

# 2024 Sustainability Report

SEC Form 17-A Annex A



EMPERADOR INC.



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## Contextual Information

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	<ul style="list-style-type: none"> <li>• <b>EMI, EDI, AWGI, Progreen, TWFLI</b> operate in the Philippines. EDI exports to 61+ countries via third-party distributors.</li> <li>• <b>GES</b> mainly operates in Spain, but Bodegas Fundador (BF) has distribution, agency, and importation deals extending to the USA, Canada, and beyond.</li> <li>• <b>WMG</b> distributes in 100+ countries, with all major facilities in the UK.</li> </ul>
Report Boundary <i>Legal Entities (e.g. Subsidiaries) included in this Report</i>	<ul style="list-style-type: none"> <li>• Emperador Distillers Inc. (EDI) <ul style="list-style-type: none"> <li>◦ Anglo Watsons Glass Inc. (AWGI)</li> <li>◦ Progreen Agricorp Inc. (Progreen)</li> <li>◦ The World's Finest Liquor, Inc. (TWFLI)</li> <li>◦ BoozyLife, Inc. (Employee data only)</li> </ul> </li> <li>• Grupo Emperador Spain, S.A.U.(GES) <ul style="list-style-type: none"> <li>◦ Bodegas Fundador, S.L.U. (BF or Bodegas Fundador)</li> <li>◦ Domecq Bodega Las Copas, S.L. (Pedro Domecq)</li> </ul> </li> <li>• Whyte and Mackay Group Limited (WMG)</li> </ul>
Business Model, including Primary Activities, Brands, Products, and Services	<p><b>EMI</b> is a global spirits company listed on the <b>PSE</b> and <b>SGX-ST</b>, producing and distributing brandy, whisky, sherry, and other spirits through its subsidiaries.</p> <ul style="list-style-type: none"> <li>• <b>EDI</b> produces and distributes Emperador, The Bar, Andy Player, Zabana, Smirnoff Mule, and So Nice, while exclusively distributing Ernest &amp; Julio Gallo wines and Pik-Nik in the Philippines. <b>AWGI</b> manufactures glass containers, while <b>Progreen</b> produces bioethanol and extra-neutral alcohols. <b>TWFLI</b> focuses on retailing EMI products.</li> <li>• <b>GES</b> handles brandy, wine, and liqueur production, including Fundador, Tres Cepas, Terry, Esplendido, Soto, and Harveys. It also owns 50% of <b>Pedro Domecq</b>, which produces Presidente, Don Pedro, and Azteca de Oro in Mexico.</li> <li>• <b>WMG</b> produces single malt whiskies (The Dalmore, Fettercairn, Jura, Tamnavulin) and Whyte &amp; Mackay Blended Whisky, among others.</li> </ul> <p>With operations in the <b>Philippines, Spain, UK, and Mexico</b>, EMI continues to lead the global spirits industry, prioritizing quality, innovation, and sustainability.</p>
Reporting Period	January 1, 2024 - December 31, 2024
Highest Ranking Person responsible for this report	Winston S. Co - President and CEO

## Sustainability Strategy

At EMI, sustainability is more than a responsibility—it is essential to the company's long-term success. As a global leader in the spirits industry, EMI acknowledges that its growth is deeply connected to the well-being of its employees, the health of the environment, and the strength of the communities it serves. By embedding sustainability across its value chain, EMI ensures that its operations generate positive and lasting impacts on people, the planet, and economic prosperity.

### Emperador Sustainability Statement

*"Our purpose is to participate in and enrich the celebration of life's special occasions. At the same time, we make viable efforts at contributing to the protection of the environment, deepening social interactions, and improving prudence in governance."*

Each of EMI's subsidiaries actively upholds these sustainability principles through corporate social responsibility (CSR) programs and ESG-driven initiatives. From its distilleries in Scotland and Spain to its manufacturing and distribution hubs in the Philippines, EMI remains committed to continuous improvement, responsible business practices, and sustainability-driven innovation.

### Strengthening Sustainability Through Alignment

EMI continues to strengthen its sustainability commitments, aligning its strategy with its parent company, Alliance Global Group, Inc. (AGI), under the SustainAGility framework. This strategic alignment ensures that sustainability is deeply embedded across EMI's entire value chain, integrating economic growth, environmental responsibility, and social well-being into its business operations.

Building on previous efforts, EMI has evolved its sustainability strategy to focus on three interdependent pillars—People, Planet, and Prosperity. These pillars serve as the foundation for driving long-term value creation, fostering responsible innovation, and ensuring sustainable business growth while addressing key environmental, social, and governance (ESG) concerns that impact its business and stakeholders.



## Pillar 1: People

EMI places a strong emphasis on its workforce, customers, and the communities it serves, fostering a safe, inclusive, and thriving environment where employees are empowered through competitive benefits, training programs, and health & safety policies. The company actively supports local communities through corporate social responsibility (CSR) initiatives, while also prioritizing customer satisfaction, responsible marketing, and product safety. By ensuring high-quality offerings and ethical consumer engagement, EMI strengthens trust in its brands while promoting responsible drinking in the global spirits industry.

### Employee Wellness & Empowerment

- **Employment & Benefits, Diversity & Training, Employee Health & Safety, Labor Relations, Human Rights & Security Practices**
  - *Strengthening employee training and development programs, ensuring career growth and skill enhancement.*
  - *Upholding workplace safety standards across all facilities, promoting employee well-being and mental health.*

### Community Transformation

- **Community Impact**
  - *Engaging in community-based projects, including education programs, livelihood initiatives, and local partnerships.*

### Customer Care

- **Responsible Drinking & Marketing, Customer Health & Safety, Data Privacy**
  - *Advocating for responsible drinking and consumer safety, ensuring that EMI's brands uphold ethical marketing practices.*

## Pillar 2: Planet

As a global spirits company, EMI is aware of its environmental footprint and is committed to mitigating climate impacts, optimizing resource efficiency, and advancing responsible waste and materials management. This commitment extends across its distilleries, vineyards, and production facilities worldwide, ensuring that sustainability is integrated into every stage of the production process.

### Carbon Neutrality

- **GHG Emissions, Ecological Impact**
  - *Reducing GHG emissions through energy efficiency programs, clean energy transitions, and sustainable production practices.*

### Resource Efficiency

- **Waste Management, Energy Use & Efficiency, Water & Wastewater Management, Materials Management**
  - *Implementing waste reduction and circular economy strategies, ensuring responsible disposal and increased use of recycled materials.*
  - *Enhancing water conservation efforts by improving wastewater treatment and optimizing industrial water use.*

## Pillar 3: Prosperity

EMI continues to drive financial success, responsible governance, and sustainable business practices to ensure long-term market leadership. Through transparent corporate governance, ethical business operations, and a sustainable supply chain, EMI maintains a resilient and adaptable business model that fosters global expansion and market leadership.

### Impact Growth

- **Economic Performance, Market Presence**
  - *Expanding market presence through strategic investments, innovative products, and global brand positioning.*

### Good Governance

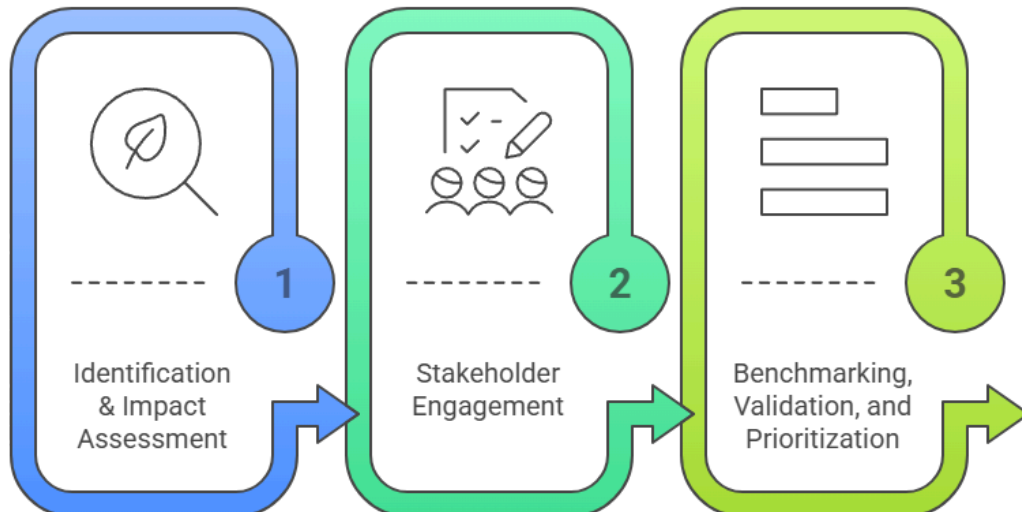
- **Enterprise Risk Management, Business Ethics & Integrity, Supply Chain Environmental & Social Management, Regulatory Compliance**
  - *Strengthening enterprise risk management and business ethics to ensure compliance with global regulations and sustainability standards.*
  - *Integrating ESG-driven supply chain practices, ensuring responsible sourcing, environmental protection, and ethical labor practices.*

EMI reinforces its sustainability journey by integrating global best practices, regulatory compliance, and stakeholder-driven initiatives to drive meaningful and measurable impact. Through strategic ESG initiatives, responsible innovation, and collaborative partnerships, EMI continues to shape a sustainable future for the spirits industry—one that ensures business success while advancing environmental stewardship and social progress.

## Materiality Process

A deep understanding of key sustainability priorities is fundamental to EMI's responsible business strategy. To ensure that its sustainability efforts are strategically aligned with both business goals and stakeholder expectations, EMI undertakes regular materiality assessments. These assessments help the Company to identify, assess, prioritize and manage its most significant economic, environmental, and social impacts. EMI follows international best practices, aligning its materiality process with globally recognized standards such as the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) for the alcoholic beverage industry.

Key steps in the process included:



- **Identification & Impact Assessment:** A thorough review of topics that influence the economy, environment, and society. Positive impacts are recognized as achievements already experienced, while potential risks are flagged for proactive management.
- **Stakeholder Engagement:** Multiple channels of consultation ensure that feedback is integrated into decision-making, reinforcing EMI's commitment to inclusiveness and responsive management.

- **Benchmarking, Validation, and Prioritization:** By comparing its topics against industry standards and historical performance, and validating them with senior management, EMI refines a materiality matrix that prioritizes issues based on their impact and stakeholder relevance.




