



EMPERADOR INC.

EMPERADOR INC. Sustainability Report 2022

Annex A: Reporting Template

(For additional guidance on how to answer the Topics, organizations may refer to Annex B: Topic Guide)

Contextual Information

| Company Details | |
|--|--|
| Name of Organization | Emperador Inc. (EMI) |
| Location of Headquarters | 7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriguez Jr. Avenue, Bagumbayan, Quezon City |
| Location of Operations | <p>EMI, EDI, AWGI and Progreen</p> <ul style="list-style-type: none"> The companies operate in the Philippines, but EDI exports its products in at least 61 countries, through 3rd party distributors. <p>GES</p> <ul style="list-style-type: none"> Most of the companies operate in Spain but Bodegas Fundador (BF) has several distribution, agency, importation and services contracts signed with both national and foreign companies whose scope applies in other territories such as the USA, Canada, etc. <p>Whyte & Mackay Group (WMG)</p> <ul style="list-style-type: none"> Its wholly owned subsidiary, Whyte and Mackay Group Ltd. (WMG) distribute its products in over 100 countries, with all major facilities located in the United Kingdom (UK) |
| Report Boundary: Legal entities (e.g. subsidiaries) included in this report* | <p>This Annex reports on the operations of the following subsidiaries:</p> <ol style="list-style-type: none"> I. Emperador Distillers Inc. (EDI) <ol style="list-style-type: none"> A. Anglo Watsons Glass Inc. (AWGI) B. Progreen Agricorp Inc. (Progreen) II. Grupo Emperador Spain, S.L.U.(GES) <ol style="list-style-type: none"> A. Bodegas Fundador, S.L.U. (BF or Bodegas Fundador) B. Domecq BLC (Pedro Domecq) III. WMG |
| Business Model, including Primary Activities, Brands, Products, and Services | <p>EMI is a holding company primarily listed at the Philippine Stock Exchange, Inc. ("PSE") and secondarily listed at the Singapore Exchange Securities Trading Limited (the "SGX-ST"). EDI is the manufacturer and distributor of brandy and other alcoholic beverages. Brands under its portfolio include Emperador, The Bar, Andy Player, Zabana, Smirnoff Mule, and So Nice. EDI is also the distributor of Ernest & Julio Gallo wines and Pik-Nik in the Philippines. AWGI is a glass container manufacturer and Progreen is a manufacturer of bioethanol and extra-neutral alcohols.</p> <p>GES is engaged in the production, bottling, commercialization and distribution of wine, liqueur wines, brandies, and other alcoholic beverages. It is also engaged in acquisition of real estate and</p> |

| | |
|--|--|
| | <p>vineyards, and management of assets and property.</p> <p>Bodegas Fundador manufactures and distributes Brandy de Jerez, spirits, sherry, wine-based aperitifs, vermut, and ponche liquors. Its operations in Jerez de la Frontera include production, bottling, and distribution of wines, brandies and spirits, as well as cask aging and cultivation of vines. Its operations in Tomelloso includes distillation of wines as well as the concentration and rectification of grape musts for beverage production. Brands under the Bodegas Fundador portfolio include Fundador, Tres Cepas, Terry, Esplendido, Soto, and Harveys, among others.</p> <p>Pedro Domecq produces brandy and sherry from manufacturing facilities in Mexico owned by third parties. Its main brands are Presidente, Don Pedro, and Azteca de Oro. GES owns 50% of Pedro Domecq business.</p> <p>WMG produces and distributes whiskies and other spirits. Its brand portfolio includes single malt whiskies The Dalmore, Fettercairn, Jura, and Tamnavulin, and Whyte & Mackay Blended Whisky, among others.</p> |
| Reporting Period | January 1 to December 31, 2022 |
| Highest Ranking Person responsible for this report | Winston Sy Co Director, President, and CEO |

**If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

Materiality Process

Process in Determining Materiality

For 2022, Emperador Inc. conducted a materiality assessment to identify the economic, environmental, and social topics that are material to the group and its stakeholders. The group reviewed topics that were material in 2021 as well as Sustainability Accounting Standards Board (SASB) standards in the alcoholic beverage industry. Furthermore, the group also looked into trends and issues related to sustainability in the industry. To align with the 2022 edition of the GRI Standards, Emperador Inc. identified a list of both positive and negative impacts to each of the material topics. To further assess their significance, both positive and negative impacts were distinguished as either potential or actual impacts.

| Material Topics | | |
|--|--|--|
| Economic | Environmental | Social |
| <ul style="list-style-type: none"> ● Economic Performance ● Market Presence ● Regulatory Compliance | <ul style="list-style-type: none"> ● Energy Use and Efficiency ● Water and Wastewater Management ● Materials Management ● Responsible Ingredient Sourcing ● Waste Management ● GHG Emissions ● Supply Chain Environmental and Social Management | <ul style="list-style-type: none"> ● Employee Health and Safety ● Data Privacy and Security ● Business Ethics and Integrity ● Customer Health and Safety ● Labor Rights ● Security Practices ● Employee Diversity, Training, and Development ● Labor-Management Relations ● Customer Satisfaction ● Employment and Benefits ● Responsible Drinking and Marketing ● Human Rights Assessment ● Community Impact |

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

| Disclosure | Amount 2022 | Amount 2021 | Units |
|--|----------------|----------------|-------|
| Direct economic value generated (revenue) | 62,767,070,369 | 55,936,272,323 | PhP |
| Direct economic value distributed: | | | |
| a. Operating costs | 39,702,200,408 | 33,309,784,267 | PhP |
| b. Employee wages and benefits | 3,763,949,026 | 1,838,913,379 | PhP |
| c. Payments to suppliers, other operating costs | 6,771,911,244 | 5,091,450,636 | PhP |
| d. Dividends given to stockholders and interest payments to loan providers | 610,430,573 | 5,839,745,319 | PhP |
| e. Taxes given to government | 1,624,642,622 | 2,859,771,669 | PhP |
| f. Investments to community (e.g. donations, CSR) | 13,180,069 | 2,395,400 | PhP |

Emperador's Management Approach for Economic Performance

EMI management puts great significance on economic performance because it is essential for business sustainability. Good economic performance allows business continuity as well as business growth and stability. Further, having good economic performance makes a company more resilient to shocks and headwinds.

To ensure consistent good economic performance, EMI sets specific targets and conducts regular evaluations to track progress and identify areas for improvement. The company also measures and evaluates the economic and social impacts of its relationships with suppliers, owners, lenders, governments, employees, and local communities. EMI reports on their economic performance annually, quarterly reports are also available.

Climate-related risks and opportunities

Climate change poses potential risk that may affect EMI's business. Potential physical risks include water scarcity, crop reliability, and cask availability. There are also potential regulatory risks on non-renewable materials and services using non-renewable energy. To manage these potential risks, EMI puts great effort in understanding climate change impact and implementing solutions to mitigate the impacts. Investments related to addressing climate-related risks are already being undertaken either directly by the company or through third-party representatives. EMI improves and implements energy efficiency and resource

conservation initiatives across all sites and operations with the aim of reducing greenhouse gas (GHG) footprint. The company also reviews the use of materials to maximize recycled content and recyclability.

Anti-corruption

Training on Anti-corruption Policies and Procedures

| Disclosure | EMI 2022 | EMI 2021 |
|--|------------------|----------------------|
| Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to | 100 ^d | 100 ^{a,d,g} |
| Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to | 100 ^d | 100 ^{a,g} |
| Percentage of directors and management that have received anti-corruption training | 100 ^e | 100 ^d |
| Percentage of employees that have received anti-corruption training | 100 ^e | 100 ^d |

Note: Data for this table is from: ^aEDI; ^bAWGI; ^cProgreen; ^dBF; ^eGES; ^fPD; and ^gWVG

Incidents of Corruption

| Disclosure | EMI 2022 | EMI 2021 |
|--|----------|----------|
| Number of incidents in which directors were removed or disciplined for corruption | 0 | 0 |
| Number of incidents in which employees were dismissed or disciplined for corruption | 0 | 0 |
| Number of incidents when contracts with business partners were terminated due to incidents of corruption | 0 | 0 |

Emperador's Management Approaches for Anti-corruption

EDI established a Know-Your-Customer (KYC) process to screen their customers and a supplier assessment process led by the Purchasing Department and the Accreditation Committee. EDI adheres to a Code of Conduct and Business Ethics Policy that imposes a zero-tolerance approach towards corruption-related

practices like bribery, fraud, and embezzlement within their organization and suppliers. They have a whistleblowing mechanism in place to investigate complaints regarding corruption immediately. EDI implements various actions against the erring supplier/s, including blacklisting, imposition of penalties, and filing of criminal or civil cases depending on the severity of the situation. Similarly, employees face penalties, which may ultimately lead to termination, depending on the case. In some instances, civil or criminal charges may be filed against individuals involved in fraudulent activities.

GES has adopted a Criminal Compliance Policy and an Ethics Code to prevent any illegal activities. The Compliance Mailbox, template clauses for future contracts with suppliers and customers, gifts and hospitality policies, and sponsorship and donation policies are currently undergoing review. These policies aim to provide an overview of the crime prevention model and to train and sensitize all professionals, managers, and attorneys-in-fact about the criminal risks they face. Like in any other company, regardless of the field, the Group sees corruption as one of the biggest risks that could affect its trademarks' reputation and position in the market, apart from legal consequences. GES views the ongoing implementation of the compliance system as an opportunity to regulate their principles, commitments, and goals, and to establish internal controls to follow this. Emperador Distillers Spain's website has a Compliance section at <https://emperadordistillersspain.com/compliance/>

The crime prevention and control model is entrusted to a legal body with autonomous powers of initiative and control. It is composed of both internal Grupo Emperador personnel and external experts on the matter. Within the compliance system, GES has approved internal controls to ensure policy adherence. New policies have been introduced in 2022 to reinforce their compliance system. Additionally, they have hired a new compliance expert company to provide legal advice in this field. Bodegas Fundador includes the Anti-corruption Policy in their Code of Conduct, and employees have received training on this topic. The Compliance Mailbox is also available to employees, customers, and other stakeholders. To evaluate their success in managing this topic, GES conducts periodic reviews of the crime prevention and control model.

Anti-corruption is a top priority for Pedro Domecq, as it ensures that business is conducted in a fair and ethical manner, in line with all anti-corruption policies and guidelines. Currently, the company is working on defining an internal Anti-corruption Policy. In addition, Pedro Domecq provides an open contact line where anyone can report anti-corruption cases. In 2022, no cases were reported, and Pedro Domecq considers this a success in managing this issue. While zero reports are expected, any case raised is expected to be resolved fully and promptly.

WMG abides by anti-corruption laws across its markets. They have an internal Anti-Corruption Guideline which is applied to all operations and personnel. Adherence to the policy is ensured through the supervision of global and local management. All employees involved in money movement and front-facing positions must complete an annual training on tax fraud, including a test. The Group has a cross-functional group responsible for maintaining a Tax Risk Register that documents risks and responses. From December 2022 to January 2023, 239 of their employees underwent annual training and assessment, and no incidences of corruption were documented.

ENVIRONMENT

Resource Management

Energy consumption within the organization:

| Disclosure | EMI 2022 | EMI 2021 |
|------------------------------------|--------------|--------------|
| Renewable sources (GJ) | 1,180,460.66 | 292,597.37 |
| Natural gas (GJ) | 417,498.60 | 399,585.27 |
| Coal (GJ) | 375,261.99 | 7,341,558.34 |
| Fuel oil (GJ) | 357,706.89 | 530,370.83 |
| LPG (GJ) | 253,855.88 | 242,049.90 |
| Electricity (GJ) | 153,816.08 | 154,592.90 |
| Diesel (GJ) | 102,249.59 | 110,466.23 |
| Gas oil (GJ) | 60,975.86 | 26,572.06 |
| Petrol (GJ) | 2,124.20 | 4.36 |
| Gasoline (GJ) | 355.14 | 133.48 |
| Renewable electricity - solar (GJ) | 106.17 | 21.80 |

Note: Data for Energy Consumption in 2021 have been restated by updating the calculation methods. This is to ensure that the formulas are uniform across all non-renewable and renewable energy consumed in the reporting period and to prevent future discrepancies in the numbers.

Emperor's Management Approaches for Energy

EDI

Energy management is a key priority for EDI especially in its production plants in Biñan and Santa Rosa because it helps control energy costs as well as reduces reliance on non-renewable energy. EDI is committed to improving energy efficiency by implementing energy- and fuel-saving programs and employing best practices such as shutting off utilities when not in use. EDI also aims to phase out mercury from all possible sources and install environment-friendly lighting fixtures such as LED and compact fluorescent lamps. The company ensures that its mitigation and adaptation measures are in line with the frameworks of the Philippine Agenda on Sustainable Development and the environmental regulations of the Philippines. Monthly Key Performance Indicator (KPI) meetings are conducted to evaluate energy management. In 2022, their Santa Rosa plant had a reduction in energy consumption amounting to 150,500 kWh.

AWGI

AWGI recognizes the importance of energy to the company as their processes are energy-intensive. They use large amounts of non-renewable fuels and electricity, which leads to a considerable amount of greenhouse gas (GHG) emissions. To address this, AWGI continually recycles cullet as a raw material to reduce the amount of energy required to produce glass. The Operations group identifies current and potential energy-related issues, such as high consumption of fuels and electricity, and formulates programs to address them.

