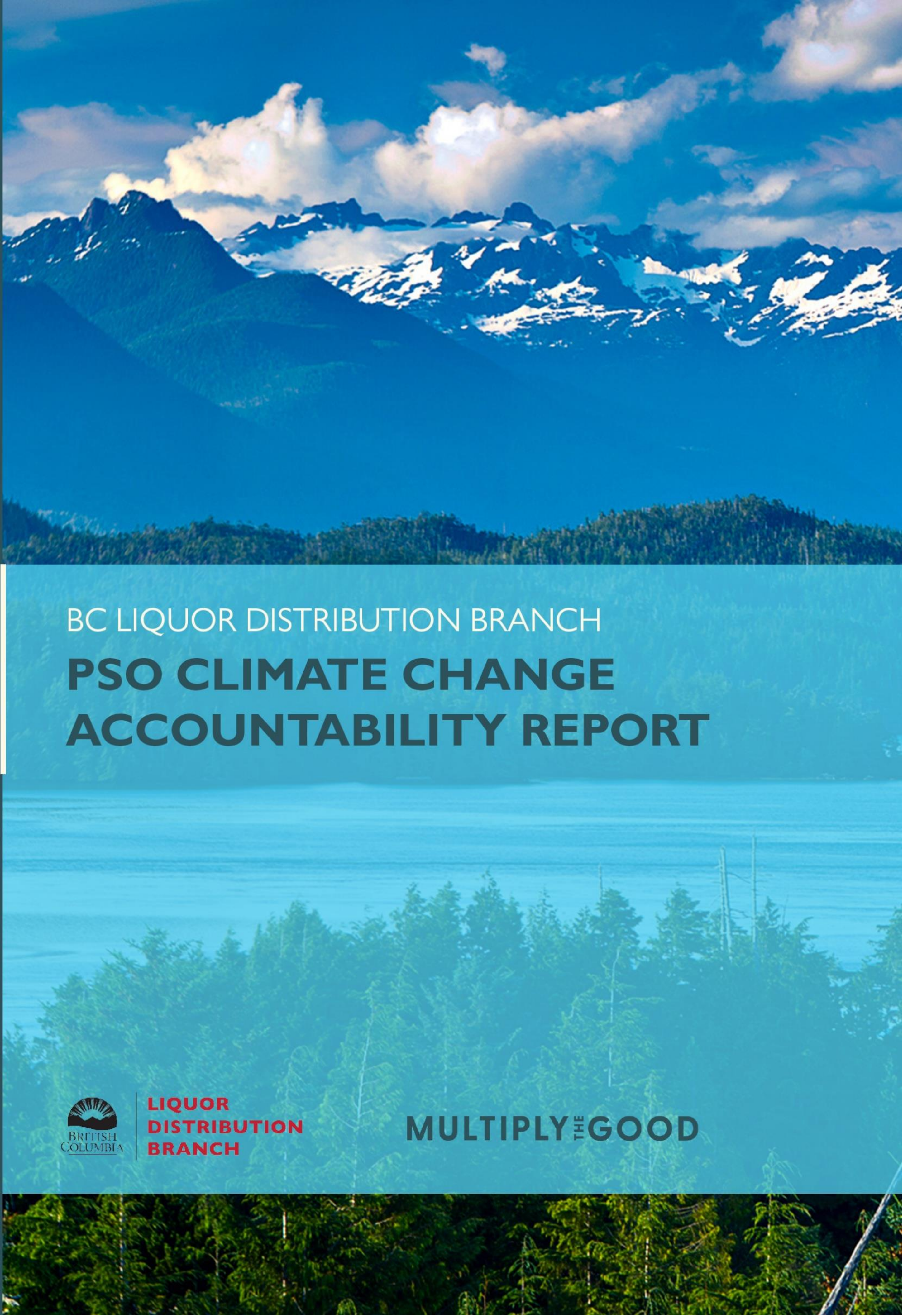
2025



BC LIQUOR DISTRIBUTION BRANCH

PSO CLIMATE CHANGE ACCOUNTABILITY REPORT

BRITISH COLUMBIA

LIQUOR DISTRIBUTION BRANCH

MULTIPLY THE GOOD

Land acknowledgment

As an organization that works across the province, the BC Liquor Distribution Branch (LDB) acknowledge the rights, interests, priorities, and concerns of all Indigenous Peoples (First Nations, Métis, and Inuit), respecting and acknowledging their distinct cultures, histories, rights, laws, and governments.