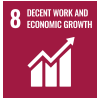
















### Unified Impact: An ESG Blueprint

As part of its ongoing effort to strengthen sustainability reporting, EMI refined its material topics in 2024 to enhance clarity and coherence across its disclosures. This refinement reinforces alignment with the SustainAGility Pillars of People, Planet, and Prosperity, which guide how EMI manages and communicates its environmental, social, and governance (ESG) performance.







In this update, Ecological Impact and Enterprise Risk Management—previously addressed within broader discussions—have been elevated as standalone material topics under the Planet and Prosperity pillars, respectively, reflecting their growing relevance in business strategy and long-term value creation.

The topic of Responsible Ingredient Sourcing has been streamlined under Supply Chain Environmental and Social Management, offering a more integrated view of sourcing within broader supply chain practices. Likewise, Customer Satisfaction and Customer Health and Safety are now unified under Customer Management, presenting a more cohesive representation of Emperador's approach to consumer well-being and product stewardship.







These refinements aim to ensure that each material topic is represented with greater focus and clarity, enabling EMI to more effectively communicate its sustainability priorities while responding to evolving stakeholder expectations. The refined mapping of topics under the three SustainAGility pillars follows.

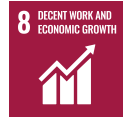

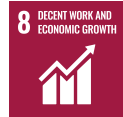




PEOPLE	PLANET	PROSPERITY
<ul style="list-style-type: none"> <li>• Employment and Benefits</li> <li>• Employee Diversity, Training and Development</li> <li>• Employee Health and Safety</li> <li>• Labor Management Relations</li> <li>• Human Rights Assessment</li> <li>• Security Practices</li> <li>• Responsible Drinking and Marketing</li> <li>• Customer Management</li> <li>• Data Privacy and Security</li> <li>• Community Impact</li> </ul>	<ul style="list-style-type: none"> <li>• GHG Emissions</li> <li>• Ecological Impact</li> <li>• Waste Management</li> <li>• Energy Use and Efficiency</li> <li>• Water and Wastewater Management</li> <li>• Materials Management</li> </ul>	<ul style="list-style-type: none"> <li>• Economic Performance</li> <li>• Market Presence</li> <li>• Enterprise Risk Management</li> <li>• Business Ethics and Integrity</li> <li>• Supply Chain Environmental and Social Management</li> <li>• Regulatory Compliance</li> </ul>
        	     	    






## United Nations Sustainable Development Goals







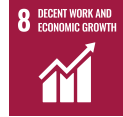
Material Topic and Description	Relevant GRI Indicators	Societal Value/ Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact	SDGs
<b>GHG Emissions</b> Reducing emissions is essential for EMI as it helps to align with global climate goals and reduce environmental footprint.	GRI 305: Emissions	<ul style="list-style-type: none"> <li>• Clean energy</li> <li>• Equipment Testing</li> <li>• Air Monitoring</li> <li>• Records energy usage and carbon emissions</li> </ul>	<ul style="list-style-type: none"> <li>• Increased carbon emissions</li> <li>• Investment cost for clean energy</li> <li>• Discrepancy on recorded data</li> <li>• Equipment failures</li> <li>• Air pollution</li> </ul>	<ul style="list-style-type: none"> <li>• Energy efficiency measures</li> <li>• Enhancing emissions and monitoring control systems</li> <li>• Regular maintenance and testing of equipment</li> <li>• Implementing air quality control measures</li> </ul>	  
<b>Ecological Impact</b> Managing ecological impact is crucial	N/A	<ul style="list-style-type: none"> <li>• Tree Planting</li> <li>• Carbon absorbing plant</li> <li>• Peatland Restoration</li> </ul>	<ul style="list-style-type: none"> <li>• Negative impacts on local ecosystems and biodiversity</li> <li>• Potential monoculture that could reduce biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>• Conducting environmental impact assessments</li> <li>• Diverse species selection and forest management practices</li> <li>• Careful planning and management of restoration projects</li> </ul>	 
<b>Waste Management</b> Effective waste management reduces environmental impact and support regulatory compliance	GRI 306: Waste	<ul style="list-style-type: none"> <li>• Solid Waste Management Programs</li> <li>• Training on Handling Wastes</li> <li>• Segregation of Wastes</li> </ul>	<ul style="list-style-type: none"> <li>• Improper waste disposal leading to pollution and health hazards</li> </ul>	<ul style="list-style-type: none"> <li>• Strict waste management polices</li> </ul>	






Material Topic and Description	Relevant GRI Indicators	Societal Value/ Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact	SDGs
<b>Energy Use and Efficiency</b> Improving energy efficiency reduces costs and lowers environmental impact	GRI 302: Energy	<ul style="list-style-type: none"> <li>• LED Lights</li> <li>• Renewable Energy</li> <li>• Preventive Maintenance for Vehicle and Forklifts</li> </ul>	<ul style="list-style-type: none"> <li>• High energy consumption leading to increased emission and costs</li> </ul>	<ul style="list-style-type: none"> <li>• Adopting energy efficient technologies</li> </ul>	 
<b>Water and Wastewater Management</b> It is crucial to have efficient water uses and proper wastewater treatment as it ensures sustainable water use and preserves local water resources.	GRI 303: Water and Effluents	<ul style="list-style-type: none"> <li>• Testing of wastewater</li> <li>• Tracking and comparison of data</li> <li>• Water recycling and conservation programs</li> <li>• Recirculating water system</li> </ul>	<ul style="list-style-type: none"> <li>• Excessive water usage</li> <li>• Pollution from untreated wastewater</li> </ul>	<ul style="list-style-type: none"> <li>• Strict water recycling programs</li> <li>• Treatment of wastewater before discharge</li> </ul>	 
<b>Materials Management</b> Responsible materials management allows EMI to minimize its environmental impact, reduce waste, and ensure sustainable use of resources which is crucial to environmental and government compliance	GRI 301: Materials	<ul style="list-style-type: none"> <li>• EPR Law Awareness</li> <li>• Responsible Material Usage campaigns and information</li> <li>• Sustainable Packaging Guidelines</li> </ul>	<ul style="list-style-type: none"> <li>• Overuse of materials</li> <li>• Scarcity of materials</li> </ul>	<ul style="list-style-type: none"> <li>• Implementing responsible material usage</li> </ul>	
<b>Employment and Benefits</b> It is essential to have and maintain a productive, engaged and a positive workforce.	GRI 401: Employment  GRI 402: Labor/Management Relations	<ul style="list-style-type: none"> <li>• Fair hiring</li> </ul>	<ul style="list-style-type: none"> <li>• Burnout</li> <li>• Disengagement among employees</li> </ul>	<ul style="list-style-type: none"> <li>• Implementing wellness programs</li> <li>• Equitable growth within the company</li> </ul>	




Material Topic and Description	Relevant GRI Indicators	Societal Value/ Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact	SDGs
					
<b>Employee Diversity, Training and Development</b> In order to meet the current and future demands, career progression and upskilling is essential for job satisfaction of the employees	GRI 404: Training and Education  GRI 405: Diversity and Equal Opportunity  GRI 406: Non-discrimination	<ul style="list-style-type: none"> <li>• Training and upskilling programs</li> <li>• Leadership programs</li> <li>• Transition assistance programs</li> <li>• Prioritize and promote equitable growth</li> </ul>	<ul style="list-style-type: none"> <li>• Skills gaps leading to inefficient and inability to adapt market changes</li> </ul>	<ul style="list-style-type: none"> <li>• Providing training according to the needs of employees</li> <li>• Enhancing leadership and development programs</li> <li>• Assistance to adapt to changing job roles</li> <li>• Fair and inclusive hiring practices</li> </ul>	 
<b>Employee Health and Safety</b> EMI ensures a safe working environment for all employees by preventing accidents and hazards to promote employees well-being	GRI 403: Occupational Health and Safety	<ul style="list-style-type: none"> <li>• Occupational health and safety policies</li> <li>• Conduct hazard identification risk assessments and control</li> </ul>	<ul style="list-style-type: none"> <li>• Workplace accidents causing high costs and regulatory penalties</li> <li>• Accidents causing loss of man hours and lowering employee morale</li> </ul>	<ul style="list-style-type: none"> <li>• Implementing strict health and safety policies</li> </ul>	 
<b>Labor Management Relations</b> EMI promotes strong labor-management relations by ensuring open communication and supporting structured consultation processes to	GRI 402: Labor/Management Relations	<ul style="list-style-type: none"> <li>• Internal communication and proper communication channels</li> </ul>	<ul style="list-style-type: none"> <li>• Decreased productivity</li> <li>• Employee Dissatisfaction</li> <li>• Increased turnover</li> </ul>	<ul style="list-style-type: none"> <li>• Maintaining clear labor practices</li> <li>• Regular Internal Communication</li> <li>• Proper Channels for Consultation and Negotiation</li> </ul>	 

Material Topic and Description	Relevant GRI Indicators	Societal Value/ Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact	SDGs
maintain workplace harmony and operational continuity.					
<b>Human Rights Assessment</b> EMI ensures compliance with labor laws and supports ethical practices to enhance operational stability and reputation.	GRI 408: Child Labor  GRI 409: Forced or Compulsory Labor	<ul style="list-style-type: none"> <li>• Mediation training</li> <li>• Fair labor practice</li> </ul>	<ul style="list-style-type: none"> <li>• Violations of labor rights</li> </ul>	<ul style="list-style-type: none"> <li>• Conducting human rights assessments</li> </ul>	 
<b>Security Practices</b> EMI enhances security practices by ensuring that all security personnel are properly trained on human rights principles, company policies, and ethical conduct to protect people, assets, and operations.	GRI 410: Security Practices	<ul style="list-style-type: none"> <li>• Promoting safe and secure working environments</li> <li>• Upholding human rights</li> </ul>	<ul style="list-style-type: none"> <li>• Improper conduct or lack of training may lead to human rights violations, safety risks, or conflicts with employees</li> </ul>	<ul style="list-style-type: none"> <li>• Enhancing security practices</li> <li>• Conducting regular training on ethical behavior and human rights</li> </ul>	 
<b>Responsible Drinking and Marketing</b> EMI upholds responsible drinking by enforcing a strict marketing and labelling code that ensures transparency, legal compliance, and the promotion of safe consumption practices across all product communications.	GRI 417: Marketing and Labelling	<ul style="list-style-type: none"> <li>• Marketing code</li> <li>• Protecting consumers through accurate and responsible product information.</li> </ul>	<ul style="list-style-type: none"> <li>• Inadequate marketing controls may lead to misinformation</li> <li>• Encourage irresponsible consumption</li> <li>• Posing health and reputational risks</li> </ul>	<ul style="list-style-type: none"> <li>• Strict marketing and labelling standard</li> <li>• Reviews all product labels for legal and ethical compliance</li> </ul>	

