



# Social Report 2010

2010

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## About Grupa Żywiec

Grupa Żywiec is one of the largest brewers and one of the largest companies in the food & drink sector in Poland. Its history goes back to mid 19th century when Archduke Albrecht Friedrich Habsburg made a decision to build a brewery in Żywiec. Żywiec has been the Company's official seat up until today.

The present structure of the company and the Capital Group Żywiec S.A. was formed in 1998, the year of a merger of Zakłady Piwowarskie w Żywcu S.A., owned by Heineken, and Brewpole B.V., consisting of the breweries in Leżajsk, Warka and Elbląg.

For years, Grupa Żywiec has consistently combined the brewing tradition of a few hundred years with state-of-the-art technology supported by the latest management, marketing, logistics, sales and distribution systems. The company sells ca 11 million hl of beer annually and is made up of five breweries located in Żywiec, Warka, Elbląg, Leżajsk and Cieszyn. The company's Management Board has its seat in Warsaw. Grupa Żywiec employs ca 5.5 thousand staff.

Żywiec is the company's flagship brand - this is the first premium beer brewed in Żywiec Brewery and made unchangeably according to the same recipe since 1856. Żywiec has been sold abroad for over 100 years and is available in over 40 countries. The company's other leading brands are: Heineken, Warka, Tatra, Strong and Desperados. The company's portfolio also includes regional brands: Królewskie (Central Poland), Leżajsk (South-Eastern Poland) and Specjal (Northern Poland). Moreover, Grupa Żywiec distributes speciality beers: both foreign (Paulaner, Murphy's) and Polish (Kaper, Żywiec Porter).

## Awards

Our activities and products win recognition among the clients, independent experts, local milieus, institutions and media. The year 2010 was of special importance for us as it brought several prestigious distinctions for our products and breweries.

- Superbrands for Żywiec, Heineken and Warka brands.
- Desperados was recognized as the most popular beer brand in the 10th, jubilee competition for the Student Product of the Year 2010.
- Bracki Kozłak Dubeltowy, Grand Champion of Birolia Festival 2009, was awarded by the portal Browar.biz with the title of the best beer of the Consumer Competition held by Beer Fraternity (in the category: dark beers above 15.1 Blg), as well as the Debut of the Year 2009; it also received the internal award Best Integrated Corporate Relations Campaign from Heineken International.
- The Brewery in Żywiec received the Award for TPM Excellence of the Japanese Institute Plant Maintenance. In 2010 Grupa Żywiec was the only Polish company to receive this award. Over the last 5 years, the JIPM Institute has awarded only four companies from Poland.
- All Grupa Żywiec breweries are the only Heineken OpCo to be awarded TPM certificates, confirmed by Bronze TPM Awards. Moreover, in 2009 the Brewery in Elbląg received the TPM Award for the best Heineken brewery in the region of Central-Eastern Europe for accelerated and permanent progress, as well as for implementing world-class production and logistics processes.
- Grupa Żywiec was awarded with the Responsibility Laurel for the best CSR practices.
- Grupa Żywiec took the second place and received the Regional Forbes CSR Award in the ranking of companies introducing CSR standards, whose activities in this area may set an example for the entire market.
- Open'er Festiwal, sponsored by Heineken, received the award for the Best Major Festival during the European Festival Award in the Netherlands, defeating other famous festivals, such as Roskilde or Glastonbury. One of the largest and best known Polish festivals won again the award The Storm of the Storms and was recognized again as the Event of the Year in the contest run by the Polish National Radio, Channel III, in the program "The Radio House of Culture".
- The Brewery in Żywiec won the regional competition run by the National Labour Inspectorate, Employer – Organizer of Safe Work 2010, in the category: companies employing over 250 staff. The company was recognized as the safest workplace by the National Labour Inspectorate, Business Centre Club and The All-Poland Alliance of Trade Unions (OPZZ). The Brewery in Żywiec also received the main prize in the contest Employer of the Podbeskidzie Region, for the best results in all categories.

