly building distinctive and trusted brands.

\$4.6 billion

Group sales revenue

31

Total number of facilities

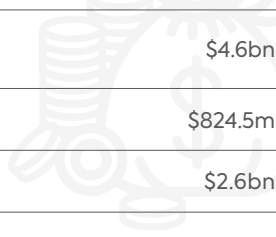
6,788

Total number of people




LION IN NUMBERS

ECONOMIC IMPACT



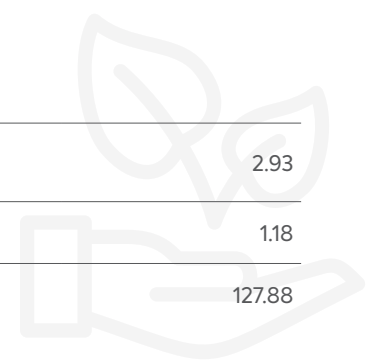
REVENUE	\$4.6bn
EARNINGS BEFORE INTEREST AND TAX (EBIT)	\$824.5m
DIRECT CONTRIBUTION TO GDP	\$2.6bn
INDIRECT CONTRIBUTION TO GDP	\$2.8bn
TOTAL CONTRIBUTION TO GDP	\$5.4bn

PEOPLE



TOTAL EMPLOYED	6,788
PEOPLE ENGAGEMENT	83%
SAFETY - (TOTAL RECORDABLE INJURY FREQUENCY RATE)	14.3
COMMUNITY INVESTMENT	\$2.4m

ENVIRONMENTAL STEWARDSHIP



WATER - USAGE EFFICIENCY (kl/kl)	2.93
ENERGY - USAGE EFFICIENCY (MJ/l)	1.18
CARBON EMISSIONS - CO ₂ e, SCOPE 1 AND 2	127.88

STAKEHOLDER ENGAGEMENT



COMMUNITY ENGAGEMENT OVERALL (positive reputation, trust, relationship quality)	82%
CUSTOMER ENGAGEMENT LION BEER AUSTRALIA	7.8/10
CUSTOMER ENGAGEMENT BEER, SPIRITS, WINE NZ	7.8/10
FARMER ENGAGEMENT (positive reputation, trust, relationship quality)	76%

HISTORY

- 1840** LD Nathan established as a trading company in NZ.
- 1900** Dairy Farmers Milk Co-operative formed.
- 1988** Lion Nathan (LN) is formed when New Zealand's largest retailer, LD Nathan & Co, merges with brewer, wine and spirit manufacturer and hotel operator, Lion Breweries.
- 1998** Kirin acquires 45% interest in LN.
- 2007** Kirin acquires National Foods.
- 2008** National Foods acquires Dairy Farmers Milk Co-operative.
- 2009** Kirin Group acquires remaining LN shares and obtains 100% ownership. Lion Nathan National Foods is formed.
- 2010** LN acquires Lindauer
- 2011** We become Lion. Operating as one company with three businesses:
- Lion Beer, Spirits & Wine Australia
 - Lion Beer, Spirits & Wine NZ
 - Lion Dairy & Drinks.
- 2012** Lion acquires Little World Beverages and Emersons.
- 2014** New businesses Lion Asia Dairy and The Daily Drinks Company are established.
- 2015** Lion Global Markets established. Official opening of The Heritage specialty cheese facility. Sale of everyday cheese business.
- 2016** Byron Bay Brewery acquired. Eumundi beer relaunched.
- 2016** Little Creatures opens venue in Kennedy Town, Hong Kong.
- 2016** Panhead craft beer business acquired.

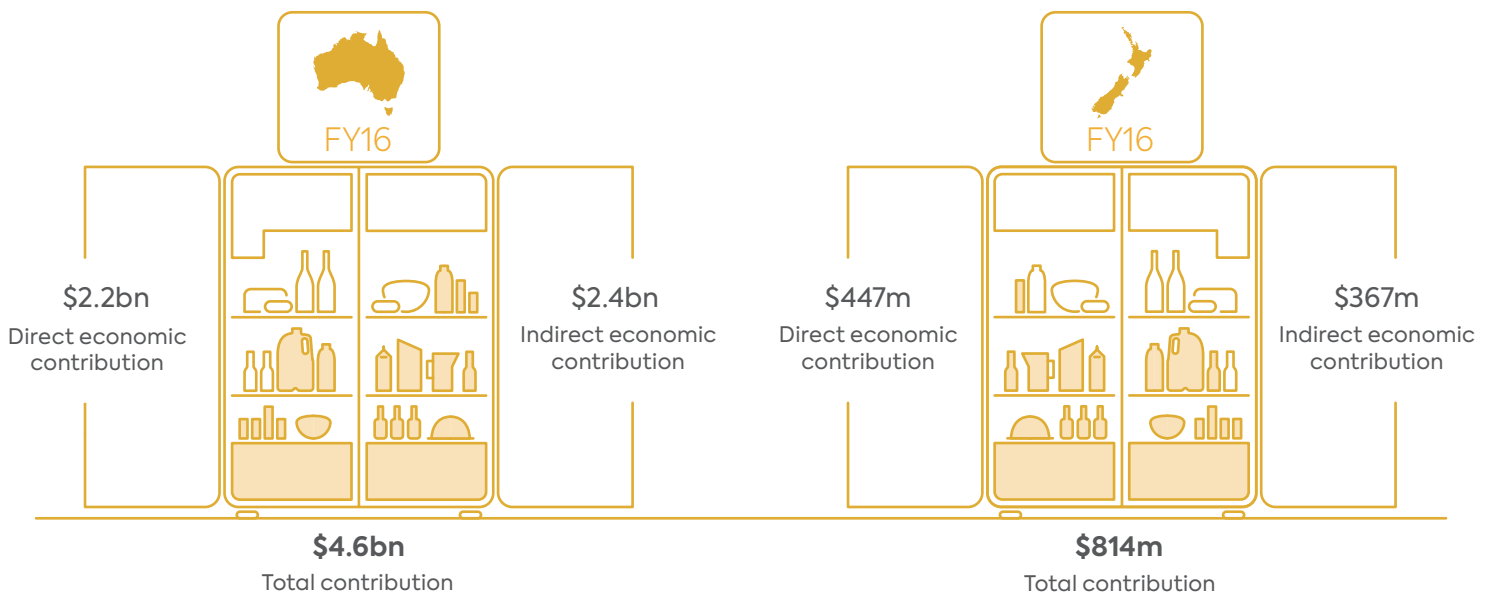
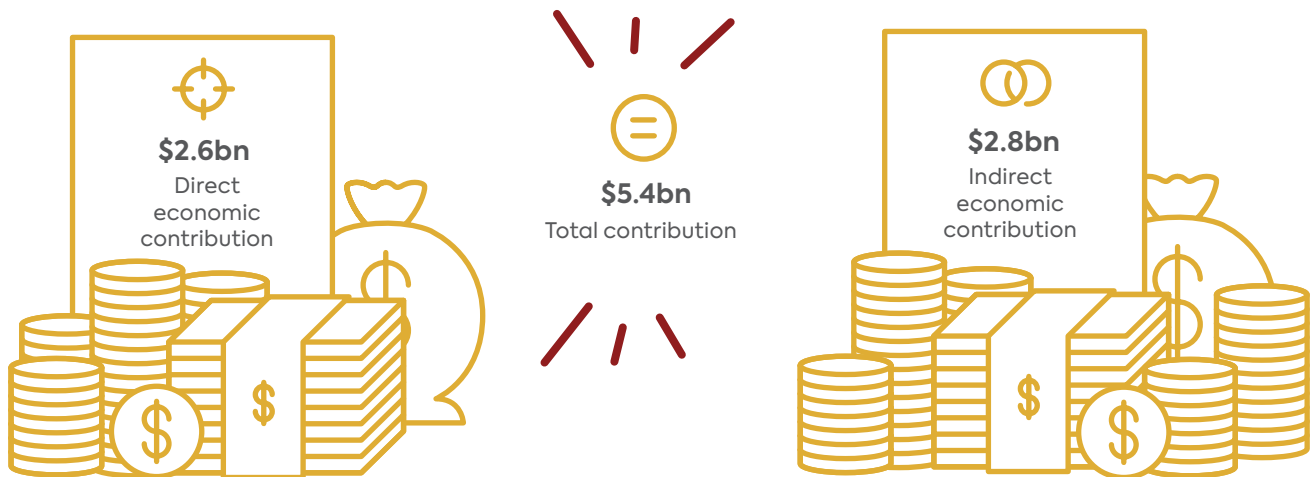


