



**THE BREWDOG**

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# BLUEPRINT

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**CREATING THE BEER  
BUSINESS OF TOMORROW**

MAY 2022

# BREWDOG

UNESTABLISHED 2007

**FOR BETTER BEER.  
FOR A BETTER PLANET.  
POWERED BY THE PEOPLE.  
FOR US ALL.**

## THE NEW BREWDOG STARTS HERE

**AFTER AN INCREDIBLE  
15 YEARS, THE BUSINESS  
THAT MARTIN AND I  
STARTED IN A GARAGE IS  
NOW 105 DOG-YEARS OLD.**

It has not always been easy and ours is the story of a young company and young leadership team very much growing up in public, with all the challenges that come along with that.

Looking ahead, we have a once in a generation opportunity to build a business and a brand that has a huge positive impact on the world. We firmly believe in our goal of becoming one of the world's five most valuable beer brands over the next five years, all whilst flying the flag for sustainability and better business.

Today, to mark our 15-year anniversary, we are publishing the BrewDog Blueprint. This is the roadmap for the future of our business as we look to build on our three foundational pillars: Beer, People and Planet.

And whilst all three pillars are fundamental to what we do, the most significant initiatives we are launching today are those focused on our people.

We believe that our long-term destiny is determined by how well we look after our amazing people, and whilst we have made some mistakes along the way, this belief is now even more central to our ambitions.

We are determined to create a completely new type of business model. One where our team members are truly connected to the business, and where every single person in the team benefits from the growth and success that we collectively create.

BrewDog has always been about doing things in a radically different way, building the business in a brave and uncompromising manner, with people and great beer at its core and our most unconventional initiatives have always proved to be our most pivotal.

To that end, the two new people initiatives that we are launching today are my two favourite things that we have ever done as a business.

Hold Fast,  
James

# BREWDOG PEOPLE BLUEPRINT

OUR PEOPLE ARE THE BEATING HEART OF OUR BUSINESS, WITH OVER 2,200 TEAM MEMBERS BASED ALL OVER THE WORLD, MAKING MAGICAL BEERY MOMENTS HAPPEN EVERY SINGLE DAY.

Being the best employer we possibly can be is fundamental to everything we believe in. In our People Blueprint we are delighted to share some fantastic new initiatives building upon our signature BrewDog benefits.

## HOP STOCK – OUR EMPLOYEE OWNERSHIP PROGRAMME

**WE ARE SHARING ALMOST  
£100M OF BREWDOG EQUITY  
WITH OUR TEAM MEMBERS.**



James is giving away 5% of BrewDog to our team. This is worth almost £100m at our last capital raising valuation and all of these shares will come directly from James' shareholding.

This means 3.7 million shares in BrewDog will be distributed evenly amongst all of our salaried team members with each and every salaried team member receiving approximately £30,000\* per year in shares over the next 4 years with the first award of shares due in June 2022.

This is worth around £120,000 per person over the next 4 years, but if we continue to grow strongly and reach our goals as a business that value could be considerably more.

This radical new initiative is about ensuring we win collectively and fully recognise all of the hard work that our fantastic team put into our business.

The road ahead is definitely going to be exciting, but it is fair to say that it is not always going to be easy – high growth and striving to redefine an industry never is. Our Hop Stock programme will ensure that we are all in this together as we build the future of BrewDog.

Following this announcement, we are now more than 25% owned by the people who matter most to us, our incredible team and our Equity Punk community who have been with us every step of the way on this crazy ride. They collectively are now our largest shareholder and will play a huge part in the next chapter of the story of this remarkable business.

We're very proud to be taking this step, and to be sharing the success of BrewDog, now and in the future, with you – our people.



\*The exact figure depends on how many salaried team members we have at each awarded date and the value of the shares at the point they can be exercised.



# BARS 50% PROFIT SHARE

## BREWDOG 50/50

### PROFIT SHARE

THIS BAR NOW SHARES HALF OF ITS PROFITS WITH THE AMAZING PEOPLE WHO WORK HERE.



## OUR BREWDOG BARS NOW SHARE 50% OF THEIR PROFITS WITH THE FANTASTIC PEOPLE WHO WORK IN THEM.

We want to create a radically new business model for hospitality – one that firmly puts the people who make the real difference in our bars, those who look after our customers every day, at the very core of what we do.

As part of this ground-breaking initiative, we will be fully transparent and share the financial details with all of our team members every month.

To that end, we are delighted to announce that we are completely changing how our bars operate. Each BrewDog Bar is going to share 50% of its profits with team members.

We want to incentivise our amazing people to act like business owners, by rewarding them just like business owners.