AWGI continues its fuel-saving programs, energy management system standards alignment, and purchase of solar PV perimeter lighting to reduce the usage of electricity from utilities. In 2022, the company achieved a reduction of 29,492 kWh in electricity consumption as a result of using solar photovoltaic energy and a reduction of 10907.43 GJ in diesel consumption. AWGI establishes baselines by setting its key performance indicators (KPI) every year to monitor and determine the success of its energy management programs. This is also included in the implementation of cost management measures.

Progreen

Progreen uses both renewable and non-renewable fuels to generate energy, which contributes to the environmental impact of its operations. Progreen has set aggressive energy consumption reduction targets which are implemented and monitored by its engineering team. In 2022, the Balayan plant was able to reduce its energy consumption through the efficient use of biogas and bagasse. The company now reported a reduction in coal consumption as they have maximized the use of methane and bagasse for their operations. Methane is produced biologically from distillery waste in biodigesters, but only methane is used as boiler feed. Progreen evaluates the recovery factor of fuel consumed versus the quantity of produced products. Daily, month-end, and year-end performance reports are used to evaluate the management of this topic. These reduction initiatives resulted in savings amounting to Php 12,862,990.05.

GES

Bodegas Fundador

For Bodegas Fundador, energy consumption is a significant concern due to the gas and electricity needed for daily operations and processes. To manage energy consumption, the company follows its general policy related to the Quality and Environmental Management System, specifically ISO 9001 and 14001. Guided by this policy, the company sets environmental objectives at the beginning of the year. The annual objectives include plans to manage energy consumption, which are reviewed every 6 months by the Environment Committee, focusing on reducing consumption through the identification of critical environmental aspects. In 2022, the company reduced its energy consumption by 13,944.75 GJ through the use of biogas. Furthermore, the energy requirements for sold products decreased by 32% from a rate of 2.18 MJ per liters sold in 2021 to 1.48 MJ per liters sold in 2022.

Pedro Domecq

Pedro Domecq recognizes the importance of proper energy use and energy saving activities. It monitors energy consumption annually through Greemko, a platform that calculates a company's environmental performance. The goal is to reduce energy consumption versus the previous year. The electricity monitoring indicator was met this year with 1.55 kw/cj9 against their 3.58 kw/cj9 goal.

WMG

WMG envisions being carbon-neutral by 2030. To realize this vision, WMG puts great importance on initiatives that promote the use of renewable and environment-friendly energy. The company keeps itself up to date on evolving technologies around renewable energy.

Sustainability in WMG is governed through Executive Team sponsors and a Sustainability Leadership team composed of key members who drive the agenda through the business. To ensure that they deliver on this agenda, a Sustainability Delivery Group meets to update on the progress of projects, discuss any issues or setbacks, and seek support and advice from the team. Monthly energy usage and carbon emissions are recorded and reported during management meetings and are evaluated to determine achievement versus goals and overall impact.

In 2022, the company recorded an energy ratio of 18.58 MJ of energy per liter of alcohol produced, which is a reduction compared to the 19.54 MJ of energy per liter of alcohol produced recorded in 2021. This displays a reduction in the consumption of heating fuels used in the production process as a result of conservation and efficiency initiatives.

Water consumption within the organization

| Disclosure | EMI 2022 | EMI 2021 |
|---------------------------------------|-----------|-----------|
| Water withdrawal (MI) | 7,594.32 | 8,097.78 |
| Water consumption (MI) | 3,940.00 | 5,074.95 |
| Water recycled and reused (cu.m) | 25,757.10 | 48,542.22 |
| Total volume of water discharges (MI) | 3,654.33 | 3,022.83 |

Note: Data for Water Consumption in 2021 have been restated due to recalculation of previous figures for all subsidiaries covered by this report.

Effluents

| Disclosure | EMI |
|-------------------------------------|------|
| Percent of wastewater recycled (%)* | 20** |

**Data for this disclosure is no longer a requirement of the 2021 version of the GRI Standards from which the SEC 17-A Sustainability Report is patterned after*

***This data form 2021 does not include EDI Sta Rosa Plant. For WMG, estimate of recycled content is 41% based on total tonnage of materials and estimated recycled content.*

EDI

Water usage and discharge are important topics for EDI, especially for its production plants in Biñan and Santa Rosa. The operations in the plants consume a lot of water, therefore, water conservation programs such as annual calibration of flow meters, repairing leaks immediately, and water consumption monitoring are implemented to ensure that there is no wastage in water consumption.

Effluents is another important topic for EDI as this affects the environment and people's health. Water discharges from plants have high levels of COD, BOD, TSS, and pH which are treated by a wastewater treatment plant. To ensure that effluents are dealt with properly, EDI conducts quarterly effluent analysis and wastewater discharge monitoring. Effluent parameters are monitored to ensure compliance with the National Effluent Quality Standard of DENR. The Facilities Department is responsible for plantwide monitoring of water and effluent management.

EDI's Biñan and Santa Rosa plants use water as a product component for steam generation, cooling, sanitation, and general cleaning. The Biñan plant withdraws from a third-party water provider, which is first consumed for the production of the company's products, then discharged into Laguna Lake. The Santa Rosa plant withdraws water from three deep wells and later discharges it into the Santa Rosa River. The Biñan and Santa Rosa plants recognize water pollution and water scarcity, respectively, as water-related impacts caused by the company's activities. Such water-related impacts are identified during the plants' pre-construction phase through DENR's Environmental Impact Assessment. To address these impacts, the Biñan plant has a provision for a wastewater treatment plant, and its domestic wastewater is treated by a third water provider. The Santa Rosa plant addresses such impacts by having sustainable water management, a centralized wastewater treatment, and raising awareness. It also engages with a third-party laboratory to collect and examine effluents using the parameters set by LLDA and DENR. Water-related targets or goals of both plants are set based on the previous year's consumption and by benchmarking their water consumption versus their product produced. Both plants of EDI abide by the DENR DAO 2016-08 Effluent Standard for Class C water as a management approach for water discharge-related impacts. All water-related goals and targets are also set in accordance with the RA 9275 or the Philippine Water Act.

AWGI

Water is a significant resource for AWGI because it is used in glass manufacturing particularly for cooling glass equipment and recycling dirty cullets. Efficient use of water is important to minimize environmental impact, cost, as well as prevent water shortage that may affect the nearby communities. To minimize the consumption of water, AWGI uses a recirculating system for water withdrawn from the ground, and the water

utilized for cullet recycling is treated and reused. AWGI is also benchmarking, using sub-meters to identify and monitor areas with high consumption. As a responsible and compliant company, AWGI has been issued a Zero Discharge Permit by LLDA and DENR and does not discharge any waste water into the drain.

The Engineering Department monitors consumption by installing meters and regularly checking for broken faucets or valves. Any water-related impacts are identified and addressed through management coordination meetings and operations meetings. Water utilization and conservation efforts are included in AWGI's programs and weekly meetings. Monitoring by engineers is performed on a regular basis, as outlined in reports.

Progreen

Progreen's Balayan and Nasugbu plants use water as a crucial material in its operations. Raw water is drawn from deep wells and treated for purification before being distributed to different plant units, including production, milling, and boiler operations. Water is also used for cooling and waste treatment systems, and is pumped to buildings for domestic use. However, the plant faces the risk of water shortage in the event of equipment breakdown due to the large volume of water required. The amount of remaining water in the aquifer cannot be easily estimated, but desalination of seawater has become a viable alternative to ground water.

Reject water from the water treatment process is stored in tanks for clean-in-place (CIP) purposes, while domestic wastewater is treated in the Sewage Treatment Facility. The plant uses flowmeters and pressure gauges to monitor water-related impacts such as river pollution and water shortage. Reject and water losses are minimized to maximize the usage of treated and utility water. Progreen also engages with its suppliers to evaluate the chemical water treatment and conduct maintenance work when needed. Water discharge-related impacts are managed according to DENR DAO 2016-08 Effluent Standards.

The Water Supply Section (WSS) is responsible for ensuring a sufficient supply of groundwater and treated water for the Balayan plant. The WSS oversees the water treatment plant, cooling tower systems, and well operations. Projects were carried out in 2021, such as cleaning the deep wells and RO membranes, to improve the quality of treated water. Performance monitoring is conducted to evaluate the overall operations of the WSS in both Balayan and Nasugbu plants. Performance benchmarks for quality and quantity have been established as parameters and targets for the section to comply with.

GES

Bodegas Fundador

Bodegas Fundador requires a significant amount of water for normal operations, including washing tanks and pipes, bottling operations, and the rectification of concentrated must in the distillery. To address the issue of water consumption and its impact on the environment, the company has implemented policies and objectives to reduce water usage, and has a waste treatment plant to ensure compliance with legal requirements. One opportunity to further reduce water consumption is the transformation of organic waste into biogas for use as fuel in their boiler.

Water is also used for phytosanitary treatments in vineyards, and is mainly withdrawn from the municipal water supply network, with small amounts also drawn from wells and cisterns. Water-related impacts are identified through the Annual Assessment of Aspects and Impacts under the ISO 14001 management system and the company's Corporate Social Responsibility Certification. Bodegas Fundador follows specific procedures for waste treatment plant management, analytical methods, and legal requirements. The company sets water-related goals based on periodic reviews and identification of potential improvements, with the minimum quality of discharges set out in municipal by-laws.

Bodegas Fundador has implemented tools such as ISO 14001 certification, Environmental Policies, and Corporate Social Responsibility to maximize the monitoring and control of water use. The company sets environmental objectives at the beginning of each year and regularly reviews water management through internal and external audits and ISO 14001 Management Reviews. Plans for water consumption are included in the annual objectives and reviewed every six months. The Environmental Manager is responsible for preventing water-related issues and ensuring improvements in all operational processes.

Pedro Domecq

Pedro Domecq acknowledges the significance of utilizing water efficiently in its operations. One of the potential risks that may arise from the company's activities is water contamination resulting from the production process. However, the company sees this as an opportunity to prevent and minimize water contamination by implementing a water treatment plant. The production area of the company is primarily responsible for managing water consumption and ensures that it does not exceed the contracted volume as specified by the state, which is tracked through a Greemko platform. Water is typically sourced from a waterhole and is treated in a treatment plant after use. The treated water is then utilized for garden irrigation, watering, and cleaning. Although there is a potential risk of water contamination due to organic matter, the company currently does not have an impact identification system in place. To achieve water-related goals, the company ensures that water consumption does not exceed the volume authorized by authorities for agricultural use.

WMG

For WMG, water is extremely important - Uisge Beatha – Our Whisky: The Water of Life. Water is a crucial element in the production of Scotch whisky, which is made from only three raw materials: water, cereals, and yeast. The Green Print, WMG's sustainability strategy, sets out the company's goals and ambitions related to sustainability, including the vision of Mindful Consumption, which encourages responsible water use that does not harm communities or their futures.

WMG's distilleries - Dalmore, Tamnavulin, Fettercairn, Jura, and Invergordon - source water from springs, local rivers, reservoirs, or the main supply. Their water withdrawal and discharge processes are governed by Scottish Environmental Protection Agency's (SEPA) licenses and consents, which regulate volumes and water quality. Two of these distilleries have bio-treatment plants to ensure that the parameters for Biological Oxygen Demand (BOD), Ammoniacal Nitrogen, pH, and Suspended Solids are within the limits set by the SEPA licenses. The other three distilleries have agreed ways of working with SEPA and follow the same parameters and regulations. While the impacts of water use may be minimal, they can cause increased nutrients, temperatures, and reduced water flow. The company monitors potential impacts by regularly checking SEPA reports on water levels and quality.

WMG strictly adheres to UK and EU water quality standards and regularly monitors water quality at their distilleries and bottling halls. The company also records daily water withdrawal and discharge data and shares weekly and monthly usage reports among primary users to maintain transparency and ensure responsible water use. Additionally, WMG has a yearly budget for water usage at each site, which is monitored monthly to track usage volumes against costs. As a member of the Scotch Whisky Association, WMG aims to use 12.5-25 liters of water per liter of spirit produced.