## Beer market in Poland

A study of beer consumption among the Poles over the last 15 years indicates that during a large part of this period (until 2008) both the beer sales volume and per capita consumption were on the rise on a regular basis. In 2008, these quantities increased more than 2.5 times compared with 1994. This is mainly the result of change in consumer preferences; the consumers are more and more willing to reach for lighter alcohol beverages, appreciated owing to their high quality and a large selection of brands available on the Polish market.

The aforementioned trend reversed in 2008, i.a. due to higher excise duty rates (increased in 2009) and the financial downturn. The year 2010 brought a slightly falling tendency and next stagnation which, according to the forecast made by Euromonitor International, will be interrupted in 2012. This is when Poland will co-host the UEFA European Football Championship EURO 2012.

### Excise duty; data in thousands EUR/PLN for the years 2008-2010

2008	EUR 255.272
2009	EUR 258.604
2010	EUR 257.921

### Beer sales volume in Poland and per capita consumption in the years 2008-2010

	domestic market [mln hl]	per capita consumption [l]
2008	35 861	94
2009	34 383	90
2010	34 583	91

Source: GUS (Central Statistical Office of Poland)

## CSR Strategy

The strategic goal of our activities is to build strong brands, recognizable on the Polish market, based on an effective distribution and customer service system, so as to be able to meet or even exceed our present and future consumers' expectations. While achieving this target, we bear in mind the issues that have always been part of the philosophy of Grupa Żywiec activity: business conduct, honesty, respect for the employees, business partners, environmental protection, responsibility, transparency.

Being part of the Heineken Group, we are able to participate in the extremely ambitious, global sustainability strategy "Brewing a Better Future". Based on the aforementioned strategy and given the nature of the Polish market and our local obligations, we have developed a "Grupa Żywiec Responsibility Strategy for the years 2011-2013". The strategy encompasses key projects in the following fields:

- environmental protection,
- volunteer work (involving several employees already today),
- alcohol policy promoting responsible beer consumption. This mission is brought to life through the following projects:
  - Cool@Work program (addressed to our employees),
  - Internal Grupa Żywiec marketing communications code,
  - Campaigns promoting responsible alcohol consumption,
  - Interaction with organizations dealing with problems caused by irresponsible alcohol consumption.

In order to implement the CSR strategy in Grupa Żywiec, a dedicated organizational unit has been formed, led by Grzegorz Szczepański, Corporate Affairs Director reporting directly to President of the Management Board, with Jarosław Herrmann, CSR Manager, and Anna Białkowska, CSR Officer – as members.

One of the key pillars of our CSR strategy is to build and maintain strategic relations with our stakeholders, identified in our CSR strategy. Consistency, compliance with the principles of business conduct and transparency in each area of our activities is the key to responsible management of relations with our stakeholders. We are aware of the fact that many of our socially responsible activities could not be completed without close cooperation with our stakeholders, hence we go to every effort to identify their needs and objectives that they strive for or intend to achieve. Thus, dialogue and mutual understanding are of crucial significance for us.

In order to meet our stakeholders' expectations, we initiated a project in 2010 that is very important for us, i.e. "Grupa Żywiec Stakeholder Dialogue". We were the first company in the brewing sector in Poland to invite the representatives from our environment to express their opinions about the company and its operation. Meetings with our stakeholders' representatives were aimed at identifying their realistic needs and the expectations of the members of local communities so as to be able to adapt the sustainable development and CSR strategy of Grupa Żywiec even better to local circumstances.

The findings from the meetings will be taken into account when working out the directions of our future activities. We want them to meet the expectations of local communities in which we operate and to help us take on obligations in areas of strategic importance for us (alcohol policy, production, environmental protection and local community).

## Code of Business Conduct

We aim to build relations based on business conduct, honesty, partnership and trust. Therefore, in order to reduce the likelihood of events that would not be in line with our values, we developed the Code of Business Conduct in 2005. The objective of the Code is to convince our stakeholders, including our employees, suppliers and local communities that Grupa Żywiec operates in a transparent manner, as well as respects its partners' rights and interests.

We want to place emphasis mainly on the practical aspects of the Code. Our Code of Business Conduct is compliant with the Heineken Code of Business Conduct, introduced in OpCos all over the world. Owing to our employees' involvement, we could begin the update of the Code of Business Conduct in 2010. The new, partly changed content has been in place since 2011. We are proud that our employees have been committed to using the Code of Business Conduct in their everyday work - when making decisions, in relations with employees, shareholders, clients, business partners and local communities around our breweries.