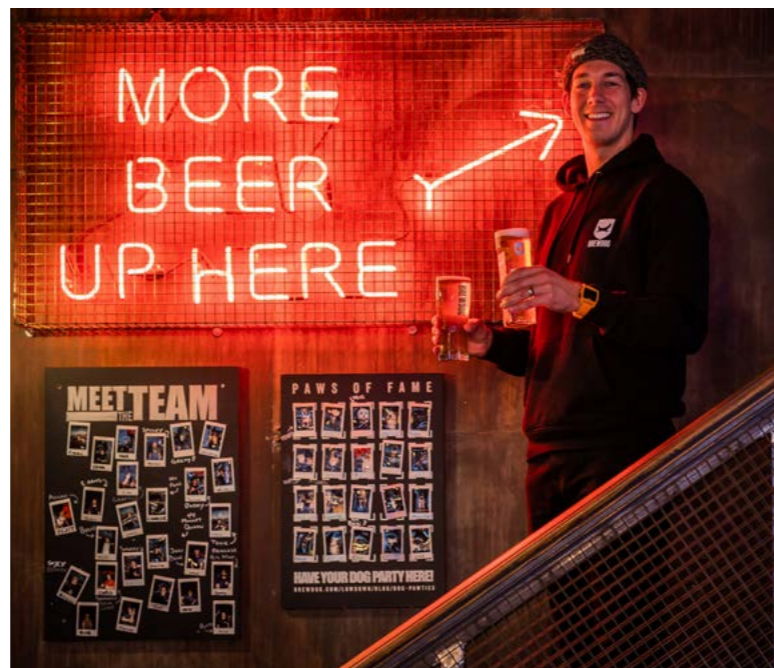
You read that right. 50% of all profit made in BrewDog Bars will now be shared evenly with the fantastic people who work in them.

THERE ARE MORE DETAILS ON HOW BOTH OF THESE NEW INITIATIVES WORK IN THE

APPENDIX.

Our bar teams make the magic happen for tens of thousands of customers every day. Creating experiences that are key to this business and brand, and we want to reward them in a fundamentally new way which has never been done in hospitality before.

By sharing 50% of profits with our crew, we're setting the bar higher for hospitality workers everywhere, and democratising the benefits of working for a successful business in our industry.





# THE BREWDOG ALUMNI CLUB



To mark our 15th birthday we are delighted to launch the BrewDog Alumni Club. Throughout our first 15 years so many fantastic team members have played key roles in our journey and then moved onto other things professionally. With the BrewDog Alumni Club we want to formally recognise the contribution that all of our former team members have made and also thank them for their efforts.



THE BREWDOG ALUMNI CLUB IS FREE TO JOIN FOR ANY FORMER TEAM MEMBER AND INCLUDES:

- A lifetime discount of 10% in all of our bars
- A lifetime discount of 10% on our online shop
- An exclusive BrewDog Alumni Club pin badge
- A free 12 pack of beer every December
- An invite to a BrewDog Alumni Online social event every year, hosted through the BrewDog Open Arms
- An invite to an annual BrewDog Alumni social event at either BrewDog Ellon, Berlin, Columbus or Brisbane
- A copy of a BrewDog Alumni Club DogTales newsletter once a year

TO SIGN UP PLEASE GO TO

[www.brewdog.com/alumni](http://www.brewdog.com/alumni)

# THE BREWDOG TRANSPARENCY DASHBOARD

As a business we have always believed in radical transparency. From DIY Dog where we share all of our recipes, to our Annual Report where we share all of our financials or to our MEGA Reports where we are transparent on all of our sustainability initiatives we always share as much as we can.

And now we are taking that radical transparency to the next level with the launch of our brand-new transparency dashboard

[www.brewdog.com/transparency](http://www.brewdog.com/transparency)

There you can get the latest information on our employer score, our carbon footprint, our headcount, our tree planting initiatives and even what new and special beers are in our tanks.



# SIGNATURE BREWDOG PEOPLE BENEFITS

## SABBATICAL

At BrewDog, you get 4 weeks full paid leave – beyond your normal holiday allocation – for every 5 years of service, making sure that you get regular opportunities to fully recharge your batteries.

## EMPLOYEE REPRESENTATIVE GROUP

Set up in 2021, our elected representatives voices are heard in every area of the business. Our forums have already led to actions including a new Sick Pay scheme and redesign and enhancement of the welfare space at our HQ in Ellon.

## THE BREWDOG SALARY CAP

No-one can join our business for a salary higher than 7x what our lowest full-time salary is. We are setting standards on fairer pay and driving opportunities for senior roles for our crew.