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About the organization

The BC Liquor Distribution Branch (LDB) is one of two branches of the Government of British Columbia responsible for the oversight of the province's beverage alcohol and non-medical cannabis sectors. The other branch, the Liquor and Cannabis Regulation Branch (LCRB), works in close coordination with the LDB to promote responsible consumption through aligned policies and programs.

The LDB operates within a mixed public-private retail and public wholesale model for the distribution of beverage alcohol and cannabis across the province. Key responsibilities of the LDB include:

- Managing the distribution of liquor products through two distribution centres located in Delta and Kamloops, and the distribution of cannabis products through a dedicated facility in Richmond;
- Maintaining online ordering systems for wholesale customers in both the beverage alcohol and cannabis sectors;
- Operating 198 BCLIQUOR (BCL) stores and 39 BC Cannabis Stores (BCCS) throughout British Columbia;
- Managing an e-commerce retail platform under the BCCS brand; and,
- Employing approximately 5,760 full-time and part-time staff.

In addition to its operational mandate, the LDB will continue to strengthen its focus on corporate impact through initiatives that align with government's social and environmental priorities. Revenue generated by the LDB contributes to funding essential public services such as health care, education, and community initiatives.

Multiply the Good

In March 2025, the LDB launched Multiply the Good, a unified corporate impact platform that brings together the organization's existing social impact and environmental sustainability initiatives under one banner. The platform sets a shared vision for how our people, customers, and partners can work together to expand our positive impact across the province and beyond.

Multiply the Good is built around four core pillars: People, Communities, Environment and Partners. Together, these pillars aim to:

- Strengthen employee engagement and culture by aligning with employees' desires to be part of an organization that gives back, while fostering a diverse, equitable, and inclusive workplace.
- Support the communities we serve and highlight the LDB's environmental initiatives.
- Support the communities we serve and highlight the LDB's environmental initiatives.
- Build customer affinity and loyalty by reflecting values that align with customer expectations and foster stronger relationships.
- Collaborate with industry stakeholders and suppliers to further amplify social impact initiatives and highlight the meaningful work being done across the partner network.

Visit the Multiply the Good landing page to learn more about the campaign's mission: https://www.bcldb.com/about/multiply-the-good.

Part 1. Legislative reporting requirements

Declaration statement

This public sector organization (PSO) Climate Change Accountability Report (CCAR) for the period of January 1, 2025 to December 31, 2025 summarizes our greenhouse gas (GHG) emissions profile, the total offsets required to reach net-zero emissions, the actions taken in 2025 to minimize GHG emissions, and plans to continue reducing emissions in 2026 and beyond.

Introduction

The LDB remains committed to supporting the Province of British Columbia's CleanBC 2030 targets by actively reducing greenhouse gas (GHG) emissions across its operations. The CCAR presents an overview of the LDB's emissions performance, key sources, and reduction strategies, and highlights continued progress toward a more sustainable future. The LDB's efforts to reduce emissions and improve its environmental sustainability practices are a core component of the *Environment* pillar of Multiply the Good.

The LDB also publishes key objectives and associated strategies in its 2026/27 – 2028/29 LDB Service Plan, outlining its commitment to environmental sustainability. Key environmental strategies are as follows:

- Reduce the overall waste generated by the LDB across all lines of business and worksites through employee education and engagement, and the expansion of recycling programs.
- Implement practical measures to reduce emissions from the LDB's fleet vehicles, prioritizing solutions that balance environmental impact with operational requirements.

2025 operating context and reporting considerations

The 2025 reporting year presented unique challenges for interpreting GHG emissions trends at the LDB. Job action taking place across the BC Public Service affected the LDB for six weeks in fall 2025, which also led to additional operational impacts afterwards as business areas focused on returning to normal service levels. As a result, operational data for 2025 reflects a year that was not representative of typical conditions, and several planned emissions-reduction initiatives were delayed or deferred.

In addition, several methodological updates were introduced under the Carbon Neutral Government program for the 2025 reporting year. These included updates to emissions factors and changes to how refrigerant emissions are estimated. Emissions factors are used to convert energy consumption and other activity data into reported GHG emissions. Details of the 2025 methodology updates are publicly available on the B.C. government website: *2025 B.C. Best Practices Methodology for Quantifying Greenhouse Gas Emissions*.

Together, these operational disruptions and methodological changes make direct year-over-year comparisons between 2024 and 2025 emissions more challenging. Where appropriate, this report therefore focuses on underlying energy consumption trends, which provide more meaningful insight into operational performance over time.