Material Topic and Description	Relevant GRI Indicators	Societal Value/ Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact	SDGs
<b>Customer Management</b> EMI focuses to provide high standards of product safety and customer satisfaction.	GRI 416: Customer Health and Safety  GRI 418: Customer Privacy	<ul style="list-style-type: none"> <li>• Quality control process</li> <li>• Promoting responsible consumption</li> <li>• Compliance with Global Food Safety Initiative and Food and Drug Authority</li> </ul>	<ul style="list-style-type: none"> <li>• Health hazards</li> <li>• Loss of customer trust</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure quality control</li> </ul>	
<b>Data Privacy and Security</b> EMI ensures that the customers are protected against data breaches and privacy violations.	GRI 418: Customer Privacy	<ul style="list-style-type: none"> <li>• Strict implementation of provisions</li> <li>• Proper handling of personal data</li> </ul>	<ul style="list-style-type: none"> <li>• Data breaches</li> </ul>	<ul style="list-style-type: none"> <li>• Updating data protection protocols</li> <li>• Training on data privacy</li> </ul>	 
<b>Community Impact</b> EMI ensures positive impacts to the communities through its corporate social responsibility and community engagement.	GRI 413: Local Communities	<ul style="list-style-type: none"> <li>• Community partnership</li> <li>• Community programs</li> </ul>	<ul style="list-style-type: none"> <li>• Neglecting community needs</li> <li>• Not meeting community expectations</li> </ul>	<ul style="list-style-type: none"> <li>• Engaging in meaningful community programs</li> <li>• Respecting the communities</li> <li>• Constant communication with communities</li> </ul>	  
<b>Economic Performance</b> EMI ensures that the company is profitable, which will benefit	GRI 201: Economic Performance	<ul style="list-style-type: none"> <li>• Business continuity growth and planning</li> </ul>	<ul style="list-style-type: none"> <li>• Economic fluctuations and downturns</li> </ul>	<ul style="list-style-type: none"> <li>• Focusing on sustainable economic performance</li> </ul>	



Material Topic and Description	Relevant GRI Indicators	Societal Value/ Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact	SDGs
employees, shareholders, and the community	GRI 203: Indirect Economic Impacts				
<b>Market Presence</b> EMI demonstrates strong market presence by generating local employment, providing fair compensation, and supporting economic development in the communities where it operates.	GRI 202: Market Presence	<ul style="list-style-type: none"> <li>• Creating job opportunities</li> <li>• Investing in local talent</li> <li>• Promoting inclusive economic participation</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of dialogue with local communities leading to engagement that does not maximize potential benefits to the communities</li> </ul>	<ul style="list-style-type: none"> <li>• Regularly reviews employment policies to ensure that local communities benefit the most</li> </ul>	
<b>Enterprise Risk Management</b> Operations are sustainably and ethically managed to reduce operational risks.	N/A	<ul style="list-style-type: none"> <li>• Risk assessment strategies</li> </ul>	<ul style="list-style-type: none"> <li>• Supply disruptions</li> <li>• Market fluctuations</li> <li>• Unforeseen crisis</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier risk management</li> <li>• Crisis risk and management plans</li> </ul>	
<b>Business Ethics and Integrity</b> All business transactions are transparent and accountable fostering a trustworthy business while ensuring legal compliance and competitive advantage.	GRI 205: Anti-corruption  GRI 206: Anti-competitive Behavior	<ul style="list-style-type: none"> <li>• Fair and ethical manner</li> <li>• Compliance with regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Corruption and unethical practices</li> </ul>	<ul style="list-style-type: none"> <li>• Strict compliance with anti-corruption policies</li> <li>• Compliance training</li> <li>• Transparency in operations</li> </ul>	

Material Topic and Description	Relevant GRI Indicators	Societal Value/ Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact	SDGs
<b>Supply Chain Environmental and Social Management</b> EMI assesses the environmental and social practices of suppliers to ensure they meet the company's standards for labor rights, fair practices and promotes sustainability across the supply chain.	GRI 204: Procurement Practices  GRI 308: Supplier Environmental Assessment  GRI 414: Supplier Social Assessment	<ul style="list-style-type: none"> <li>Supply chain sustainability</li> <li>Supplier social and environmental assessment</li> </ul>	<ul style="list-style-type: none"> <li>Non compliance with environmental and social standards</li> <li>Exploitation of workers and poor working conditions within the suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Environmental certification from suppliers</li> <li>Environmental and social audits</li> </ul>	 
<b>Regulatory Compliance</b> EMI upholds strong regulatory compliance by adhering to all applicable laws, standards, and industry regulations to ensure ethical and lawful business operations.	N/A	<ul style="list-style-type: none"> <li>Supply chain sustainability</li> <li>Promoting accountability, transparency, and respect in all business activities</li> </ul>	<ul style="list-style-type: none"> <li>Non-compliance in regulatory matters can result in legal penalties, reputational damage, and loss of stakeholder trust</li> </ul>	<ul style="list-style-type: none"> <li>Regular audits</li> <li>Employee training</li> <li>Continuous monitoring to ensure adherence to all regulatory requirements</li> </ul>	

# ECONOMIC

## Economic Performance

EMI continues to play a pivotal role in driving economic growth through its operations, supply chain, and external communities. As a global manufacturer and distributor of alcoholic beverages, the company generates substantial economic value that benefits key stakeholders, including employees, suppliers, investors, customers, and government agencies. The financial contributions made by EMI support employment opportunities, local procurement, tax revenues, and investments in community initiatives.

Despite economic uncertainties and fluctuating global market conditions, EMI remains resilient in maintaining its financial strength, ensuring stable business performance while reinforcing its commitment to sustainability and long-term value creation.

### Direct Economic Value Generated and Distributed

Disclosure	Unit	2022	2023	2024
Direct Economic Value Generated (Revenue)	PHP	62,767,070,369	65,643,761,074	61,645,652,583
Direct Economic Value Distributed:				
a. Operating Costs	PHP	39,702,200,408	41,161,266,997	39,707,330,343
b. Employee Wages and Benefits	PHP	3,763,949,026	4,552,727,174	4,646,457,034
c. Payments to Suppliers, Other Operating Costs	PHP	6,771,911,244	7,349,354,106	7,326,393,270
d. Dividends given to Stockholders and Interest Payments to Loan Providers	PHP	610,430,573	6,073,697,644	5,601,404,268
e. Taxes given to Government	PHP	1,624,642,622	2,058,281,560	1,755,065,505
f. Investments to Community (e.g. Donations, CSR)	PHP	13,180,069	2,427,600	8,084,470

In 2024, EMI's revenues declined compared to the previous year due to a global slowdown in liquor consumption, compounded by persistent inflationary headwinds affecting consumer demand and market conditions. Despite the revenue contraction, employee wages and benefits increased as EMI continued to grow its workforce and uphold its commitment to providing compensation and benefits above the legally mandated minimums.

Moreover, investments in community initiatives saw a notable increase, as the company seized opportunities to give back and support the communities where it operates, reinforcing its role as a responsible and engaged corporate citizen.

### *Our Management Approach*

#### **Sustaining Growth with Strong Governance**

EMI's financial governance is built on fiscal discipline, risk management, and regulatory compliance, ensuring operational stability and long-term business sustainability. The company prioritizes cost efficiency, financial oversight, and market-driven strategies to maintain profitability while strengthening global competitiveness. EMI's Board of Directors and Management oversee regular financial audits and compliance with international reporting standards, reinforcing transparency and accountability in financial management.

The company continues to strengthen its market position through strategic expansions and responsible business practices, ensuring that financial growth remains aligned with sustainable operational priorities. These initiatives support EMI's long-term economic resilience and stakeholder confidence.

#### **Climate-related risks and opportunities**

EMI recognizes the growing importance of managing climate-related risks and harnessing associated opportunities as a core component of its sustainability strategy. These risks ranging from physical threats such as extreme weather events to transition-related challenges like evolving regulations and shifting market expectations, can significantly impact business operations and long-term value creation. In response, EMI has embedded climate-related considerations into its governance, strategic planning, and enterprise risk management systems to strengthen operational resilience and ensure business continuity.

TCFD Pillar	Disclosure
Governance	<p><b>Board Oversight:</b> The Board of Directors, through the Board Risk Oversight Committee (BROC), oversees the integration of climate-related risks into the Enterprise Risk Management (ERM) framework. The BROC, composed mainly of independent directors, ensures that strategic decisions consider sustainability and resilience. Annual reviews of risk exposures, including those linked to climate, are conducted in line with the Manual of Corporate Governance.</p> <p><b>Senior Management Role:</b> Management executes climate-related strategies through operational policies on energy efficiency, resource optimization, and business continuity. Units overseeing manufacturing, supply chain, and regulatory compliance contribute to identifying climate risks and opportunities. Sustainability actions, including renewable energy deployment and water efficiency programs, are monitored and reported to the Board.</p>



TCFD Pillar	Disclosure
Strategy	<p>Key Climate-related Risks and Opportunities:</p> <ul style="list-style-type: none"> <li>Physical Risks: Natural disasters (e.g., typhoons, floods) can damage assets, disrupt supply chains, and affect operations.</li> <li>Transition Risks: Changing environmental regulations may require costly compliance or technological upgrades.</li> <li>Other Business Risks: Market shifts (e.g., sustainability preferences), resource scarcity, and supplier instability may impact production.</li> </ul> <p>Opportunities / Response Measures:</p> <ul style="list-style-type: none"> <li>Renewable energy integration (e.g., solar installations)</li> <li>Energy and water efficiency programs</li> <li>Sustainable procurement and packaging solutions</li> <li>Community and stakeholder engagement to support local resilience and regulatory alignment</li> </ul>
Risk Management	<p>Risk Identification &amp; Assessment:</p> <p>Risks related to climate are assessed within the ERM system and reviewed annually. This includes hazards (natural events), regulatory developments, and supply chain disruptions.</p> <p>Control Measures:</p> <ul style="list-style-type: none"> <li>Emergency preparedness and business continuity protocols</li> <li>Regular policy compliance reviews across business segments</li> <li>Supplier diversification and price benchmarking</li> <li>Environmental risk assessments embedded in operational planning</li> </ul>
Metrics and Targets	<p>Indicators Tracked:</p> <ul style="list-style-type: none"> <li>Energy use and efficiency</li> <li>GHG emissions</li> <li>Water consumption and wastewater quality</li> <li>Waste reduction and materials management</li> </ul> <p>Progress and Next Steps:</p> <ul style="list-style-type: none"> <li>GHG emissions reduction initiatives are underway but no formal targets disclosed yet for the total group</li> <li>Actual impacts tracked via internal sustainability performance metrics</li> <li>Future goals expected as data collection and analytics mature</li> </ul>

## Procurement Practices

### Proportion of Spending on Local Suppliers

EMI adheres to its procurement policy, which guides the company's purchasing and sourcing strategies through its Purchase and Provisioning procedure. While the proportion of spending on local suppliers is not considered a material topic under GRI 204-1, EMI prioritizes sourcing from local suppliers where possible, supporting local businesses, and enhancing supply chain resilience. EMI promotes strong relationships with local suppliers in its operational regions.