## INTERNAL PROMOTION RATE

Being part of a fast-growing business means there are always opportunities for our crew to turbo-charge their careers. Wherever possible, we provide opportunities and training to our internal candidates.

## MENTAL HEALTH SUPPORT

By the end of 2022, 10% of our employees will be qualified Mental Health First Aiders. We also have a monthly wellbeing lab covering topics from men's mental health to menopause.

## TOP DOGS

Each month, we celebrate 4 Top Dogs – crewmates who have done amazing things to make BrewDog a better place. Our crew help choose the winners, who receive £500 cash bonus, and plenty kudos!

## PRIVATE HEALTHCARE

We have healthcare schemes in place for our crewmates.

## ENHANCED PENSION

Our crew can receive up to 10% employer contributions, invested in sustainable funds.

## REAL LIVING WAGE

We are proud to pay the real living wage, as set annually by the Living Wage Foundation, since 2014.

## PAWTERNITY LEAVE

Take a week's fully paid leave when you get a pooch to help them settle in.

## DIVERSITY, EQUITY AND INCLUSION FORUM

Our crew-led Diversity, Equity and Inclusion Forum meets weekly to drive actions and build on BrewDog's inclusive approach.

## BAR TEAM SUPPORT

The teams in our bars also benefit from contractually guaranteed hours, a paid overtime policy for all salaried staff, and our safe ride home funding to support those working late in getting back home.

## BREWDOG ACADEMY

Our monthly online training covers a wide range of topics from people management skills, diversity and inclusion, and beer and business topics.



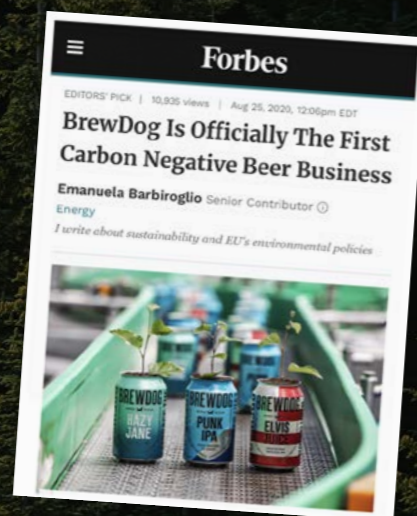
# BREWDOG PLANET BLUEPRINT

**AS HUMANS WE ARE FACING AN EXISTENTIAL CLIMATE CRISIS. THE SCIENCE IS CLEAR, WE ARE SLEEPWALKING OFF THE EDGE OF A CLIFF. HUGE CHANGE IS NEEDED, RIGHT NOW, AND WE ARE DETERMINED TO MAKE BREWDOG A CATALYST FOR THAT CHANGE IN OUR INDUSTRY AND BEYOND.**

In August 2020, BrewDog became the world's first carbon negative beer business. We now remove twice as much carbon from the air as we emit every single year whilst simultaneously doing all we can to drive our carbon footprint down to zero. By removing twice as much carbon as we emit, we ensure that we have a positive impact on our planet.

We work with our lead independent scientific advisor Professor Mike Berners-Lee on all of our sustainability projects and because we believe in transparency, we share every detail of our environmental impact and progress in our MEGA reports which can be found [here](#).

With our sustainability initiatives we are putting our money where our heart is, and we are putting everything on the line for what we believe in here.



# THE LOST FOREST



**WE BELIEVE THAT OUR CARBON IS OUR PROBLEM: WE WANT TO TAKE OWNERSHIP OF IT AND FIX IT OURSELVES. SO, WE BOUGHT 9,308 ACRES IN THE SCOTTISH HIGHLANDS WHERE WE ARE CREATING THE LOST FOREST.**

Located just west of Aviemore, the Lost Forest is capable of pulling up to 1 million tonnes of carbon dioxide out of our atmosphere. The scale is staggering, the BrewDog Lost Forest is bigger than 17 actual countries.

We have now started work on restoring huge areas of degraded peatlands (peatland restoration is a very effective form of carbon sequestration) and we will soon start planting over one million trees to create a native, bio-diverse broadleaf woodland.

We are also planning to host cabins, camping facilities, non-motorized water sports, hikes, runs, bike trails and events on this incredible piece of land.

The Lost Forest is a £15m investment that will help us take carbon dioxide out of our atmosphere as well as conserve and restore a beautiful part of Scotland creating much needed biodiverse natural habits too, for future generations.