Materials used by the organization

| EMI | | | |
|------------------------------------|---------------|---------------|------|
| Materials used by weight or volume | Quantity | | Unit |
| | 2022 | 2021 | |
| Renewable | | | |
| - Cullet | 52,276,334.18 | 55,509,012.89 | kg |
| - Bottles | 82,051,536.59 | 137,283.00 | MT |
| - Caps | 1,108,973.19 | 1,750.00 | MT |
| - Labels | 336,744.96 | 917.00 | MT |

| | | | |
|---|--------------|---------------|--------------|
| - Carton | 3,909,178.03 | 6,027.00 | MT |
| - Lubricant | 9.00 | 8.00 | MT |
| - Chemicals for cleaning and sanitation | 4.08 | 11.00 | MT |
| - Other chemicals | 216.23 | 210.00 | MT |
| - Semi-manufactured goods/consumables | 62.04 | 26.00 | MT |
| - Sugarcane | 21,311.00 | 201,925.33 | MT |
| - Bagasse | | 24,088,811.75 | kg |
| - Groundwater | 281,856.54 | 2,421,027.00 | cu.m |
| - Molasses | 91,070.00 | 300,000.00 | MT |
| - Process water | | 4,700.00 | cu.m/ day |
| - Soft water | | 2,874.00 | cu.m/ day |
| - Demineralized water | | 1,625.00 | cu.m/ day |
| - Glass bottles | 29,986.01 | 16,834.87 | MT |
| - Cardboard cases | 1,277.35 | 1,114.58 | MT |
| - Pallets | 725.07 | 944.19 | MT |
| - Anti-skid sheets, separators | 68.16 | 37.82 | MT |
| - Paper stickers | 46.16 | 43.29 | MT |
| - Cork | 5.48 | 3.76 | MT |
| - Corrugated | 478.14 | 473.33 | MT |
| - Glass | 20,792.00 | 12,085.00 | MT |
| - Cardboard/paper | 2,321.86 | 1,959.00 | MT |
| - wood | 16.47 | | MT |
| - Metals such as aluminum | 118.82 | 239.00 | MT |
| Non-renewable | | | |
| - Diesel | 671.74 | 675.13 | T |

| | | | |
|--------------------------------|---------------|---------------|----|
| - Coal | 14,054,756.00 | 28,769,224.55 | kg |
| - Silica | 14,142,249.94 | 15,059,671.38 | kg |
| - Limestone | 3,780,234.74 | 4,062,044.96 | kg |
| - Soda ash | 4,351,038.02 | 4,656,544.85 | kg |
| - Feldspar | 1,364,751.47 | 1,392,580.80 | kg |
| - Selenium | 1,140.10 | 396.19 | kg |
| - Plastic | 121.77 | 24.00 | MT |
| - Sodium sulfate | 89,069.71 | 94,145.93 | kg |
| - Charcoal/activated carbon | 14,684.62 | 15,854.73 | kg |
| - Paper and plastic | 56.50 | 40.88 | MT |
| - Closures (plastic, aluminum) | 438.76 | 295.51 | MT |
| - Gift boxes | 12.26 | 4.99 | MT |
| - Sleeves | 23.19 | 32.21 | MT |
| - Strapping and netting | 9.77 | 9.83 | MT |
| - Metallic covers | 290.51 | 177.57 | MT |
| - Plastic covers | 2.66 | 8.85 | kg |
| - Plastic stickers | 0.87 | 10.14 | kg |
| - Plastic capsule | 0.86 | 0.55 | kg |
| - Crystal | | 144.00 | MT |
| - Laminates | | 8,554.00 | MT |
| Sulfuric Acid | 62,965.00 | | kg |
| Antifoam | 6,446.00 | | kg |
| Lime | 190,880.00 | | kg |
| Phosphoric Acid | 1,014.00 | | kg |
| Flocculant | 763.00 | | kg |
| Biocide | 1,265.00 | | kg |
| Caustic Soda | 1,000.00 | | kg |
| Product blend | 112,786.63 | | MT |

| | | | |
|--------------------|-------|------|----|
| Glue for label | 33.60 | | MT |
| Glue for cases | 41.20 | | MT |
| Coder Ink | 0.03 | | MT |
| Cork (wood covers) | 0.85 | 0.66 | MT |

| Disclosure | EMI 2022 | EMI 2021 |
|---|----------|----------|
| Percentage of recycled input materials used to manufacture the organization's primary products and services | 27.38* | 2.5** |

**Now includes data from AWGI and WMG*

***Data does not include AWGI and WMG*

Emperor's Management Approaches for Materials

Effective materials management is crucial for meeting sustainability goals and controlling operational costs in any manufacturing company. By prioritizing quality and utilizing sustainable practices, companies can reduce their environmental impact while remaining financially viable. In any manufacturing company or organization, materials are one of the primary needs. Whether renewable or nonrenewable, they play a significant role in product development and are central to any company's processes. The use and reuse of materials are essential for meeting sustainability goals and controlling operational costs. The quality of materials is also a critical factor, as poor-quality materials can lead to inefficiencies and lower manufacturing outputs, while high-quality materials offer opportunities for increased production and cost reductions.

EDI

The management of materials is of great importance to EDI, as it not only benefits the company financially but also contributes to the reduction of carbon emissions. To effectively manage this topic, quality assurance and control measures are implemented for all incoming materials. EDI's management ensures that materials are handled in a way that protects both public health and the environment, thereby maximizing their recyclability. In addition, the company keeps a close eye on the amount of waste generated from the materials used for production and is committed to increasing the usage of recycled materials in its production process. The company's management approach for materials is continuously evaluated through monitoring and monthly Key Performance Indicator (KPI) meetings.

AWGI

This topic is relevant to AWGI as most of its materials are non-renewable. Depletion of these resources may not be instant, but may contribute to the gradual degradation of the environment. In the glass industry, recycling of a large percentage of glass has been the practice, not only to avoid large costs and depletion from obtaining virgin raw materials, but also to lessen energy consumption. AWGI has implemented a 70% cullet ratio to limit the consumption of raw materials and energy. To ensure effective materials management, AWGI enforces quality assurance and control measures for incoming materials, in line with the company's commitment to protect public health and the environment while optimizing recyclability. The company also tracks waste generated by materials used in production and aims to increase the usage of recycled materials. AWGI's management approach for materials is regularly evaluated through monitoring and monthly Key Performance Indicator (KPI) meetings. Each year, the company sets KPI baselines to measure and assess the success of its materials handling programs. Through active participation and collaboration across all departments, AWGI strives to maintain a sustainable materials management system.

Progreen

At the Nasugbu plant, they prioritize the reuse of processed water and use a Biogas Digester to co-generate energy via methane biogas. To evaluate their management of this topic, the company tracks the reduction in fossil fuel usage and their controlled reliance on new freshwater sources. At the Balayan plant, centralized communication and coordination are essential for effective materials management. A specific team, following internal policies approved by top executives, handles all material-related subjects. The finance section primarily manages the bulk of the materials and coordinates with the general manager. To evaluate the management of materials, daily, month-end, and year-end performance reports are generated. The production team assesses the positive and negative outcomes of materials, while top management evaluates their costing and selling price.

GES

Bodegas Fundador

Bodegas Fundador maintains environmental commitments and objectives related to materials: The company continually strives to minimize the environmental impact that its processes and products could generate. Bodegas Fundador aims to become a reference in the implementation and development of environmental improvements. The management of materials is overseen by the Environmental Management System (EMS) Manager, who ensures that the approach aligns with the annual environmental objectives, while all employees are expected to follow the company's environmental policy. The company has also obtained the ISO 14001 EMS certification.

Pedro Domecq

Materials are important to Pedro Domecq since packing materials are required for production. The design and development of packaging must be in a way that creates the least impact on the environment. To manage

their materials, Pedro Domecq implements a system of materials requirements planning (MRP) to plan, schedule, and manage their inventory during the manufacturing process. The MRP is also based on having no surplus losses. As a means to evaluate whether they are successful in materials management, a report on their materials consumption is done annually using the Greemko platform for the corresponding indicators of Gonzalez Byass.

WMG

One of Green Print's key visions is Mindful Consumption, which applies to the management of WMG's materials. This approach aims to improve the company's understanding of the resources they use and their impact on the environment. Specifically, the company focuses on reducing, reusing, and recycling materials to minimize waste. For instance, WMG uses recycled materials, such as glass and paper, in many of its material components. Recently, the company underwent an external audit to review their packaging and develop a roadmap to achieve their goals and targets. This audit helped them identify problem areas and begin reducing the impact of materials on limited resources.

As part of the Green Print, WMG has set specific goals, and a small project team is working to meet them. This is a critical pillar in the company's overall strategy, and progress is monitored at the senior management level. The goals align with external organizations like the Scotch Whisky Association, and WMG uses future legislation as a guide to make the right decisions. To enable easier reporting and quicker progress, the company is increasing its resources in this area. WMG has recently undertaken several projects to reduce black plastic, increase recycled content, and reduce colored glass. The company evaluates its material management by tracking progress against its goals and targets and conducting monthly progress reporting.

Environmental Impact Management

Air Emissions

GHG

| Disclosure | EMI 2022 | EMI 2021* |
|--|------------|-------------|
| Direct (Scope 1) GHG Emissions (Tonnes CO2e) | 230,493.10 | 854,216.63 |
| Energy indirect (Scope 2) GHG Emissions (Tonnes CO2e) | 22,068.39 | 149,034.38 |
| Other indirect (Scope 3) GHG emissions (Tonnes CO2e) | 9,220.03** | 22,931.00** |
| Emissions of ozone-depleting substances (ODS) (Tonnes) | N/A | N/A |

*Data for GHG Emissions in 2021 have been restated by updating the calculation methods. This is to ensure that the formulas are uniform across all three GHG emissions classification in the reporting period and to prevent future discrepancies in the numbers.

**Data for this table is from: AWGI, BF, and WMG

Air pollutants

| Disclosure | EMI 2022 | EMI 2021 |
|-----------------------------|----------------------------|-------------------------|
| NO _x (kg/Ncm) | 0.0006223 ^{a,b,d} | 0.000835 ^{b,c} |
| SO _x (kg/Ncm) | 0.0009826 ^{a,b,d} | 0.001382 ^{b,c} |
| Particulate matter (kg/Ncm) | 0.0001406 ^{a,b} | 0.000025 ^{a,b} |

Note: Data for this table is from: ^aEDI; ^bAWGI; ^cProgreen; ^dBF; ^ePD; and ^fWMG

Emperador's Management Approaches for Emissions

EDI

Effective management of emissions is crucial because of the adverse effects it can have on the environment and human health. Improper management of emissions can lead to air pollution and regulatory fines and sanctions. To minimize these impacts, emission testing and monitoring must be carried out to ensure that the company conforms with DENR standards. At EDI, emissions management is a priority, and the company conducts an emission test of air pollution source equipment every other year. Additionally, ambient air monitoring is enforced yearly to ensure compliance with Ambient and Source Emissions Standards of DENR. Regular maintenance of air pollution source equipment is also carried out to ensure that emissions are minimized. To evaluate the effectiveness of their emissions management program, monthly KPI meetings are held, and monitoring is conducted regularly. This helps the company identify areas for improvement and take necessary steps to minimize the impact of their emissions on the environment.

AWGI

Since AWGI has energy-intensive processes that result in large emissions, it is crucial for the company to avoid generating excessive emissions. The measures and opportunities to address the associated risks are related to how the company manages its materials and conserves energy. To reduce the consumption of raw materials and energy and consequently lower emissions, AWGI maintains a 70% cullet ratio. It also looks into control measures such as installing air pollution control devices on its furnace smokestacks, which emit the highest amount of emissions. AWGI ensures that it consistently implements the necessary measures to reduce energy consumption and thereby reduce emissions by monitoring the KPIs related to energy consumption. To calculate its emission factors, the company references the UK Defra emissions factors for

its greenhouse gas emissions and the Department Administrative Order (DAO) 2000-81 and USEPA Methods 1, 2, 3, 4, 5, 6/8, 7, and 10 for its air emissions.

Progreen

In Progreen's plants, the distillery process produces CO₂ when converting sugar to alcohol. Instead of venting it into the atmosphere and causing further damage to the ozone layer, the company captures all raw CO₂ gas and processes it into liquefied CO₂. Another way to address this issue is to maximize the utilization of methane gas as boiler feed. This also reduces the company's dependence on fossil fuels, which they have set as a target. The modification of CO₂ as a management approach was undertaken to maximize the generation and conversion of CO₂, which is calculated using flow meters and a biogas conversion method. To successfully manage the company's emissions, renewable energy usage is monitored to reduce greenhouse gas emissions. Additionally, ambient testing should comply with the allowable limits set by the government. The significantly large value of Scope 1 emissions reflects Progreen's response on their coal consumption as this is the largest contributor for both energy consumption and emissions in 2021.

GES

Bodegas Fundador

Pollutant emissions at Bodegas Fundador are monitored and do not pose any significant environmental performance issues. However, the heating processes involved in distilling wines and concentrating must generate emissions. To reduce their impact on the atmosphere, the company uses pollutant-free natural gas as fuel. Bodegas Fundador also considers emissions generated in their direct and indirect operations, such as transportation of raw materials and products. To manage their emissions, Bodegas Fundador has a general policy related to their Quality and Environmental Management System (ISO 9001 and 14001). Environmental objectives are set at the beginning of each year and the Environmental Manager is responsible for overseeing the company's emissions. This includes conducting optimal maintenance for boilers and measuring boiler emissions every three years using a third-party consultant authorized by the administration. The company uses references such as UNE-EN 15259:2008, IT-ATM-08.2, and IT-ATM-08.3 to calculate air emissions. Bodegas Fundador also considers legal requirements for the type of boiler and its emission specifications.

Pedro Domecq

Managing emissions is crucial for Pedro Domecq to understand and control its environmental impact, as its activities involve the release of emissions. To achieve this, the company creates annual energy consumption reports using the Greemko platform, which also serves as a guide for emissions calculations. Forklift preventive and corrective programs and fleet measures are in place to aid in managing the impacts of emissions.

WMG

The Green Print by WMG has a vision to become Climate Positive, where the company does not contribute to climate change. This goal is supported by their strategic objective to achieve carbon-neutral sites by 2030 and net-zero emissions by 2040. WMG aims to surpass carbon neutrality as their top priority.