## Environment

Environmental protection and minimizing our negative impact on the environment are as important for us as the quality policy and commercial objectives. In every location where Grupa Żywiec operates, steps are taken to reduce the consumption of raw materials, other materials, fuels and energy.

According to the policy of the Heineken Group and the Corporate Social Responsibility Policy of Grupa Żywiec, our focus is on the reduction of energy and water consumption, transportation costs, waste and CO<sub>2</sub> emissions. The projects, consistently run in this respect in recent years, have yielded concrete solutions including several spectacular initiatives, such as for example the membrane filtration system in Warka Brewery.

Grupa Żywiec breweries are part of the Heineken global monitoring system which guarantees the possibility of permanent control and reliable benchmarking of each brewery against the Heineken standards. Audits are conducted every 3-5 years in each of the Group's plants. Wherever possible, we attempt to obtain certificates confirming compliance of our activities with the highest environmental protection standards.

### I. Water

Since we are aware of the problem of dwindling water resources worldwide, water consumption is monitored on a day-to-day basis in all our breweries. One of the key measures for us is water consumption for the production of one hectolitre of beer. Water is an indispensable ingredient used in the beer brewing process, while its quality has a direct impact on the quality and flavour of the product made. Hence, we aim to use the latest technology and best practices to obtain top class raw material with the use of water treatment equipment. Moreover, we permanently strive to reduce water consumption in the process of production and usage of production equipment.

Water consumption (in hl/hl of beer)			
	2008	2009	2010
Żywiec Brewery	2,9	2,8	2,8
Warka Brewery	3,2	3,1	2,9
Leżajsk Brewery	2,8	2,9	3,1
Cieszyn Brewery	4,0	3,3	5,8
Elbląg Brewery	3,1	3,1	2,9

As a result of our efforts and works aimed at permanent improvement and loss elimination, we have been able to significantly reduce the consumption of water necessary for production at our breweries in Elbląg and Warka.

## Environment

Additionally, we monitor the amount and quality of the waste made at the breweries on a regular basis. All waste coming from our breweries in Żywiec, Warka, Leżajsk, Elbląg and Cieszyn is subject to treatment.

Amount of waste (m <sup>3</sup> )			
	2008	2009	2010
Żywiec Brewery	828 018	755 665	792 100
Warka Brewery	570 230	510 397	478 540
Leżajsk Brewery	376 942	349 848	289 618
Cieszyn Brewery	22 639	16 490	15 250
Elbląg Brewery	500 060	422 155	359 439

## II. Energy

Owing to the special character of our industry and the processes occurring in our breweries, the issues of energy consumption and emissions play an important role in our everyday work. As we see it, issues that are not monitored on a regular basis cannot be managed, hence we analyze all environmental indices on a monthly basis. In this way, we can verify our performance and achievements, as well as identify our weaknesses which have a negative impact on the environment on the one hand (higher gas emissions) and an adverse effect on economic performance on the other hand (higher energy costs).

Direct and indirect energy consumption according to primary energy sources				
	2008	2009	2010	
Purchase of electricity	72 701 281	68 892 986	66 391 181	kWh
Purchase of heating energy	765 957 606	710 355 146	683 309 453	MJ
Sale of heating energy	7 975 470	6 782 876	18 188 029	MJ
Consumption of natural gas	11 690 723	10 672 898	11 284 595	Nm <sup>3</sup>
Consumption of biogas	1 358 174	1 503 767	1 436 710	Nm <sup>3</sup>
Oil consumption	86 664	158 514	55 856	kg
Consumption of LPG gas	597 082	568 987	567 558	kg
Diesel fuel consumption kg	22 14	13 764	13410	kg

## Environment

Direct and indirect CO <sub>2</sub> emissions			
	2008	2009	2010
Direct CO <sub>2</sub> emissions (Mg)	25 257	23 364	24 225
Direct CO <sub>2</sub> emissions (kg/hl of beer)	2,0546	2,0384	2,2028
Indirect CO <sub>2</sub> emissions (Mg)	65 830	61 416	74 558
Indirect CO <sub>2</sub> emissions (kg/hl of beer)	5,3553	5,3584	6,7798

### III. Waste management

Waste management at the breweries builds on defined system tools:

- ISO 14001:2004 standard
- HeiQ HMESC procedures
- TPM - Total Productive Management.