**THERE ARE NO NON-RADICAL SOLUTIONS LEFT.**





# OUR CARBON REDUCTION STRATEGY

**WE ARE MAKING HUGE INVESTMENTS ACROSS OUR BUSINESS TO REDUCE OUR CARBON FOOTPRINT. WE HAVE ALREADY REDUCED OUR IMPACT BY 20% VERSUS OUR 2019 BASELINE AND WE ARE TARGETING A 35% REDUCTION BY 2023.**

When we count our carbon, we count all of it; this includes all direct emissions which occur at our breweries and bars, the emissions from the electricity we purchase, as well as the emissions of our entire upstream and downstream supply chain, globally. Overall we are investing close to £50m to reduce our environmental impact.

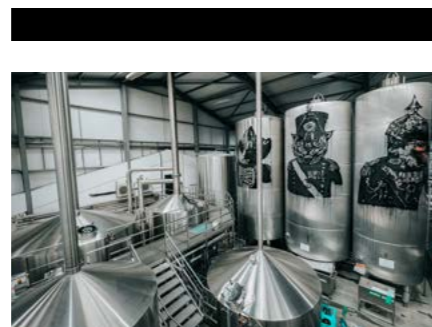


## BREWDOG BIOPANT

Our new onsite bioplant facility is one of the most advanced in the global brewing industry in terms of sustainability and is currently being commissioned.

Our onsite bioplant is a £12m+ investment that will massively reduce our environmental impact. Firstly, it will help us recycle most of our wastewater and allow it to be reused. Secondly, it will generate green gas – biomethane that we can then use to power our brewery and also power the trucks which deliver our beer. And thirdly it will generate CO<sub>2</sub>, CO<sub>2</sub> that we can use to help carbonate our beers as part of the brewing process.

At peak gas production, our AD plant is displacing 7,500 tonnes CO<sub>2</sub>e every year helping to reduce our brewery's emissions and green-up the gas grid itself.



## CO<sub>2</sub> RECOVERY

The next phase of the project is to capture the CO<sub>2</sub> produced by the AD plant and during fermentation, to be fed back to the brewery. Not only that, but we will also be cleaning up the water produced from the AD plant in our Waste Water Treatment centre to be used in the brewing process.



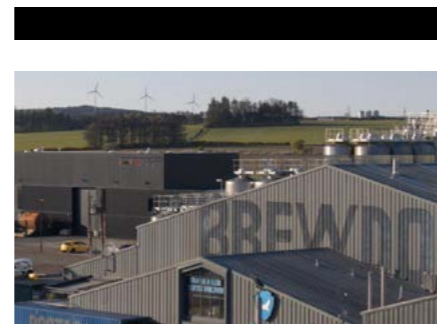
## BIOGAS TRUCKS

By converting our effluent and spent yeast and hops from the brewing process into biogas, we will use this to further power our brewery as well as our HGVs.



## ELECTRIC VEHICLES

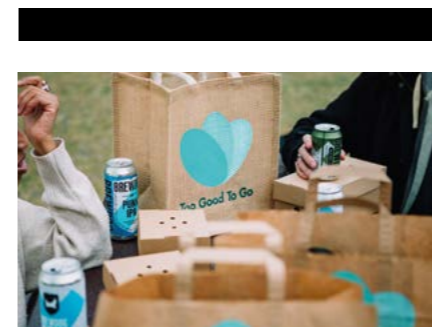
We launched our electric HGV truck in London in 2021, and within the first five months, it had already saved 12.7 tonnes CO<sub>2</sub>e in emissions – the equivalent of removing 20 diesel London buses from the roads for a day! We're also swapping out all of our delivery vehicles to low-carbon powered alternatives.



## WIND POWER

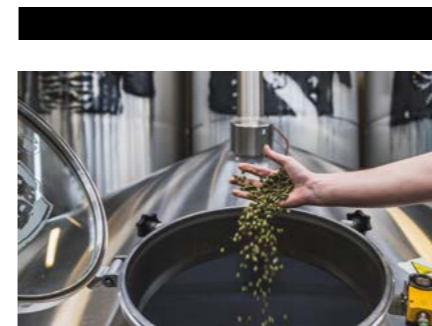
All of our UK business is now wind powered and our other businesses globally also purchase green electricity supplies.

**AS PART OF OUR COMMITMENT TO SUSTAINABILITY WE ARE INVESTING £50M TO REDUCE OUR ENVIRONMENTAL IMPACT.**



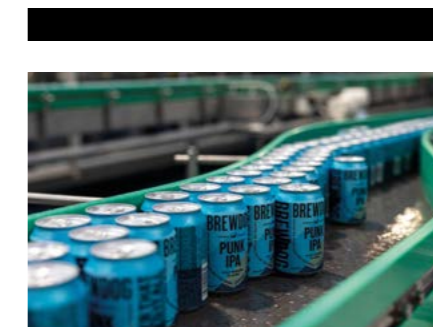
## RETAIL ECOBOARD

Our bars around the world have switched to smart meters, reduced their waste, switched to eco-friendly consumables, and we show how much carbon we'll remove from the air for every menu item. Almost half of all menu items sold are vegan options!