1A. Emissions reductions: actions & plans

Overview

In 2025, the LDB reported total GHG emissions of 4,947.8 tonnes of carbon dioxide equivalent (CO_2e). While this represents a decrease compared to 2024, the change is primarily attributable to reduced operational activity during a six-week job action and methodological updates. Notable changes in emissions are outlined below:

- **Mobile energy use (fleet vehicles):** Fleet-related emissions decreased by 122.6 tonnes of CO_2e (24.6 percent) compared to 2024. This change largely reflects reduced vehicle use during the job action in fall 2025, the removal of five vehicles from service during the year, and the increased availability of E15 gasoline (a gasoline-ethanol blend with lower carbon intensity than conventional gasoline). It also aligns with ongoing efforts to optimize fleet use and reduce overall fuel consumption where possible.
- **Office paper use:** Emissions associated with paper consumption decreased by 14.4 tonnes of CO_2e (16.8 percent) compared to 2024. This decline reflects lower paper use across several lines of business, influenced in part by operational

impacts related to the job action, as well as continued progress in process improvements, employee awareness, and a shift toward digital practices.

- **Fugitive emissions (refrigerants):** Total fugitive emissions from refrigerant leaks were 1,119 tonnes of CO_2e in 2025. While reported refrigerant emissions were lower than in 2024, direct year-over-year comparison is challenging due to methodological changes and improvements in data quality.

I. Stationary sources

The LDB's building portfolio includes its Head Office, 198 BCLIQUOR stores, 39 BC Cannabis Stores, two liquor warehouses (the Delta Distribution Centre and Kamloops Distribution Centre), one cannabis warehouse (the Richmond Distribution Centre), and a dry goods distribution centre (the Burnaby Distribution Centre).

Energy used across LDB facilities includes hydroelectricity supplied by BC Hydro and natural gas supplied by FortisBC, depending on location, building type (e.g., retail or warehouse), and operational requirements such as heating and back-up power needs.

Actions taken to reduce emissions in 2025

In line with its commitment to environmental sustainability, the LDB continues to assess opportunities to manage energy use and reduce GHG emissions across its worksites where operationally feasible.

In 2025, building-related emissions increased by 945 tonnes of CO_2e (31.9 percent) compared to 2024. This increase was driven primarily by methodological updates to emissions factors. Total building energy consumption increased by only 3.7 percent, indicating that there were not significant changes in underlying energy use.

The modest increase in energy consumption in 2025 was largely attributable to higher natural gas use across several lines of business, reflecting colder winter conditions compared to the unusually warm winter experienced in 2024.

Key actions undertaken by the LDB to reduce building-related emissions include:

- **Energy-efficient lighting upgrades:** As part of planned renovations, the LDB replaced inefficient lighting (such as fluorescent, halogen, and incandescent fixtures) with light-emitting diode (LED) lighting at 12 BCL retail locations. These upgrades are expected to reduce electricity consumption over time.

Plans to reduce emissions

The LDB will continue to focus on managing energy use at its facilities and identifying opportunities to reduce emissions from stationary sources before relying on carbon offsets. Planned actions for 2026 and beyond include:

- **Continued improvements in lighting efficiency**: LED lighting upgrades at the Kamloops Distribution Centre, originally planned for 2025, were deferred due to the six-week job action in fall 2025. These upgrades were completed in 2026 and are expected to improve energy efficiency. The LDB will continue to implement similar upgrades across its facilities as renovation and maintenance schedules allow.
- **Energy efficiency in construction and renovations**: The LDB periodically updates its construction specifications handbook to guide contractors on energy-efficiency and sustainability requirements for new builds and renovations. This handbook will continue to be reviewed to identify opportunities to improve the energy performance of construction materials and building systems.
- **Heating and cooling systems**: In landlord-managed retail locations, the LDB will continue to work collaboratively with property owners to discuss the adoption of higher-efficiency heating and cooling systems during major renovations or building upgrades, where feasible and subject to landlord agreement.

II. Mobile Sources (fleet vehicles)

The LDB's fleet includes a mix of light-duty vehicles, light-duty trucks, and heavy-duty trucks that support retail operations, distribution activities, and corporate functions. The fleet includes a combination of zero-emission vehicles (ZEVs), hybrid vehicles, and conventional internal-combustion vehicles.