## Anti-Corruption

EMI prioritizes anti-corruption efforts across its operations and supply chain to uphold ethical business standards. Corruption risks can negatively affect business operations and stakeholder trust. EMI's anti-corruption policies ensure transparency and maintain strong relationships with employees, suppliers, and customers. These initiatives are crucial to safeguarding EMI's reputation and promoting fair business practices.

### Training on Anti-Corruption Policies and Procedures

Disclosure	Unit	2022	2023	2024
Percentage of Employees to whom the Organization's Anti – Corruption Policies and Procedures have been Communicated To ( <i>BF and GES</i> )	%	100	100	100
Percentage of Business Partners to whom the Organization's Anti – Corruption Policies and Procedures have been Communicated To ( <i>BF</i> )	%	N/A	100	100
Percentage of Directors and Management that have Received Anti – Corruption Training ( <i>BF and GES</i> )	%	100	100	100
Percentage of Employees that have Received Anti – Corruption Training ( <i>BF and GES</i> )	%	100	100	100

In 2024, EMI ensured 100% of its employees received training on anti-corruption policies, with all business partners now fully compliant. The company also reinforced training for directors and management. Note that this data only covers Bodegas Fundador (BF) and Grupo Emperador Spain (GES). EMI continues to report zero incidents of corruption, including cases of disciplinary actions against directors or employees, or terminations of contracts with business partners due to corruption.

### Incidents of Corruption

Disclosure	Unit	2022	2023	2024
Number of Incidents in which Directors were Removed or Disciplined for Corruption	#	0	0	0
Number of Incidents in which Employees were Dismissed or Disciplined for Corruption	#	0	0	0
Number of Incidents when Contracts with Business Partners were Terminated due to Incidents of Corruption	#	0	0	0

*Our Management Approach***Ensuring Integrity Across the Organization**

In 2024, EMI enforces its zero-tolerance policy on corruption through its Code of Business Conduct and Ethics, a robust whistleblowing mechanism, and regular compliance audits. A dedicated compliance officer oversees adherence, while the company's whistleblowing mechanism enables employees and business partners to report unethical practices anonymously. EMI ensures swift action against any violations through stringent anti-corruption policies, including those on bribery, fraud, and other forms of corruption. These policies are regularly reviewed and updated to maintain a strong commitment to ethical business practices across all subsidiaries.

EMI will continue to strengthen its anti-corruption efforts. The company will focus on increasing employee engagement through enhanced training programs and expanding its communication of anti-corruption policies to business partners.

# ENVIRONMENT

## Resource Management

### Energy Consumption of the Organization

Energy consumption is a significant aspect of EMI's operations, impacting both operational efficiency and environmental sustainability. The company focuses on reducing its reliance on non-renewable energy sources while increasing the use of renewable energy, such as solar power, to minimize its carbon footprint. These efforts are critical in supporting EMI's sustainability goals and contributing to global climate action. Stakeholders impacted include employees, local communities, and investors, who benefit from the company's commitment to reducing energy consumption and environmental impact.

Disclosure	Unit	2022	2023	2024
Renewable fuels	GJ	634,276.14	1,097,764.39	1,041,638.71
Natural gas	GJ	417,498.60	415,717.07	419,906.60
Fuel oil	GJ	357,706.89	281,628.24	226,070.20
LPG	GJ	253,855.88	240,073.50	215,923.28
Diesel	GJ	102,249.60	96,430.11	82,547.77
Gas oil	GJ	60,975.86	77,602.57	63,128.09
Coal	GJ	375,261.99	61,344.93	*1,195,167.89
Petrol	GJ	2,124.20	2,110.03	623.60
Gasoline	GJ	355.14	666.87	789.62
Burning Oil	GJ	-	-	92.65
Electricity	GJ	153,725.26	133,098.99	82,279.92
Renewable Electricity**	GJ	106.17	8,975.12	40,367.03

\*Discrepancies were observed in 2024 energy data, notably for coal. Due to lack of confirmation, coal figures are excluded pending validation.

\*\*Renewable electricity values presented may be understated. A significant portion of electricity already classified under the general "Electricity" category includes renewable electricity sources that have not yet been separately tracked or categorized due to system limitations across some subsidiaries.

Between 2022 and 2024, EMI showed mixed performance in energy sourcing. Renewable fuels—including methane, bagasse, and hydrotreated vegetable oil (HVO)—peaked in 2023 but declined slightly in 2024 to 1,041,638.71 GJ, though still significantly higher than 2022 levels.



Natural gas, fuel oil, LPG, and diesel all continued their downward trends, reflecting EMI's broader strategy to shift away from fossil fuels. Electricity consumption also declined year over year, signaling improved energy efficiency across operations.

While reported renewable electricity usage increased from 8,975.12 GJ in 2023 to 40,367.03 GJ in 2024, these figures may not fully reflect the company's total renewable electricity usage. Several sites, such as WMG, already utilize carbon-neutral electricity under verified contracts, but due to system constraints, this usage was not always reported under "Renewable Electricity." In many cases, renewable electricity was included under the broader "Electricity" category, leading to an underrepresentation of EMI's renewable energy efforts. Future improvements in energy monitoring and classification are expected to more accurately reflect the company's ongoing shift to clean power.

### *Our Management Approach*

#### **Optimizing Energy Use**

EMI takes a systems-level approach to energy management, embedding sustainability into operations through a mix of strategic investments, technology upgrades, and site-specific solutions. The focus is not just on reducing consumption, but on transforming how energy is sourced, used, and monitored across the value chain.

Beyond numbers, the company rolled out several energy sustainability projects across its key subsidiaries:

- Emperador Distillers Inc. (EDI) installed solar panels (640 kWp) expected to generate over 832,000 kWh annually—translating to a projected CO<sub>2</sub> reduction of 593 metric tons. Efficiency upgrades like LED lighting, steam trap installations, and boiler optimization have also reduced electricity and fuel demand.
- AWGI completed its transition to 100% renewable electricity through a supply agreement backed by International Renewable Energy Certificates (I-REC). The facility also added variable frequency drives to further optimize energy use.
- Grupo Emperador Spain (GES) advanced energy conservation through biogas recovery and expanded solar PV systems, lowering both emissions and energy costs.
- Whyte and Mackay Group (WMG) made substantial progress toward its carbon neutrality goal by 2030. Notable 2024 milestones include the commissioning of a biomass boiler at Jura Distillery, which will reduce CO<sub>2</sub> emissions by 5,000 tonnes and make the Jura Distillery carbon neutral, and completion of a Bioenergy Center that processes distillery by-products into biomethane, cutting carbon emissions by 60%.

These projects are tracked through key performance indicators (KPIs) to ensure EMI's energy goals are met and continuously improved. While operational demands and energy use may fluctuate annually, EMI is driving long-term decarbonization through a practical mix of energy efficiency, renewable energy integration, and fuel switching strategies.

#### **Water and Effluents**

Efficient water management is vital across EMI's entire value chain. EMI's operations, which include distillation, glass manufacturing, and agricultural inputs, require substantial water

resources. The company's initiatives have generated positive impacts by reducing freshwater dependency through improved recycling and conservation measures.

Disclosure	Unit	2022	2023	2024
Water Withdrawal	ML	7,594.32	4,919.63	5,464.97
Water Consumption	ML	3,940.00	2,992.32	1,776.65
Water Recycled and Reused	ML	134.75	296.99	382.74
Total Volume of Water Discharges	ML	3,654.33	1,927.31	3,688.35
Percent of Wastewater Recycled	%	1.77	6.04	*7.08

*\*BF, Biñan and Progreen*

In 2024, EMI continued to pursue efficiency and conservation across its sites, though variations in data completeness and estimation methods have influenced reported figures. EMI observed an 11% increase in water withdrawal, attributed to higher activity. While water consumption decreased by 41%, reflecting potential efficiency gains, wastewater discharges increased by 91%, with both figures also influenced by operational scale and estimation methods applied at data-limited sites. Water recycling increased by 29%, resulting in 7.08% of wastewater being recycled, and continuing EMI's momentum in water reuse.

For the 2024 cycle, EMI encountered data gaps from select facilities, particularly in water discharge and consumption metrics. To address this, a 75:25 estimation model was applied, allocating 75% of water withdrawal to discharge and 25% to consumption, based on historical performance patterns. Where both consumption and discharge data were missing, consumption was derived using the formula: withdrawal – discharge, consistent with GRI methodology. These assumptions are explicitly disclosed to ensure transparency, and EMI is actively enhancing data capture systems across all subsidiaries to minimize reliance on estimates in future reports.

### *Our Management Approach*

#### **Water Stewardship**

EMI is enhancing its water stewardship practices across its global operations ensuring sustainable water use, protecting local water bodies, and supporting the communities that depend on them. The company employs a holistic strategy that integrates stringent environmental policies, advanced treatment technologies, and continuous performance monitoring to ensure that water resources are used efficiently and effluents are properly treated before discharge.