## GROWING OUR OWN HOPS

We have planted our own hop farm on our 42-acre campus at our Columbus, Ohio brewery. This reduces the carbon footprint of one of the key ingredients in our beer. We have planted 1,300 trees on site, too!



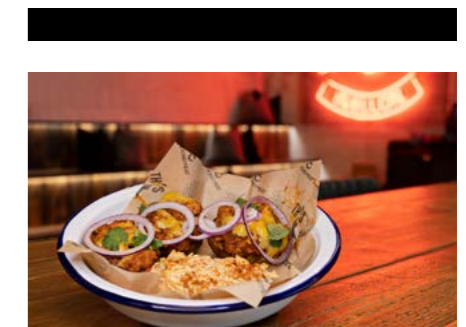
## CANNING, NOT BOTTLING

Cans are significantly better for the planet than one-way bottles – the carbon footprint of a canned beer is approximately 35% lower than a bottled beer. Our main bottling line is making way this year for a new, state-of-the-art canning line with capacity to pack 72,000 cans per hour.



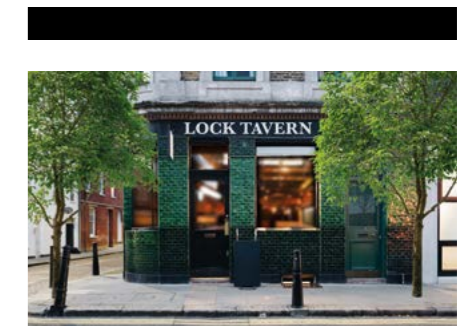
## SOLAR POWER

Our Australian brewery produces 16MWh of energy per month via solar panels on its roof and our US facility will soon be installing its own solar solution, driving down emissions across the entire business.



## VEGGIE & VEGAN OPTIONS

Over 50% of the food options in our bars are now vegetarian or vegan, meaning that low-carbon alternatives get a starring role on all of our menus.



## PLANET FIRST LOCALS

We help calculate our on-trade customers' emissions, we put in place an emissions reduction plan, and then remove their carbon from the atmosphere via high-quality forestry initiatives.



# BREWDOG BEER BLUEPRINT

SHARING THE PASSION WE HAVE FOR WORLD CLASS BEER WITH AS MANY PEOPLE AS POSSIBLE HAS BEEN OUR MISSION SINCE DAY 1. OUR LOVE OF TRULY GREAT BEER HAS BEEN OUR NORTH STAR EVERY SINGLE DAY ON OUR 15 YEAR JOURNEY SO FAR.

As well as ensuring our everyday beers always taste amazing we want to continue leading the way in innovative, small batch brewing staying true to our heritage as we look to push the boundaries of beer.

The beer scene has changed a lot in the last 10 years, and we are convinced it is going to change even more in the next decade. By brewing world class craft beers and sharing them with as many people as we can, we want to be the catalyst for further change.



# GOOD PEOPLE DRINK GOOD BEER.

## HEADLINERS

Our Headliners are born from obsession. Crafted to perfection they are the delicious everyday fridge fillers that are the leaders of our pack.



## ALCOHOL FREE

Welcome to our tuned BrewDog Beers – brewing engineered to perfection. We have liberated alcohol-free and taken it to the next level. No compromises here.



## AMPLIFIED

This is craft beer turned up to 11. If you are looking for more taste and more intensity then you just found it. This is full flavour beer to savour.



## YEAR ROUND

These beers are inspired by the ever-changing calendar. Limited release brews from New England IPAs to hoppy red ales.



## COLLABORATIONS

Our collaboration range allows us to partner with other great breweries and brands. Reinventing classics and creating beers with a twist.





## ALPHADOG

To help us brew more small-batch and eclectic beers we are converting our former DogTap space in BrewDog HQ into a new, cutting edge small batch experimental brewery – BrewDog AlphaDog. We are adding new tanks and a small canning line as well as creating a dedicated barrel ageing facility.

AlphaDog will release its first beers in Q3 of 2022.



## NANODOG

BrewDog's NanoDog is based in Ohio and it's a tiny, tiny brewery brewing some of our most eclectic and unique beers which constantly rank amongst the world's very best on Untappd. We are currently expanding NanoDog a little bit, whilst still keeping it tiny, so more people can get their paws on NanoDog's delicious, and slightly crazy, beers.