ECONOMIC CONTRIBUTION

As one of the largest food and beverage companies in Australasia, our impact on local and national economies is significant. We measure our contribution in two ways:

1. Direct and indirect economic contribution to GDP.
2. Economic value distribution to local economies.

FY16



DIRECT CONTRIBUTION

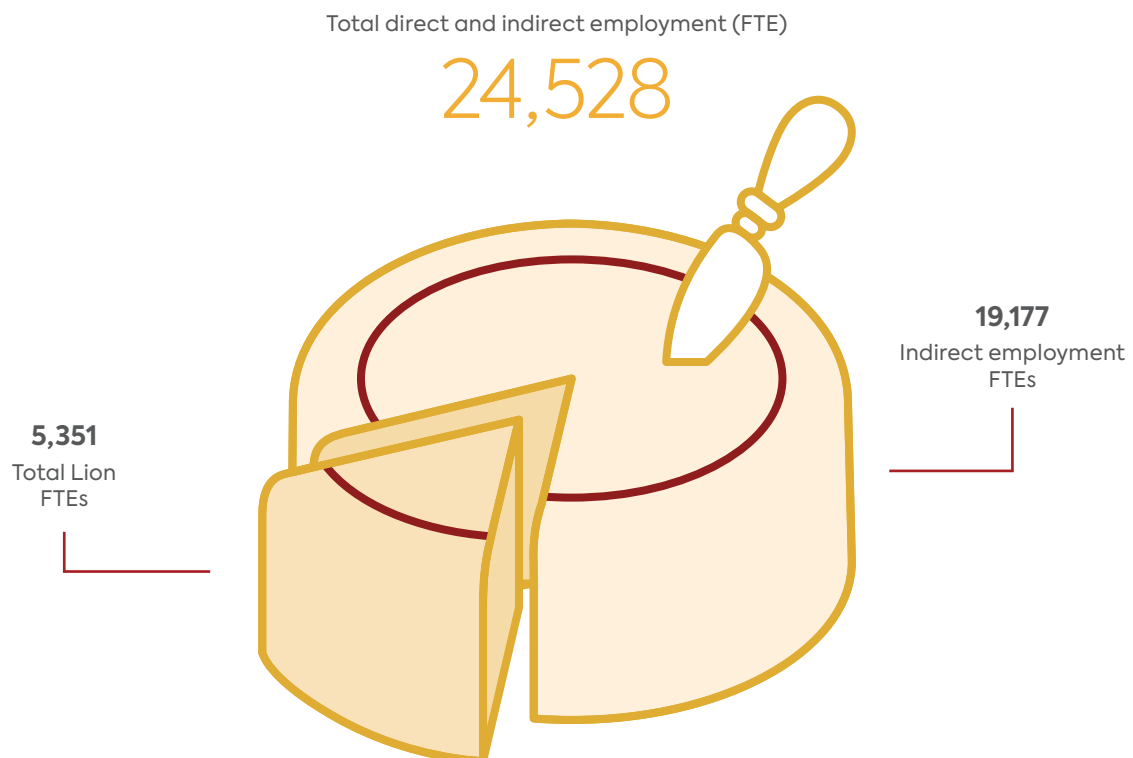
\$2.6bn

Employee wages and benefits | Taxes less subsidies | Operations

INDIRECT CONTRIBUTION

Lion is an important driver in the agricultural, tourism and hospitality sectors of both Australia and New Zealand. In FY16, our business operations indirectly supported the employment of over 19,000 people in Australia and New Zealand.

We also indirectly added **\$348m** of value to regional Australia in FY16,
and supported an estimated **2,982** full-time regional jobs.



ECONOMIC VALUE DISTRIBUTION

The value we create as a business is distributed to the people, industry, governments and communities in which we operate:

OPERATING COSTS INCLUDING COMMUNITY INVESTMENTS	\$4bn
EMPLOYEE WAGES AND BENEFITS	\$747m
PAYMENTS TO PROVIDERS OF CAPITAL	\$487m
PAYMENTS TO GOVERNMENTS	\$86m
TOTAL ECONOMIC VALUE DISTRIBUTED	\$5.35bn

We also paid over \$1.3bn to governments in excise, Wine Equalisation Tax (WET) and customs duty

We also received \$13.5m in payments from government in FY16, including:

TASMANIAN FREIGHT EQUALISATION SCHEME	\$6.2m
R&D TAX CREDIT	\$3m
CLEAN TECHNOLOGY INVESTMENT GRANT	\$2m
NSW JOBS ACTION PLAN PAYROLL TAX REBATE	\$1.6m
WET PRODUCER REBATE	\$500,000
CELLAR DOOR SUBSIDY	\$200,000

TAX TRANSPARENCY

Lion is committed to providing full transparency on all tax paid to governments.

In FY16, Lion paid a total \$1.28bn tax in Australia and \$337m tax in New Zealand, including excise, WET, customs duty, GST and other corporate-related taxes.

These payments are in addition to tax paid in other jurisdictions – a full summary of this is available on our website. <http://www.lionco.com/about-us/our-leadership>

For FY16, NZD-denominated taxes were converted to Australian dollars using an average daily exchange rate of \$1.07, as advised by the Reserve Bank of Australia.

In respect of the economic contribution data used in this section, we commissioned the independent economics advisory practice Deloitte Access Economics to model the economic impacts of our activities in Australia and New Zealand. Direct economic contribution is a measure of employee wages and benefits, taxes less subsidies and the operating surplus a company creates. Indirect economic contribution is a measure of the demand for goods and services it creates in other sectors, including agriculture, hospitality, media, arts and sports sectors. Total economic contribution to the economy is the sum of both measures. Excise refers to alcohol excise tax, while the Wine Equalisation Tax is referred to as WET. All dollar amounts are expressed in Australian dollars, based on an A\$/NZ\$ exchange rate of \$1.07.



STRATEGY & GOVERNANCE

STRATEGY

Lion's sustainability strategy is part of the corporate strategy. It reflects our commitment to Creating Shared Value, to sustainable practices throughout the value chain and to increasing our economic contribution to Australia and New Zealand over the long term.

Lion's 10-year growth strategy targets four simple “Where to Play” objectives:

1. Expand our leadership position in alcohol in Australia and New Zealand by building a vibrant beer culture and championing a more responsible drinking culture.
2. Grow our craft beer and premium wine business in Asia and North America.
3. Expand our position in chilled nutritional beverages and yoghurt in Australia.
4. Step-change the growth of our premium chilled dairy business in Asia.

Alongside these are three “How to Win” objectives:

1. Transform our business by making Lion easy to do business with and simplifying the way we work.
2. Achieve through trusted people.
3. Build trust and sustainability – highlighting sustainability as a value creation strategy in its own right.

SUSTAINABILITY GOVERNANCE

Lion reports quarterly on its Creating Shared Value commitments to its parent company Kirin Holdings, and Lion's CEO is accountable to the Board for the direction, governance and implementation of the Group Sustainability Strategy. The General Counsel and External Relations Director is accountable for sustainability strategies overall, with the Group Supply Chain & Technical (GSCT) Director accountable for the Company's environmental and responsible sourcing strategies.

Lion's corporate and sustainability governance frameworks and competition and consumer law compliance programs are available on our website.

 <http://www.lionco.com/about-us/our-leadership>

Significant incidents

Lion captures and reports all significant incidents or risk exposures that have the potential for major or severe impact. A 24-hour Emergency Operations Centre allows initial reporting to the Crisis Management and Group Leadership Teams, escalating to the Board as appropriate.