Electric vehicle (EV) charging station at the LDB Head Office

Actions taken to reduce emissions in 2025

In 2025, changes in emissions from mobile sources reflected a combination of operational factors and incremental fleet-management activities.

Total fleet-related emissions decreased by 122.6 tonnes of CO_2e (24.6 percent) compared to 2024. This decrease was driven primarily by reduced vehicle use during the six-week job action, the removal of five vehicles from service, and broader system-level changes in fuel supply.

Fleet-related activities in 2025 included:

- **Fleet composition and vehicle use:** The LDB added one ZEV to its fleet in 2025. As a result, ZEVs represented 23 percent of the light-duty vehicle and light-duty truck fleet (nine of 29 vehicles). This addition reflects continued progress toward a lower-emissions fleet.

- **Electric vehicle charging infrastructure:** The LDB continued to maintain electric vehicle (EV) charging infrastructure at its Head Office, including six chargers available to employees for personal vehicle use while at work, for a nominal fee. In 2025, these chargers dispensed 20.8 megawatt-hours (MWh) of electricity, resulting in an estimated reduction of approximately 21,200 kg of GHG emissions, based on avoided gasoline vehicle use. In addition, the LDB maintains six charging stations dedicated to fleet vehicles, which dispensed 14.2 MWh of electricity in 2025, corresponding to a reduction of approximately 14,000 kg of GHG emissions[1].

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[1]GHG savings were estimated by comparing emissions from equivalent gasoline or diesel vehicle travel with emissions from electricity used for EV charging, using provincial mobile source fuel emission factors and the British Columbia Integrated Grid electricity emission factor as applied in the Clean Government Reporting Tool (CGRT). Fleet charger estimates reflect the 2025 LDB gasoline fuel mix, while employee chargers assume displacement of light-duty gasoline vehicles due to limited vehicle-specific data. Source: Province of British Columbia, *Emission Factor Catalogue for the 2025 Reporting Year*, Climate Action Secretariat, Ministry of Energy and Climate Solutions.

- **Use of low-carbon fuel blends:** As part of British Columbia's updated Low Carbon Fuel Standard, high-ethanol gasoline blends became more widely available in 2025. E15 gasoline (a blend containing 15 percent ethanol, thus reducing overall carbon intensity) was used across multiple LDB business lines where available, with total consumption of 12,608 litres across light-duty trucks and vehicles. Relative to standard gasoline, E15 gasoline use avoided an estimated 2,900 kg of CO_2e emissions in 2025 due to its lower carbon intensity[2].
- **Active transportation and carpooling:** At Head Office, the LDB continues to support lower-emissions commuting options by providing secure bicycle storage, showers and change rooms, and dedicated parking spaces for carpooling employees. These measures help create conditions that enable employees to choose lower-carbon travel options where feasible.

Plans to reduce emissions

The LDB will continue to assess opportunities to manage emissions from mobile sources while ensuring fleet reliability and operational effectiveness. Planned actions for 2026 and beyond include:

- **Fleet procurement planning:** The LDB remains committed to reducing emissions from its fleet and will continue to assess opportunities to procure additional ZEVs and hybrid vehicles where feasible. Procurement decisions will consider a range of factors, including market conditions, spending directives, vehicle availability, operational needs, and alignment with CleanBC policies and regulations.

III. Paper consumption

Paper is used across all lines of business at the LDB to support both internal operations and customer-facing activities. This includes printing for administrative purposes as well as materials such as magazines, brochures, flyers, pamphlets, receipts, and shipping and delivery documentation. The LDB also offers paper bags to customers for a fee at BCL and BCCS locations. In addition, certain special releases and promotional events such as wine festivals, spirit releases, and Bordeaux releases require corrugated cardboard and boxboard packaging. Other paper products include items such as gift card envelopes and backer cards.

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[2] Avoided GHG emissions were estimated using provincial mobile source emission factors for standard gasoline and E15 gasoline to reflect the lower carbon intensity of higher-ethanol fuel blends. Source: Province of British Columbia, *Emission Factor Catalogue for the 2025 Reporting Year*, Climate Action Secretariat, Ministry of Energy and Climate Solutions.

Actions taken to reduce emissions in 2025

The LDB continues to build on its established approach to paper-use reduction and responsible procurement.

