



Foster's Sustainability Update April 2008

Solar Energy to power US Wineries

Foster's Americas has entered into an agreement with SolarNet and The Bright Group to host solar energy generating systems at six of our Californian wineries - Beringer Vineyards, Asti Winery, Chateau St. Jean, Etude, Stags' Leap Winery, and Meridian Vineyards.

SolarNet will progressively install solar panels to the roofs of our properties at the wineries over the next six months. When fully operational, the systems will generate 5.6m kilowatt hours of electricity per year, equivalent to 42% of the energy used at the six sites - a saving of 3.4m kg of CO₂ emissions per year, or the equivalent of taking 662 passenger cars off the road for a year.

Scott Weiss, Foster's Americas Managing Director said "supporting renewable energy by hosting this solar energy system is a fantastic win-win for the business and the environment, and once again puts our sustainability principles into practice."

Wolf Blass donates recycled water

With drought gripping much of Australia, Wolf Blass Winery in South Australia is helping to ensure the local golf course (which incorporates a designated wildlife sanctuary) continues to thrive. Wolf Blass will contribute up to 40 mega litres of treated waste water per year to top up dams on the property, benefiting local golfers and wildlife alike.

Foster's Australia exits added energy and higher alcohol RTD's

Foster's recently announced its withdrawal from the production and marketing of added energy and higher alcohol RTD (Ready to Drink) products in Australia. In addition, the company has formally committed to a voluntary limit of two standard drinks (20 grams of alcohol) per single serve container and 7% alcohol by volume across its RTD product portfolio.

"We have listened to stakeholder concern and we are taking these steps proactively and voluntarily", Managing Director of Foster's Australia, Asia & Pacific, Jamie Odell, said.

"As the market leader, Foster's has worked for many years to improve Australia's underlying drinking culture as a whole", Mr Odell said. "We believe strongly that the real issue is not 'bad' products, but rather poor drinking behaviour. This behaviour is ultimately what needs to be addressed if we are to create a drinking culture which maximises the benefits of moderate drinking while tackling the harms caused by alcohol abuse."

Safety first at Lindemans' Karadoc

Foster's has invested more than \$40AUD million over the past two years to upgrade and develop operations at the Lindemans' site in Karadoc (Victoria). With the recent introduction of laser guided vehicles (LGV's) to further improve safety and quality, the site is now Australia's largest and most technically advanced wine distribution centre.

LGV's are automated vehicles which use laser to navigate, significantly reducing the risk of accidents and injury at the site while improving productivity. Foster's is the first company to apply this technology in the alcohol beverages sector in Australia.

Phylloxera resurfaces in Yarra Valley Vineyard

The continued presence of the grapevine insect pest phylloxera was confirmed this month at Foster's Beavis vineyard in the Yarra Valley (Victoria).

Foster's acted swiftly to destroy all remaining vines in the 32 hectare vineyard and continues to work closely with government, industry and local community stakeholders to contain and eradicate this pest.

2008 Foster's Community Grants applications open

The Foster's 2008 Community Grants funding round has opened and not-for-profit organisations in Australia and North America are encouraged to apply.

Now in its third year, the Foster's Community Grants Program has awarded 77 grants to the value of \$2m AUD. Through the grants, Foster's has supported a range of exciting and worthwhile projects in the areas of physical and mental health, the arts, sport, education and the environment.

Interested organisations can find out more, and apply for a Foster's Community Grant via www.fostersinthecommunity.com. Applications close on 23 May 2008.

Foster's shows the way at Oxfam Trailwalker 2008

On 11 April, seven teams from Foster's completed the gruelling 100km Oxfam Trailwalk to support poverty alleviation activity in 26 countries around the world.

The 28 walkers set off from Melbourne and finished their lengthy trek in times ranging from 25 – 35 hours. The blisters and sore legs were well worth it however, with the team raising almost \$4,000 on the day and the Foster's Community Program subsequently donating another \$4,000 in recognition of their fantastic effort.



Foster's Trailwalkers ready for action

Foster's water guru named an "Environmental Leader"

Australia's leading environment business magazine, WME, has included Charlie Foxall in its 2008 Environmental Leaders List. Charlie, the Environment & Safety Manager of Foster's Yatala Brewery (Queensland), has been named as a leader in the Industrial & Urban Water category. For more than 20 years, Charlie has been led the development of innovative water efficiency and recycling measures that have reduced overall water consumption at the site by a huge 60 percent. Yatala's ratio of 2.3 litres of water used to make 1 litre of beer is world's best practice, and well ahead of the global benchmark of 5 – 6 litres of water to each litre of beer.

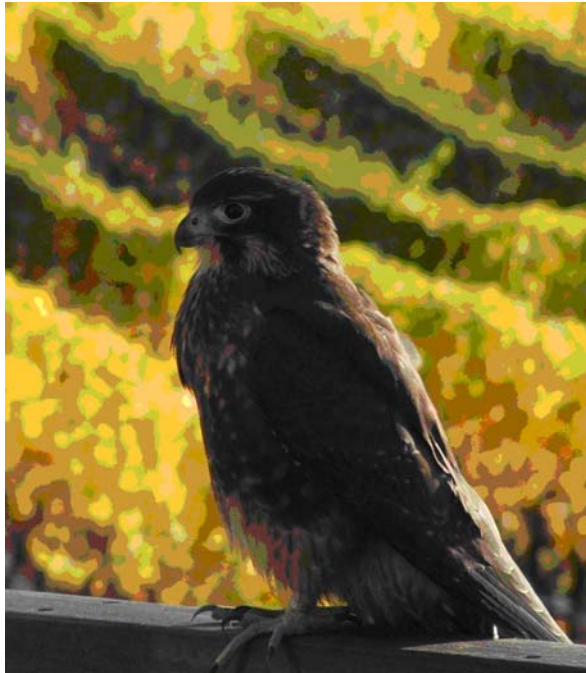
www.wme.com.au

Falcons report for duty

Foster's Marlborough vineyard (New Zealand) has acquired some unique new employees - a pair of native falcons. The birds are helping to protect the prized 130 hectare Northbank vineyard from damage caused by starlings and silvereye birds.

Using New Zealand falcons to control pests is an effective, efficient and environmentally sensitive strategy.

Raised from chicks at the vineyard, the falcons are radio tagged to track their behaviour and hunting patterns as part of an effort to better understand this majestic but threatened species. Local staff are hopeful that the pair will settle into their habitat and eventually help to rebuild the falcon population in the area.



“Max” takes a brief rest from hunting

Foster’s reduces carbon impacts from transport in UK

Foster’s EMEA and our global freight forward partner JF Hillebrand are cooperating to significantly reduce carbon emissions associated with the movement of Foster’s containers between the port of entry and our UK distribution centre. More than 50% of Foster’s containers will now be freighted via a new rail service, which is expected to reduce CO2 emissions by around 30% compared to previous arrangements.