More than 90% of WMG's CO2 emissions come from powering their distilleries. To address this, the company plans to transition from conventional fossil fuels to renewable sources like biomass and liquid biofuels. They are focusing on renewable energy sources that release minimal or no emissions, as their carbon emissions reduction goals are directly tied to their energy journey.

The Sustainability Delivery Group meets regularly to provide updates on emissions-related projects, discuss challenges, and seek advice from the team. They prioritize projects that aim to reduce carbon emissions and track energy and emissions savings against yearly CO2 emissions to assess the impact of each project. Executive meetings are held quarterly to discuss key targets for carbon emissions and update ongoing projects and initiatives. The company constantly evaluates the status of their current energy projects in terms of energy reduction and carbon emissions reductions.

The company calculates emissions using the UK Government Department for Business, Energy and Industrial Strategy Conversion Factors and the Greenhouse Gas Protocol method.

Solid and Hazardous Wastes

Solid Waste

| Disclosure | EMI 2022 | EMI 2021* |
|---------------------------------|-----------|------------|
| Total solid waste generated (T) | 254,221.4 | 370,262.14 |
| - Reusable (T) | 2,574.9 | 2,527.4 |
| - Recyclable (T) | 18,817.4 | 19,807.9 |
| - Incinerated (T) | 10.3 | 0.2 |
| - Residuals/Landfilled (T) | 232,826.4 | 347,714.8 |

**Data for Solid Waste in 2021 have been restated due to recalculation of previous figures for all subsidiaries covered by this report.*

Note: Residuals/landfilled wastes includes other disposal/recovery methods

Hazardous Waste

| Disclosure | EMI 2022 | EMI 2021 |
|---|----------|----------|
| Total weight of hazardous waste generated and transported (T) | 504.417 | 173.055 |

Emperador’s Management Approaches for Waste

EDI

Effective waste management and disposal schemes play a crucial role in protecting the environment by reducing the amount of non-reusable materials that end up in landfills, causing potential health and environmental hazards. In the case of the Biñan and Santa Rosa plants, improper storage, transportation, treatment, and disposal of waste generated from the company’s activities have the potential to lead to land pollution. To address this, EDI has implemented a Solid Waste Segregation program that primarily targets the reduction of domestic waste. Additionally, a solid and hazardous waste management system is in place, which involves the collection of waste data through manual weighing or volume measurement. Cascades on Solid Waste Generation, Segregation, and Disposal are conducted regularly, and Solid and Hazardous Waste Management Programs are in place to reduce the amount of waste that ends up in sanitary landfills by approximately 3-5%. The company monitors the effectiveness of these programs through KPI meetings every month.

AWGI

AWGI recognizes that its processes produce waste that can have direct and indirect impacts on the environment, including increasing the amount of waste in landfills. To address these risks, the company continues to explore opportunities to recycle and reuse the various types of waste generated from its processes. Proper segregation of waste is critical to ensuring that haulers do not refuse collection, and the company has implemented a Materials Recovery System (MRF) to aid in this process. Waste is also weighed on a truck scale to ensure accurate tracking. AWGI works closely with haulers and scrapers to identify opportunities for reuse and recycling, ensuring that all necessary permits are in place and monitoring hauler movements and waste amounts. The company sets KPIs annually to establish baselines and track progress on its waste management programs.

Progreen

At Progreen, the distillery operation results in the generation of a large amount of liquid and solid waste that must be managed and disposed of properly to prevent negative impacts on people and the environment. While waste management is crucial for compliance, it also presents a potential financial risk due to the high

costs of proper disposal. To manage waste generation, Progreen implements waste segregation and a supplier return policy, as well as a barging operation and fertilization program for discharging waste. The company's major waste product is strong wastewater, which is treated in a state-of-the-art facility designed to meet strict government standards. Regular laboratory monitoring and maintenance ensure that the facility operates efficiently. All sections of the company work together with the Pollution Control Officer to identify best practices for minimizing waste and handling it properly, with the goal of avoiding any notice of violation during evaluations of the management approach.

GES

Bodegas Fundador

Effective waste management is crucial in minimizing negative impacts on the environment and addressing the scarcity of natural resources. Bodegas Fundador generates significant waste from bottling processes, including glass, cardboard, and crystal. Other activities in the distillery, such as final filtration processes, maintenance, general cleaning operations, and laboratory activities, can also contribute to waste-related impacts. The sludge treatment plant generates non-hazardous waste that is closely monitored by the company. To reduce the waste-related impacts, Bodegas Fundador works with operators authorized by the Public Administration to deliver waste in compliance with legal requirements. The company adheres to a Quality and Environmental Management System policy (ISO 9001 and 14001) and incorporates waste management in its annual environmental objectives. The Environmental Manager oversees waste-related issues and proposes reduction or management strategies.

Additional measures to minimize waste-related impacts include reducing bottle weights, optimizing bottling processes, and treating liquid waste in the effluent treatment plant. The company keeps a database to track all non-hazardous waste generated by different departments and records all hazardous waste in a register. Every six months, the company reviews its waste management plans and actions to ensure compliance with environmental regulations.

Pedro Domecq

Proper waste management is a crucial aspect of Pedro Domecq's production process. The generation of waste, both solid and hazardous, presents a potential risk to the environment, but also an opportunity for the company to explore waste reduction and management methods. Waste can be generated from a variety of materials, such as empty paint containers, laboratory chemicals, oils, lubricants, and packaging materials. Liquid residues and waste from laboratory analyses are also generated.

To minimize waste-related impacts, Pedro Domecq purchases dry and wet goods in precise quantities and reduces material scraps. The company has also made improvements in its laboratory processes to minimize liquid waste. To manage waste effectively, Pedro Domecq works with a supplier that controls and manages the residues, providing the company with documentation detailing the type and quantity of waste treated.

Waste generation records are kept and reported to Gonzalez Byass through the Greemko platform, and the maintenance team is responsible for managing all waste-related information. The company uses annual and historical indicators to evaluate waste management practices on the Greemko platform.

WMG

Whyte and Mackay has a company-wide goal of achieving zero waste to landfill by 2023, which is in line with their sustainability strategy, The Green Print. To achieve this goal, the company has implemented a waste hierarchy that includes reducing, reusing, recycling, repairing, and recovering waste. The company educates all staff on mindful consumption and the waste hierarchy, and they track waste streams through monthly data received from their waste management company. The efforts of the Whyte and Mackay community have been highly effective, with Invergordon Distillery reducing general waste by 47%.

Within the distilling process, waste is not generated, only co-products that are repurposed. Standard office/canteen waste and maintenance materials are generated by ancillary operations, and non-distillery sites produce standard office/canteen and packaging waste. The company's zero waste to landfill goal will be achieved through behavior change and waste management with waste services providers. The vision of Mindful Consumption, identified in The Green Print, focuses on reducing, reusing, and recycling materials to minimize waste, and this vision is part of the company's larger sustainability strategy.

Environmental Compliance

Non-compliance with Environmental Laws and Regulations

| Disclosure | EMI 2022 | EMI 2021 |
|--|----------|----------|
| Total amount of monetary fines for non-compliance with environmental laws and/or regulations | 0 | 0 |
| No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations | 0 | 0 |
| No. of cases resolved through dispute resolution mechanism | 0 | 0 |

EDI

EDI is dedicated to conducting business activities that align with the Environmental Policy and adhere to applicable laws. The company aims to conserve natural resources through careful planning and effective usage. A Pollution Control Officer oversees all matters related to environmental compliance. Monthly KPI meetings are held to evaluate the company's environmental performance and compliance.

AWGI

AWGI recognizes the importance of environmental compliance in maintaining its business operations and relationship with the community. The company upholds its commitment to permit requirements by establishing programs and remaining transparent with the community regarding environmental concerns related to its operations. AWGI also prioritizes timely permit acquisition and ensures that its permits are up to date when submitting reports to relevant environmental agencies, including the Department of Environment and Natural Resources and the Laguna Lake Development Authority.

Progreen

Progreen is committed to environmental compliance in order to meet regulatory standards and minimize environmental impact. Failure to comply can result in significant penalties, operational disruptions, and environmental damage. The company aims to balance economic development with environmental responsibility by implementing mitigating measures to reduce negative impact. The Environmental Protection and Waste Management Department oversees compliance and regularly submits reports. Additionally, Progreen is responsive to environmental grievances and addresses complaints promptly to prevent further damage.

GES

Bodegas Fundador

Bodegas Fundador places a high priority on environmental compliance to achieve long-term economic growth without causing harm to the environment. Compliance is critical to avoiding legal and financial penalties that could arise from non-compliance. Bodegas Fundador has engaged the services of an environmental and industrial compliance consultancy firm to monitor the company's compliance with all relevant regulations. The Administration Director reports the audit results to different areas, and there are two-year committees that review legal requirements and conduct an annual compliance audit. Additionally, the company maintains its ISO 14001 certification to ensure continued compliance with environmental standards.

Pedro Domecq

Environmental compliance is important to Pedro Domecq since non-compliance to regulations and standards can affect or suspend company activities. In 2022, there have been no complaints or fines for legal breaches.

WMG

WMG recognizes the importance of environmental compliance in their license to operate and their commitment to the Green Print until 2050. The company's efforts to minimize environmental impacts include responsible water usage, sustainable cask production, and reduction of greenhouse gas emissions in packaging and distilling processes. However, WMG's most significant impacts are carbon emissions in distilling and upstream agriculture, and packaging manufacturing. The Sustainability Leadership Team and Sustainability Delivery Group oversee environmental compliance and the delivery of the Green Print, including the production of the Annual Sustainability Report.

SOCIAL

Employee Management

Employee hiring and benefits

Employee data

| Disclosure | EMI 2022 | EMI 2021 |
|---|-------------|--------------|
| Total number of employees* | 2926 | 3,098 |
| a. Number of female employees | 774 | 737 |
| b. Number of male employees | 2152 | 2,361 |
| Attrition rate ¹ | 0.07 | 0.09 |
| Ratio of lowest paid employee against minimum wage* | N/A | N/A |

*All salaries are paid above minimum wage

Employee benefits

| List of Benefits | EMI* | | |
|--|------|--|--|
| | Y/N | % of female employees who availed for the year | % of male employees who availed for the year |
| Life insurance | Y | 7.11 | 3.93 |
| SSS** | Y | 5.06 | 22.04 |
| PhilHealth** | Y | 2.80 | 10.77 |
| Pag-ibig** | Y | 4.00 | 19.99 |
| Parental leaves | Y | 0.62 | 1.13 |
| Vacation leaves | Y | 7.31 | 10.05 |
| Sick leaves | Y | 1.30 | 7.11 |
| Medical benefits (aside from PhilHealth) | Y | 13.02 | 29.94 |
| Housing assistance (aside from Pag- | Y | 0.00 | 0.14 |

¹ Attrition rate = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

| | | | |
|----------------------------------|---|-------|-------|
| ibig) | | | |
| Retirement fund (aside from SSS) | Y | 0.10 | 0.31 |
| Further education support | Y | 0.00 | 0.14 |
| Company stock options | N | 0.00 | 0.00 |
| Telecommuting | Y | 13.88 | 19.00 |
| Flexible-working Hours | Y | 1.50 | 1.61 |
| (Others) | | | |

**WMG not included in the computation of benefits due to unavailability of data.*

***Spanish equivalent for BF (SSS, PhilHealth, and Pag-Ibig). Mexican equivalent for Pedro Domecq (SSS only).*

Emperador's Management Approaches for Employment

EDI

EDI is committed to promoting fair and just labor practices by providing decent jobs that offer living wages and employment opportunities in the nearby town where their manufacturing plant is located. The company strives to adhere to labor law standards to ensure consistent and equitable treatment of workers. The Human Resources Department is responsible for managing labor turnover within the company.

AWGI

AWGI places great importance on providing statutory benefits to its employees, including direct and indirect workers, regardless of gender and employment status. This is in line with the company's commitment to economic and medical protection for all its employees. Failure to comply with this obligation can result in penalties and non-monetary sanctions that can disrupt business operations. The company's Human Resources Department is responsible for ensuring that premiums are remitted in a timely manner, and regularly coordinates with the Labor Union to address employee concerns. The success of this program is measured by the high number of employees availing of the benefits and the absence of complaints to the Department of Labor and Employment for non-payment or non-remittance of benefits.

Progreen

Employees are the foundation of a strong and sustainable company. At Progreen, all levels of employees demonstrate strength, commitment, and dedication in their roles. Their direct involvement in the organization helps to fulfill its mission and achieve its objectives by contributing their own ideas, expertise, and efforts to solving problems and making decisions. High employee turnover rates can have serious consequences, including loss of valuable knowledge and experience, decreased morale for remaining

employees, and a loss of confidence in the team's ability to perform. This can negatively impact Progreen's profitability, as having the right people with the right skills is essential to achieving its business plans and objectives. To address this, the company prioritizes recruitment of the best candidates for each job, while also supporting the local community by hiring employees from the municipality where the plant is located.

GES

For GES and Bodegas Fundador, employees are a crucial part of the production process and they are considered as standard bearers of the brand. The companies manage employment, hiring, turnover, and benefits by following the Code of Conduct, ensuring the provision of social benefits, and establishing company policies. GES and Bodegas Fundador evaluate whether they are successful in managing this topic through the implementation of an SOX compliance audit and employee surveys.