In FY16, there were two significant incidents:

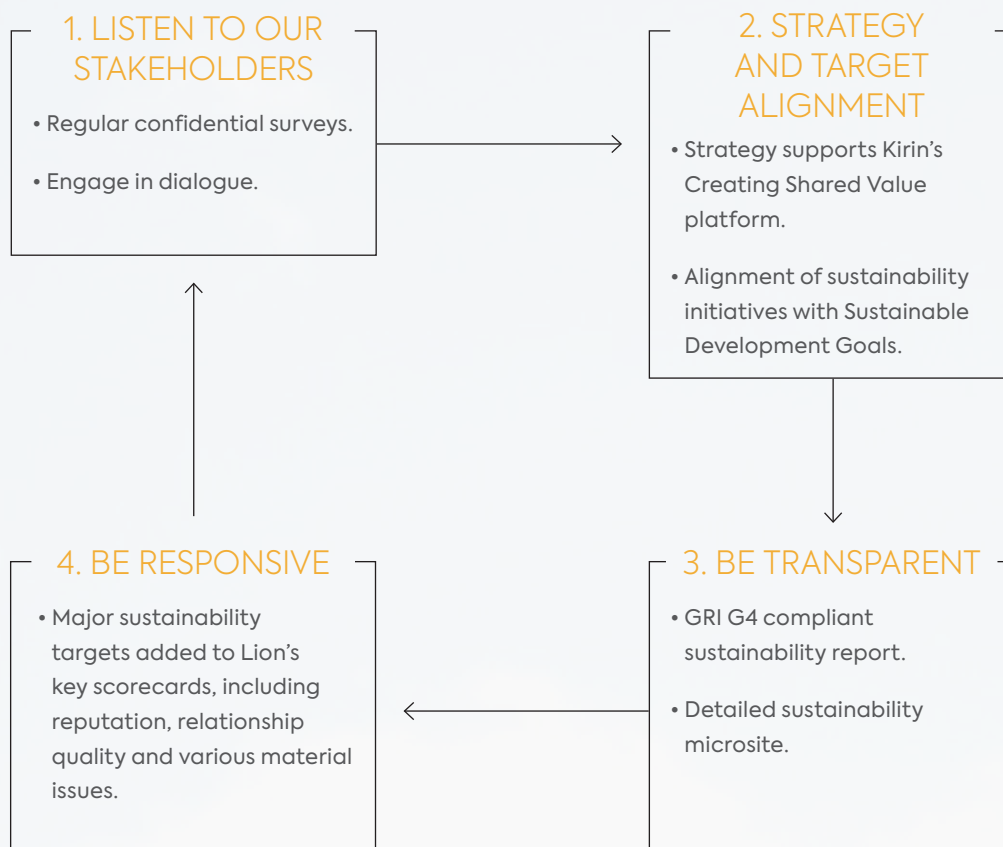
- The collapse of a roof containing asbestos at the Penrith dairy manufacturing site on 14 October 2015. Safety management procedures were implemented.
- The precautionary recall of dairy products produced at Bentley for the West Australian market on 26 January 2016. Routine testing revealed microbial counts exceeding Lion's quality standards.

MATERIALITY

By engaging in regular, two-way dialogue with our stakeholders, we can identify the issues that have the greatest significance – for our business and for all those touched by our activities.

We understand sustainable growth is dependent on meeting the reasonable expectations of all of our stakeholders. So it's important we understand what's important to them, what they expect from Lion and that we are transparent about our performance.

At Lion, this is a continuing four-step process:



Material issues

SUSTAINABLE GROWTH AND ECONOMIC CONTRIBUTION

- 1 Job creation ▲■●*◆
- 2 Strategy and growth potential ▲■●*◆
- 3 Dairy industry sustainability ▲■●*◆
- 4 Tax ▲■●*◆

TRUSTED BUSINESS PARTNER

- 5 Industry leadership/collaboration ▲■●*◆
- 6 Stakeholder engagement/responsiveness to community concerns ▲■●*◆

RESPONSIBLE VALUE CHAIN

- 7 Governance and risk management ▲■●*◆
- 8 Product formulation/innovation ▲■●*◆
- 9 Sustainable sourcing ▲■○*◆
- 10 Fair treatment of suppliers (inc. farmers) ▲■○*◆
- 11 Animal welfare ▲■●*◆
- 12 Food safety ▲■●*◆

- 13 Responsible marketing ▲□●*◆
- 14 Consumer information (via education, labelling etc) ▲□●*◆
- 15 Alcohol culture change ▲□●*◆
- 16 Addressing violence and anti-social behaviour ▲□●*◆
- 17 Community investment and benefits ▲□●*◆

ENVIRONMENTAL STEWARDSHIP

- 18 Emissions/energy ▲■●*◆
- 19 Water use ▲■●*◆
- 20 Waste (inc. packaging and food waste) ▲■●*◆

BUILDING AN ACHIEVEMENT CULTURE

- 21 Culture and engagement ▲■●*◆
- 22 Health, safety and wellbeing ▲■●*◆
- 23 Fairness in the workplace ▲□○*◆
- 24 Capability ▲■●*◆
- 25 Diversity and gender equality ▲□○*◆

Boundary: ▲ Community ■ Suppliers ● Customers * Consumers ◆ Our people
GRI boundary: ■ Within □ Outside

Material matrix*



* Placement within sector is not relevant; all items in a sector are considered of equal importance. Please note top right-hand corner is deemed most material for the purpose of GRI reporting.

PRIORITIES & TARGETS

Sustainability priorities and targets

OUR PRODUCTS



OUR VALUE CHAIN



PRODUCT OPTIMISATION

OUR GOODNESS PROMISE

- By 2019:**
- reduce added sugar by 10% across our dairy and drinks portfolio, added salt by 5% in our cheeses, and total fat by 10% across our 'treat' products;
 - eliminate all artificial colours, flavours and added fructose, and maintain our ban on artificial sweeteners, across our kids' products;
 - 80% of our products will be in our 'best' or 'good' for you categories – with only 20% comprising 'treats'.
 - continue to not add 'artificial' trans-fats.
- By 2018:**
- Roll out the health star rating system and additional energy information on front of pack across all products.

VIBRANT BEER CULTURE

Investment in building a vibrant beer culture in Australia and New Zealand – where consumers are educated about beer and encouraged to drink for flavour not effect, and beer contributes positively to the community.

FY16 ACTUAL | TO FY18 TARGET

CARBON EMISSIONS

kg CO ₂ -e/kl	127.88	10% reduction vs FY15
<i>Carbon emission intensity includes scope 1 and 2* for production energy use only</i>		

ENERGY

MJ/l	1.18	10% reduction vs FY15
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WATER

kl water/kl production	2.93	10% reduction vs FY15
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CO₂-e = carbon dioxide equivalent

kg = kilogram

kl = kilolitre

MJ = megajoules

l = litre

* Scope 1 emissions are direct greenhouse gas emissions from sources that are owned or controlled by Lion such as emissions from boilers on manufacturing sites.
Scope 2 emissions are indirect emissions from the generation of electricity purchased by Lion.

OUR COMMUNITIES



SUPPLIER SUSTAINABILITY

ENHANCED FARMER ENGAGEMENT

Bring to life the 3Ps (Price, Partnership, Purpose) with farmers, to build mutually beneficial relationships and support the long-term sustainability of our milk supply.

ENCOURAGING CULTURAL CHANGE

ALCOHOL & ME

Continue to expand our internal Alcohol & Me educational and behavioural change program, enabling it to be delivered to external as well as internal audiences.

NUTRITION & ME

Roll out our nutrition education program to Lion people, to support improved nutritional literacy.

COMMUNITY INVESTMENT STRATEGY

Support improved social outcomes through targeted investment in:

- positive relationships;
- strong regional and rural communities;
- a positive drinking culture;
- better nutrition for all; and
- preserving our lands and natural resources.