## BREWDOG AND FRIENDS

A beer club with a difference. BrewDog & Friends is undergoing some changes. The offering remains the same: four new beers each month (two of each, so one for a pal), showcasing some of the best breweries and brands from across the globe, alongside a monthly BrewDog exclusive. All made at our HQ which ensures all of the beers are fresh and our environmental impact is much lower than traditional beer clubs that ship beer all over the planet.

As we move forward each BrewDog & Friends box will have its own theme, which will link the beers, breweries and brands we partner with.



## HIGH OCTANE

High Octane is the name given to our monthly small-batch releases. The rules are simple (if they even exist): create a new beer for our online shop and our bars – and do something a little different. From imperial Biere de Garde's to Double IPAs, Belgian-style Tripels to hopped-up continental lagers, it's all about doing things a little bit differently, with the ABV cranked up that little bit higher.





# BREWDOG FUTURE GROWTH BLUEPRINT

## FUTURE GROWTH: THE NEXT DECADE OF DOG.

Over the next 10 years, we want to build one of the world's leading beer brands. For context, we are currently 16th on the global list. We believe we can achieve this aim by making great beer, that is great for the planet, for us all.

Given the level of innovation we have seen in other industries over the last decade, it is staggering how little innovation, premiumisation or disruption we have seen in beer at the global level. It is startling, but if we look at the world's top 10 leading beer brands, they were all founded over 100 years ago. For example, Budweiser (1875), Guinness (1759), Heineken (1864) and Miller (1855).

There has been no premium global beer brand successfully launched in the last 100 years. Our mission simply has to be to change that.

We have to elevate the status of beer in as many people's lives as possible.

This is about making great beer for everyone.

This is not about winning in craft; this is about changing the world of beer forever.

## INVESTING FOR OUR FUTURE

In 2022 we are making huge investments across our business to build foundations for our future growth. This year alone we will commit over £70 million of investment into growing our business and creating more jobs. This is by far the most we have ever invested in a single year and these investments will ensure we can continue to grow strongly as well as become ever more sustainable in the years to come.

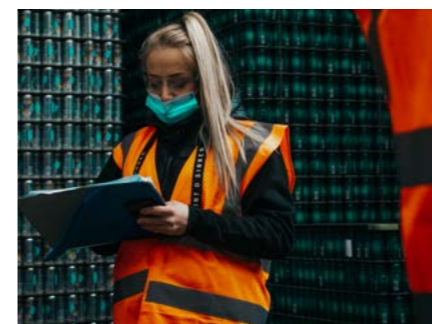
# BREWDOG PRODUCTION INVESTMENTS

## ELLON BREWHOUSE

Our Ellon HQ brewery is currently undergoing a £40m expansion. We grew our sales strongly in 2020 and 2021 and this new investment puts in place the foundation for continued future growth.

The main investment centres around a new 500 HL brewhouse which will work alongside the 100 HL and 300 HL brewhouses we have in Ellon. As well as helping us make our beer more efficiently the new brewhouse will more than double our brewing capacity in north-east Scotland. The equipment arrives in May 2022 and will be operational by October 2022.

The investment in Ellon also includes additional fermentation tanks and a new fermentation cellar.



## NEW DISTILLERY

The construction of our brand new, state-of-the-art distillery is almost complete. Between distilling equipment and buildings this is a £7m investment into a rapidly growing area of our business.

The centerpiece of the new distillery is a custom 20-metre-high rectification triple-bubble still which we designed ourselves to help create the ultimate flavour profile for the single malt whisky we have in the works.

The new distillery will enable us to scale our production to help us keep up with the demand for our range of gins, rums, vodkas and our soon-to-launch BrewDog whisky.

The new distillery in Ellon will also have a bookable event space overlooking our beautiful custom-made stills.





## CANNING LINE

We are also investing in a new canning line for our HQ brewery. This will be the 4th canning line we run in Ellon and by far our biggest to date. Cans are significantly better for the environment than bottles and we continue to look to accelerate the transition within our business. The new line should be operational by October 2022.



## BERLIN, COLUMBUS & BRISBANE BREWERY EXPANSIONS

All of our international breweries are growing strongly and we are investing in additional equipment in the US, Germany and Australia to help them all keep up with demand for our beers in these markets. We will be expanding each of these breweries through the addition of more fermentation tanks.

In Columbus we have also just commissioned our 150-litre gin still. This is an exact replica of our gin still in Ellon, and our aim is to recreate our incredible LoneWolf gins from Columbus – trials are underway and we're excited to share these later in the year.



BERLIN



COLUMBUS



BRISBANE

## JAPAN JOINT VENTURE

BrewDog is the controlling partner of our joint venture with Asahi in Japan. BrewDog Japan will invest to grow brand awareness country-wide and to increase significantly the number of outlets where customers can find their favourite BrewDog tipple.