Pedro Domecq

Pedro Domecq understands the value of building a diverse workplace culture that includes individuals from different generations and age groups. To achieve this goal, the company actively seeks to hire individuals from various age groups. Pedro Domecq also aims to ensure equity in employee benefits through various projects that work towards creating a more level playing field. The company manages employment by carefully screening candidates and working with managers to ensure alignment across the organization. To evaluate the effectiveness of their management approach, Pedro Domecq tracks the percentage of new hires and former employees across different age groups to ensure a diverse representation in the workplace.

WMG

Having a diverse workforce is essential for WMG as it brings diverse perspectives, innovation, fosters a positive work culture, and improves customer relations. Inclusion and equality are highly valued by all stakeholders, and the company makes sure to comply with all relevant employment legislation related to equity for temporary and part-time workers. Monitoring and reporting on employee turnover is the responsibility of the HR team. When an employee leaves, they are asked to complete an exit interview to ensure that the company understands their reasons for resignation and identifies areas for improvement. In terms of dispute processes, WMG has established a Company Grievance Policy and Procedure, and a Confidential Whistleblowing Policy that apply to all employees and workers. The company also benchmarks staff turnover, examines exit interview data, disputes themes, and solicits feedback from employees to continually improve their approach to managing employment.

Employee Training and Development

| Disclosure | EMI 2022 | EMI 2021* ** |
|--|----------|-----------------|
| Total training hours provided to employees | | |
| a. Female employees | 5,871.6 | 6,594.0 |
| b. Male employees | 7,265.35 | 8,555.0 |
| Average training hours provided to employees | | |
| a. Female employees | 6.18 | 3.37 |
| b. Male employees | 10.30 | 2.01 |

**in hours. Data does not include WMG. For WMG, 4934 is the total hours combined for both male and female employees.*

***in hours/employee. Data does not include AWGI and WMG. For WMG, 8.52 is the average training hours combined for both male and female employees.*

Emperador's Management Approaches for Training and Development

EDI

EDI recognizes the importance of employee training and development, which not only enhances their performance in their current roles but also prepares them for future opportunities. The company's 'Room to Grow' mantra ensures that there is a sufficient pool of talented employees ready to assume higher positions within the organization. In addition to job rotation and technical training, cross-exposure programs are also provided to upgrade the skills of employees. EDI plans to implement employee training programs to impart knowledge on the alcoholic beverage industry. The company evaluates the effectiveness of their approach by measuring the adequacy of their talent pool and the success of employees in assuming higher positions within the organization.

AWGI

Employee training and education are crucial for AWGI because they directly affect the quality of service that employees provide to the company. This is especially true for direct hires within the supply/value chain. Training helps address internal weaknesses and improves the overall skills of employees. However, one risk is that highly skilled employees may leave for better job offers elsewhere. HR sets goals for training and education as part of their key performance indicators (KPIs). The Human Resources Department also

collaborates with the Labor Union for labor management coordination and to receive feedback. AWGI conducts periodic management reviews to monitor the status of their training programs. Success is evaluated based on whether they achieved or exceeded their specific objectives (SOs).

Progreen

At Progreen, employee training is viewed as essential for acquiring new skills, improving existing ones, and increasing overall productivity. By enhancing employee performance, training can help to reduce customer complaints and lower maintenance costs by minimizing equipment breakdowns. Furthermore, better employee performance can lead to increased worker output and decreased supervision needs. The HR department is responsible for implementing employee training and development, guided by the company's Training policy. In 2021, Progreen introduced Quality Management System-related training as part of their plan to be ISO 9001:2015 certified. The company provides both technical and non-technical training for their employees. Progreen evaluates the effectiveness of their management approach by assessing the results of their training plan.

GES

GES and Bodegas Fundador acknowledge that employee training and development increases the productivity of the companies. It also improves the levels of competitiveness and profitability of both GES and Bodegas Fundador. The product and/or service offered also improves its quality and encourages innovation. It favors greater flexibility and adaptability of the workers and the companies. HR establishes a specific training and personal development plan for the entire company based on the needs identified by the Directors and Department Heads. A training report is then produced every year where the milestones are listed down and where training programs are evaluated whether they were aligned to their KPIs.

Pedro Domecq

Pedro Domecq places great importance on its attraction and onboarding process as it allows new hires to understand the company's processes and expectations. Continuous training is provided to support employee development and improve performance. A poor onboarding process can lead to the loss of talent within six months of joining. The Talent Attraction and Development Analyst is responsible for this process, and the company measures hiring times with a goal of 30 days for a response starting from the lifting of the vacancy to the confirmation of admission. LinkedIn, exchange groups, and ERPs are used for this process.

Pedro Domecq provides employees with an e-learning platform with a large number of training sessions and also evaluates external vendors for specific training needs that cannot be covered by the internal platform. Additionally, senior leaders are offered superior educational programs, and the company provides an unemployment program that includes resume building, specific training, and job board placements. The

GBKnowit platform is primarily used for continuous training, and the company evaluates the success of its management approach by measuring established KPIs.

WMG

At WMG, the training and development of employees is essential to ensure that they have the necessary skills, knowledge, and competence to meet both current and future business objectives. The company also prioritizes compliance and health and safety training to mitigate risks. To support talent development and retention, WMG provides employees with various development opportunities. The Learning & Development team collaborates with senior management to develop training plans and strategies that are approved by the Directors. In 2021, WMG implemented two key projects, namely, the Management Development Program and the Talent and Succession Planning Toolkit and Policies. The company evaluates its management approach by tracking performance against several KPIs such as the average hours of training provided per employee and the number of internal promotions. Additionally, WMG collects employee feedback through surveys and monitors job performance ratings.

Labor-Management Relations

| Disclosure | EMI 2022 | EMI 2021 |
|--|-----------------|-----------------|
| % of employees covered with Collective Bargaining Agreements | 24.62 | 59 |

Emperador's Management Approaches for Labor-Management Relations

EDI

The way the topic is already integrated into existing policies and operational changes in EDI ensures that labor-management relations are aligned and understood by both parties. Before implementing any significant operational changes that may affect employees, the company gives a minimum of 1 month notice period. Success in this area is evaluated by how effectively the company implements changes and achieves its key objectives.

AWGI

The topic of minimum notice periods for operational changes is relevant to AWGI's labor-management relations. To address this, the company stipulates relevant policies and contracts. As part of the supply/value

chain, labor-management relations occur with direct hires, service providers, and material providers. Any violation in relation to this topic may result in penalties or non-monetary sanctions that could negatively affect business operations. AWGI formulates policies and enters into collective bargaining agreements (CBA) with the local union, which includes compliance with a notice period of 4-5 weeks and provisions for consultation and negotiation. The CBA serves as a guide for evaluating the success of managing this particular topic.

Progreen

At Progreen, unions provide a powerful and collective voice for workers to communicate their dissatisfaction and frustration to management. The company maintains ongoing coordination with Union officers and adheres to the signed Collective Bargaining Agreement (CBA), which includes provisions for notice periods, consultation, and negotiation. Prior to implementing operational changes that could affect employees, Progreen provides a minimum of one week's notice. The company evaluates its approach to this topic by considering any DOLE filed cases as indicators of non-compliance with the CBA or unfair labor practices.

GES

Bodegas Fundador

At Bodegas Fundador, labor-management relations are crucial to creating a healthy work environment that enhances productivity and efficiency. The company's HR department oversees and manages labor-management relations, while direct negotiations can be conducted with various departments through face-to-face meetings. Employees receive a minimum of 15 days' notice period before any substantial changes that may impact them can be implemented. The notice period is specified in the collective bargaining agreement, which also outlines provisions for consultation and negotiation.

Pedro Domecq

When implementing significant operational changes, Pedro Domecq ensures that it has plans in place, including a communication plan, to avoid disrupting operations or adversely impacting employees. Employees receive notice of two to four weeks prior to the implementation of any operational changes that may affect them. This notice period is included in the collective bargaining agreement along with provisions for consultation or negotiation. The company evaluates the success of the management approach by assessing employees' acceptance of the new changes to be implemented within the operations.

WMG

Trade Unions (TU) are recognized in three of WMG's significant locations, covering employees through a collective bargaining agreement that includes a notice period of 12 weeks. While most CBAs also include

provisions for consultation and negotiation, a few are not specified. Maintaining good relations with TU partners and local representatives is essential to gain support for implementing operational change initiatives and building trust with employees. The Employee Relations strategy is led by the Supply Chain Director, Distilling Director, and HR Director, with senior and middle operational managers managing regular communication and interaction, supported by HR. Management meets with TU representatives regularly, following a set communication calendar, and TU partners are included as stakeholders in relevant project plans. The company evaluates the success of the management approach through general feedback and the frequency of disputes.

Diversity and Equal Opportunity

| Disclosure | EMI 2022 | EMI 2021 |
|--|----------|----------|
| % of female workers in the workforce | 26.11 | 23.79 |
| % of male workers in the workforce | 73.89 | 76.21 |
| Number of employees from indigenous communities and/or vulnerable sector | 2* | 2* |

**Bodegas Fundador*

Emperador’s Management Approaches for Diversity and Equal Opportunity

EDI

EDI values diversity and equal opportunity in their culture and practices. The company prioritizes capacity, qualifications, and performance over age and gender when it comes to hiring, promotion, and training. The Talent Management systems provide equal opportunities to all regardless of gender, age, and preferences. They have job functions that cater to all kinds of employees, and they believe in developing future leaders from different generations and genders. For EDI, success in managing this topic means creating an environment where everyone has an equal chance to succeed.

AWGI

AWGI recognizes that diversity and equal opportunity are essential to sustaining the well-being of employees from different levels of the company. They have programs in place to achieve their goals, and any violation of their policies on diversity and equal opportunity can result in penalties or non-monetary sanctions that affect the business. The company has formulated policies to protect diversity and equal opportunity among applicants and employees. Industrial peace and a family culture that consists of people from different genders, provinces, age levels, and socioeconomic status are indicators of success in managing this topic.

Progreen

Progreen understands that embracing diversity and providing equality in the workplace is vital to promoting a culture that values talent beyond stereotypes. Although diversity can have positive effects on the company, there is also a risk that differences within a team can lead to poor communication, reduced teamwork, conflict, exclusion, and turnover. To avoid these issues, Progreen provides appropriate diversity and inclusion training to all employees and raises awareness of indirect discrimination. The company evaluates their success in managing this topic through retention and feedback from employees.

GES

Bodegas Fundador

Bodegas Fundador launched an Equality Plan in 2021 which offers equal opportunities to people regardless of their gender and provides measures on how to ensure diversity and equality within the workplace. Having a diverse workforce in terms of gender provides different points of views which contributes and helps the company to identify more appropriate solutions for all groups. The Equality Plan is supervised by a committee made up of members from the management team and employees. Bodegas Fundador evaluates their success in managing this topic by conducting a survey among employees and setting KPIs.

Pedro Domecq

Gender equity and salary equity is highly important to Pedro Domecq as they are building strategies to minimize differences and to improve the current situation. The company manages diversity and equal opportunity by analyzing salaries every year and proposing the necessary adjustments. It also takes into consideration the performance of each individual. Indicators for a successful management approach for this topic include an improved composition of the Pedro Domecq workforce in relation to diversity and the provision of more equal opportunities compared to previous years.

WMG

Incorporating diversity and inclusion into the workforce is crucial for the success of any business. An inclusive work environment allows for a variety of perspectives, encourages innovation, fosters a positive culture, and enhances customer relationships. WMG recognizes the importance of equality and inclusion to all of its stakeholders and has established an Equality & Inclusion Charter that publicly states its commitment to these values. To ensure that these values are upheld, the company has appointed an internal steering group to assist executives in raising awareness, reviewing practices and policies, and monitoring disputes. The HR Director leads the initiative, and executives are responsible for promoting equality and inclusion throughout the organization. In addition, WMG has implemented a whistleblowing policy and an internal grievance procedure to address any concerns. The success of WMG's approach to managing this topic will be evaluated through an annual audit conducted by the Steering Group.

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

| Disclosure | EMI 2022 | EMI 2021 |
|--------------------------------|----------|----------|
| Safe Man-Hours* | 575,601 | 537,417 |
| No. of work-related injuries | 17 | 23 |
| No. of work-related fatalities | 0 | 0 |
| No. of work related ill-health | 8 | 39 |
| No. of safety drills | 35 | 22 |

**Average for all subsidiaries*

Emperador's Management Approaches for Occupational Health and Safety

EDI

EDI is committed to conducting its business activities responsibly and conforming to the Occupational Health and Safety Policy of the Philippines. The company recognizes the importance of the health and safety of its employees and considers it to be as important as the business success. To achieve this, EDI has set a goal of continuous improvement in safety and health and has established several measures to accomplish it.

EDI respects the Occupational Health and Safety and well-being of their employees, neighbors, and visitors, and has created mitigation plans for potential safety risks. The company complies with all local and applicable Health and Safety legislation, and these standards apply to all places of employment. Non-compliance with these standards can result in the revocation of certain permits, which can adversely affect the company. EDI aims for zero accidents by establishing written programs and guidelines that align with DOLE OHS Standards. In response to the risk of infection from COVID-19, the company has established workplace prevention and control measures for the virus, including programs that address the mental and physical welfare of employees during the pandemic. EDI also implements mitigation and management of workplace infection and is committed to workplace safety and health programs that align with existing standards and guidelines issued by Philippine Regulatory Agencies.