DRINKING CULTURES STUDY

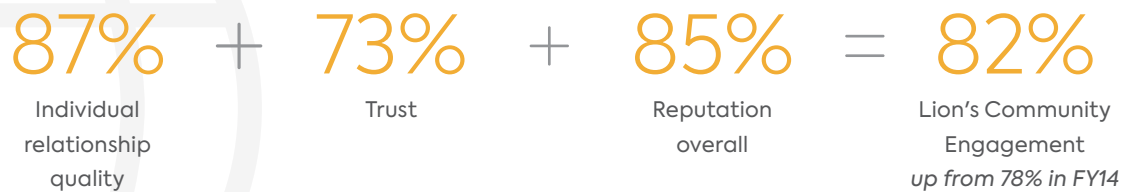
Engage our stakeholders in action to address misuse and anti-social-behaviour.

We are currently reviewing and updating our commitments and goals and will launch them on our new microsite.

STAKEHOLDER ENGAGEMENT

COMMUNITY ENGAGEMENT

Lion conducts a Corporate Reputation Study every two years, comprising approximately 500 stakeholders and 2,000 community members. The group is surveyed to gather opinions and information on issues of importance within Lion and in the community at large.



Our community engagement score is devised from averaging our scores in individual relationship quality, trust and reputation overall.

INDUSTRY LEADERSHIP

As an industry leader, Lion is expected to engage authentically and ethically in relevant public debates. Our corporate reputation study suggests solid leadership credentials across the business, with stakeholders rating an increase in leadership in FY16 over previous years.

We support effective regulation, proportional to the issue being addressed and of the greatest net benefit to the community. Where appropriate, we advocate for self-regulation and have a strong track record of championing best practice.

INDUSTRY LEADERSHIP, POLICY AND COLLABORATION

as at FY16*

Lion is admired for the quality of its leadership.



I believe Lion has capable senior executives.



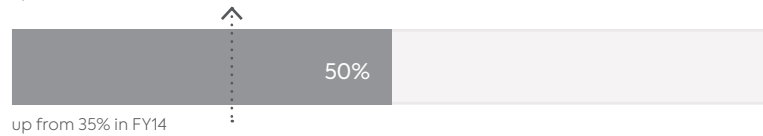
I believe Lion takes a leadership position on important alcohol issues.



I believe Lion advocates on important food industry issues.



I believe Lion advocates on important dairy issues.



* Survey of Lion's external stakeholder groups, Corporate Reputation Study FY16.



KEY FY16 POLICY DEVELOPMENTS

- The retrospective reduction in milk prices by Lion competitors has resulted in significant hardship among dairy farmers in Australia's southern region. The result was a policy review at both state and Federal level, and the announcement of a Senate industry inquiry.
- The debate on liquor licensing continues in Australia with FY16 seeing changes to the NSW and Queensland liquor licensing regimes.
- Container deposit legislation announcements in NSW and Queensland.
- In New Zealand, industry continues to grapple with uncertainty caused by changes to the Sale and Supply of Alcohol Act 2012. Lion has contributed to the review of the Customs and Excise Act 1996 and Geographical Indications (Wines and Spirits) Registration Amendment Act 2016.

A full list of our industry association memberships:

Australian Food and Grocery Council

www.afgc.org.au

Australian Association of National Advertisers

www.aana.com.au

Business Council of Australia

www.bca.com.au

LION DAIRY & DRINKS

Australian Dairy Industry Council

www.australiandairyfarmers.com.au

Australian Dairy Products Federation

www.adpf.org.au

Dairy Australia

www.dairyaustralia.com.au/Industry-information/About-Dairy-Australia.aspx

Australian Beverages Council
(including Fruit Juice Australia)

www.australianbeverages.org/about-us/

Citrus Australia

www.citrusaustralia.com.au

BEER, SPIRITS & WINE AUSTRALIA

Brewers Association of Australia and New Zealand

www.brewers.org.au

Wine Federation of Australia

www.wfa.org.au

Alcohol Beverages Australia

www.alcoholbeveragesaustralia.org.au

BEER, SPIRITS & WINE NEW ZEALAND

Brewers Association of Australia and New Zealand

www.brewers.org.nz

Spirits New Zealand

www.spiritsnz.org.nz

New Zealand Winegrowers

www.nzwine.com

The Brewers Guild

www.brewersguild.org.nz

Business NZ

www.businessnz.org.nz

Association of New Zealand Advertisers

www.anza.co.nz

Food & Grocery Council

www.fgc.org.nz

Cheers!

www.cheers.org.nz

Hospitality NZ

www.hospitalitynz.org.nz

The Packaging Forum

www.packagingforum.org.nz

Sustainable Business Council

www.sbc.org.nz

A list of external charters and initiatives that we endorse or subscribe to can be found on our [website](#).

CUSTOMER ENGAGEMENT

LION BEER AUSTRALIA

7.8/10

Total engagement

#1

Alcohol supplier

BEER, SPIRITS AND WINE NZ

7.8/10

Total engagement

#1

Alcohol supplier

DAIRY AND DRINKS

Advantage Group Survey, 2016

Joint 7th of top 23
Specialty cheese

Joint 7th of top 23
Yoghurt

9th of top 23
Daily Drinks Company

10th of top 23
Milk

FY16 Awards

- 2015 Grocery Supplier of the Year with SPAR.
- Supplier of the Year 2016 Fresh – Foodland.
- Rome Retail Group Supplier of the Year 2016 Dairy & Fresh.
- Merivale Group Supplier of the Year.
- AHA-WA Best Metro Beer Supplier 2016.
- AHA-WA Best Regional Beer Supplier 2016.
- Federal Group (TAS) Supplier of the Year.
- Metcash 2016 Supplier of the Year-Fresh.
- McDonald's Innovation Award 2016.
- Countrywide Supplier Improvement Award.
- Super Liquor Supplier of the Year 2016.
- Brews Supplier of the Year 2016.
- West Auckland Trust Hospitality Supplier of the Year.
- Simon Taylor (Premium Craft Development Director) named Life Member of the Brewers' Guild.

SUPPLIER ENGAGEMENT

In FY16 we surveyed a cross-section of our larger suppliers with the following results:

22 respondents from 21 major suppliers (FY16 survey)

78%

Overall satisfaction
(no change from FY15)

72%

Trusted business partner
(down from 76% FY15)

86%

Ease of doing business
(up from 78% FY15)

DAIRY FARMERS

Farmer engagement FY16

76%

Reputation and
relationship quality
(no change from FY15)

84%

Quality of relationships
with Lion people
(up from 52% FY15)

79%

Lion has a positive
reputation overall
(up from 47% FY15)

64%

Trust
(up from 31% FY15)

At Lion Dairy and Drinks (Lion), we see our farmer partnerships as critical to our business, and that is why we have introduced a commitment that we term 'The Three Ps' – Competitive Pricing, Partnerships and a Clear Purpose.

In terms of competitive pricing, we believe retrospective changes in the milk price undermine trust and damage farmers' ability to plan for and invest in their businesses. That is why Lion did not impose retrospective cuts in response to the 2016 market conditions and does not support them as a matter of principle.

Lion offers our dairy farmers contracts that recognise local dynamics and offer secure pricing. In the commodity driven southern region of Victoria, South Australia and Tasmania, Lion has received clear feedback from our farmers that the volatility of pricing had a highly negative impact on their businesses. To provide greater certainty for our farmers, since 2013 Lion has offered its southern region farmers a range of fixed and variable farm gate pricing options and a choice of secure contract terms of one, three or five years. Lion continues to receive positive feedback from southern region farmers.

Throughout FY16, the Lion Farm Services team visited our dairy suppliers a total of 1,500 times, averaging four visits per farm and a significant increase on the previous year. We also continued to offer free 24 hour access to Lion's independent counselling service through the Lion Farmer Support Program, and increased our commitment to sharing business information with our farmers and hosting roadshows and networking events.

In a new initiative for FY16, Lion offered our dairy farmers in South Australia and South East Queensland the opportunity to access brewers' grain for stockfeed at competitive rates through our By-Products Program (now called the Lion Dairy Pride By-Products Program).