Hence, a comprehensive waste management system has been developed, consisting of the following elements:

1. Detailed policies and procedures developed for specific categories of waste:
  - Production waste used as animal feed (e.g. spent grains)
  - Recyclable waste (e.g. broken bottles, paper, wood, metal)
  - Production waste - kieselguhr (used i.a. in agriculture)
  - Hazardous waste - chemical substances, electronic equipment
  - Non-segregable waste
2. Personnel training on the rules for handling waste
3. Marking places for selective waste collection
4. Creating a database of authorized waste collectors.

## Environment

Waste according to categories of waste (Mg)			
	2008	2009	2010
Production waste used as animal feed	254 454,07	227 768,46	220 058,97
Recyclable waste	273 359,25	247 759,31	238 184,75
Kieselguhr	5 341,25	5 825,21	5 288,62
Hazardous waste	28,96	20,34	21,81
Non-segregable waste	886,66	827,77	487,66

With reference to waste management, we aim to:

- reduce the amount of waste, in particular packaging
- implement the Heineken Group program “Green Brewery” and liaise with “green” suppliers
- share our knowledge with other Heineken Group breweries
- provide training for employees and contractors
- search for new technologies
- interact with organizations dealing with waste recovery and recycling.

## Occupational safety

A complex technological process and the machinery and equipment used are one of the risk sources in the brewing sector. Although Grupa Żywiec breweries apply state-of-the-art technology and automated production processes, brewery employees are potentially exposed to the harmful influence of such factors as noise, pollution, gases, microclimate, chemical and biological factors, as well as injuries. Hence, we pay a lot of attention to prevention of accidents by organizing training sessions and placing information about potential risks on noticeboards on the premises. Production departments have first-aid kits and boards with emergency numbers.

Machinery upgrade and the introduction of new technologies significantly reduced the risk of accidents at work. A large part of the production process takes place in a closed loop. This means that the employees have no access to movable machinery parts. The equipment has sensors detecting the employees. In case of detecting the employee's presence, the machine switches off immediately.

## Employees

Grupa Żywiec stands not only for breweries and beer, but mainly for a meeting place for people with passion who want to make something exceptional together. We do our best to create a safe and comfortable workplace where everyone can make their dreams come true, get to know new people and gain huge experience. The staff are recruited, employed and promoted exclusively based on transparent requirements regarding qualifications, skills and effectiveness evaluation criteria, known to the employees and candidates.

The action that we take to create a friendly and innovative workplace also encompasses the support and development of our employees' social involvement. In order to meet their needs and expectations, we initiated a comprehensive Volunteer Work Program for Grupa Żywiec employees in 2010. Moreover, we get involved in a number of projects implemented on local markets and support several cultural and entertainment events within our sponsorship policy.

The employees' competencies and skills are evaluated on an annual basis. The evaluation process covers performance, commitment to the achievement of objectives, compliance with the existing bylaws and policies, as well as teamwork. As a result, it is possible to select relevant training courses, as well as improvement and development activities to support the performed tasks. In 2010, Grupa Żywiec employees took part in 928 training courses where they spent 11 566 hours in total and which helped them enhance their skills in the following areas:

- interpersonal / personal skills
- language skills
- professional skills
- coaching / individual training
- financial skills
- computer skills
- TPM

## Students and graduates

We do appreciate creativity, diversity and individuality combined with the ability to work in a team. Therefore we look for active people with passion and a serious attitude towards their future professional career, who would like to join our team. To accommodate students and university graduates, we have developed a comprehensive program called "Talent Brewhouse" ("Warzelnia Talentów"). Just like a brewhouse at the brewery is a strategic part of the entire production process, the "Talent Brewhouse" is a significant element of Grupa Żywiec HR policy.

"Talent Brewing" is by no means a simple task. It begins by finding the best resources:

- grain that will yield a high-percentage mix in the process of potential transformation;
- crystal clear motivation – the source of success;
- a bit of "bitterness" expressed in individuality.