To ensure the success of its safety and health programs, EDI evaluates its key performance indicators (KPIs) monthly against goals and targets, including key successes and obstacles. In 2022, the company did not receive any regulatory violations, and accidents and incidents were maintained at a low count and degree of severity.

EDI Biñan Plant

The OHS management system at the Biñan plant is designed to ensure compliance with legal requirements and mitigate workplace hazards. All employees, visitors, and third-party personnel are covered by this system, which includes activities within the control and premises of the plant. The plant conducts Hazard Identification and Risk Assessment and Determination Control Program to identify work-related hazards and associated risks, involving employees in the selection of nominated controls to eliminate or reduce the risks to a tolerable level. The mitigation plan is monitored daily, and routine inspections are conducted to ensure the implementation of all controls. The results of these processes are continually monitored and evaluated with input from relevant stakeholders, and any required improvements are implemented to ensure continuous effectiveness.

In potential hazardous situations, personnel must assess the area before, during, and at the end of the activity, and work in a buddy system. Any observations must be reported immediately to their supervisor and EHS Supervisor for immediate corrective action. The plant has a policy of work stoppage in the event of imminent danger, and follows Accident, Incident Reporting and Investigation Guidelines (BN-EHS-G-005) to investigate work-related incidents.

Occupational health services include the issuance of personal protective equipment, annual medical examination, HMO health insurance, and further medical support. The plant provides flexible working hours, face masks, face shields, vitamins, and consultations for mental health as part of the Lingap Diwa Advocacy Program. The plant maintains workers' privacy in line with the Data Privacy Act of 2012.

The Biñan plant encourages worker participation through engagement of employees and management team and involving them in the identification of hazards, assessment of risks and its controls, investigation of incidents, and audits. All sections are also encouraged to conduct 5-on-5 discussion at the start of the shift. The plant also has a formal joint management-worker health and safety committee, namely the Environment, Health, and Safety Committee. Worker training on OHS is also carried out where newly hired employees are required to attend the following orientations:

1. Safety Induction
2. Good Manufacturing Practices and Proper Waste Segregation/Disposal
3. Environmental Laws
4. Workplace COVID-19 Prevention and Control Guidelines
5. Workplace New Normal Guidelines
6. Security Orientation

Provision of training and seminars also depend on the company's need and the government's legal requirement. To promote worker health, the plant's programs include health education, free health

consultation, free screening(blood sugar, cholesterol, etc.) and mental health awareness through a webinar. To prevent or mitigate negative occupational health and safety impacts directly linked by business relationships, the plant follows the company Business Continuity Plan.

EDI Santa Rosa Plant

For the Santa Rosa plant, the OHS management system was also implemented based on the DOLE OHS standards. This covers all employees including third-party concessionaires, truckers, contractors, and visitors, as well as all activities within the premises of the Santa Rosa plant. Similar to the Biñan plant, the Santa Rosa plant also carries out a Hazard Identification and Risk Assessment and Determination Control (HIRADC) Program to identify work-related hazards. Programs and guidelines are discussed with all departments prior to implementation. These programs also state and discuss the persons assigned and their responsibilities. HIRADC is also reviewed whenever there is a change in operations or procedures. The results of these processes are directly coordinated with the concerned departments or point persons together with the Safety Officer for brainstorming to determine a new approach (corrective actions) for the development and improvement of the OHS management system.

For potential hazardous situations, all employees and workers should assess hazards prior to and during activities. They need to document the hazards using SR-EHS-F-014 Hazard Observation Form and report it to their respective supervisor. The supervisor is tasked to review the reported hazard and ensure that the reported hazards are properly addressed. The plant also has a policy for work stoppage due to imminent danger. They have an Accident, Incident Reporting and Investigation Program (SR-EHS-PG-013) where any personnel on-site who witnessed an accident and/or incident must report immediately to their immediate superior and Safety Officer, who must suggest possible corrective and preventive action plans.

OHS programs and services that promote welfare of the employees and their families include:

1. Family welfare Program
2. Breastfeeding Program
3. Mental health in the workplace
4. Pulmonary Tuberculosis Program
5. Hepatitis B Program
6. HIV/AIDS Program
7. Drug Free Workplace Program

The confidentiality of workers' personal health-related information can only be accessed by the company physician and nurse, in compliance with the Data Privacy Act of 2012 as well. For worker participation, a Safety Committee meeting is conducted every first week of the month to discuss the previous month standing. EHS concerns will be tackled during the said meeting where each department has an EHS committee representative who can share ideas on how to improve Environment, Health and Safety policies of the company. For worker training, newly hired employees need to undergo Environment Health and Safety

Orientation. Each department also has a representative who undergoes Basic Industrial First Aid, Basic Life Support, and Fire Safety for Fire Brigade. LGUs such as the Bureau of Fire Protection are invited to conduct Fire Safety seminars and Drills to all the employees. To promote worker health, all regular employees have health insurance and health education and free consultations are provided. The plant also follows the company's Business Continuity Plan to further promote health and safety to all employees.

AWGI

Ensuring the occupational health and safety of AWGI employees is a key factor in the success of the business, as unhealthy personnel can negatively impact business continuity and threaten the safety of society. To maintain a safe work environment, AWGI implements an OHS system that follows the laws set by DOLE, with policies and procedures in place. During the pandemic, AWGI provided free PPEs and hygiene kits to protect its employees from COVID-19, implemented awareness campaigns, and increased the vaccination drive for employees, their families, and third-party workers, resulting in a 100% vaccination rate.

AWGI's OHS management system covers all regular employees, third party workers, visitors, and contractors, and utilizes Hazard Identification and Risk Assessment and Control (HIRAC) and Job Hazard Analysis (JHA) to identify work-related hazards. The safety officer and key personnel are trained continuously to ensure the quality of these processes. Action plans are created per department to address the hazards identified, such as the purchase of PPE and improvement of work area conditions. Employees are also granted the right to report risks associated with their activities and the right to refuse to work in high-risk situations.

AWGI hires physicians and nurses trained in occupational safety and health, maintains policies and records in compliance with data privacy regulations, and has a health and safety committee that conducts monthly meetings and open discussions with every department in the plant. To promote worker health, AWGI provides a health card/HMO for its regular employees, with access to OPD, hospitalization, and dental services. Company physicians are available for consultation at the company clinic, which also provides free medicine and emergency health kits. Policies on certain diseases, such as HIV and TB, are also implemented.

AWGI conducts regular orientation, safety tool box meetings, fire prevention and control training, first aid training, health seminars and workshops, and other related training to ensure employees are knowledgeable about occupational safety and health. The company also provides information dissemination through tool box meetings prior to contractor work and orientation of new employees.

Progreen

Health and safety of the employees and other stakeholders are important since it is one of the primary responsibilities of the company and the performance of the facility depends on it. A healthy and safe working environment directly relates to smooth, efficient, and good production performance. Unsafe environments and non-compliance may cause the company to lose man hours which would affect the efficiency of the

workforce and lead to the delay of projected developments and targets. The company complies with the minimum set forth standard by Department of Labor Via Bureau of Working Conditions and Department of energy via RESHERR. Goals are set by the Management via ISO 9001 QOP where the target is to always improve safety practices. They also have specific programs such as 5s, Vaccination, Disinfection, and Implementation of OHS. A Quarterly Monitoring Report was regularly being developed to evaluate the health and safety of the company. The success of the management approach would be evident in the count of safe working man hours for the specific quarter.

The OHS management system covers all employees and work-related activities such as welding, cutting, mechanical works, electrical works, and structural works. This also covers all workplaces in the company such as offices, manufacturing, engineering, warehousing, and field works. Activities and workers will not be covered if they proceed without securing any working permit and if workers practice unsafe acts without proper PPEs. To minimize risk and eliminate hazards, a risk assessment is done quarterly to identify safety and health hazards. This process is done by the company's trained and licensed Safety Officer. The number of Safety Officers should be proportionate to the total number of employees. Upon identifying the risks, appropriate measures are applied in order to improve health and safety management. Quarterly reports are then submitted as compliance to the DOE and DOLE . A monthly report is also prepared and submitted to the Division Manager.

For hazardous situations, workers need to report the hazard to the shift in-charge and immediate supervisor. This should also be brought up to the Safety Officer who will then make an assessment and apply corrective actions. If a task may be too risky for a worker, the Engineering and Planning Safety Administration will take place to execute the task. In case a worker has a medical condition or developed a medical condition as evident in the annual physical exam, the worker can also request a transfer in position. In case of work-related incidents, first aid is given by the company nurse and if needed, the worker is brought to the nearest hospital. Incident reports will be produced by the supervisor and the Safety Officer will investigate the incident. Countermeasures will be made and engineering and administrative controls will be applied to avoid the incident from happening again.

All newly hired employees are required to attend an 8-hour safety and admin training to familiarize them with the company's rules and regulations, processes, and safety and health protocols. PPEs are also issued during this training. All minor and major incidents are immediately addressed and coordinated to the affiliated hospital for health services. To protect the privacy of workers, only the HR Officer or the Company Nurse can access medical records. A Document Control Officer is also assigned to handle the 201 files of employees. Assessing information of others is subject to disciplinary action. For an effective occupational health and safety management, all workers are encouraged to participate. The Management acknowledges all reported information to improve workplace safety and health. It also gives workers the information they need to understand hazards and control measures in the workplace and trains workers who are willing to be part of Safety Brigade. A Health and Safety Committee and Fire Brigade are also established where workers choose representatives to be a part of the committee.

Worker training includes tool box meetings to discuss safety practices, safe and unsafe acts, and tasks for the week. The company also conducts first aid training, fire and earthquake drills and evacuation plans, and spills contingency. To promote worker health, the workers are provided with health cards allowing them to do consultations and examinations at their preferred accredited hospitals and clinics. Annual physical examination is also provided to workers to assess their health. Different health and safety controls are applied to prevent or mitigate OHS impacts linked by business relationships. Engineering controls help to address hazards and risks through engineering measures. The administrative controls also aim to educate workers through training and seminars.

GES

Bodegas Fundador

The first priority for Bodegas Fundador is the health and safety of all employees and external collaborators. It is essential to maintain safe and healthy working conditions to develop business activities in all areas of the company. Accidents and incidents involving staff lead to a loss of hours worked and a deterioration in the quality of work due to the replacement of regular staff by other temporary staff or those less familiar with the tasks. It also leads to a deterioration in the work environment. Furthermore, accidents can lead to the partial or total interruption of the activity and harm the reputation of the company.

Bodegas Fundador has its own Prevention Service, which is responsible for Risk Assessment, Preventive Activity Planning, and the development of procedures that make up the company's Safety Plan. The assessment is carried out by the Occupational Risk Prevention Technician, who is qualified with three technical specializations. All the staff involved in the assessment are approved by the Human Resources Director. The actions for the elimination or reduction of the risks detected in the risk assessment are included in the company's Preventive Activity Planning, which also establishes deadlines for their execution. To remove workers from hazardous situations, an annual plan for training, information, and communication of risks inherent to the jobs is implemented. The Occupational Risk Prevention management system, as well as the Health and Safety Plan, includes a procedure for the investigation of accidents and incidents at work. This procedure establishes who is responsible for carrying out this investigation and who participates in it. The investigation includes an action plan for the elimination of the risk factors involved in the accident.

Bodegas Fundador has also adapted its OHS management system to the standards of ISO 45001, which covers all employees and activities. Procedures are also established for the consultation and participation of workers. Workers' personal health-related information is protected in compliance with the Data Protection Act and the Code of Conduct of the Company. Within the preventive structure, they have an Occupational Risk Prevention Committee, which reviews the effectiveness of the OHS management system, sets policies, objectives, and assigns preventive actions. They also have a Health and Safety Committee as a body for consultation and participation of workers. It is made up of representatives of the company and workers on a parity basis. In centers where the committee does not exist, Prevention Delegates are appointed from among the workers' representatives, whose main function is the same as the Health and Safety Committee.

Preventive Resources are also established to collaborate in the implementation and maintenance of safe conditions of facilities and processes. All workers have communication tools available to them on aspects related to health and safety in their workplace. This allows them to hold team meetings where they can report work-related hazards to persons in charge. The communication pyramid of Bodegas Fundador ensures that information flows upwards and downwards based on the cascade system of meetings (team, MDT, SMT, and CE). To promote worker health, the company has a contract with an External Prevention Service, which provides health surveillance. The medical examination carried out by this service includes additional exploratory and analytical tests not related to work activity. They also carry out vaccination campaigns against the flu and diagnostic tests against COVID-19. Workers with special sensitivity are evaluated based on their condition.

Spanish legislation establishes that everything related to the Prevention Service must be audited every three years by an accredited body. The OHS management system is also audited every year. The company carries out health and safety audits, programmed safety inspections, and risk assessments of premises or processes. Bodegas Fundador also assigns an annual investment plan for the reduction or elimination of risks detected in risk assessments or accident or incident investigations, as well as in the Annual Risk Communication Plan. The effectiveness of the same is verified by internal audits and inspections.