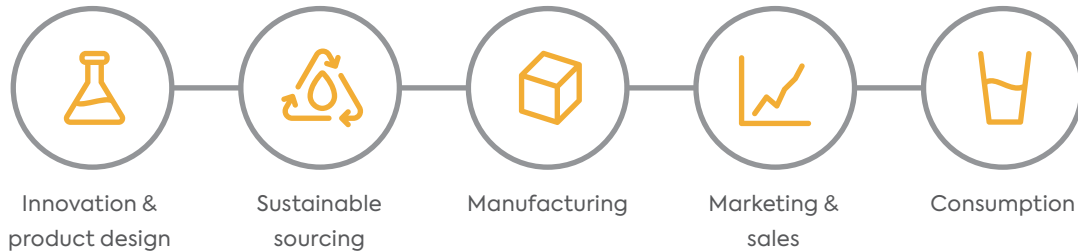
The brewers' grain is sourced from local Lion breweries in Brisbane and Adelaide. As part of a balanced diet, brewers' grain can help increase milk output, enhance fat and protein composition, and improve farm productivity.

The By-Products Program has proven extremely popular with farmers, who credit it with helping to drive more competitive pricing of brewers' grain market-wide, while enhancing their access to the feed, and in some cases improving milk supply, quality and overall farm productivity.



RESPONSIBLE VALUE CHAIN

What is our responsible value chain?



From product development, sourcing, manufacturing, marketing and sales to the point of consumption, our stakeholders expect the highest standard with the expectation of business-relevant investments back into the community.

INNOVATION AND PRODUCT DESIGN

Less than full strength innovation

Lion is leading the market with a notable range of reduced alcohol products across beer, wine and cider. Crucially, brewers and winemakers are delivering reduced alcohol without compromising on flavour.

Six years in the making, Hahn Ultra is only 0.9% ABV (equivalent to just 0.2 standard drinks per 330ml bottle), yet crafted to offer a full flavoured beer taste. Heineken 3, a mid-strength innovation, also launched in 2016 and offers health-conscious beer drinkers a lower carb, lower calorie option.

In New Zealand in July 2015, Lion launched a bespoke menu of lower strength products across beer, spirits and wine under the Enlighten program. All options are crafted to be one standard drink and are currently featured on menus across New Zealand, targeting 400 menus by the end of FY17.

Throughout FY16, the Enlighten initiative was promoted as follows:

- Auckland City Limits music festival, sponsored by Lion and featuring three exclusive Enlighten low alcohol cocktails. 16,000 drinks were served.
- Enlighten trial program in grocery stores to educate on the benefits of lower strength products.

Lower alcohol products launched in FY16 include:





Our Goodness Promise

In March 2017, we renamed the The Goodness Project to Our Goodness Promise, to illustrate Lion Dairy & Drinks' ongoing commitment to improve the health and nutrition of people across Australia and New Zealand.

Lion Dairy and Drinks has produced specific nutrient criteria to guide the development of our products and communication, based upon local and international scientific and government standards, and the science of healthy eating. The nutrient criteria have also been independently reviewed and approved by scientific experts at the CSIRO and Deakin University.

The criteria defines three tiers:

Best for you

These products can be consumed every day because they have lower levels of fat, sugar, sodium and energy; the goodness of dairy or fruit; and may contain a beneficial ingredient like plant sterols.

Good for you

These products can be enjoyed every day in 'balance', containing energy, fat, sugar and sodium at levels higher than the 'best for you' products.

Treat for you

These products can be enjoyed every day in small amounts, in keeping with a balanced diet, because they have higher levels of fat, sugar and sodium.

Our Goals

by 2019:



**30% BEST
FOR YOU**



**50% GOOD
FOR YOU**



**20% TREAT
FOR YOU**

SECOND YEAR PROGRESS

FY16 was the second year of the Our Goodness Promise initiative, with Lion Dairy and Drinks performing well against all key promises:

- Balancing our portfolio – 74% of sales volume* was in the Best & Good categories (up from 70%, 2014).
- Reducing added sugar – In FY16 we continued to reformulate products, which should result in a 750 tonne reduction in added sugar over the coming year*, or 52% of our target (*1440 tonnes, 10% of 2014 volume).
- Transparent labelling – 43% of products feature the Health Star Rating.
- Responsible messaging – 45% of coffee-flavoured dairy beverages voluntarily labelled the caffeine content.
- Product innovation – New and innovative products including The Complete Dairy, Daily Juice Nourish and Yoplait Petit Miam Vege.

*based on Lion Dairy and Drinks sales volume Oct 2015 – Oct 2016

SUSTAINABLE SOURCING

Lion acts with integrity and fairness in all dealings. We aim to embed sustainable practices in our extended value chains, working with suppliers and other stakeholders to continually improve practices. Our Procurement Policy embraces the UN Global Compact (UNG) core values of human rights, labour standards, the environment and anti-corruption. For more information, please see this policy in full [here](#).

MANUFACTURING EXCELLENCE

Lion's Manufacturing Excellence (MEX) initiative aims to embed world-class performance standards across all aspects of our supply chain while reducing environmental impact. Growth continued throughout FY16, with key achievements including:

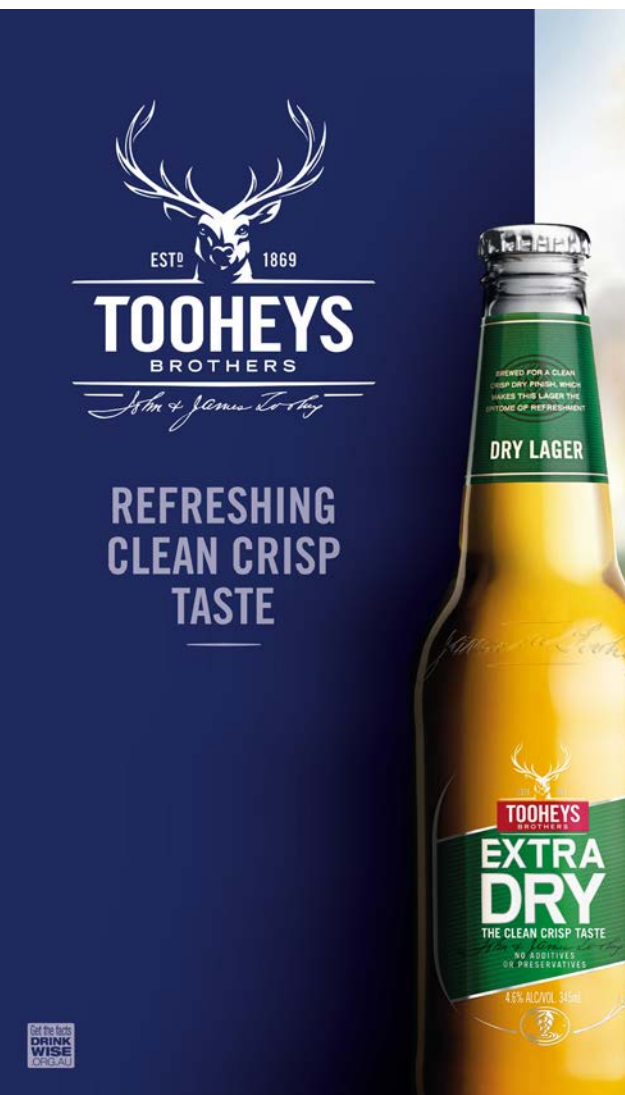
- MEX active across 24 manufacturing sites and two-thirds of business unit logistics functions.
- 1,000 continuous improvement projects delivered in FY16 (11% more than FY15).
- 85% of Lion people involved in MEX initiatives.
- Approximately 4,000 continuous improvement projects delivered over seven years.

FY17 plans will deliver full MEX coverage across Lion supply chain functions and sites. To date, planning is well advanced for logistics in Lion Dairy and Drinks, Palmerston North yoghurt and Leeton juice facilities.

RESPONSIBLE MARKETING

Lion aims to foster Australia's best-loved brands through a clear commitment to marketing and sales that endorse positive nutrition and responsible drinking habits.