### **The Talent Brewhouse consists of the following elements:**

**Training Program** – an annual program run for over 10 years, for graduates interested in gaining experience in the area of logistics, distribution, sales, marketing, finance and HR. Persons qualified for the training program follow through with two stages. At first, they take part in a compulsory induction program lasting a few weeks and held at the breweries and in distribution and sales departments. Afterwards they implement individual projects countrywide. Each project, supervised by a Project Manager and supported by a Mentor, enables the trainees to acquire specific skills, necessary in their further professional careers.

**Skills Workshops (Warsztaty Umiejętności)** – a cycle of one-day, free meetings developed for students and graduates who care about their development and enhancement of competencies. The meetings are held by experienced staff of the HR Department of Grupa Żywiec. Their content is variable and comprises i.a. communication, career planning, presentation techniques or effective time management techniques.

**Traineeships** – one- to three-month unpaid professional traineeships, making it possible for the students to acquire experience in various Grupa Żywiec departments: sales, production, distribution and other. They are organized at the breweries, in the head office, as well as in distribution departments.

## Social involvement

### I. Employee Volunteer Work

In order to meet our employees' expectations, in 2010 we initiated an official Grupa Żywiec employee volunteer work program. Owing to the volunteers' high involvement in the activities countrywide and the willingness to increase the number and reach of the projects, we developed a dedicated grant program, making it possible to obtain a subsidy in the amount of PLN 6 thousand to implement the best ideas.

An internet tab has been added to the website [www.odpowiedzialnie.pl](http://www.odpowiedzialnie.pl) to address Employee Volunteer Work. The tab is accessible for Grupa Żywiec employees only. After login, each employee obtains access to all information on the Employee Volunteer Work Program, such as the bylaws and description of the grant program, along with the necessary forms, profiles of the Program Council members, a map containing specific volunteer work offers with a link to the largest database of NGOs.

The submitted projects are evaluated by the Program Council consisting of the members of the Volunteer Work Centre and two persons representing Grupa Żywiec.

Project evaluation is based on the following core criteria:

- actual involvement of the volunteers – the time spent to provide help, their own contribution and involvement,
- number of persons (the more company employees the better),
- long-term cooperation – if there is a chance that the project will be continued in the future.

Altogether, 33 volunteer work projects were submitted to the first and second edition of the program in 2010, involving 240 volunteers. The Program Council gave the highest grade to 20 projects which were subsidized in the total amount of ca PLN 110 000.

In the first edition of volunteer work projects, Grupa Żywiec employees i.a. redecorated the rooms in a Special Training and Education Centre in Elbląg. The facility deals with schooling of mentally handicapped children and helps them become self-sufficient in society. The volunteers refreshed the walls of the second floor of the building. They painted them in sunny colours to improve the learning conditions of the children. The colours selected by the teachers are supposed to give the children a feeling of safety and warmth from the external world which is sometimes difficult to grasp for these young, mentally challenged people.

*"The task that we decided to do was a real challenge for us and turned out to be an even bigger challenge when we faced our "opponent", (...), I keep talking about the hall", Jolanta Golder, the project leader, tells us about her observations. "As for the group of volunteers, I think, Jola continues, that apart from a great laugh, fun and jokes, something else happened. The time will show if this is a permanent "conflict" resolution or just an armistice. Sometimes it just happens that people tend to "bark" at one another at work and often no one has any idea how to get out of this situation. Volunteer work may be a way to break the ice. I was very happy about it. Hopefully, this will be permanent. Working together in one's own free time helps you get to know the people that you normally only see in passing and suddenly you know who you can rely on. This is my advice for all hesitating volunteers: "if you can help – do it and use up the money in such a way that your company will be associated not only with beer in your town/city, but also with people who can and want to help."*

The project was one of the 13 volunteer-work initiatives of the employees subsidized by the company within the first edition of the Grupa Żywiec Employee Volunteer Work Program.