At Emperador Distillers, Inc. (EDI), wastewater from the Sta. Rosa and Biñan plants are treated in full compliance with national Water Quality Guidelines, the General Effluent Standards, and the Philippine Clean Water Act. The Sta. Rosa facility conducts monthly laboratory tests and is overseen by a designated pollution control officer, while the Biñan plant's water conservation program has successfully recycled processed water for non-potable uses, such as in comfort rooms.

Anglo Watsons Glass Inc. (AWGI) monitors water use rigorously through sub-metering and operates a closed-loop system that minimizes losses and enhances recycling, contributing to significant reductions in water consumption. Progreen implements robust water conservation measures in its fermentation and steam production processes, repurposing treated water for agricultural use by local communities.

Under Grupo Emperador Spain, Bodegas Fundador continues to refine its water management practices by upgrading treatment systems at its Jerez plant and planning further enhancements at its Tomelloso Distillery to boost water reuse. Pedro Domecq monitors its water extraction and treatment protocols to ensure optimal usage for both operational and agricultural needs. Meanwhile, Whyte and Mackay Group (WMG) implements comprehensive water mapping, scheduled shutdowns during periods of water stress, and cooling tower technologies to reduce abstraction, all while ensuring compliance with government and industry standards.

## Materials Used by the Organization

EMI's materials usage highlights the company's ongoing commitment to sustainable production across its entire value chain. The utilization of both renewable and non-renewable inputs has a direct influence on production efficiency, packaging quality, and environmental performance. These practices affect various stakeholders—employees, suppliers, investors, and customers—by driving cost efficiencies and reducing the environmental footprint, all the while supporting the consistent quality of EMI's products.

### Materials Used by Weight/Volume

Disclosure	Unit	2022	2023	2024
<b>Renewable Materials</b>				
Cardboard and paper stickers	MT	8,941.96	8,979.32	5,002.47
Pallets	MT	4,595.09	3,709.94	2,387.27
Anti-skid sheets, separators	MT	68.16	41.35	56.37
Cork and cork wood covers	MT	6.33	3.82	4.98
Corrugated	MT	478.14	611.01	495.27
Wood	MT	16.47	3.79	33.26
<b>Non-Renewable Materials</b>				
Plastics	MT	126.16	389.92	11.20
Cullet	MT	52,276.33	42,006.10	25,476.38
Glass bottles	MT	166,850.45	152,653.28	108,394.52
Caps and Closures (plastic and aluminum)	MT	1,895.33	1,646.5	1064.61
Labels(paper and plastic)	MT	570.38	1,208.83	769.51
Gift boxes	MT	12.26	10.41	1015.50

Disclosure	Unit	2022	2023	2024
Sleeves	MT	23.19	17.09	13.24
Strapping and netting	MT	9.77	10.63	8.49
Glue for labels and cases	MT	33.6	81.55	19.38
	MT	41.2		21.67
Metallic covers	MT	409.33	483.48	720.17
Other chemicals	MT	229.31	212.18	11,527.01
Percentage of recycled input materials used*	%	27.38	23.17	14.78

\*Applies to BF and WMG only

In 2024, the total volume of renewable materials used declined across several categories, such as cardboard, pallets, and cork. However, this does not indicate a shift away from sustainable inputs. Rather, the reduction reflects material efficiency gains achieved through leaner packaging designs, increased reuse of shipping materials, and improved inventory practices. These changes lowered the need for new renewable inputs while maintaining recyclability and packaging performance. Wood usage, in contrast, increased significantly as part of production and logistics operations.

Among non-renewable materials, usage also dropped in key categories such as glass bottles, cullet, plastics, and closures, driven by production scaling, process optimization, and design improvements that reduced material intensity per product unit. However, there were targeted increases in metallic covers and gift boxes. Notably, the rise in gift box volume is also attributed to WMG beginning to disclose this category in 2024.

The percentage of recycled input materials used declined to 17.64% in 2024 from 23.17% in 2023. This figure applies to BF and WMG only, where recycled content tracking is most advanced. The decrease reflects temporary shifts in production mix, packaging redesigns, and data limitations in certain facilities. Despite the dip, both BF and WMG continue to lead EMI's circularity efforts—BF through its use of wine sludge as fertilizer, and WMG through its high cullet and recyclable material usage in packaging. Broader recycled content integration across all subsidiaries remains a focus for future improvement.

### *Our Management Approach*

#### **Materials Management for Enhanced Efficiency**

EMI's approach to materials management is built on robust initiatives and continuous process improvements. The company emphasizes:

- **Enhanced Use of Recycled Inputs:** EMI has strengthened its commitment to reducing reliance on virgin raw materials. For instance, Anglo Watsons Glass Inc. (AWGI) has achieved an industry-leading cullet utilization rate, significantly lowering energy demands in glass production.



- **Innovative Packaging and Process Optimization:** WMG has made significant steps in sustainable packaging, with close to 90% of all components used in its packaging being recyclable. For the remaining 10%, WMG is actively seeking recyclable alternatives to further improve its environmental footprint. Separately, GES has implemented innovative packaging guidelines that promote the use of recyclable materials while also optimizing packaging processes for greater efficiency and sustainability.
- **Rigorous Monitoring and Continuous Improvement:** EMI's sustainability team conducts regular KPI reviews and cross-departmental audits to monitor material usage. These measures ensure that any deviations are promptly addressed and that best practices in responsible sourcing, waste reduction, and process optimization are consistently applied across all subsidiaries.
- **Compliance with the Extended Producer Responsibility (EPR) Act of the Philippines:** EDI went beyond the minimum plastic recovery target of the EPR Act in 2024 when it recovered more than 20% of its plastic packaging footprint for the previous year.

Through these integrated strategies, EMI not only improves cost efficiencies and product quality but also reinforces its commitment to environmental stewardship and sustainable growth throughout its value chain.

## Environmental Impact

### GHG Emissions

In its operations, EMI recognizes that air emissions play a critical role in environmental performance and public health. The company's emissions include both greenhouse gases (GHGs) and conventional air pollutants originating from energy consumption and industrial processes across its global value chain. EMI's GHG reporting covers key production sites under EDI, AWGI, BF, and WMG. While GHG emissions remain a significant focus for long-term climate action, the conventional air pollutant levels (e.g., NO<sub>x</sub>, SO<sub>x</sub>, particulate matter) have consistently been very low, and the 2024 figures for these are not disclosed due to their statistically insignificant impact.

Disclosure	Unit	2022	2023	2024
Direct (Scope 1) GHG Emissions	Tonnes CO <sub>2</sub> e	179,233.11	167,647.88	175,055.31
Energy indirect (Scope 2) GHG Emissions	Tonnes CO <sub>2</sub> e	21,981.54	17,775.98	13,238.34
Other indirect (Scope 3) GHG emissions	Tonnes CO <sub>2</sub> e	*9,772.81	**119,435.59	**25,879.60
Emissions of ozone-depleting substances	Tonnes	N/A	N/A	N/A

\*Coverage: AWGI, BF, WMG

\*\*Coverage: AWGI, BF, WMG and Sta. Rosa Plant

In 2024, EMI's GHG emissions reflect important trends across the three scopes. Scope 1 (direct emissions) from on-site combustion and process-related activities totaled 175,055.31 tonnes CO<sub>2</sub>e, reflecting a 4.4% increase from 2023 due to variations in fuel use across operating sites.

Scope 2 (energy indirect emissions) declined by approximately 25.6%, driven by improved energy efficiency and a broader shift to renewable energy, particularly within AWGI and WMG operations.

Scope 3 (other indirect emissions) which include upstream supplier emissions and downstream distribution were reported at 25,879.60 tonnes CO<sub>2</sub>e, a significant decrease from 2023. However, this figure reflects only partial coverage (AWGI, BF, WMG, and Sta. Rosa Plant), and EMI acknowledges current limitations in its ability to capture the full Scope 3 footprint across its global value chain. Factors such as data availability from third-party suppliers and evolving methodologies continue to limit full Scope 3 accounting. EMI is actively working to improve this, including enhancing supplier engagement, refining emissions data tracking, and aligning with the GHG Protocol Scope 3 Standard.

Emissions of ozone-depleting substances remain not applicable due to the absence of relevant materials in operational processes.

### *Our Management Approach*

#### **Innovating for a Low-Carbon Future**

EMI's strategy to manage GHG emissions is comprehensive and integrative, focusing on coordinated initiatives across its key operational sites. Salient initiatives include:

- **Integrated Monitoring and Testing:**
  - At the Sta. Rosa and Biñan plants, EMI conducts regular equipment testing, ambient air monitoring, and annual stack emission assessments to ensure compliance with the Clean Air Act. These rigorous monitoring protocols provide transparency and prompt identification of any deviations.
- **Technological Upgrades and Renewable Energy Integration:**
  - AWGI has implemented clean, renewable energy systems such as solar PV rooftops and has transitioned to 100% renewable electricity. It is also exploring advanced air pollution control devices for furnace smokestacks, driving down energy indirect (Scope 2) emissions significantly.
  - WMG is actively transitioning to carbon-neutral fuels—utilizing green gas from biomass and liquid biofuels—as part of its Green Print strategy to reduce fossil fuel reliance. In 2024, WMG launched its Bioenergy Center, converting distillery co-products into biomethane for the national grid, cutting emissions by 60%. The Jura biomass boiler also produced its first steam, with full switch-over expected in early 2025 to make the distillery carbon neutral. Invergordon Distillery shifted to a private wire electricity system powered by biomass. All electricity contracts have been carbon neutral since 2022. Carbon capture units were installed in 2024 and will begin sequestering 8,500 tonnes of CO<sub>2</sub> annually starting January 2025.
- **Process Optimization and Operational Efficiency:**

- Bodegas Fundador adheres to stringent emissions controls for its boilers under its Environmental Management System (EMS), including maximizing biogas recovery to substitute for natural gas.
- Pedro Domecq employs continuous monitoring platforms like Greemko, coupled with preventive and corrective maintenance of its vehicle fleet, to optimize energy usage and minimize emissions.

By grouping these connected initiatives, EMI reinforces its commitment to reducing its overall carbon footprint and maintaining air quality management. This holistic approach not only ensures regulatory compliance but also aligns with global sustainability standards, ultimately safeguarding environmental and public health across EMI's global operations.