An outline of our various responsible marketing codes and commitments can be found [here](#). The infographic below details adjudications in response to complaints made about Lion's advertising against these codes.



Beer, Spirits and Wine ads

6

Advertising
Standards Bureau
(six dismissed)

1

Advertising
Standards
Authority
New Zealand
(dismissed)

7

Alcohol Beverages
Advertising Code
Australia
(six dismissed,
one upheld*)

Lion Dairy & Drinks Ads

0

Advertising Standards
Bureau

*Hahn Super Dry 'Never Settle' TV Commercial. Lion responded and outlined why we felt it did not breach the Code. The decision was upheld and we re-edited the commercial within five days of the decision.

Note: Does not include complaints on matters already dismissed.



CONSUMPTION

Nutrition initiatives

Lion Dairy and Drinks is a proud member of the 'Healthy Food Partnership' in collaboration with the Australian Government, public health representatives and other industry partners. This initiative aims to improve Australians' dietary intake through education, appropriate portion sizes and product reformulation.

During FY16, Lion Dairy and Drinks also partnered with Coles on 'Dairy Makes Every Day Better', promoting the importance of three daily serves of dairy.

Further, our 'Nutrition @ Lion' program helped 600 Lion people improve their knowledge of nutrition during the year.

Labelling

In mid-2014, Lion Dairy and Drinks agreed to display the Health Star Rating (HSR) on the front of its packaging, committing to 100% compliance on retail products across Australia and New Zealand by 2018.

As part of Our Goodness Promise, we will continue to monitor the use of the HSR and other nutrition information, ensuring consumers can make informed product decisions to help them achieve a healthy, balanced diet.

Proportion of Lion Dairy and Drinks products displaying the HSR



During FY15, Lion launched Beer the Beautiful Truth, a campaign aimed at sharing facts about beer. We announced plans to become the first Australian brewer – and one of the first in the world – to place nutrition panels on all wholly owned Australian beers. At the end of FY16, this initiative was rolled out to 93% of Australia's beer portfolio within the scope of the program.*

*Based on the analysis of beers to be changed over with nutrition information panels that were within scope of the program – not including brands that were seasonal, limited release or brands that were under review.

Responsible drinking initiatives

Encouraging Australia to DrinkWise

Lion continues to be a principal funder of DrinkWise Australia, established to encourage a responsible approach to alcohol in Australia. In FY16, DrinkWise Australia continued its high-profile 'How to drink properly' campaign, along with the 'You won't miss a moment' campaign, executed in conjunction with Lion's Melbourne Cup and Rugby sponsorships.

Tracking suggests both campaigns are delivering excellent results:

You won't miss a moment:¹

- Awareness remains high at 40%.
- 88% of respondents say they drink responsibly at events.
- 49% attribute the campaign to positive changes in their attitude towards drinking at events or the way they drink at events.

How to drink properly:²

- 91% understand that drinking in moderation has the reward of staying classy and maintaining dignity.
- Nearly half of the audience (44%) report that the campaign has provided the platform to talk to friends about their drinking.
- 75% are now thinking about the effects of moderation as a result of seeing the campaign.
- 91% have tried to moderate their drinking behaviour either before or during the evening out.

¹ Based on responses from over 1,200 Australian adults who have attended, watched or listened to cultural, sporting or music events and live in those states where the campaign has been promoted to date. Survey conducted during FY16.

² Tracking of the campaign's performance has been conducted regularly since April 2014. DrinkWise has captured responses from over 2,500 18-24-year-olds in this time. The data outlined here is the cumulative impact of the campaign to FY16.



Educating our community with Alcohol&Me

Alcohol&Me is Lion's own interactive alcohol education program, now in its fourth year. Initially devised as an in-house training program for Lion New Zealand, Alcohol&Me was offered to other businesses and the broader community in 2015. FY16 highlights include:

- 11,225 training sessions were completed
- 223 participated in a face-to-face training
- 3,483 engaged in free online training modules
- Adaptation of Alcohol&Me for our Australian business, with progress reported in our FY17 report.

Lion also continued to encourage drinkers to increase their knowledge and consume alcohol with food and drink for the right reasons through the 'Beer the Beautiful Truth' and 'Made to Match' beer education programs.

Saying cheers to responsible drinking in New Zealand

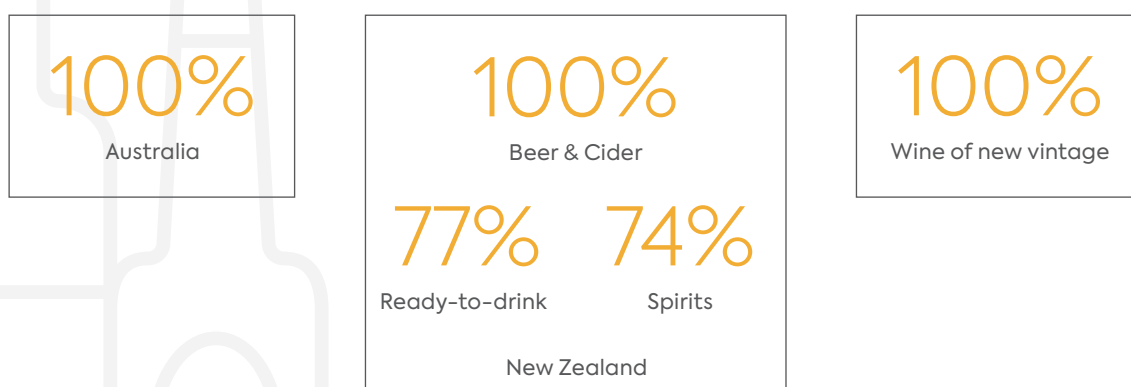
Cheers! is our major New Zealand responsible drinking initiative funded by the Brewers Association, Spirits New Zealand and New Zealand Winegrowers. Key initiatives in FY16 included:

- Talking to Teens, a digital campaign offering parents ways to talk to teenagers about drinking.
- Water Warriors, deployed to encourage music lovers at the Auckland City Limits festival and beer enthusiasts at Beervana to stay hydrated.

Responsible drinking labelling

Lion made significant progress rolling out pregnancy advisory labels on its alcohol containers in both Australia and New Zealand.

FY16 compliance was:



Lion also includes the cheers.org.nz logo in New Zealand on labelling and marketing collateral, which encourages people to get the facts on drinking. Updated logos encouraging Australian drinkers to get the facts at DrinkWise.org.au will be rolled out in FY17.



COMMUNITY INVESTMENT

Total investment

\$2.4 million

Our community investment strategy is focused on initiatives that:

- Build a positive drinking culture and better nutrition for all
- Build positive relationships and community resilience as a preventative measure in addressing alcohol misuse
- Preserve our land and natural resources
- Build strong regional and rural communities
- Engage our people in causes they're passionate about.

KEY INITIATIVES

Graeme Dingle Foundation

The Graeme Dingle Foundation (GDF) is a key partnership for Lion, aiming to inspire all school-age children throughout New Zealand to reach their full potential through programs that help to build self-esteem, promote good values and teach valuable life, education and health skills. Lion partners with schools close to its Tamaki production facility, funding the Foundation's Kiwi Can program and offering volunteering support.

During FY16:

- More than 95% of students stated that they like Kiwi Can 'a lot' or 'quite a lot'.
- A new initiative is to encourage Lion people to volunteer in school projects, including building a sports shed and painting murals.
- Lion's People & Culture Director delivered an Authentic Leadership Seminar to the National GDF team and eight GDF people attended Lion's 'Coaching to Make a Difference' course.

Uplifting Australia

Uplifting Australia is founded on the belief that a focus on the healthy emotional development of a child is as important as teaching them to read and write. Uplifting Australia's programs offer parents and children the opportunity to strengthen their bond, build mutual understanding and celebrate the child's unique talents and therefore self-esteem and personal efficacy. Parenting techniques are also a key component of Uplifting Australia programs, which include a deep engagement with schools along with shorter targeted interventions.