We are also in various stages of planning for strategic partnerships in other key strategic geographies.



# BREWDOG BARS

**WE NOW OPERATE 111 BARS (AND THREE HOTELS!) ALL OVER THE PLANET.**

2022 is going to be our most exciting year by far in terms of new openings. These new locations are a huge investment in the future of BrewDog and the future of craft beer as we set out to create 1,000 new jobs this year. We are also opening some iconic new sites including Vegas and Waterloo.

## VEGAS

READY. SET. VEGAS.

BrewDog is coming to Bright Light City, with a flagship 30,000 square foot bar with an incredible rooftop bar, resplendent with neons to make the Strip pale in comparison.

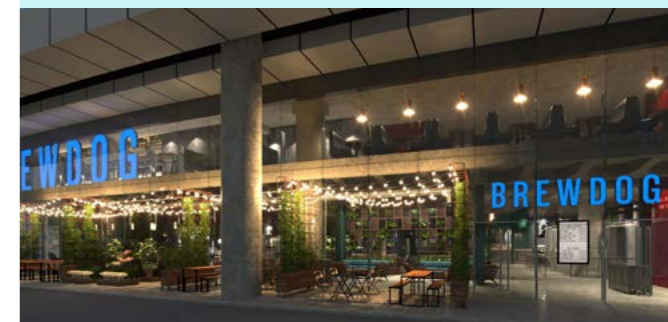
Based in the heart of the world-famous Vegas Strip, BrewDog Vegas is no place for poker faces, just giddy smiles.



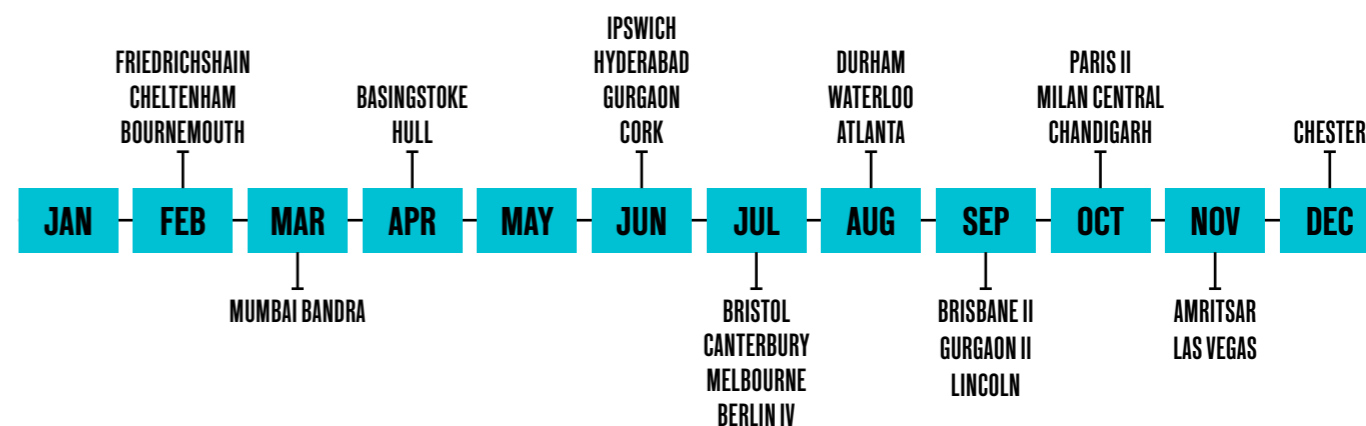
## WATERLOO

ALL ABOARD FOR BEERY PARADISE

This new bar in London will be a real show-stopper. Situated in Waterloo Station, you're just a hop, skip and a jump away from the London Eye, South Bank and Westminster. Or you can just get comfy in BrewDog Waterloo and enjoy some fantastic beer. As well as 2 floors of beery delights this bar also hosts a hidden cocktail speakeasy and duckpin bowling. Oh, and a slide!



**OVERALL, WE ARE OPENING OVER 25 NEW LOCATIONS IN 2022. HERE IS OUR OPENING SCHEDULE:**





# WHAT WE BELIEVE IN

**WE BELIEVE THAT GOOD PEOPLE DRINK GOOD BEER**

## AT BREWDOG WE BELIEVE IN WORLD-CLASS CRAFT BEER

AND WE ARE ON A MISSION TO PUT THE TASTE, THE PASSION AND THE CRAFTSMANSHIP BACK IN PEOPLE'S BEER GLASSES.

## WE BELIEVE IN RADICAL TRANSPARENCY

FROM OUR BEER RECIPES TO OUR FINANCIALS AND FROM OUR PROFITS TO OUR FUTURE PLANS.