### Solid and Hazardous Wastes

EMI's solid and hazardous waste management practices are critical to mitigating environmental impacts and optimizing resource recovery throughout its operations. The company's activities generate significant volumes of waste across various processes—from production and packaging to ancillary operations—which can affect local ecosystems and community health if not managed properly. The evolving waste profile reflects both increased operational scale and the complexities of managing diverse waste streams, including reusable, recyclable, incinerated, and residual/landfilled materials. Furthermore, hazardous waste—particularly from production sites demands stringent handling and transportation protocols to ensure safety and regulatory compliance.

Disclosure	Unit	2022	2023	2024
Total Solid Waste Generated	MT	254,221.43	1,022,462.69	13,974.49
Reusable	MT	*2,574.93	197,354.80	616.42
Recovery	MT	-	-	187.18
Recyclable	MT	*18,817.45	14,297.85	11,859.47
Incinerated	MT	10.26	234.44	-
Residuals / Landfilled**	MT	232,818.79	**810,575.61	1,311.42

\*Restatement: 2022 figures for Reusable and Recyclable waste have been updated.

\*\*Residuals/Landfilled waste includes other disposal and recovery methods.

\*\*\*This figure includes approximately 100 MT of hazardous waste generated at the Sta. Rosa Plant which is scheduled for hauling in 2024.

Disclosure	Unit	2022	2023	2024
Non-Hazardous Waste	MT	254,221.43	1,022,462.69	13,974.49
Hazardous waste	MT	*504.42	*306.45	46,770.34

\*Restatement: Hazardous waste figures have been updated.

In 2024, the total volume of reported solid waste decreased significantly compared to 2023, but this must be viewed in context. Previous-year figures included the disposal of accumulated waste stored over extended periods, especially at sites with hazardous waste generation such as the Sta. Rosa Plant. These shifts highlight the dynamic nature of EMI's

waste accounting, which can vary depending on disposal scheduling, facility capacity, and local regulatory timelines.

Hazardous waste also showed a marked increase in 2024, largely due to improved tracking and the disposal of backlogged materials stored in compliance with safety regulations. EMI continues to ensure that hazardous waste is managed under strict environmental and safety protocols, including proper labelling, containment, and transport by accredited service providers.

### *Our Management Approach*

#### **Practical Waste Solutions**

EMI's strategy for managing solid and hazardous wastes is rooted in continuous improvement. At production facilities such as the Sta. Rosa and Biñan plants under Emperador Distillers, Inc. (EDI), robust waste management programs ensure that waste streams are effectively segregated at the source. These facilities employ strict handling protocols and meticulously record waste data through monthly KPI reviews, enabling significant diversion of waste from sanitary landfills through recycling and upcycling initiatives.

Similarly, Anglo Watsons Glass Inc. (AWGI) has established an effective materials recovery facility that ensures recyclables are recovered and hazardous wastes are safely managed. AWGI's innovative upcycling initiatives, such as converting scrap wood pallets into armchairs and repurposing fine cullet into paver bricks, add measurable value for local communities.

Complementing these efforts, Progreen reinforces its commitment to waste reduction by banning single-use plastics, implementing a supplier return policy for empty containers, and creatively repurposing production by-products. These include converting mud press into free soil enhancers for farmers, reusing bagasse as boiler fuel, and donating damaged containers for community livelihood projects.

Meanwhile, Grupo Emperador Spain's Bodegas Fundador adheres to rigorous environmental management system (EMS) protocols that focus on reducing bottle weights, optimizing bottling processes, and exploring circular economy projects to repurpose waste as natural fertilizer. In parallel, Pedro Domecq maintains stringent policies for hazardous waste handling and ensures that non-hazardous wastes—such as cardboard, glass, and plastic—are efficiently recycled and consistently monitored.

Notably, in 2024, Whyte and Mackay Group (WMG) achieved a 99% reduction in landfill-bound waste across all operational sites, marking a major milestone in EMI's global waste reduction goals. This achievement reflects years of investment in circular waste management and supplier partnerships aimed at maximizing reuse, recycling, and responsible disposal.

## **Environmental Compliance**

EMI is firmly committed to environmental compliance as a critical element of its sustainability strategy. The company's adherence to national and international environmental regulations ensures that all operational activities are conducted responsibly, thereby protecting the environment and enhancing stakeholder trust.

Disclosure	Unit	2022	2023	2024
Total Amount of Monetary Fines for Non – Compliance with Environmental Laws and / or Regulations	PHP	0	0	0
No. of Non – Monetary Sanctions for Non – Compliance with Environmental Laws and / or Regulations	#	0	0	0
No. of Cases Resolved through Dispute Resolution Mechanism	#	0	0	0

Over the years, EMI has maintained an exemplary record in environmental compliance. For 2022 to 2024, EMI has consistently reported zero monetary fines, zero non-monetary sanctions, and zero cases resolved through dispute resolution mechanisms related to non-compliance with environmental regulations. This consistent record can be attributed to the strength of EMI's internal control systems and its commitment to operating responsibly.

#### *Our Management Approach*

##### **Leading with Accountability**

EMI's approach to environmental compliance integrates practices across all key subsidiaries. At Emperador Distillers, Inc. (EDI), an Environmental Policy aligned with Philippine laws is overseen by a dedicated Pollution Control Officer, who, together with local community engagement, ensures that any compliance issues are swiftly addressed to prevent production disruptions. Progreen's Environmental Protection and Waste Management Department reinforces this framework by regularly submitting environmental reports and maintaining a responsive system for addressing grievances. Bodegas Fundador, under Grupo Emperador Spain (GES), leverages the expertise of an environmental and industrial compliance consultancy firm; its Administration Director reports audit results while committees conduct biennial reviews and annual audits, all supported by ISO 14001 certification. Meanwhile, Whyte and Mackay Group (WMG) integrates environmental compliance into its Green Print strategy by monitoring water usage, sustainable cask production, and emissions through its Sustainability Leadership Team and Sustainability Delivery Group. Collectively, these measures create a robust compliance framework that supports EMI's long-term commitment to responsible and sustainable operations.



## SOCIAL

### Employee Management

EMI's workforce is a fundamental driver of its success, with its hiring and benefits strategy focused on diversity, fair compensation, and employee well-being. The company ensures that its employment policies align with national labor standards while providing comprehensive benefits that support employee welfare and career growth. This approach enhances employee retention, fosters workplace inclusivity, and strengthens EMI's reputation as an employer of choice.

#### Employee Hiring & Benefits

Disclosure	Units	2022	2023	2024
Total Number of Employees	#	3,070	3,013	3,168
a. Number of Female Employees	#	816	852	914
b. Number of Male Employees	#	2,254	2,161	2,254
Attrition Rate	%	*16%	*22%	17%
Ratio of Lowest Paid Employee Against Minimum Wage <i>All salaries paid are above minimum wage.</i>	Ratio	N/A	N/A	N/A

\*Restatement: Attrition Rate 2022–2023 figures updated as a result of error correction. The previous calculation did not apply the correct formula (turnover / average headcount)

#### Percentage of Employees Availing the Benefits

Disclosure	*Y/N	Female	Male
SSS	Y	24.1	19.6
PhilHealth	Y	16.6	9.7
PAG - IBIG	Y	20.9	21.1
Parental Leaves	Y	2.0	0.8
Vacation Leaves	Y	33.3	27.2
Sick Leaves	Y	22.9	18.4
Medical Benefits (Aside from PhilHealth)	Y	46.3	44.2
Housing assistance (Aside from Pag-ibig)	Y	0	0

Disclosure	*Y/N	Female	Male
Retirement Fund (Aside from SSS)	Y	0.2	0.4
Further Education Support	N	0	0
Company Stock Options	N	0	0
Telecommuting	Y	11.9	4.3
Flexible – Working Hours	Y	6.3	1.9
Life Insurance	Y	13.9	11.5
Disability and invalidity coverage	Y	0.11	0.04

As of 2024, EMI's total number of employees increased to 3,168, reflecting a 5.2% growth from 2023. Female representation rose by 7.3% to 914 employees, maintaining a positive trend in gender inclusivity. The attrition rate remains minimal, demonstrating high employee retention. EMI ensures that all salaries remain above the minimum wage across its business units, with wage ratios aligning competitively within industry benchmarks.

The percentage of employees availing benefits, including social security, medical coverage, and flexible work arrangements, remained consistent. While standard benefits such as SSS, PhilHealth, and PAG-IBIG contributions continue to be universally available, EMI also provides life insurance, retirement funds, housing assistance, and disability coverage to eligible employees. Telecommuting and flexible work arrangements remain available, reflecting EMI's adaptive workplace policies.

### *Our Management Approach*

#### **Competitive and Inclusive Workforce**

EMI is committed to attracting and retaining top talent through a comprehensive employee management strategy that prioritizes competitive compensation, career development, and benefits enhancement. Salary structures are maintained above regulatory minimums, while employee engagement programs support work-life balance through parental leave, flexible work arrangements, and medical assistance. Regular reviews of the benefits framework ensure continued alignment with employee needs, reinforcing EMI's position as a socially responsible employer.

In 2024, EMI delivered a broad range of training programs and health-focused seminars to foster a safe, inclusive, and empowered workplace. These initiatives supported both professional growth and employee well-being, covering key areas such as:

- **Health & Wellness Education:** A series of workplace health sessions were conducted, including trainings on pulmonary tuberculosis, hypertension, diabetes, STI/HIV/AIDS, reproductive health, breastfeeding, smoking cessation, foodborne diseases, and mental health awareness. Seasonal health topics like safety during the rainy season and sexual health were also covered to promote year-round well-being.

- **Safety and Emergency Preparedness:** Employees participated in standard first aid, forklift safety, electrical safety, and fire safety training, including fire drills and emergency response workshops focused on cardiovascular and trauma-related scenarios. Special safety orientations were also held for truckers and security personnel.
- **Quality and Management Systems:** Staff across departments attended training on ISO 9001:2015 (Quality Management), ISO 50001:2018 (Energy Management), and internal auditing, ensuring continuous improvement and regulatory alignment.
- **Workplace Excellence and Compliance:** Employees received instruction on 5S and GMP, data privacy protocols, and SOGIESC sensitivity, supporting a respectful, compliant, and efficient working environment.
- **Labor Rights and Legal Awareness:** In partnership with the Department of Labor and Employment (DOLE), EMI conducted sessions on key labor rights legislation, including the Safe Spaces Act, Magna Carta for Women, Solo Parent Act, and Anti-Violence Against Women and Children Act—reinforcing the company's commitment to human rights in the workplace.