In 2025, emissions associated with paper consumption decreased by 14.4 tonnes of CO_2e (16.8 percent) compared to 2024. This decrease was driven primarily by reduced paper consumption across several lines of business, reflecting the combined effects of the six-week job action in fall 2025, incremental process improvements, and continued use of digital documents. Paper consumption declined at BCL stores, Head Office, the Kamloops Distribution Centre, and the Richmond Distribution Centre, supported by reduced printing during the job action period and initiatives such as a LEAN project at the Kamloops Distribution Centre, which focused on identifying and eliminating process inefficiencies. These reductions were partially offset by ongoing operational printing requirements and higher transaction volumes earlier in the year. At BCCS locations and the Delta Distribution Centre overall paper consumption remained relatively stable, as reduced activity during the job action was balanced by increased shipping volumes later in 2025.

Key actions undertaken by the LDB to reduce paper-related emissions included:

- **Paper-use reduction practices:** BCL stores continued to promote reduced paper use through printing guidance that encourages employees to limit printing where feasible and review content carefully before printing. Printing practices at Head Office and other LDB locations are periodically reviewed to identify opportunities for further reductions.

- **Environmentally responsible paper procurement:** The LDB continued to prioritize the use of forest-free sugarcane-based paper, post-consumer recycled (PCR) paper, and paper certified by the Forest Stewardship Council and the Sustainable Forestry Initiative. In 2025, the Delta and Kamloops Distribution Centres) and the Richmond Distribution Centre exclusively purchased 8.5 × 11 sugarcane bagasse paper for printing within the scope of CCAR reporting. The Head Office similarly prioritized this paper type where feasible.

Plans to reduce emissions

The LDB will continue efforts to manage paper use and reduce paper-related emissions in future years.

- **Continued use of environmentally responsible paper:** Where feasible, the LDB will continue to replace virgin paper (paper made entirely from new wood pulp) with lower-impact alternatives such as sugarcane-based paper, certified paper, and post-consumer recycled (PCR) paper. Effective April 2026, BCL stores discontinued the use of virgin paper by removing virgin paper products from the purchasing catalogue available to stores.

- **Further reductions in paper use:** A broader digital modernization initiative is underway at BCL stores. As part of this transition, printing practices are being reviewed, including a shift away from large paper-based printouts toward increased use of digital materials. This change is expected to significantly reduce paper consumption over time. In addition, printing guidance across retail stores, Head Office, and other locations is planned to be reviewed and updated in 2026 to further support paper-use reductions.

- **Paper recycling and employee education:** The LDB will continue to explore opportunities to expand paper recycling at BCL stores with LDB-managed recycling services and to support employee awareness and education related to appropriate paper use through internal engagement channels and sustainability initiatives.

IV. Fugitive sources (refrigerant leaks)

Refrigerants are gases used in cooling and refrigeration equipment, such as retail display coolers, and heating, ventilation, and air-conditioning (HVAC) systems. When these gases leak and are released to the atmosphere, they can contribute significantly to greenhouse gas emissions.

In 2025, the LDB reported 1,119 tonnes of CO_2e from refrigerant-related emissions. Direct comparisons with prior years should be interpreted with caution due to improvements in data collection and changes to provincial calculation methodologies.

A prior-year adjustment was applied to 2025 emissions to correct refrigerant emissions that were overstated in 2024 as a result of revised provincial methodologies. This adjustment reduced LDB's reported emissions and offset requirement for the 2025 reporting year.

The LDB reports refrigerant emissions from equipment it owns or directly manages, including systems serviced under LDB maintenance contracts. Refrigerant emissions from landlord-managed base-building HVAC systems are excluded where the LDB does not have operational control or access to reliable information required from measured or defensible estimated reporting.

Actions taken to reduce emissions in 2025

2025 marked the second year that the LDB reported emissions from refrigerant leaks. Compared to 2024, the LDB made considerable progress in improving data completeness by accessing measured and estimated refrigerant leakage information for more than 700 refrigeration and HVAC units across its operations.

This improved data coverage strengthens the LDB's understanding of refrigerant-related emissions and provides a more reliable foundation for identifying future opportunities to manage this emissions source.

Plans to reduce emissions

In 2026, the LDB will explore opportunities to further manage emissions associated with refrigerant leakage. Potential actions include developing educational materials to support the selection of refrigerants with lower global-warming potential (GWP), encouraging the procurement of equipment with reduced refrigerant capacity where operationally feasible, and promoting equipment choices with reduced environmental impacts as assets are replaced or upgraded over time.