Uplifting Australia reports to Lion on a six-monthly basis. During the October 2015 to March 2016 half:

- 912 people (or 732 families) engaged with Uplifting Australia programs or parenting strategies.
- 95% of CampOut parents and 96% of HangOut parents increased their knowledge to support their child's development needs.
- 95% of CampOut parents and 98% of HangOut parents increased their skills to support their child's development needs.

During the April 2016 to September 2016 half:

- 5,402 people engaged with Uplifting Australia programs or Parenting Strategies, plus 225 children were positively impacted through School Wellbeing Teacher Training.
- An average of 96% of parents increased their child development knowledge and child development skills at CampOut with Kids and HangOut with Kids.
- A total of 99% of parents intend to use (76%), or are already using (23%) the 8 Parenting Strategies in their family after attending CampOut or HangOut.

Medium-term evaluation suggests 74% of families attending programs see a positive change in their child's communication and 62% see positive changes in their child's emotional wellbeing.

Lion Landcare Grants

In FY16, Lion continued its partnership with Landcare Australia and through the Lion Landcare Grants Program, offered \$100,000 in grants to 10 farmers across Australia. Lion's dairy farmers were once again invited to submit applications for a Lion Landcare Grant with project ideas focusing on the following three key areas:

- Reducing energy consumption within the dairy farming business
- Improving nutrient management
- Increasing on-farm biodiversity.

The program, which was first run in this format in FY15, forms part of Lion's 3Ps program - Competitive Pricing, Partnerships and Purpose - and is an example of our commitment to developing mutually beneficial relationships with our dairy suppliers and enhancing sustainability on farms.

This program supports our goals by helping dairy farmers to realise greater efficiencies and improve environmental sustainability over the long term.

TOTAL INVESTMENT

Total investment

\$2.4 million

Building positive relationships and community resilience



\$225,000 to support program delivery.



\$225,000 to support program delivery and around \$15,000 to support research sponsorship.

Building positive drinking culture

DrinkWise.



Lion's contribution to a multi-million-dollar industry donation \$1.4 million.

\$92,000 in direct Lion activity and contributions to industry initiatives.*



*All figures in Australian dollars (ex GST)

Better nutrition for all



Delivering 4.1 million meals for people in need with 2.27 million kgs of surplus food*.

Preserving our lands and natural resources



\$150,000, including \$100,000 for 10 Lion Landcare Grants.

Engaging our people in causes they are passionate about



Lion contributed over \$232,000 to 11 charities through its Workplace Giving Program (through which Lion matches employee donations) and Employee Referral Program (donation to charities; \$500/referral) \$51,000.

In addition to our investment in partnerships, Lion commits approximately \$64,000 annually in product donations to a range of worthy fundraising causes aligned to our investment priorities.

* Foodbank figures are for the 2016 calendar year

ENVIRONMENT

Energy and water

Improvements in energy and carbon intensity were delivered by energy optimisation projects and movement of volume from the underutilised Swan Brewery to the West End Brewery, which also benefited from a significant upgrade.

Lion has developed a pathway to achieve its science-based target of 30% carbon reduction by 2026 with a combination of energy efficiency and renewable energy investment. We will continue to investigate cost-effective and practical opportunities as new technologies become commercially viable.

Water intensity has increased by 9.8% due to increased product diversity resulting in more frequent cleaning of production lines.

ENERGY

Carbon emissions (kg CO₂-e/kl production)



4% reduction from FY15

Energy intensity (MJ energy/l production)



1.67% reduction from FY15

WATER

Water – usage efficiency (kl water/kl production)



9.8% increase from FY15

Total water use (kl)



0.3% increase from FY15



Waste and packaging

In respect of waste, we recognise the historic model of ‘take, make, dispose’ is not sustainable in the long term. We are moving towards a circular economy, reducing waste and reliance on natural resources and improving packaging design. These principles are at the centre of our thinking as we plan for the future.

Four light weighting projects were completed in FY16, delivering an estimated annual reduction of 2,000 tonnes of glass, 18 tonnes of cardboard and 290 tonnes of HDPE plastic.

- A 5-17% reduction in weight per three litre plastic milk bottle depending on the production site which we estimate will reduce the plastic use by around 290 tonnes per year.
- A 40% reduction in Zooper Dooper shelf-ready cardboard packaging.
- A glass light-weighting project leading to a reduction from 205g to approx 195g per bottle, delivering an estimated annual reduction in glass of around 2,000 tonnes.
- 30-can cartons produced at Tooheys, West End, Castlemaine and James Boag breweries achieving a 17g per carton weight reduction, approximately 18 tonnes reduction in cardboard per year.

About 90% of our consumer packaging is recyclable through the readily available household kerbside recycling arrangements in our key markets, Australia and New Zealand.

Our consumer packaging materials include aluminium, steel, glass, cardboard, paper, plastics. Our top three consumer packaging materials, by weight, are glass, aluminium and board.

Total waste sent to landfill was 9,390 tonnes and by-products diverted to recycling or beneficial reuse is estimated at 560,000 tonnes for the FY16 period. Currently, 98% of our manufacturing by-products are diverted from landfill to recycling and reuse, with only 2% going to landfill. Materials sent to recycling facilities include plastics, metals, paper, cardboard and glass.



OUR PEOPLE

Culture

Lion’s culture is focused on building trusted relationships. By living our values, we aim for a culture characterised by constructive behaviour, a clear sense of purpose, high levels of accountability, a desire to build strong relationships, and ongoing coaching and feedback within our teams.

Referred to as an ‘achievement culture’, we focus on achieving self-set goals with a solutions-oriented mindset and a positive approach to change.

We measure how constructive we are every two years through the Human Synergistics Organisational Culture Inventory (OCI) tool.

Engagement

High levels of engagement are critical to achieving our goals and ensuring we remain a great place to work. Evidence indicates that engaged people underpin business success, leading to highly engaged customers, consumers and community.

FY16 was a challenging year as we experienced further organisational change and tough market conditions. Throughout these challenges, levels of engagement remained high.

PEOPLE ENGAGEMENT



Overall engagement **83%** in FY16. (79% in August 2015)

92%

I fully support Lion’s values ‘Do the right thing for the long term, be courageous, work together to make a difference’.

87%

I strongly believe in Lion’s core purpose, ‘Enrich our world every day by championing sociability and helping people live well’.

86%

I strongly believe in the vision of this business.

86%

I would recommend Lion as a great place to work.

88%

I feel proud to work for Lion.

6,788

Total number of people

Of whom **29.88%** (2,028) were covered by collective bargaining agreements.

Female: 28.28% (1,417) permanent full time.
6.97% (473) permanent part time.

Male: 71.72% (3,594) permanent full time.
6.97% (473) permanent part time.

44% of vacancies filled internally.

TOTAL NUMBER OF PEOPLE EMPLOYED BY TYPE

CASUAL	606	8.93%
EXTERNAL CONTRACTOR	455	6.70%
FIXED TERM FULL TIME	207	3.05%
FIXED TERM PART TIME	36	0.53%
PERMANENT FULL TIME	5,011	73.82%
PERMANENT PART TIME	473	6.97%
GRAND TOTAL	6,788	100%

NOTE: US and Asia employee figures have been added since last report.

PEOPLE WHO ARE ELIGIBLE FOR AN ACHIEVEMENT REVIEW

FEMALE	1,438
CASUAL	1
EXTERNAL CONTRACTOR	-
FIXED TERM FULL TIME	14
FIXED TERM PART TIME	1
PERMANENT FULL TIME	1,165
PERMANENT PART TIME	257
MALE	2,187
CASUAL	1
EXTERNAL CONTRACTOR	-
FIXED TERM FULL TIME	18
FIXED TERM PART TIME	-
PERMANENT FULL TIME	2,141
PERMANENT PART TIME	27
GRAND TOTAL	3,625

Due to the seasonality of consumption of a number of our products, some external contractors are used during peak periods.

DIVERSITY AND INCLUSION

We conduct our diversity study every two years, with no survey in FY16. For up-to-date figures from FY17, please go to our sustainability microsite.