These holistic programs reflect EMI's proactive approach to workforce development and support, cultivating a culture where employees are not only protected and informed but also empowered to contribute meaningfully to EMI's growth and sustainability goals.

### Employee Training and Development

Continuous learning and development are key priorities at EMI. The company invests in employee upskilling to enhance workforce capabilities, improve operational efficiency, and foster career growth. Training programs are tailored to employees across all levels, from entry-level staff to leadership roles, ensuring skill enhancement in alignment with industry advancements and company objectives.

Disclosure	Units	2022	2023	2024
Total Training Hours Provided to Employees				
a. Female Employee	Hours	5,871.6	8,580.04	35,370.40
b. Male Employee	Hours	7,265.35	14,292.48	50,302.00
Average Training Hours Provided to Employees				
a. Female Employees	Hrs/Employee	7.40	10.23	38.70
b. Male Employees	Hrs/Employee	3.31	6.74	22.32

Note: Data does not include EDI and BoozyLife, Inc.

Total training hours provided to employees surged in 2024, with female employees receiving 35,370.40 hours and male employees 50,302.00 hours. This sharp increase reflects a significant expansion of training programs across all departments, supported by the launch and wider adoption of an online learning platform that made training more accessible, especially for employees in remote or operational roles. Average training hours per female employee rose nearly fourfold to 38.70 hours, while male employees saw an increase to 22.32 hours per employee, supporting EMI's commitment to inclusive, continuous learning across its global workforce.

### *Our Management Approach*

#### **Empowering Employees**

EMI's learning and development initiatives focus on technical skills, leadership training, and industry-specific expertise. The company leverages a mix of in-house training, external certifications, and digital learning platforms to enhance accessibility. Regular training needs assessments ensure alignment with both employee career aspirations and business requirements. EMI remains dedicated to expanding its training investments, supporting professional advancement and long-term employability.

To strengthen technical competencies and operational excellence, EMI has provided specialized training in ISO 50001:2018 Energy Management System, ISO 9001:2015 Quality Management System, Internal Auditor's Training, and Data Privacy Training. These programs equip employees with the necessary knowledge to maintain compliance with international standards and regulatory frameworks. Additionally, employees underwent 5S and Good Manufacturing Practices (GMP) training, ensuring efficiency, workplace organization, and adherence to quality assurance protocols.

Beyond technical training, EMI integrates employee development with holistic workplace well-being initiatives. Employees participate in leadership workshops, workplace safety training, and operational efficiency programs that are designed to build capacity across different levels of the organization. By continually investing in skills development, EMI ensures that its workforce remains competitive, innovative, and well-prepared for industry advancements.

#### **Labor-Management Relations**

Maintaining a constructive and cooperative labor-management relationship is essential to EMI's organizational stability. The company ensures that fair labor practices are upheld and collective bargaining agreements (CBAs) are honored where applicable.

Disclosure	Unit	2022	2023	2024
% of Employees Covered with Collective Bargaining Agreements	%	29.69	49.76	48.84

Note: Data does not include EDI as they are not unionized.

As of 2024, 48.84% of employees are covered under CBAs, slightly lower than in 2023. EMI continues to facilitate dialogue between employees and management to address labor concerns, ensuring compliance with labor regulations.

### Our Management Approach

#### Strong Employee Representation

EMI fosters a positive workplace environment by maintaining open communication with labor representatives and ensuring fair negotiation practices. The company actively engages with employee unions, where applicable, and remains compliant with labor standards governing collective agreements. Ongoing reviews ensure that employee rights and organizational needs are balanced to sustain workforce harmony. In 2024, EMI facilitated Labor and Employment Education sessions, including lectures from the Department of Labor and Employment (DOLE) covering the Anti-Violence Against Women and Children Act, the Magna Carta of Women, and the Solo Parents' Welfare Act. These educational sessions aimed to strengthen awareness of labor rights and gender-sensitive policies, further reinforcing EMI's commitment to fostering a respectful and equitable workplace.

#### Diversity, Equal Opportunity, & Anti-Discrimination

EMI is committed to fostering workplace diversity and preventing discrimination, ensuring equal opportunities for all employees regardless of gender, background, or socio-economic status.

Disclosure	Unit	2022	**2023	**2024
% of Female Workers in the Workforce	%	26.58	28.28	28.85
% of Male Workers in the Workforce	%	73.42	71.72	71.15
Number of Employees from Indigenous Communities and/or Vulnerable Sector	#	*2	N/A	N/A

\*Coverage: Bodegas Fundador.

\*\*Includes BoozyLife, Inc.

Female workforce representation increased to 28.85% in 2024, continuing a steady upward trend from 2023. Male workforce composition remained dominant at 71.15%, aligning with the industry workforce demographics.

### Our Management Approach

#### Inclusion and Equal Opportunity

EMI enforces equal employment policies across its operations and subsidiaries. Hiring and promotion decisions are merit-based, and internal training programs incorporate diversity awareness. The company continually assesses its workforce composition to drive inclusive policies and enhance diversity in leadership roles.

## Workplace Conditions, Labor Standards, and Human Rights

### Occupational Health & Safety

EMI is committed to providing a safe and healthy working environment for all employees. The company ensures compliance with occupational health and safety (OHS) laws and integrates global best practices to prevent workplace hazards. The well-being of employees is a priority, with structured programs aimed at reducing risks, promoting workplace ergonomics, and supporting employee health initiatives.

Disclosure	Units	2022	2023	2024
Safe Man-Hours*	Man-Hours	2,182,812	2,683,225	**2,285,343
No. of Work – Related Injuries	#	17	23	47
No. of Work – Related Fatalities	#	0	0	0
No. of Work – Related Ill-Health	#	8	8	13
No. of Safety Drills	#	35	30	27

\*Coverage: GES, EDI (Sta Rosa and Biñan Plant, AWGI and Progreen), WMG (Distilling division only)

\*\*Does not include WMG

In 2024, EMI recorded over 2 million safe man-hours, with a total of 2,285,343, reflecting sustained efforts to uphold workplace safety across its operational sites. However, the rise in work-related injuries (47 cases) and ill-health incidents (13 cases) highlights the need to further strengthen preventive and behavioral safety programs.

Crucially, EMI maintained a zero-fatality record for the third consecutive year, a standard the company upholds as non-negotiable. This outcome reflects the ongoing effectiveness of its emergency preparedness protocols, hazard control measures, and safety governance across all subsidiaries.

The number of safety drills conducted declined slightly to 27 in 2024. While this remains within the operational baseline, EMI is evaluating the optimization of drill frequency and scenario coverage to enhance employee responsiveness and site-level preparedness.

### Our Management Approach

#### Prioritizing Employee Health and Safety

EMI adheres to the Philippine Occupational Safety and Health Standards (RA 11058), DOLE guidelines and ISO-aligned protocols across relevant sites. Oversight mechanisms include scheduled internal safety audits, compliance monitoring, and third-party assessments where required.

In 2024, EMI implemented an expanded health and wellness program at its EDI facilities, delivering targeted education on tuberculosis, hepatitis, sexually transmitted infections including HIV, diabetes, hypertension, and mental health. These were complemented by first aid and cardiovascular emergency response training, improving incident readiness and response capabilities. Ergonomic assessments and fire safety sessions were reinforced across operational sites, while job-specific safety orientations for forklift



operators and truckers addressed identified risk factors related to heavy equipment and manual labor.

All sessions were logged, with attendance and outcomes tracked to ensure coverage and impact. In collaboration with local health offices, monthly health lectures were conducted on-site, supporting community-integrated preventive care and promoting early intervention.

Audit results and risk assessments informed strategic OHS decisions. Regular cross-site safety audits confirmed compliance with applicable standards and identified opportunities for improvement. Findings were documented, addressed through corrective action plans, and reviewed in quarterly management meetings. These processes are supported by structured employee feedback systems, including anonymous reporting channels and safety committee consultations, ensuring two-way accountability.

EMI ensures that site-specific risk profiles are factored into its safety strategies. In Spain, for example, explosive atmosphere risks were mitigated through ATEX-compliant installations and engineering controls. In Scotland, biomass boiler installations contributed to both environmental and occupational safety by replacing fossil fuels and reducing air pollutants. All such initiatives are documented under site-specific environmental and safety management plans.

### Labor Standards & Human Rights

EMI safeguards labor rights and upholds human dignity across its global operations by institutionalizing comprehensive policies that prohibit forced and child labor, promote ethical employment practices, and ensure alignment with local and international labor laws. These principles are implemented through stringent hiring protocols, regular audits, grievance mechanisms, and partner due diligence.

Disclosure	Units	2022	2023	2024
No. of Legal Actions or Employees Grievance involving Forced or Child Labor	#	0	0	0

### Policy on Labor Rights and Workplace Conduct

Topic	2022	2023	2024	Reference in Company Policy
Forced Labor	Y	Y	Y	<a href="#">Company Policies – Emperador Inc.</a>
Child Labor	Y	Y	Y	
Human Rights	Y	Y	Y	

These policies explicitly prohibit violations such as forced labor, child labor, harassment, bullying, and other forms of misconduct. They are implemented across the organization and reinforced through ongoing compliance checks, grievance channels, and policy reviews.

### *Our Management Approach*

#### **Upholding Dignity Across Borders**

Across its subsidiaries, Emperador Inc. enforces structured labor practices that promote fair treatment, ethical working conditions, and compliance with national and international labor standards. Identity verification, age checks, and formalized hiring protocols are implemented consistently to prevent child and forced labor. These requirements are reinforced through employee onboarding procedures, compliance audits, and workforce documentation.

In the Philippines, PSA-authenticated birth certificates are required prior to onboarding and updated employment records are kept to ensure accuracy and traceability. There have not been any recorded cases of underage employment or labor-related complaints in recent years. Bodegas Fundador and GES operate under strict labor codes that explicitly prohibit all forms of child and forced labor, applying the same standards to their contractors and service providers. Pedro Domecq, while governed by Mexico's Federal Labor Law, which sets a minimum working age of 15, has adopted an internal policy setting its hiring threshold at 18. The company ensures fair compensation across roles and includes labor criteria in supplier assessments.

WMG operates under the UK's legal framework and supports ethical employment by allowing individuals under 18 to be hired only through government-approved training programs. It audits labor suppliers for compliance with right-to-work and labor protection requirements, requires modern slavery declarations, and maintains a confidential whistleblowing system for employees and third-party workers.