2025 GHG emissions and offsets summary table

BC Liquor Distribution Branch 2025 GHG Emissions and Offsets Summary	
GHG emissions for the period January 1 - December 31, 2025	
Total emissions (tCO_2e)	5,583
Total bioCO_2e	103
Total offsets (tCO_2e)	5,480
Adjustments to offset required GHG emissions reported in prior years	
Total offsets adjustment (tCO_2e)	- 532
Grand total offsets for the 2025 reporting year	
Grand total offsets (tCO_2e) to be retired for 2025 reporting year	4,948
Offset investment ($)	$123,700

Retirement of offsets

In accordance with the requirements of the *Climate Change Accountability Act* and the Carbon Neutral Government Regulation, the BC Liquor Distribution Branch (the Organization) is responsible for arranging for the retirement of the offsets obligation reported above for the 2025 calendar year, together with any adjustments reported for past calendar years (if applicable). The Organization hereby agrees that, in exchange for the Ministry of Energy and Climate Solutions (the Ministry) ensuring that these offsets are retired on the Organization's behalf, the Organization will pay within 30 days, the associated invoice to be issued by the Ministry in an amount equal to $25 per tonne of offsets retired on its behalf, plus GST.

Part 2. Public sector climate leadership

2A. Climate risk management

In recent years, the LDB has faced increasing operational impacts from extreme events such as wildfires, heatwaves, deep freezes, and floods. With the increasing frequency and intensity of these challenges across the province, the LDB continually updates contingency plans to protect its operations against major disruptions.

In 2025, the LDB continued to support B.C. wineries affected by the catastrophic January 2024 freeze that destroyed much of the Okanagan grape crop, fulfilling the provincial government's commitment to provide temporary, targeted relief. This included temporary policy amendments allowing impacted wineries to produce 2024 and 2025 vintage replacement wines using authorized non-B.C. inputs while maintaining their existing classification and associated benefits. Updated directives introduced in November 2025 further permitted the production of 2025 replacement wines using available B.C. grapes supplemented by non-B.C. sources, supporting industry continuity while prioritizing a return to full B.C. sourcing.

More broadly, the LDB continues to implement several measures aimed at mitigating the impacts of unexpected events on its service, customers, and suppliers. To reduce order delivery disruptions, the LDB maintains contracts with secondary freight carriers to supplement its primary fleet when regions are inaccessible due to weather conditions or road closures. During disruption events, the LDB also works closely with affected customers to reschedule or delay deliveries and activates emergency operations to reroute shipments away from impacted areas.

While the summer of 2025 was relatively mild for wildfire activity, isolated incidents did occur. In these cases, the LDB was able to respond quickly and effectively through close collaboration between its Business Continuity and Emergency Management team and Wholesale Operations teams, minimizing impacts to customers.

2B. Other sustainability initiatives

Waste reduction

Waste reduction and diversion are key components of the LDB’s environmental sustainability efforts. Waste diversion measures the proportion of materials diverted from landfill through recycling and composting and varies by worksite depending on operational needs and available services. Materials diverted from landfill across LDB operations include organics, cardboard, mixed paper, mixed containers, soft plastics, shrink wrap, Styrofoam, e-waste, batteries, toner cartridges, scrap metal, lumber wrap, wood, and construction and demolition waste. In addition, BCL stores accept empty beverage containers for recycling through British Columbia’s Extended Producer Responsibility (EPR) program.

Waste diversion at LDB worksites highlighting the recycling of cardboard, empty beverage containers, and plastics.

The LDB tracks waste diversion rates on a monthly basis to support continuous improvement in waste management and environmental performance. In 2025, the organization achieved the following outcomes:

- The overall waste diversion rate across all lines of business was 86.9 percent, with three LDB distribution centres achieving diversion rates above 90 percent.
- A total of 1,711 metric tonnes of cardboard, 238 metric tonnes of wood, and 140 metric tonnes of plastic shrink wrap were recycled across LDB operations.
- More than 28 million empty beverage containers were collected at our BCL stores and recycled through the EPR program in partnership with environmental stewardship organizations.

In 2025, the LDB also advanced several targeted waste-reduction initiatives, including the diversion of unsellable liquor to anaerobic bio-digestion, which converts liquid waste into biogas used to generate renewable electricity, and the expansion of a mixed-paper recycling program at BCL stores. These initiatives are described in greater detail in *Section 2C: Success Stories*.

In addition, the LDB complied with new federal regulations requiring commercial facilities in Canada to report plastic waste production in 2025. Processes are now in place to track plastic waste at warehouse operations, and data collection is being expanded in preparation for evolving regulatory requirements.