Another volunteer-work project of Grupa Żywiec employees was a one-day educational and recreational trip for the children from the Lidia and Adam Ciołkoszowie Children's Home no. 9 in Warsaw to the Western City in Sarnowa Góra close to Ciechanów. On the first day of summer holidays, on 26 June, the children could enjoy plenty of attractions on the tourist and agricultural farm arranged in the Wild West style – meeting the "Indians", tomahawk throw, bow-shooting, bull breaking, horse and pony rides. Apart from having fun, the children also had the opportunity to get to know the entire farm and lifestyle, as well as to learn how to deal with animals. One could see the children smiling many times during the trip.

Another initiative was taken by GŻ volunteers at St Louise Children's Home in Krakow, run by the Congregation of the Sisters of Merciful Jesus. The volunteer-work project was intended to encourage

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better behaviour in the children. The employees working together with the Children's Home organized on their own initiative contests for various age groups. The contest lasted one month. After this period, the teachers chose a few best-behaved children who went on various attractive trips, depending on their age. This time this was a trip for a group of the oldest boys who were offered dodgem car rides. A few hours in a "men's kingdom"! Next, the awarded boys could relax in a water park. After a whole day of attractions they helped themselves to the children's favourite – a huge pizza.

As a thank you for the organizers, the boys prepared a presentation about the trip in which they wrote: "We would like to thank Grupa Żywiec and Mr Kamil and Mr Krzysztof for helping us spend this day so nicely and joyfully. As a wise man said once, 'A day dedicated to another human being is not a wasted day.' "

Grupa Żywiec volunteers also completed a number of projects in 2010 which did not require any financial support from the company. The employees of the Shared Service Centre CFK in Bielsko-Biała, breweries, head office in Warsaw and the regions helped the inhabitants of the towns and villages destroyed during last year's flood, mainly in the vicinity of Żywiec, Bogatynia, Wilków and Solec. The volunteers, Grupa Żywiec employees, collected clothing, cleaning products, water and food for the flood victims, as well as helped them clean up after the flood, refurbish their houses and reconstruct access roads to their homes.

Altogether, Grupa Żywiec offered almost one million PLN in the form of financial or non-financial support in 2010.

## II. New Grupa Żywiec public awareness campaigns "The Mazowsze Spring of Prevention" ("Mazowiecka Wiosna Profilaktyki")

In April 2010, the conference "The Mazowsze Spring of Prevention" was held to counteract addiction among children and youth. The conference was organized by the Prevention Department of the District Police Headquarters with the seat in Radom, Grupa Żywiec and Radom Commune. The conference was addressed to three target groups: members of Commune Commissions for Solving Alcohol Problems, police officers working with children on a day-to-day basis, as well as teachers and counsellors. Each group was approached individually, the contents of the lectures and workshops were adapted to the group's needs and expectations.

The conference was held in the form of sessions including a plenary and panel session. The meeting was an opportunity not only to get to know the latest prevention trends, but also to share the best practices implemented in the area of Mazowsze. Moreover, at the end of 2010 Grupa Żywiec signed a letter of intent with the District Police Headquarters in Radom on long-term cooperation regarding alcohol prevention.

Grupa Żywiec Alcohol Policy was awarded with the Responsibility Laurel 2010. The jury recognized our activities as an example of the best CSR Practices on the Polish market. The contest was held by the Polish Confederation of Private Employers Lewiatan, NSZZ Solidarność trade union and Deloitte consultancy.

## III. Local communities

Social involvement of Grupa Żywiec includes numerous examples of cooperation of the public and private sector, conducted within the scope of the so-called partnership agreements signed with selected towns and cities (Żywiec, Radom, Warka, Gdańsk). The company's funds, in consultation with the relevant local chapter, are allocated for the support of specific economic and social initiatives, as well as artistic or cultural projects.

We are aware that we can offer to our closest environment something more than just financial support. In order to improve the quality of life of local communities, we make every attempt to share our knowledge, skills and experience. We support various initiatives, such as the Coalition of Mountain Brands (Koalicja Marek Ziem Górskich) responsible for promoting the Żywiec and Podhale regions.

Long-term cooperation of Grupa Żywiec and local authorities yields interesting initiatives and projects, such as promoting interesting events in various places countrywide, far away from the largest cultural centres. The interest stirred by these initiatives confirms that they are worth taking also in the future.