TOTAL NUMBER OF PEOPLE EMPLOYED BY REGION AND GENDER

	FEMALE	MALE	GRAND TOTAL
ACT	21	51	72
NI	461	580	1,041
NSW	761	1,375	2,136
NT	2	7	9
QLD	83	431	514
SA	94	315	409
SI	127	163	290
TAS	147	384	531
VIC	405	797	1,202
WA	134	234	368
ASIA	29	31	60
USA	35	42	77
N/A	35	44	79
GRAND TOTAL	2,334	4,454	6,788



OUR LEADERS

LEADER	FEMALE COUNT	PERCENT	MALE COUNT	PERCENT	TOTAL COUNT	TOTAL PERCENT
NO	1,979	35.13%	3,655	65.87%	5,634	100.00%
YES	355	30.76%	799	69.24%	1,154	100.00%
GRAND TOTAL	2,334	34.38%	4,454	65.62%	6,788	100.00%

SAFETY AND WELLBEING

In FY16, Lion launched the 'Everyone Safe Everyday' campaign, a wellbeing model encompassing personal, work and social wellbeing. It was launched simultaneously across all of Lion in Australia, New Zealand, the US and in South East Asia. The launch of the brand created clear alignment between Lion's values of wellbeing and safety and further elevated the focus on safety.

New safety systems were also implemented, focusing on low probability but high impact events. In conjunction with the wellbeing campaign, these systems delivered improvements across all reporting and injury indicators. Lion over-achieved on its near-miss reporting target and site safety audit scores (AS4801) also improved.

FY16 safety and wellbeing highlights

Lost Time Injuries (LTIs) reduced by

↓13%

in FY16
(77 in FY15 to 72 in FY16)

Lost Time Injury Frequency Rate (LTIFR) reduced by

↓6%

in FY16
(6.6 in FY15 to 6.2 in FY16)

Total Recordable Injuries (TRIs) reduced by

↓31%

in FY16
(225 in FY15 to 162 in FY16)

Total Recordable Injury Frequency Rate (TRIFR) reduced by

↓25%

in FY16
(19.2 in FY15 to 14.3 in FY16)

Incidents and near misses

NEAR MISS REPORTS INCREASED BY A FACTOR OF

↑1.5

IN FY16 (6,825 IN FY15 TO 10,678 IN FY16)
AS WE IMPROVED REPORTING ACROSS ALL AREAS

NMR/TRI RATIO INCREASED BY A FACTOR OF

↑2.3

IN FY16 (30.3 IN FY15 TO 69.4 IN FY16)



INDEPENDENT LIMITED ASSURANCE REPORT TO LION PTY LTD

Conclusion

Based on the procedures performed, and evidence obtained, we are not aware of any material misstatements in the Assured Sustainability Information, which is prepared in accordance with the GRI G4 Principles of Defining Content and Quality for the year ended 30 September 2016.

Assured sustainability information

The Assured Sustainability Information, as presented in the Lion Pty Ltd (Lion) Sustainability Report 2016 and available on Lion's website, comprised the following:

SECTION	SECTION DATE & TEXT STATEMENTS	PAGE NO.
Alcohol misuse	• Educating our community with Alcohol&Me	28
	• Saying Cheers to responsible drinking in New Zealand	28
	• Responsible drinking labelling	28
	• Community investment strategy	29
	• Encouraging Australia to DrinkWise	27
Job creation	• Lion indirectly added \$348m of value to regional Australia in FY16, and supported an estimated 2,982 full-time regional jobs.	9
Culture & engagement	• Key text claims in the culture section – Our People	35
	• Industry Leadership, policy and collaboration	17
	• People Engagement survey results	6, 35
	• Uplifting Australia	29
	• The Graeme Dingle Foundation	29
	• Key employment statistics	36
	• Key Diversity and Inclusion statistics	37
Food safety	• Significant Incidents	11
Product formulation / innovation	• Sustainable Sourcing	24
	• Manufacturing Excellence	25
	• Less than full strength innovation	22
Consumer information (via. education, labelling etc.)	• Our Goodness Promise	15, 23, 24
	• Health Star Rating	26
	• Responsible Marketing	25
	• Nutrition initiatives	26
Waste (inc. Packaging waste)	• Key Waste and Recycling Environmental Highlight excluding waste to landfill data	34
Dairy industry sustainability	• Enhance Farmer Engagement	15, 20
	• Corporate Supplier Engagement Survey	20
	• Lion Landcare Grants	30, 32
Water use	• Aggregated FY16 Lion water usage ratio (2.93 kL/kL)	6, 14, 33
	• Total Water Use (5,515,202 KL)	33
Emissions / Energy	• Energy – Carbon Emissions (127.88 KG/KL)	6, 14, 33
	• Emissions – Energy Intensity (1.18 MG/L)	6, 14, 33
Health, safety & wellbeing	• Significant Incidents	11
	• Safety and wellbeing capability section	38
	• Range of injury measures:	38
	• Lost Time Injuries of 72 in FY16	38
	• Lost Time Injury Frequency Rate of 6.2 in FY16	38
	• Total Recordable Injuries of 162 in FY16	38
	• Total Recordable Injury Frequency Rate of 14.3 in FY16	6, 38
	• Incidents and near misses	38
Strategy & growth potential	• Strategy and Governances	11, 12

Criteria used as the basis of reporting

The GRI G4 Principles of Defining Content and Quality (the criteria), are published by the Global Reporting Initiative.

Basis of conclusion

We conducted our engagement in accordance with Australian Standard on Assurance Engagements ASAE 3000 (Standard). In gathering evidence for our limited assurance conclusion our procedures comprised:

- Enquiries with relevant Lion management and staff to understand Lion's process for determining material issues, and developing the Assured Sustainability Information within the Lion Sustainability Report 2016;
- Interviews with relevant Lion management and staff concerning Lion's sustainability strategy and policies for sustainability material issues, and the implementation of these across the business;
- Enquiries with relevant Lion management and staff to understand the internal controls, governance structure and reporting process of the Assured Sustainability Information;
- Comparing the Assured Sustainability Information presented in the Lion Sustainability Report 2016 to underlying information sources on a sample basis;
- Reading the Lion Sustainability Report 2016 in its entirety to ensure consistency with our overall knowledge of Lion and experience gained throughout the engagement; and
- Considering that the appropriate indicators have been reported in accordance with the GRI G4 Core level of disclosures.

In accordance with the Standard we have:

- Used our professional judgement to plan and perform the engagement to obtain limited assurance that the Assured Sustainability Information is free from material misstatement, whether due to fraud or error;
- Considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- Ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

How the Standard defines limited assurance and a material misstatement

A limited assurance engagement is restricted primarily to enquiries and analytical procedures as described above. The procedures performed in a limited assurance engagement vary in nature and timing, 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.

Misstatements, including omissions, within the Assured Sustainability Information are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Lion.



Use of this Assurance Report

This report has been prepared for the Directors of Lion for the purpose of providing an assurance conclusion on the Assured Sustainability Information and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of Lion, or for any other purpose than that for which it was prepared.

Management responsibility

The Management of Lion are responsible for:

- Determining that the criteria is appropriate to meet their needs;
- Preparing and presenting the Assured Sustainability Information in accordance with the criteria;
- Determination of Lion's GRI level of disclosures in accordance with the GRI guidelines;
- Establishing internal controls that enable the preparation and presentation of the Assured Sustainability Information that is free from material misstatement, whether due to fraud or error; and
- Maintaining integrity of the website.

Our responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Assured Sustainability Information for the year ended 30 September 2016, and to issue an assurance report that includes our conclusion.

Our independence and quality control

We have complied with our independence and other relevant ethical requirements of the Code of Ethics for Professional Accountants issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

KPMG



Melbourne,
30 August, 2017

ASSURANCE AND GRI

This report is produced in accordance with the core requirements of the GRI G4 Guidelines. External assurance provider, KPMG, was engaged to provide assurance over select areas of this report and a check of Lion's self-declared GRI G4 Core indicators in accordance level. It is the fourth year we have reported in accordance with the GRI G4 Guidelines. For the GRI index, which provides the list of indicators we have reported against, please [click here](#).

CONTACT US

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