Environmentally sustainable procurement

As a public sector organization, the LDB follows the Province of B.C.'s guidelines for environmentally responsible procurement. These guidelines encourage government entities to integrate environmental considerations into every stage of the purchasing process. This approach supports provincial strategic priorities and promotes better environmental outcomes by assessing need, evaluating environmental impacts, and considering the full life cycle of goods and services—from resource extraction to end-of-life management.

These guidelines complement, rather than replace, existing procurement policies and provide a framework for incorporating environmental criteria into procurement documents. Examples of environmental performance criteria the LDB may include when evaluating suppliers are outlined below:

Reduce, reuse, and recycle

- Minimizing waste, including hazardous waste.
- Using recycled content and ensuring recyclability.
- Prioritizing reusable or longer-lasting products.
- Ensuring end-of-life recyclability, take-back programs, or repairability.
- Using renewable or sustainably sourced materials.

Improve, support, and limit

- Improving energy and water efficiency.
- Supporting the protection of biodiversity.
- Supporting climate action by reducing GHG emissions and air contaminants, and helping prepare for and adjust to the current and projected impacts of climate change.
- Limiting toxic and hazardous substances.

Environmentally responsible procurement helps reduce environmental impacts, enhance societal benefits, and improve long-term value. At its core, it is about achieving better overall value for money by considering not just cost, availability, and performance, but also the environmental footprint of a product or service throughout its entire life cycle.

Examples of sustainability-related procurement activities in 2025 included:

- Replacing virgin paper with sugarcane-based paper, certified paper, and PCR paper, where feasible.
- Installing new high-efficiency LED lighting for retrofits and renovations.

- Adding a ZEV to the fleet, increasing the share of ZEVs in the light-duty fleet to 23 percent (nine of 39 vehicles).

Employee education, awareness, and engagement

The LDB's Social Impact and Environmental Sustainability Team designs and delivers environmental education and employee engagement initiatives across the organization.

In 2025, key engagement activities included Earth Week, LDBeez (an urban beekeeping initiative), and Go-by-Bike Week, each offering opportunities for employees to learn about environmental topics and participate in sustainability-focused activities.

- **Earth Week:** In recognition of Earth Day in April, employees across the organization participated in a virtual *"Our People, Our Planet"* sustainability trivia challenge, and in-person activities were hosted at several worksites. The activities encouraged reflection on individual environmental footprints, particularly related to food choices.
- **Promoting active transportation:** The LDB promoted active transportation by hosting a Celebration Station during Go-by-Bike Week in June 2025. Employees received information on commuting routes, cycling safety, and bike maintenance. During the event, participating employees collectively cycled 326 kilometres, avoiding an estimated 71 kilograms of greenhouse gas emissions.
- **LDBeez (urban beekeeping):** Since 2019, the LDB has maintained beehives on its Head Office patio as an employee engagement initiative focused on urban biodiversity. In 2025, employees participated in the seventh annual honey harvest, as well as beeswax lip balm and candle-making hands-on workshops. These events allowed employees to learn more about pollinators, urban ecosystems, and the environmental benefits of beekeeping. Eighty jars of honey harvested from the hives was donated to the Greater Vancouver Food Bank.

Honey harvested through the LDB's urban beehives allows employees to learn about the benefits of beekeeping.

2C. Success stories

Liquid waste diversion

In 2025, the LDB introduced a new contracted service provider to manage the full-service destruction of unsellable liquor at its warehouse facilities, significantly changing how liquid waste is managed. Previously, waste liquids from damaged products were treated and discharged to the Metro Vancouver sewage system. Under the new approach, unopened products are collected and transported to anaerobic bio-digestion facilities, where the liquid is converted into biogas used to generate renewable electricity. Associated packaging materials, including plastic, aluminum, and glass, are recycled into new materials.

This closed-loop process supports circular-economy principles while delivering operational improvements. In 2025, 156 metric tonnes of liquid waste and packaging were diverted from traditional waste streams, equivalent to the weight of 13 transit buses. This process improvement is now transforming a previously discarded waste product into a meaningful source of renewable energy while eliminating liquid discharges to Metro Vancouver's sewage system.