All subsidiaries conduct employee training on labor rights and workplace conduct, with processes in place for confidential grievance reporting and resolution. In 2024, Emperador reinforced this effort through a series of labor and human rights education sessions. These included lectures facilitated by the Department of Labor and Employment (DOLE)–Laguna Provincial Office on national labor and gender protection laws such as:

- RA 9262: Anti-Violence Against Women and their Children Act
- RA 9710: Magna Carta of Women
- RA 8972: Solo Parents' Welfare Act
- RA 11313: Safe Spaces Act (Bawal ang Bastos Law)

In addition, a Safety Orientation for Security Personnel was conducted in July to enhance awareness of occupational safety practices within contracted roles. These initiatives complement ongoing human rights risk reviews, supplier audits, and refresher trainings, ensuring that labor policies are not only formally adopted but actively practiced throughout the organization.

## Supply Chain Management

EMI implements a structured and evolving supplier accreditation process to ensure its vendor base aligns with responsible business practices. While the level of environmental and social screening varies across subsidiaries, all maintain baseline controls for legal compliance, occupational safety, and ethical conduct. The accreditation system supports business continuity and strengthens supply chain accountability.

### Sustainability Topics when Accrediting Suppliers

Topic	2022	2023	2024	Reference in Company Policy
<b>Environmental Performance</b>	Y	Y	Y	<i>Submission of DENR Certificates of Compliance and related permits</i>
<b>Forced Labor</b>	Y	Y	Y	<i>Age verification and anti-forced labor clauses are included in supplier forms and contracts</i>
<b>Child Labor</b>	Y	Y	Y	<i>Supplier onboarding prohibits the employment of minors through documentation checks</i>
<b>Human Rights</b>	Y	Y	Y	<i>Covered by supplier declarations and ethics policies</i>
<b>Bribery and Corruption</b>	Y	Y	Y	<i>Enforced through signed integrity declarations and Emperor's Supplier Accountability Policy</i>

As of 2024, both EDI and AWGI maintain formal and publicly available supplier accreditation policies. EDI's [Supplier Business Ethics & Integrity Policy](#) defines expectations around anti-corruption, ethical conduct, and regulatory compliance. AWGI enforces its [Supplier Accountability and Liability Policy](#), which outlines strict provisions on legal accountability, performance standards, and environmental compliance.

Other subsidiaries apply aligned internal protocols based on regulatory requirements and operational risks, though formal policies are not yet publicly posted.

### *Our Management Approach*

#### **Partners in Ethics and Accountability**

Emperor's group-wide supplier accreditation system emphasizes legal compliance, operational reliability, and business integrity. Subsidiaries require prospective vendors to submit credentials such as business permits, environmental compliance documents, and signed declarations on ethics and accountability.

At EDI, supplier engagement is governed by policies focused on anti-corruption and legal due diligence, although environmental and social considerations are not yet integrated into assessment criteria. In contrast, AWGI requires contractors to present DENR compliance certificates, designate safety officers for projects, and undergo periodic inspections to ensure adherence to health, safety, and labor standards.

Bodegas Fundador applies a structured supplier screening system through its New Supplier Selection Procedure, which includes evaluation of environmental performance and mandates annual submission of sustainability reports from key vendors. WMG, while not yet formally applying sustainability screens, gathers certifications such as ISO 14001, FSC, or PEFC from suppliers and is working toward incorporating environmental reviews in its onboarding process. Progreen prioritizes delivery, material quality, and stakeholder-aligned sustainability awareness when dealing with high-risk suppliers.

## Relationship with Community

### Significant Impacts on Local Communities

EMI operates across several communities in the Philippines, Europe, and Latin America, with facilities located near residential, agricultural, or coastal areas. As of 2024, the company has not identified any specific collective or individual rights of concern related to its operations. However, Emperador continues to implement targeted programs to enhance local well-being, public health, environmental sustainability, and livelihood support.

The company engages with local government units (LGUs), community stakeholders, and NGOs to deliver and monitor these initiatives. All subsidiaries are expected to support responsible operations by facilitating dialogue, addressing community needs, and mitigating potential risks associated with their presence.

### Certificates for Activities Impacting Indigenous Peoples (IPs)

There were no operations from 2022 to 2024 that required Free and Prior Informed Consent (FPIC) or the securing of a Certificate Precondition (CP), as no Emperador sites are located in areas identified as Indigenous Peoples' territories. The company continues to monitor this risk during site expansion and permitting reviews.

Certificates	Units	2022	2023	2024
FPIC process is still undergoing	#	0	0	0
CP secured	#	0	0	0

### *Our Management Approach*

#### **Building Roots, Creating Value**

Emperador Inc. fosters long-term, meaningful relationships with its host communities by embedding social responsibility into daily operations. Community programs are tailored to local needs but guided by a group-wide commitment to shared prosperity, health equity, and environmental stewardship.

In 2024, Emperador and its subsidiaries delivered a broad range of initiatives across health, education, environmental care, and livelihood support. EDI and Progreen conducted medical missions and participated in a Supplemental Immunization Activity for vulnerable populations in Sta. Rosa. These efforts were complemented by community health education campaigns such as the Buntis Congress, held in celebration of Family

Planning and Breastfeeding Awareness Month. Additionally, a bloodletting drive was conducted to support local healthcare systems.

To support schools and local livelihood programs, AWGI repurposed old and damaged wooden pallets into chairs for donation to schools, while Progreen donated used containers for community livelihood activities. Notably, Progreen also distributed mud press—a by-product of its milling operations—to local farmers to enhance soil quality and agricultural productivity.

Environmental engagement continued through Progreen’s Adopt-a-Community program, which included quarterly cleanups and food distribution efforts. In Jerez, GES and Bodegas Fundador contributed to the preservation of the city’s historic downtown while promoting cultural appreciation and neighborhood harmony through RS10-certified social responsibility initiatives.

Across all sites, Emperador ensures that programs are developed in collaboration with local government units, NGOs, and community representatives. Employee involvement is also encouraged, with workers reporting increased social awareness and community connection through their participation. Monitoring mechanisms, including beneficiary feedback and impact tracking, are in place to ensure program continuity and effectiveness.

Customer Management

Customer Satisfaction

Emperador prioritizes customer satisfaction as a key element of its brand integrity and long-term business success. While the company does not yet track formal customer satisfaction scores across its markets, internal mechanisms, such as retailer and distributor feedback, consumer interaction monitoring, and digital complaint handling, support continuous service improvement. These insights inform product refinement, customer engagement strategies, and distributor relations.

Disclosure	Units	2022	2023	2024
Customer Satisfaction Score	%	N/A	N/A	N/A

Our Management Approach

Putting the Customer First, Always

Customer care is delivered through a mix of online channels, direct distributor engagement, and in-market service coordination. GES maintains formal contact centers, while Progreen and EDI respond to inquiries through account managers and field representatives. Service teams monitor customer concerns related to product availability, labeling, and shipment delays, and are empowered to escalate issues to logistics, QA, or marketing as needed. Efforts to digitize product communication materials and streamline consumer access to brand support are ongoing.

## Customer Health & Safety

Ensuring the safety and integrity of its products is central to Emperador's operations. All sites comply with national food and beverage safety laws and implement quality control systems aligned with industry best practices. In 2024, there were no substantiated complaints related to customer health or product safety.

Disclosure	Units	2022	2023	2024
No. of Substantiated Complaints on Product or Service Health and Safety*	#	0	0	0
No. of Complaints Addressed	#	N/A	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 with and acted upon by government agencies.*

### Our Management Approach

#### Quality You Can Trust

Emperador's safety controls are implemented at every step of the value chain. EDI complies with FDA standards and maintains GMP-certified operations at its Sta. Rosa and Biñan facilities. GES and Bodegas Fundador operate under GFSI-aligned safety systems, performing multiple audits each year and maintaining active quality assurance teams. Product traceability, sanitation protocols, and emergency recall procedures are integrated into day-to-day operations. In Mexico, Pedro Domecq sets thresholds for product complaints and conducts monthly quality reviews. WMG maintains similar safeguards, using customer complaint tracking to identify and resolve quality concerns.

## Marketing and labeling

Emperador ensures that all product marketing and labeling materials comply with local laws, industry standards, and internal brand guidelines. In 2024, one substantiated complaint related to product labeling was received.

Disclosure	Units	2022	2023	2024
No. of substantiated complaints on marketing and labeling*	#	0	0	1
No. of Complaints Addressed	#	0	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 Ad Standards Council*

### Our Management Approach

#### Communicating with Care

The company promotes responsible communication across all markets, especially given the nature of its alcohol products. EDI complies with the Ad Standards Council (ASC) and

FDA guidelines, while WMG follows UK alcohol advertising laws and the Scotch Whisky Association's code. GES and Fundador conduct thorough label and claims reviews during new product development (NPD), with technical and legal sign-offs required before commercial launch. Staff involved in marketing are regularly trained on responsible drinking messaging and regulatory compliance. Educational campaigns that encourage moderation and responsible consumption are emphasized in key product lines and markets.

### Customer Privacy & Data Security

Emperador recognizes the importance of protecting customer and stakeholder data, especially as digital channels become more integrated into business operations. No data breaches or privacy-related complaints were recorded in 2024.

Disclosure	Units	2022	2023	2024
No. of Substantiated Complaints on Customer Privacy	#	0	0	0
No. of Complaints Addressed	#	0	0	0
No. of Customers, Users, and Account Holders whose Information is Used for Secondary Purposes	#	0	0	0
No. of Data Breaches, including Leaks, Thefts, and Losses of Data	#	0	0	0

### *Our Management Approach*

#### Protecting Information, Preserving Trust

EMI complies with data privacy regulations such as the Philippine Data Privacy Act and the EU's General Data Protection Regulation (GDPR). Privacy practices are standardized across subsidiaries and include encryption, access controls, and internal audits. Each company maintains a Data Privacy Manual and uses privacy notices and data-sharing agreements. The Philippine subsidiaries are registered with the National Privacy Commission (NPC) and have formal escalation procedures in place for privacy incidents.

Employee training on data protection is conducted regularly, focusing on handling of sensitive information, data minimization, and breach response protocols. GES enforces data protection safeguards such as user-based access, audit trails, and periodic policy reviews. These systems help ensure data confidentiality, regulatory alignment, and consumer trust across all Emperador markets.