## Business is not everything

Grupa Żywiec has been taking care of the Polish culture and national heritage for years. Owing to the company's efforts, the largest portrait ever painted by the outstanding artist Wojciech Kossak returned to its place of origin – the Żywiec Castle.

In 1911, the Habsburg family commissioned Wojciech Kossak to paint a portrait to commemorate the 25th wedding anniversary of Archduke Karl Stefan and Maria Teresa, the hosts of the Żywiec Castle who rendered the greatest service to the brewery. The outstanding painter moved to Żywiec for a couple of months to get to know better the couple's habits and everyday life. Finally, Kossak decided to immortalize Archduke Karl Stefan and his wife Maria Teresa during a winter walk. A sleigh with a coachman wearing a Krakow outfit is waiting next to the archduke and his wife. In the background you can see the castle and garden pavilions, as well as the Renaissance tower of the Church of the Nativity of the Blessed Virgin Mary. The excellent work of art entitled "Archduke Karl Stefan Habsburg with his wife Maria Teresa in the castle park" occupies almost seven square metres of canvas (198 x 347 cm)! Until 1945, the painting was hanging in the central part of the large dining room of the Żywiec Castle and then it disappeared without a trace for a few decades. When the connoisseurs were electrified by the information that the lost painting had been found, Grupa Żywiec decided to buy the work so it could return where it belonged. The deal was closed on 27 October 2009; ten days later Jerzy Dwornicki, Żywiec Brewery Director, officially handed this unique work of art over to the Żywiec Museum in the Old Castle. *"We have made a decision to purchase this historic document so that 'Archduke Karl Stefan Habsburg with his wife Maria Teresa in the castle park', after a few decades of absence, could be accurately placed on the same spot where it was hanging a few decades ago"*, says Jerzy Dwornicki, Żywiec Brewery Director.

## Birofilia Festival

Every year in June, Żywiec Brewery hosts the Birofilia Festival along with the most important Polish meeting of collectors of beer accessories. Birofilia Festival is the largest and most popular event for collectors of beer accessories, home brewers and restaurant brewers in Europe. The event, organized under the patronage of Żywiec Brewery, is unique on a European scale. The beer exhibition attracts to Żywiec hundreds of brewing history fans from Poland and from abroad. This is an opportunity to meet people for whom beer, brewing traditions and the related accessories are often the essence of their lives.

The collectors demonstrate among other things mugs, bottles, labels, bottle caps and many other accessories related to brewing. The guests have the chance to get to know the unique collections, while international collectors, i.a. from the Czech Republic, Germany and the UK, may trade their beer accessories and share the experiences gained during several years of their collector's passion.

A beer brewing contest using home methods is a genuine attraction of the festival. The quality of the home made beer is evaluated by special jury in four categories. Moreover, the guests may participate in beer tasting and many contests about i.a. their brewing knowledge, as well as take advice on home brewing. Grupa Żywiec has supported home and restaurant brewing for years. Since 2009, the company has offered home brewers quite a treat, unique not only on a national, but also on a global scale. The winner of the Contest of Home Made Beers receives the title of Grand Champion and may brew the winning beer at the brewery Bracki Browar Zamkowy in Cieszyn, under the watchful eye of outstanding brewers. Thus, the winner has the opportunity to boast about his or her beer not only among friends, but also among beer connoisseurs all over Poland. A limited edition of the winning beer brewed at the brewery in Cieszyn is launched in selected shops on 6 December. In 2010, the title of Grand Champion went to Ms Dorota Chrapek's beer. The winner and her exquisite Belgian Pale Ale, which defeated 175 other beers, prove that the art of brewing is not the domain of men only. The Contest of Restaurant Beers is traditionally very tough too; the best known restaurant breweries take part in it. The indisputable winner in 2010 was the Bierhalle chain; its outlets won in both categories (Wheat Beer of the Year and Pilsner Beer of the Year). Fantastic mugs for beer tasting are an absolute hit among Festival guests – a must both in the tent of home brewers and restaurant brewers and in the extremely popular Alley "Beers of the World". The Alley provides a unique opportunity to taste 120 beers from every corner of the globe that cannot be found in Polish shops. Everyone can find something for themselves – both sophisticated beer lovers and those who are still searching for their favourite beer style.

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