***Before implementation (left):** Damaged or unsellable liquor products were manually emptied into an open container, treated on-site, and discharged to the Metro Vancouver municipal sewer system.*

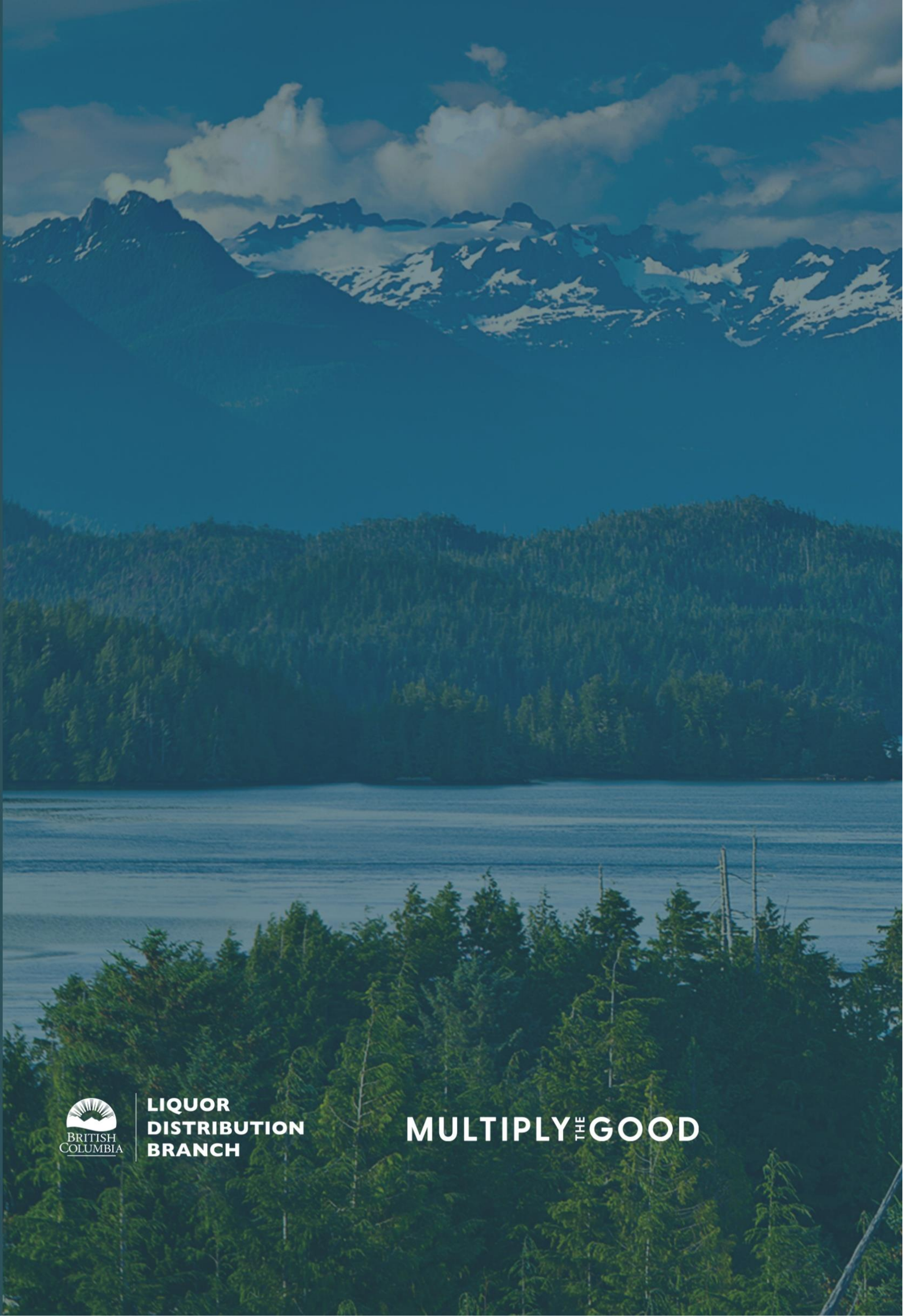
***After implementation (right)**: Damaged or unsellable products are placed directly into designated collection bins and transported off-site for anaerobic bio-digestion, eliminating all liquid discharges to the Metro Vancouver sewer system*

Expansion of mixed paper recycling program at BCL stores

In December 2024, the LDB launched a pilot mixed-paper recycling program at select BCL stores to test implementation processes and gather feedback. Following the pilot's success, the program was expanded to 26 BCL stores by December 2025. Building on this progress, the LDB is exploring opportunities to extend mixed-paper recycling to additional BCL locations where waste services are managed directly by the LDB.

Executive sign off

	May 27, 2026
Signature	Date
Erin McEwan	Interim General Manager and Chief Executive Officer
Name (printed)	Title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