## WE BELIEVE IN BEING A GREAT EMPLOYER

WE BELIEVE THAT OUR LONG TERM DESTINY DEPENDS ON HOW WELL WE LOOK AFTER OUR AMAZING PEOPLE.

## WE BELIEVE IN COMMUNITY AND TEAM OWNERSHIP

OUR BUSINESS IS PART OWNED BY OVER 217,000 EQUITY PUNKS AND OUR CREWMEMBERS.

## WE BELIEVE IN INDEPENDENCE

IN AN INDUSTRY DOMINATED BY MULTI-NATIONAL CONGLOMERATES, WE ARE MAKING A STAND FOR INDEPENDENCE, A STAND FOR AUTHENTICITY AND A STAND FOR CRAFT.

**WE BELIEVE THAT BUSINESS CAN BE A FORCE FOR GOOD**

# APPENDIX

## HOP STOCK – THE BREWDOG EMPLOYEE OWNERSHIP PROGRAMME

JAMES IS GIVING AWAY 5% OF BREWDOG, WORTH JUST UNDER £100M AT OUR LAST FUNDRAISING VALUATION, TO ALL OF OUR SALARIED TEAM MEMBERS OVER THE NEXT 4 YEARS. AT CURRENT VALUATION THIS EQUATES TO APPROXIMATELY £120,000 PER PERSON.

### DETAILS

James is donating 5% of BrewDog plc to a newly created Employee Benefit Trust.

This is approximately £100m at BrewDog's last capital raise valuation, or 3,727,201 shares in BrewDog plc.

This takes James' total shareholding from 24.2% to 19.2%.

This also means that people – our team and our community combine to make our largest shareholder.

Our newly created Employee Benefit Trust will distribute rights over c1.25% which is 931,800 shares of the company evenly amongst all salaried team members every year for the next 4 years.

At our last equity raise valuation and current headcount this equates to approximately £120,000 per salaried team member over the next 4 year period.

The value of the shares is linked to company valuation – the more valuable the company, the more valuable the shares – if BrewDog doubles in value so does the value of your share options.

However, it is important to note, that share values can go down as well as up in value and a whole host of factors from company performance, market conditions and debt instruments held by the company can impact valuation.

The shares will be given to our team members in the form of share options (and for salaried team members in the US, conditional cash awards based on the value of BrewDog shares) – this means you do not have to pay any tax until you are able to do something with the shares (or, for US employees, until you are entitled to receive cash).

The first grant of share awards will be distributed in June 2022 and then in or around May in the years thereafter.

Each award will have a 12 month vest period and vested awards will be exercisable on an IPO or a change of control – if you leave before this you will surrender your awards. All surrendered awards are to be returned to the Employee Benefit Trust to be further distributed amongst salaried team members.

For these purposes we define 'salaried team members' as all of our plc team members and our bar management team members – normally the General Manager, the Assistant Manager and The Kitchen Manager in each location.

The Employee Benefit Trust will continue to make these awards evenly amongst all salaried team members until all the equity in it has been distributed. Based on current turnover rates we estimate the trust will be making grants for the next 7-8 years.

## BARS 50% PROFIT SHARE

EACH BREWDOG BAR NOW SHARES 50% OF IT'S PROFITS EVENLY WITH OUR FANTASTIC TEAM MEMBERS, THUS PIONEERING A WHOLE NEW PEOPLE-FIRST APPROACH TO HOSPITALITY.

### DETAILS

We are changing how the Unicorn Fund profit share programme works in our bars.

50% of the net profits of each of our bars will now be shared evenly with our team members.

In consultation with our teams, we have built a model that helps achieve our goal of this initiative benefitting as many of our bars team members as possible. 30% of each location's profits are shared evenly with the team at that location with the remaining 20% being shared evenly with the team that work across that bar's regional cluster (for instance London cluster) – which of course includes the team members in that bar.

This helps ensure our bars continue to work together collectively and support each others bars, but also that the main driver of each person's Unicorn Fund is what happens in their own bar.

Profit share allocation is based on hours worked – so General Managers and bar crew share in the profits in the same way.

This helps ensure our bars continue to work together and everyone in the team benefits but also that the main driver of each person's Unicorn Fund is what happens in their own bar.

Here is a worked example of how we calculate profit in our bars. The numbers here are purely illustrative:

Sales	£2,100,000
Purchases	£690,000
Salaries	£720,000
Variable Costs	£110,000
Rent & Fixed Costs	£200,000
Central Costs	£100,000
Net Profit	£280,000
Profit Shared with team	£140,000

The Bars 50% profit share is paid out every 6 months.

We share the full P&L with all the team members who work in that bar.