Pedro Domecq

Promoting and ensuring health and safety in the workplace is of utmost importance in the operations of Pedro Domecq. The company has policies and procedures in place as part of the certifications they require. To determine whether they are successful in their management approach, the company undergoes certification audits. The company establishes its Occupational Health and Safety (OHS) management system through training, Gemba walks, and Root Cause and Corrective Action (RCCA) analysis in case a situation related to the health and safety of workers occurs. The OHS management system covers around 31 workers and all operational activities. Currently, only corporate activities are not covered by the OHS management system. Gemba walks guide the company in identifying work-related hazards, and training and audits are regularly conducted. For any risky cases, they take these as an opportunity to modify and improve the way the company operates. If a hazard is identified, it is directly addressed, secured, and registered on a tracker document. If it is a hazard that cannot be easily addressed, this is reported to the maintenance team for fixing and registering.

For occupational health services, the company evaluates, trains, audits, and shares recommendations with all employees and managers to understand and prevent occupational health risks. Those in leadership positions and HR constantly evaluate the conditions of the company facilities, and employees are required to communicate with their direct manager and HR about any conditions, which are kept confidential. Pedro Domecq works under a code of business conduct that states that all employees are to be treated with respect and equality. To promote worker health, the company maintains contact with an external vendor for the "I Feel" program, which helps the company provide support and guidance to employees in personal matters, whether psychological, legal, or financial. This program is offered voluntarily to employees and is also part of

their regular training. As part of the required certifications, all employees are trained and entitled to take responsibility in maintaining a safe workplace. Pedro Domecq also ensures that all training is provided with the frequency required to keep everything up to date.

WMG

The safety of all employees, workers, visitors, and local community members is the priority of the company. Distilling sites are considered high hazard risk sites – lower tier Control of Major Accident Hazards (COMAH) for Malt Distilleries and Upper Tier COMAH for our Grain Distillery at Invergordon. These sites require a tight control and adherence to all relevant regulations. As everyone is responsible for ensuring a safe workplace, contractors also play a vital role and are held accountable for their actions and work activities. Their continued supplier status is dependent upon adherence to site safety rules. All new suppliers are measured upon their safety record elsewhere. The UK Health & Safety Executive conducts regular visits and planned interventions as part of the COMAH regulations. The company works closely with regulators and aims to exceed the regulatory requirements.

An integrated management system is implemented and audited against the ISO 45001 standard. Occupational management screening is also in place. This ensures that they screen the appropriate aspects relative to the individual's role and activities they must perform. Where individuals are found to have concerns or not fit for the role, it allows the company to review their work and conduct risk assessments for their tasks. This OH function is carried out by an independent provider, who employs fully competent nursing staff to ensure accuracy and full impartiality. The OHS management system covers all WMG employees and long term agency staff based in the UK. It also covers all processes that are required to support the production, bottling, packaging, warehousing, and dispatch of Scotch Whisky and other spirit based beverages. Personal health-related information of workers is protected in compliance with Data Protection Regulations. Information between the company and OH provider is only shared with written consent from the employee.

A risk assessment for all regular activities is carried out to identify work-related hazards. The hierarchy of controls is used in eliminating the risks and developing safe working methods or solutions. The company also uses PPE as the last line of defense to protect the person. Risk profiling is also employed to look at the accident statistics and identify where accidents occur so that they can develop the necessary control measures to address these. During COVID-19, free lateral flow testing for everyone on site was introduced twice a week. Additional welfare facilities, staggered break times, fully paid isolation periods, mandatory temperature checking, and COVID patrols were all put into place. Learnings from current and historical accidents/incidents are used across the company. Safety alerts are also raised by the Stop Work Authority (SWA). Managers and the H&S team are involved all throughout the process of improving the OHS management system. Monthly management H&S meetings are held where incidents and accidents are discussed and tracked to close out.

WGM’s internal policy is to ensure that all workers are free from harm. They employ a Health & Safety Team located at various locations to promote and audit Health & Safety compliance. They are supported by the managers and Safety Champions who meet on a monthly basis and review all H&S issues, accidents, incidents, and industry issues. Safety Champions consult with the colleagues and play a key role in ensuring good communication to and from management. A Safety Improvement Record Card (SIRC) system is utilized that allows all aspects of H&S to be raised, including positive behaviors and any concerns or issues. These are recorded and tracked until the issue has been resolved. All accidents and near misses are raised and recorded on our Q-Pulse system. Management also conducts regular safety audits that are also recorded through the SIRC system. HSE visit reports provide feedback that allow management to provide direction for future planning for H&S matters. Their risk assessments and SOP are currently being reviewed and updated. All persons, including staff and contractors, on site are empowered with 'Stop The Job', should they find themselves in hazardous situations. Accidents/incidents with serious potential will require a full investigation while minor accidents/incidents are under discretion. These investigations will involve 5 Whys modeling and root cause analysis which will inform the necessary actions to take. The learnings from these are then discussed at Management H&S meetings.

For worker training on OHS, the company provides academic training such as IOSH Working Safely and IOSH Managing Safely. They also have specific training in COMAH awareness, asbestos awareness, confined space entry, and legionella awareness. Task specific training to operate plants and machinery done to accredited standards are also carried out. Display Screen Equipment assessments training is conducted regularly. To promote worker health, all employees have access to a free Employee Assistance Program which provides confidential help and assistance regarding emotional, financial, and physical health. It also provides a counseling helpline number that functions 24/7. Employees can access this directly by phone or online details which are widely communicated across all sites.

To evaluate whether they are successful in managing this topic, all H&S data from the Q-Pulse system, and the SIRC system are analyzed for any trend identification and risk profiling. This looks at the current period, previous periods and previous years. The company participates in various H&S industry forums to share the best practices which enable them to benchmark their progress against others within the industry.

Labor Laws and Human Rights

| Disclosure | EMI 2022 | EMI 2021 |
|---|----------|----------|
| No. of legal actions or employee grievances involving forced or child labor | 0 | 0 |

Emperor's Management Approaches for Labor Laws and Human Rights

EDI

As an alcoholic manufacturing and distribution company, EDI does not employ child talents and persons below 18 years of age in their operations. Furthermore, EDI is compliant with Philippine Laws that cover human rights, child labor, and forced labor.

AWGI

Adherence to the anti-child and anti-forced labor laws is practiced by the company. It impacts on sustaining the welfare of the next generation's workforce. The company contributes by formulating policies that protect the young. As far as supply/ value chain is concerned, this particularly occurs with direct hires, service providers, and material providers. Any violation may incur a penalty or non-monetary sanction that will definitely impact the business and its operations. The company's management formulates policies to ensure that no child is employed in the workplace or among its service and material providers. These policies also ensure that forced or compulsory labor is not practiced. The company is successful in managing this approach if there are no cases filed to any government agency for child or forced labor.

Promoting and upholding human rights is an essential element in maintaining the business. It is the primary objective of the company that no person becomes a victim of any human rights violations. Violation can happen at any level of the company and anywhere along the supply chain. This topic may impact the business operation and image of the organization. The management sets company rules and regulations (CRR) that are aligned with human rights provisions. It is the duty of the members of the management and those in leadership positions to safeguard every employee's welfare with CRR as a guide. Anyone can air a complaint by approaching authorities. The company, through the Human Resources Department, keeps track of this matter and reports to top management when there is a violation. In 2022, no violation was recorded.

Progreen

Protection of fundamental human and labor rights is reflected in the internal policy of Progreen. As stated in its HR policies and employment contracts, Progreen is committed to treating all staff equally, refraining from any discrimination based on gender, age, religion, sexual orientation, gender identity or expression, marital status, citizenship, disability, or any other legally protected factor. All employees are to comply with applicable laws and regulations. At all locations where Progreen's operates, forced/compulsory or child labor are strictly prohibited.

GES

Bodegas Fundador

These topics are covered by current legislation in Spain and are fully covered by the company. Because of this, there is no risk in relation to their protection and management.

Pedro Domecq

Under the Labor Federal Law in Mexico, it is established that every person has the right to be compensated accurately and in line with the activity they are performing. Furthermore, national law mandates that the minimum age to employ a person is 15 years old. However, Pedro Domecq does not employ people under 18 years old as this is taken from their code of business conduct. This is also overseen through the talent acquisition processes and monthly reports. Pedro Domecq is committed to ensure that the company and its business partners reject forced labor actions or ideas. For human rights issues, the company has an integrity line where anyone can report such issues under the integrity and compliance policy. The number of reports received and resolved serve as indicators to the effectiveness of the company's management approach.

WMG

WMG complies with UK Laws and supports labor and human rights policies which the HR department manages. They are responsible for ensuring all relevant human rights policies are in place, communicating them to employees, and providing relevant training on the subjects. Under the Equality Act 2010, it is unlawful to harass a person because of their age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, color, nationality, ethnic or national origin, religion or belief, sex or sexual orientation. It is equally unacceptable for an employee to harass a colleague for the same reasons. In addition, any child under the age of 18 would only be employed by the company under a training programme. The company monitors the age of all employees and reviews such details before an offer of employment is issued. Currently, their youngest employee is 20 years of age. WMG also reviews and publishes the Modern Slavery and Human Trafficking Statement on their corporate websites each year. This states the responsibilities, commitment, and actions to prevent such exploitation within their supply chain and business in general. In 2021, they incorporated a statement of commitment into the terms of all new supplier agreements to prevent hidden labor exploitation. This management approach is evaluated through whistleblowing reports, feedback, and disputes.

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

EDI and AWGI - [Yes](#)

Bodegas Fundador - [Yes](#)

Emperador's Management Approaches for Supply Chain Management

EDI

Currently, the company has not included as part of its parameters in supplier assessment any environmental, social, and sustainability considerations. However, EDI implements "Supplier Business Ethics and Integrity" and "Supplier Policy on Accountability and Liability" to manage any risks pertaining to bribery and corruption during engagements between the company and suppliers.

AWGI

As a glass plant, the company inherently promotes the recycling of both glass and carton packaging materials, contributing to the reduction of waste in the community. This also raises awareness on the importance of recycling glass bottles and reducing the amount of broken glass that ends up as waste. The company, in partnership with its business partners, stakeholders, and the community, strives to explore sustainable and systematic ways to operate and achieve their common goal of environmental care.

The company's accreditation system also ensures that its business partners comply with environmental policies set by regulatory bodies, such as the DENR, by requiring them to provide a Certificate of Compliance. Additionally, the welfare and rights of people are considered as one of the primary stakeholders of the company's operations. To ensure this, the company evaluates the compliance of suppliers to regulatory requirements, their commitment to social welfare, and their compliance to the company's health and safety standards.

For instance, the company requires its contractors to have a designated health and safety officer to oversee civil and related projects, and conducts periodic inspections of third-party companies to ensure they meet the set standards. If deviations from the standards are identified, the company provides recommendations to address these.

Progreen

Suppliers play a critical role in the procurement of materials, and it's essential to establish trust with dependable suppliers. While connecting with multiple suppliers can introduce new markets and products, having too many suppliers can impact the quality of materials and services provided to stakeholders. Exploring opportunities to work with new suppliers can be beneficial in terms of cost and quantity, as it creates greater purchasing power and market demand.

To ensure high-quality materials and minimize risks, the company has a supplier engagement program that focuses on high-risk suppliers and the quality of materials supplied. The selection of suppliers is based on their performance in terms of delivery lead time, product availability, and cost, among other factors. Moreover, the company supports the majority of stakeholders in standardizing quality/cost analysis. Progreen assesses the environmental impact of new suppliers and surveys existing suppliers to confirm their social initiatives' alignment with environmental, human rights, occupational safety, and compliance standards. The company remains committed to monitoring and promoting environmental preservation initiatives and expanding them to suppliers of domestic affiliates through various enlightenment activities.

GES

Bodegas Fundador

The company maintains environmental commitments and objectives and continually pursues to minimize the environmental impact that its processes and products could generate. Having a supplier environmental accreditation is an opportunity to be a referent in the implementation and development of environmental improvements which would be aligned with the company policy and annual environmental objectives. Under the company's "New Supplier Selection Procedure (Parte 3: Datos Calidad)," the environmental performance of suppliers are screened for accreditation. Furthermore, as part of their internal policies, Bodegas Fundador does not work with any company that does not comply with European regulations. This is overseen by the Supply Chain General Director who assesses and validates any new supplier contact. Their main suppliers also send them sustainability reports once a year.

WMG

The Green Print outlines their direction towards sustainability in the supply chain and the compliance of suppliers. The company does not currently screen suppliers for environmental credentials, however, they audit suppliers and ask for any credentials relating to compliance and environmental techniques such as FSC & PEFC certification. The company also asks suppliers to provide any ISO certification such as ISO 14001. WMG is looking to add Environmental Screening to their audit/new supplier onboarding process in the future. For social assessment, the company does not formally assess their suppliers using this criteria.

Relationship with Community

Emperador's Management Approaches for Local Communities

EDI

EDI puts great significance in building good relationships with communities where it operates. EDI prioritizes hiring local community members and participates in community job fairs to help locals in need of jobs. Additionally, the company has partnered with Megaworld Foundation to provide scholarships for employees' dependents, and plans to carry out initiatives such as Adopt-A-Community with various livelihood projects and a quarterly feeding program. To further strengthen their relationship with communities, EDI is also exploring partnerships with TESDA to provide employment opportunities and establish a Bartending Academy for out-of-school youth. The company believes that these initiatives not only benefit the community but also foster a positive workplace culture and promote social responsibility.

AWGI

AWGI puts significance on community engagement and actively maintains a good relationship with the local community. AWGI ensures that its operations will not negatively impact the community in any manner and works with the local government to come up with programs that benefit the nearby communities. The company's Human Resources Department ensures the implementation of community programs and monitors its progress and outcomes.

Progreen

Local communities are a critical aspect of any operation, and it is important to address any negative issues raised by them in a timely and effective manner. The company works closely with the LGUs to ensure that any concerns are appropriately directed.

Progreen recognizes the value of engaging with local communities and has established an ISO-compliant policy to address environmental concerns. An environmental management plan has also been implemented to mitigate the impact of operations on the surrounding area. The company involves local communities in collaborative environmental management plans, livelihood improvement initiatives, and environmental programs. One of the specific concerns that the company addresses is the impact of untreated wastewater discharged into rivers on nearby communities. To mitigate this, Progreen utilizes distillery liquid waste as organic fertilizer for sugarcane fields and has implemented an Adopt-A-River Program. The company regularly evaluates topics raised by the community through various channels, including social media, and addresses concerns promptly while maintaining open communication with local stakeholders.

GES

Bodegas Fundador

This topic is relevant to the company as it is a way of giving back to the community or society. To manage this, Bodegas Fundador develops collaboration programs with different integration groups. This includes the maintenance and recovery of the historic city center and traditions. The company has also been involved in training and work integration agreements with the vocational training school. Management reviews of these programs for the local communities are conducted every 6 months to monitor progress against set targets. Bodegas Fundador has a Corporate Social Responsibility Management System called SR10.

Pedro Domecq

Pedro Domecq always considers local communities in its operations and explores opportunities to look for ways to contribute and help. All operations have some activities that involve local community engagement including an internal occupational health and safety committee that supports the group in Mexico. In their Ensenada operations located in Baja California, Pedro Domecq hires from the vulnerable sector, specifically elderly people who normally have difficulty in securing employment. The company supports them in carrying out controlled tasks that will not pose any risk to them. Pedro Domecq is committed to look for opportunities to continue to support the local community at least twice a year. This is monitored and evaluated by the number of events or initiatives organized for the year.

WMG

WMG engages with local communities regarding significant changes in operations, particularly those requiring planning consent. They also engage and communicate with local communities on issues related to the company's activities that might affect them. Maintaining good relations with community neighbors is considered an indicator of success in managing this topic.

Customer Management

Health and Safety

| Disclosure | EMI 2022 | EMI 2021 |
|--|----------|----------|
| No. of substantiated complaints on product or service health and safety* | 0 | 0 |
| No. of complaints addressed | N/A | N/A |

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

EDI

The company's industry is being regulated by the Food & Drug Authority (FDA) and their facilities require a prior license from the FDA in order to operate. All of EDI's products must go through registration with the FDA before it can be distributed or sold to customers and consumers. This topic is relevant to the company as they need to protect the health of consumers when consuming their products. This is relevant insofar as the sourcing of raw materials/ingredients as well in the manufacturing process. EDI has already obtained a Good Manufacturing Practice (GMP) Certificate with the FDA for their Biñan plant and had the GMP certificate recently approved for the Santa Rosa plant. The production plants have policies in place to ensure that they produce high quality products that are safe to be consumed by their consumers. EDI also has a Quality Assurance department in their production plants to assess whether all products are manufactured according to their standards and policies. The company also takes complaints about their products seriously and seeks to address any complaints immediately.

GES

From an ethical and business standpoint, it is crucial for GES and Bodegas Fundador, as part of the alcoholic beverage industry, to ensure that their products do not compromise the health of their consumers. The company has established food safety standards, ranging from compliance with existing legislation to certification in three GFSI standards. While the Management team is responsible for compliance with these standards and regulations, the rest of the hierarchical structure, including area managers, share this responsibility. The Quality Manager is responsible for coordinating activities to ensure compliance, and improvement objectives are identified and regularly supervised by the Management team. The company includes the necessary resources and investments in budgets and annual plans to maintain compliance and improve food safety.

The company has established a committee for anonymous reporting of any observed non-compliance. In 2021, two cellars were adapted to meet food safety conditions, and in-line filtering elements were installed to ensure the absence of physical contamination in the liquid. The company conducts both internal and external audits to monitor compliance with standards and undergoes periodic inspections by authorities to ensure compliance with legislation. Complaints and incidents during production are monitored to determine the effectiveness of preventive measures. In 2022, a customer satisfaction study conducted in-house by Bodegas Fundador revealed a 95% customer satisfaction rating. Ensuring the safety of their products is not only a legal obligation but also a moral responsibility for GES and Bodegas Fundador. Through compliance with food safety standards, the company demonstrates its commitment to its consumers and their health.

Pedro Domecq

For Pedro Domecq, it is important to manufacture products within the normative to promote safety for all the consumers. The company participates in forums to analyze and determine the technical specifications for the categories which they comply with. They also conduct procedures to ensure that all the ingredients used in the products are approved by the law and are safe in the dosages used. They also ensure that productions are within specifications set for their products. Although the company does not currently have KPIs and did not conduct a customer satisfaction study, they continue to carry out internal analyses to evaluate their management approach.

WMG

Ensuring that their products are safe for their consumers is paramount and numerous quality control processes are in place to ensure that this is the case. WMG enforces strict quality standards to ensure that all products leaving their sites are safe for their consumers to consume. The Supply Chain Director, through their Quality team, is responsible for all quality processes within the bottling operation. To evaluate whether they are successful in managing customer health and safety, the company conducts a review and assessment of customer and consumer complaints. Although no customer satisfaction study was conducted, WMG ranked as #2 in an independent survey across a range of factors by UK grocers.

Marketing and Labeling

| Disclosure | EMI 2022 | EMI 2021 |
|--|-----------------|-----------------|
| No. of substantiated complaints on marketing and labeling* | 0 | 2 |
| No. of complaints addressed | 0 | 2 |

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by Ad Standards Council*

Emperor's Management Approaches for Marketing and Labeling

EDI

EDI is committed to following government regulations in terms of marketing and labeling of alcoholic beverages. The company ensures that detailed product pages and information are provided along with their products. They also ensure that they are successful in managing this topic by validating and updating all details that are shared to customers.

GES

For all companies, it is crucial to always comply with the current legislation regarding labeling and goods designation to avoid any penalty. As a part of their New Product Development procedure, all labeling and packaging are checked and reviewed by the legal team, technical team, logistics team, and the General Manager before approval. This is also submitted to customers for their approval as well. For GES, they consider themselves successful in managing this topic when their KPI of customer complaints is zero.

WMG

The company follows both local legal restrictions and strict industry codes in their Marketing and Advertising. There is extensive legislation on labeling both from the Scotch Whisky Association (SWA) and from local legislation. All new labels are signed off by their Legal team and processes are in place to monitor legislative changes, including through the SWA. The company has a Marketing Code which stipulates what is and what is not acceptable in their marketing activities. The Marketing Director is responsible for ensuring that the team is aware of the Code and its restrictions. The Legal Manager also has a significant role in ensuring compliance and in approving all labels along with the rest of the Legal team. The Supply Chain Director is also responsible for ensuring that all labeling is compliant. To ensure that they are successful in managing this topic, there is an ongoing monitoring of changes and review of all labeling during brand redesigns.

Customer Privacy

| Disclosure | EMI 2022 | EMI 2021 | |
|--|----------|----------|--|
| No. of substantiated complaints on customer privacy* | 0 | 0 | |
| No. of complaints addressed | 0 | 0 | |
| No. of customers, users and account holders whose information is used for secondary purposes | 0 | 0 | |

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

Data security

| Disclosure | EMI | |
|--|-----|--|
| No. of data breaches, including leaks, thefts and losses of data | 0 | |

EDI

This topic is relevant not only for legal compliance but also as part of the corporate responsibility to respect and protect the personal information entrusted by EDI's stakeholders. The company has elected a data protection officer (DPO) and compliance officers to ensure the data privacy of customers. The company has existing manuals in place which also outlines the mechanisms to air grievances. The company is scheduled to audit the manual this year, and has an on-going vulnerability and penetration testing of their systems. They evaluate their management approach based on audits and risk assessment exercises.

Progreen

The protection of customer privacy is a critical aspect of any company's operations. It involves the collection and processing of personal data, which must be communicated transparently to customers in compliance with the Data Privacy Act to avoid any conflicts or violations. By prioritizing the privacy of customer data, a company builds a reputation for being a trustworthy provider and avoids the risk of sensitive information falling into the hands of other companies in the industry.

Managing customer privacy is a continuous process that involves every stage of the customer journey, from product release to after-sales service. Failure to adequately protect customer data could lead to the loss of customers in the long run. The establishment of a policy on document and records management can greatly assist in managing matters related to data privacy. The company has already implemented ISO-aligned policies and procedures to streamline customer record-keeping. Each department has an assigned document controller who stores all necessary documents, and a master document controller who controls access to these documents. One way to assess the success of the company's management of customer privacy is through a customer survey that includes questions on privacy. If customers express satisfaction with how their private data is managed throughout the duration of their partnership with the company, this is a positive reflection of the company's management of this topic. If not, the company should consider strengthening its policy on customer privacy to ensure continued compliance with data privacy laws and regulations.

GES

It is necessary to ensure the trust and privacy of the company's customers, suppliers, employees, business partners, public administrations, and other third parties linked to the company. The company always respects their legitimate rights to privacy and complies with current legislation. GES and its subsidiaries are committed to protecting customer privacy by ensuring the security of all the personal data collected. GES and its subsidiaries have also signed a data protection service agreement with an external company that is an expert

in this field and provides legal advice and support. The Data Protection Officer has established the legal framework to allow international data transfers under the provisions of the applicable law.. This officer also advises the company on compliance with data protection, privacy, and information society services in order to prevent legal risks. This is also to avoid sanctioning proceedings brought by the Spanish Data Protection Agency. Their Legal Counsel coordinates with the referred external company to ensure the inclusion of all necessary provisions in their contracts for compliance to legislation. GES evaluates their management approach through an external audit to verify compliance with data protection regulations.

WMG

WMG does not hold significant amounts of consumer data, however they follow General Data Protection Regulation (GDPR) requirements on data protection and management. The company has set policies on data use and data retention. Their plan for data management was also signed off by external auditors as appropriate and compliant. The CFO is responsible for ensuring compliance with GDPR and all non-shop floor staff have received training on GDPR. The company conducts a regular review of policies to ensure that they are successful in managing this topic.

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

| Key Products and Services | Societal Value / Contribution to UN SDGs | Potential Negative Impact of Contribution | Management Approach to Negative Impact |
|---------------------------------|---|--|---|
| Brandy and whisky manufacturing | <p>SDG 3 (Good Health & Well-being): Emperador and its subsidiaries promote not only physical but also mental well-being through seminars, health programs, and vaccination drives, especially during the height of the COVID-19 pandemic.</p> <p>SDG 8 (Decent Work & Economic Growth): Emperador and its subsidiaries provide fair compensation and benefits to their employees while also offering livelihood opportunities to neighboring communities. For instance, the Company works with local farming communities that grow the raw materials.</p> <p>SDG 12 (Responsible Consumption & Production): Emperador and its subsidiaries are committed to exploring ways of utilizing renewable energy through the use of energy-efficient technology, such as solar lamps, solar power plants, and electric vehicles. The Company also implements water conservation and</p> | <p>- The manufacturing process relies partially on the use of fossil fuels as an energy source, which results in the production of greenhouse gas emissions.</p> <p>- The manufacturing process uses water that, if not regulated properly, can result in excessive water consumption.</p> <p>- Packaging, if sourced through unsustainable means, can negatively impact the environment by contributing to waste that ends up in landfills.</p> | <p>- Emperador and its subsidiaries have implemented systems to manage their energy and water consumption. They are also exploring the use of renewable energy sources. WMG has a Green Print strategy that aligns the company with the goal of achieving zero carbon emissions in the future. The company has already implemented several ongoing programs to achieve this goal.</p> <p>- Emperador's glass manufacturer recycles a significant portion of its glass, which reduces its energy consumption. All subsidiaries manage and aim to reduce landfill-bound waste through their respective waste management programs.</p> |

| | | | |
|---------------------------------|--|---|---|
| | management programs across its plants. | | |
| CSR and Sustainability Programs | <p>SDG 4 (Quality Education): Bodegas Fundador and Emperador Distillers, Inc. promote access to quality education through their scholarship programs for students.</p> <p>SDG 13 (Climate Action), 14 (Life Below Water), 15 (Life On Land): In addition to responsibly managing the environmental impacts of their supply chain, Emperador and its subsidiaries fund and participate in programs for biodiversity conservation and greening.</p> <p>SDG 17 (Partnerships for the Goals): Bodegas Fundador partners with government agencies and civil organizations to carry out programs aligned with the UN SDGs. They have received an award from the Confederation of Cadiz Entrepreneurs for their commitment to the UN SDGs.</p> | These are not expected to generate negative impacts as they are aligned and implemented to directly address sustainability goals. | These programs are implemented to manage risks and negative socio-environmental impacts of other areas of the business such as manufacturing. |

** None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed*