

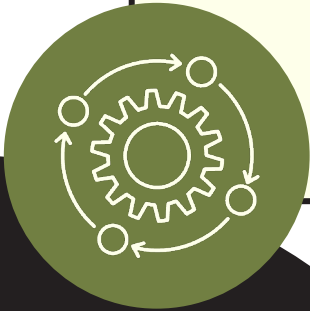
REYES BEVERAGE GROUP

# CORPORATE SOCIAL RESPONSIBILITY REPORT

# 2022



# ABOUT US



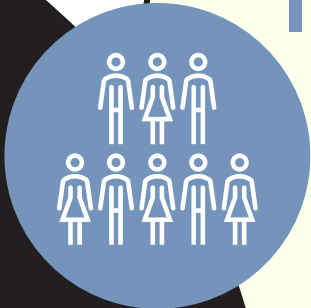
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Fuel & Emissions

Community

# A MESSAGE FROM OUR CEO

Reyes Beverage Group (RBG) had a year of tremendous growth in 2022. We made significant moves to evolve our operations to where we are today while expanding our business into four new locations in three states.

At RBG, we hold ourselves to high standards to deliver, responsibly. We are committed to getting better every day and being the trusted distributor of choice for our customers, suppliers and communities in which we operate. In this report, we highlight our sustainability and community efforts to celebrate the wins, track our progress and hold ourselves accountable to implement improved processes for our future state.

The driving force for everything we do is our purpose: *connecting customers, consumers and brands every day, everywhere we operate* and our ambition: *to be the elite beverage distributor in the U.S.* With these as our north star, we can achieve great things for a better tomorrow.

As you read through this report, please note that we are already making significant headway in our CSR efforts in 2023 and look forward to another year of positive impact and growth at RBG.

Cheers!



*Tom Day*

CHIEF EXECUTIVE OFFICER  
REYES BEVERAGE GROUP

# PERFORMANCE PROMISE



## OUR PURPOSE

CONNECTING  
CUSTOMERS,  
CONSUMERS, AND  
BRANDS EVERY  
DAY, EVERYWHERE  
WE OPERATE.



## OUR AMBITION

TO BE THE  
**ELITE**  
**BEVERAGE**  
**DISTRIBUTOR**  
IN THE U.S.



## OUR VALUES

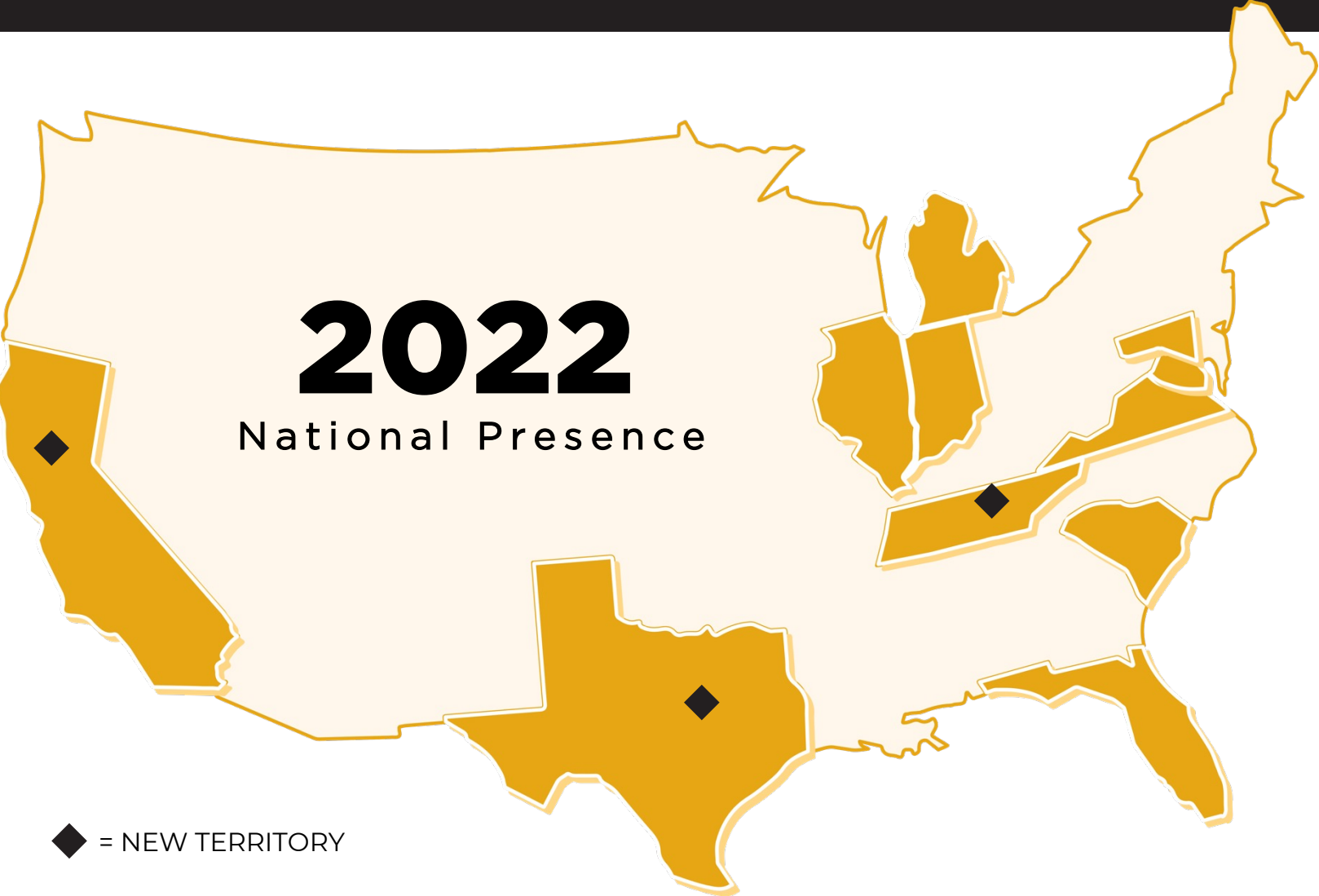
INTEGRITY  
ACCOUNTABILITY  
WELLNESS  
TEAMWORK  
RESPONSIBILITY  
HUMILITY  
BE THE BEST

At Reyes Beverage Group, we're proud to be the largest beer distributor in the United States. In 2022, we delivered over 272 million cases to nearly 100,000 retail accounts across the nation. We are committed to being the distributor of choice by providing unparalleled service and continually striving to grow our customers' profitability.

We're dedicated to providing the best service to our customers and upholding our values while devoting resources to developing our employees' skills and keeping them safe, all while striving to leave this planet better than we found it.



# WHERE ARE WE NOW



## CALIFORNIA

- |                    |                          |
|--------------------|--------------------------|
| Allied Beverages   | Golden Brands            |
| Crest Beverage     | Harbor Distributing      |
| Gate City Beverage | High Desert Distributing |

## FLORIDA

- |                              |                     |
|------------------------------|---------------------|
| Florida Distributing Company | Gold Coast Beverage |
|------------------------------|---------------------|

## ILLINOIS

- Chicago Beverage Systems

## INDIANA

- Monarch Distributing

- Windy City Distributing

## MARYLAND

- Premium Distributors of Maryland

## MICHIGAN

- Premium Distributors of Michigan

## SOUTH CAROLINA

- |                      |                  |
|----------------------|------------------|
| Greenco Distributing | Lee Distributors |
|----------------------|------------------|

## TENNESSE

- DET Beverages

## TEXAS

- Capital Reyes Distributing

## VIRGINIA

- |                      |                                  |
|----------------------|----------------------------------|
| Chesbay Distributing | Premium Distributors of Virginia |
|----------------------|----------------------------------|

## WASHINGTON, D.C.

- Premium Distributors of Washington, D.C.

# OUR STATS





# **CSR APPROACH**

RBG Corporate  
Social Responsibility  
Mission Statement

RBG Corporate Social  
Responsibility Process



# RBG CSR MISSION STATEMENT



At Reyes Beverage Group, we are committed to reducing the carbon footprint of our operations and delivery systems and their environmental impact. While we are making strides in operating with a more responsible and sustainable mindset, we know there is always room to improve our efficiencies. Working toward **a better tomorrow** is an ongoing commitment we've made through continuous innovation and process improvements, with plans already in place to grow those efforts in the future.





# RBG Corporate Social Responsibility Process

The **Corporate Social Responsibility (CSR)** process is an essential function of the Corporate Affairs team, but it takes a village to bring progress to the forefront of our business. The team relies on many key partnerships to help RBG be responsible in all aspects of our business, environment and community.

To the right are the key team members who continue to improve the company, both now and in the future.



## LEADERS

The first step is setting CSR goals. Our leaders are responsible for providing guidance, inspiration, motivation and protocols to focus on our conscious efforts in our communities.



## CSR COMMITTEE

The CSR Committee is a group of diverse individuals across the Reyes Holdings enterprise who are responsible for providing guidance and standards for the company's sustainable operations.



## EMPLOYEES

The core of our Corporate Social Responsibility is our employees. They make our company, environment and community a better place every day, everywhere we operate.



## SUSTAINABILITY TEAM

The Sustainability Team is comprised of approximately 35 individuals in five sub-teams from various RBG facilities across the country. The sub-teams include transportation, waste diversion, building energy efficiency, engagement and sustainability champions.



## COMMUNITY ENGAGEMENT TEAM

Staying true to RBG's value of playing an active role in our communities, this team strives to make a significant impact through acts of giving, volunteering and advocating for local organizations that provide services to those in need.



# INVESTING IN OUR PEOPLE

Our People Vision

#RBGJOY Programs

RBG Development Programs

2022 Company Awards

Employee Engagement Results

Compliance & Safety



# OUR PEOPLE VISION



## FAIRNESS

We are committed to treating everyone fairly.



## MERIT

We provide a merit-based environment where we enable those who live our values to succeed.



## INDIVIDUALITY

We value and respect the contributions of each individual team member to share our enterprise's success.

## OUR TEAM

Our team is a vibrant collection of great people built upon individual and diverse characteristics, values, beliefs, experiences and backgrounds, all of which are reflected across our enterprise. In short – our vision is a team that truly reflects the communities we call home across the nation and the world.

## OUR VISION

Our vision is embracing our differences and similarities with a collective goal of striving for excellence in all that we do – in our operations, in the way we treat each other, and in our service to our customers, suppliers and business partners. We are committed to fostering an environment where all are valued, respected and encouraged to achieve their highest potential.



**#RBGJOY**  
DELIVERING JOY DAILY

# MOMENTS

#RBGJOY reflects and rejoices in the moments and things that spark joy in the lives of its employees by making personal connections, celebrating the unique qualities that our team brings to work and allowing each of our employees to be their authentic selves.

**TOAST** FROM  
**COAST**  
**TO**  
**COAST**

## MARCH

During the St. Patrick's Day holiday, the RBG teams from coast to coast participated in a toast to celebrate our joyous employees and all that they accomplished going into the big holiday week.



## SUMMER

From Memorial Day to Labor Day, RBG teams partnered with Constellation Brands for Sales, Merchandising and Operations-based incentive programs to celebrate our employees.



## FOOTBALL

To kick off the football selling season, our #RBGJOY teams hosted a tailgate from state to state to celebrate our employees' accomplishments in both on and off-premise accounts.



## HOLIDAY

During the season of giving, our locations across the nation came together with our Cheers For Charity teams to give back to various philanthropic organizations in our local communities.





# DEVELOPMENT PROGRAMS

The Reyes Holdings provides an enterprise-wide collection of training courses at every level of experience.



## 1,092

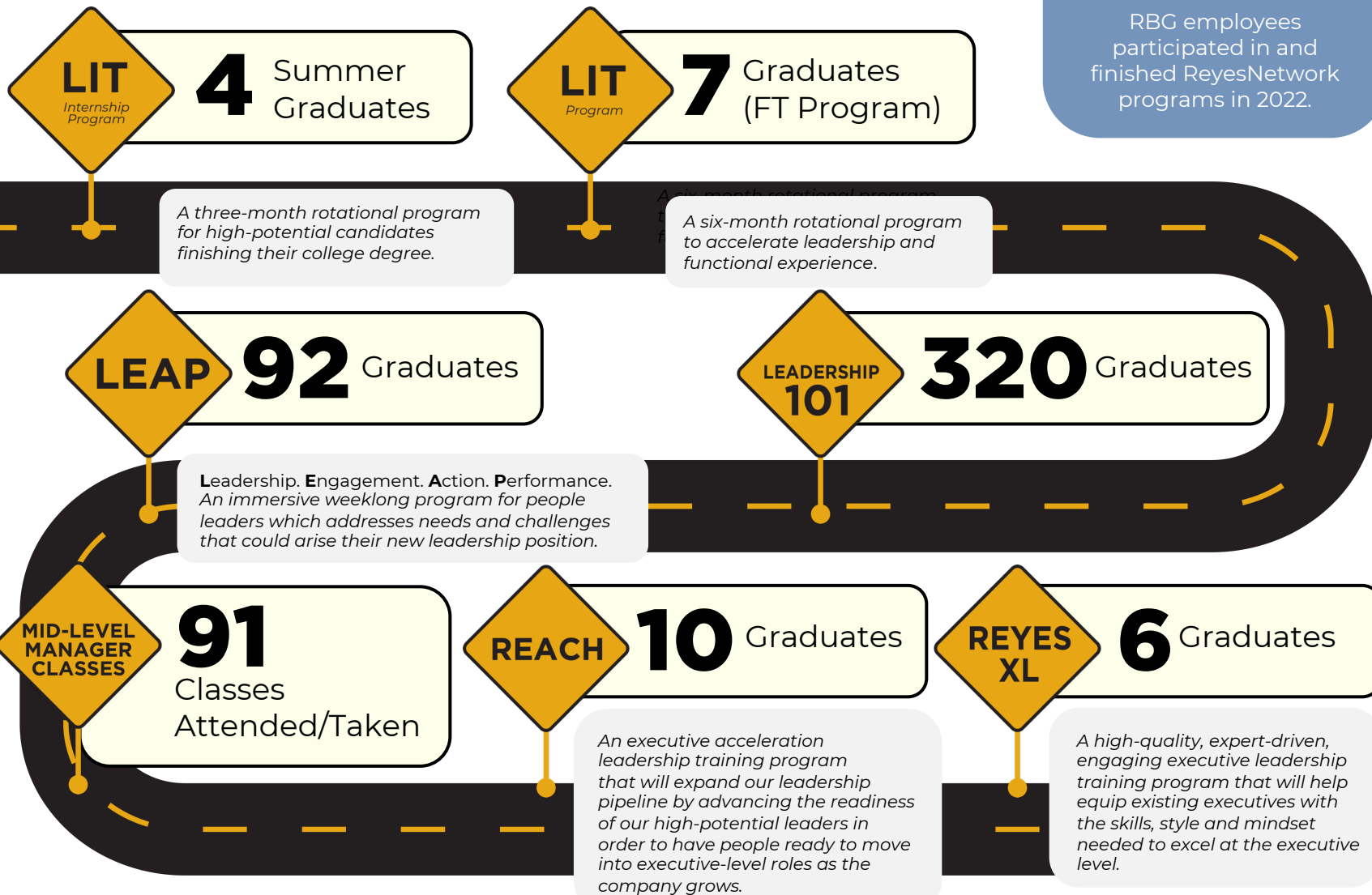
RBG employees participated in and finished ReyesNetwork programs in 2022.

REYES BEVERAGE GROUP

## OUR GRADUATES

- 1,086** Internal promotions
- 1,055** Acquired employees onboarded
- 997** Total RBG program graduates
- 102** Training champions
- 86** Classes on leadership, sales and more
- 17** Train the trainer courses
- 11** New e-learnings deployed
- 4.9** Stars out of 5 average survey rating
- 4** New onboarding programs

### LEADERSHIP DEVELOPMENT PROGRAMS





# ADDITIONAL PROGRAMS

Reyes Holdings offers a variety of programs available to our employees at the time of onboarding.

## TRAINING

Every year, we calculate the average time spent onboarding a Reyes Beverage Group employee including orientation, job shadowing and hands-on training. We then make improvements within each standardized onboarding program to fit the needs of our new employees.

NEARLY **100** TOTAL TRAINING HOURS

**3 WEEKS**

Delivery

**2 WEEKS**

Sales

**2 WEEKS**

Warehouse

## WELLNESS PROGRAMS



**HEALTHY REYES**  
CHOOSE TOTAL WELLNESS



**16**

Financial Wellness



**9**

Emotional Wellness



**13**

Physical Wellness

## INNOVATIVE RESOURCES



**pulse**

## IMPROVEMENTS

- Created **new virtual onboarding classes**
- Created **three training workbooks** to accompany our new virtual onboarding classes
- Added **engaging enhancements** to all our virtual learning
- Updated **new hire checklists** to the onboarding processes
- Over 25% **cost reduction** for Cicerone® classes absorbed by the company
- Created **additional cross-training days** for new hires, employees and leaders
- Created the **role of Local Sales Champions** to act as local training coordinators and mentors
- Developed over **500+ courses** on **CareerConnect**

## REYES ACADEMY

NEARLY **170** TOTAL COURSES

<b>49</b>	Extra Mile Trainings	<b>13</b>	PIT Certifications
<b>34</b>	Safe Driver Trainings	<b>9</b>	First-Mile CDL Prep Courses
<b>19</b>	PIT Train the Trainers	<b>6</b>	Yard Jockeys
<b>19</b>	Virtual Trainings	<b>3</b>	In-Person Workshops
<b>15</b>	DDC Train the Trainers	<b>2</b>	Learning Stations

### Reyes Rodeo - October 2022

The Reyes Rodeo features 72 professional drivers, warehouse workers and fleet technicians from Reyes Beverage Group, Martin Brower and Reyes Coca-Cola Bottling in a series of skills-based competitions in the spirit of excellence and friendly competition.



**15** RBG REYES RODEO PARTICIPANTS



# COMPANY AWARDS

## WORKPLACE AWARDS - 26 IN 2022

### ALLIED BEVERAGES

Certified Great Place to Work

### CHESBAY DISTRIBUTING

Virginia Business Best Places to Work

### CHICAGO BEVERAGE SYSTEMS

Chicago Tribune's Top Workplaces  
with RBG Corporate

### CREST BEVERAGE

Top Workplaces USA

Top Workplaces USA Culture Excellence Award  
Innovation, Leadership and Purpose & Values

Best Places to Work in SoCal  
Imperial

San Diego Union-Tribune Top Workplaces

San Diego Union-Tribune Top Workplaces  
Spotlight Award for Professional Development

### FLORIDA DISTRIBUTING COMPANY

Orlando Sentinel Top Workplaces  
Midsize category

Top Workplaces USA

Top Workplaces USA Special Award for Leadership

### GATE CITY BEVERAGE

Inland Empire Top Workplaces

### GOLD COAST BEVERAGE

#1 South Florida Sun Sentinel's Top Workplaces  
Large business category

South Florida Sun Sentinel Top Workplaces  
Appreciation Award

### GOLDEN BRANDS

Certified Great Place to Work

### GREENCO DISTRIBUTING

South Carolina Top Workplaces  
Midsize category

### HARBOR DISTRIBUTING

Best Places to Work in SoCal  
Main (Gardena) & Santa Fe Springs

Top Workplaces USA Appreciation Award  
Huntington Beach

Orange County Register Top Workplaces  
Huntington Beach  
Large business category

Orange County Register Top Workplaces Excellence in  
Clued in Management Award  
Huntington Beach

### HIGH DESERT DISTRIBUTING

Certified Great Place to Work

### LEE DISTRIBUTORS

South Carolina Top Workplaces  
Midsize category

Best Places to Work in South Carolina  
Large business category  
Partnered with Greenco

South Carolina Top Workplaces  
Overall Managers Culture Award

### PREMIUM DISTRIBUTORS OF MICHIGAN

Detroit Free Press Top Workplaces  
Midsize business category

### PREMIUM DISTRIBUTORS OF VIRGINIA

Washington Post Top Workplaces

## WHOLESALE



OF THE  
YEAR

20+  
SUPPLIER  
AWARDS

FROM EAST  
TO WEST



# EMPLOYEE ENGAGEMENT RESULTS



**91%**

"I am proud to be part of this company"

*"On a daily basis, I get the opportunity to impact those around me in a positive manner and hopefully play a role in their future development and growth within the organization."*

*- Terry Yost*

General Manager – Allied Beverages

*"Once you're in this company, there's no door you can't open."* - Idorka Suarez

Key Account Manager – Gold Coast Beverage



**93%**

"I enjoy my team"

**91%**



Manager Effectiveness

**87%**



Overall Employee Engagement





# COMPLIANCE & SAFETY

## COMPLIANCE - THREE-TIER SYSTEM

The law behind beverage distribution is that alcohol is one of the most regulated consumer goods in the country. At Reyes Beverage Group, we are committed to the responsible sale, marketing and consumption of the products we distribute.

**We are the only beverage distributor with a Compliance Lead who directly contacts regulators nationwide and conducts training for all employees.** Each RBG company is a highly active member of its respective state's beer wholesaler association, which interacts with state legislators and helps educate lawmakers on the importance of maintaining and enforcing the three-tier system. Through these relationships, we have emphasized our desire to cooperate with state regulatory agents to ensure compliance. Ethics is a cornerstone of our business. Our dedicated Office of Ethics and Compliance upholds our values daily.

## OUR 2022 SAFETY STATISTICS



# KINETIC

Our OSHA Frequency Rates saw an improvement of **6% from 2021**.

Our DriveCam performance increased by over **10% from 2021**, with over **90% of our Drivers had zero driving points**.

We also saw an **improvement of over 35% in our DriveCam total points per event recorder** compared to 2021. **Our risk scores improved**, even as we added new businesses to our company.

Our Delivery team saw a **22% reduction in injuries related to high-risk postures** from using Kinetic devices daily.

## IN 2023, WE WILL

- **Deploy all Reyes Beverage Group technology to our companies acquired in 2022.** We will ensure all Kinetic devices and DriveCam technology is in place by the end of the year.
- **Invest in the latest technology** by piloting **Camera 360**, a side and rearview camera system that eliminate blind spots for Drivers – giving them a full 360-degree view of their vehicle before turning or reversing in some of our high-traffic areas.
- Continue our focus on training all employees, especially our **Management Security Training**, which helps our leaders understand the risks and threats of workplace violence and de-escalation techniques that can be used to help protect our people.
- **Enhance Kinetic visibility** and utilization of the Kinetic tool among all frontline employees.

### SUPPLIERS

- 1** Brewers, winemakers, distillers and importers.

### DISTRIBUTORS (THAT'S US!)

- 2** The intermediate entity that buys products in bulk and sells to retailers. Distributors offer transportation, refrigeration and product maintenance.

### RETAILERS

- 3** Bars, liquor stores, grocery markets or other authorized and licensed sellers. They may sell products either on-premise for immediate consumption or off-premise for consumption at home.



# FEATURE STORY

Our Growth &  
Acquisitions



# 2022 GROWTH & ACQUISITIONS



In **2022**, we had the opportunity to **grow into four new locations across three states**. We expanded our Golden Brands operations into Sonoma and Marin Counties in Northern California in June as **Golden Brands - Sonoma** before moving our presence into our tenth state of Tennessee and adding locations in both Jackson and Nashville in early November as **DET Beverages**. Finally, to top off a record year, we moved into our eleventh state of Texas and settled operations in Manor, Texas, as **Capital Reyes Distributing**.

These monumental moves brought us **1,055 new Reyes Beverage Group employees** who were welcomed by our acquisition teams with open arms and helping hands. We **increased our customer base by almost 11,500** and increased our annual distribution volume by **29 million cases** through these acquisitions.

Many moving parts go into our ongoing evolution, and we wouldn't be able to expand without our excellent people, culture and all employees involved with our company's growth and integration.

## BRAND GROWTH

As we grow in size, we also expand our portfolio. We added new products from several new suppliers to our locations in NorCal, SoCal and across the Midwest to the East Coast.



*"You can feel the energy in the room. It's the first time that we formally welcome our new employees to the RBG family. There's a lot of change that happens, and we bring in a ton of resources to employees to ensure that they have the proper training, onboarding and are ready to hit the ground running when they start on Tuesday morning."*

*-Emily Beynenson*  
VP of Human Resources – RBG East  
on the DET Beverages Acquisition



# REYES CARES PILLARS

Energy

Fuel & Emissions

Recycling

Community





# OUR GOAL FOR 2030

SUSTAINABILITY ROADMAP

## Alternative Fuels

Utilizing electricity and biofuel.



## Renewable Energy

Installing on-site solar panels and sourcing renewable energy.



## Fuel Efficiency

Driving continuous improvement in idle time, MPG and routing.



## Fleet Improvements

Investing in new equipment with the most recent technology advancements.



## Waste Diversion

Increasing recycling efforts across all waste streams.



## Energy Efficiency

Upgrading and maintaining our warehouses with the most energy-efficient technology.

2030

We will **reduce our carbon emissions by 60%** and **achieve zero waste to landfill** through natural improvements, energy efficiency, biodiesel, fleet electrification and renewable energy.



REDUCE.  
REUSE.  
RECYCLE.  
REYES BEVERAGE GROUP.



# ENERGY



Completed  
**10 LED**  
projects.

Reyes Beverage Group is committed to going all in on LED. Currently, **96% of our locations have full LED lighting.**

**LED lights produce about 70-90% less heat** than incandescent lighting.

\*[https://www.energystar.gov/products/light\\_bulbs](https://www.energystar.gov/products/light_bulbs)



Completed **30 high-efficiency HVAC** projects.



RBG **new construction buildings use 40% less energy** than comparable buildings.

*We utilized Reyes Holdings' new construction sustainability guidelines, which include requirements for building commissioning, energy use intensity and material recycling.*

## ELSTON CONSTRUCTION SPOTLIGHT

Reyes Holdings completed construction on the new Chicago LEED-certified corporate headquarters in the summer of 2022.

**Key sustainable features include:**



Rainwater harvesting system to water plants in the building



Recycled kegs used in the boardroom design



Daylight harvesting to minimize the need for artificial lighting throughout the building



Donation of critical items to the Respiratory Health Association instead of diverting waste to landfills

+ Complete overhaul of the HVAC system





# FUEL & EMISSIONS

## ELECTRIC VEHICLES



In 2022, RBG purchased **10 EV vans in California**. This year, our focus will be building the EV infrastructure needed as we plan to order **20 EV tractors** for 2024.

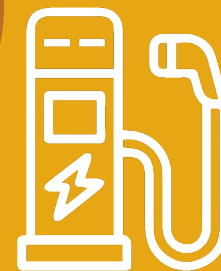
Our Idle Time Reduction Initiative resulted in a **2.3% improvement in 2022** and saved over **33k gallons of diesel gasoline**.



**7,000x**

This also **avoided over 442,000kg of carbon emissions** – that's almost 7,000 full beer kegs!

RBG will soon have EV chargers at 100% of our sites.



With EVs becoming more prevalent in our industry, we installed **54 chargers** for passenger and service vehicles at **11** different locations.

The average price of regular gasoline topped the scale at **\$3.951 in 2022**, which is an increase of **\$0.943 over the previous year.\***

\*[https://www.eia.gov/dnav/pet/pet\\_pri\\_gnd\\_dcus\\_nus\\_a.htm](https://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_nus_a.htm)

## TRANSFER TASK FORCE

Aiming to reduce internal product transfers, RBG created a Transfer Task Force that has set a **goal of reducing our product transfer volume by 20%**.



In 2022, RBG reduced transfer volume by **27%**, which not only helps the environment by lowering our emissions but minimizes our carbon footprint. We also reduced our mileage by **25%** and created a **26%** reduction in transfer routes with this new task force.



# RECYCLING

We began preparations to transition to a new waste management and recycling partner to enable us to track recycling progress more efficiently. **The transition went live in April 2023.**



We **diverted over 52% of waste** from ending up in landfills.

From 2021 to 2022, we **diverted an additional 2,700 tons of waste** from our locations.



**46x**

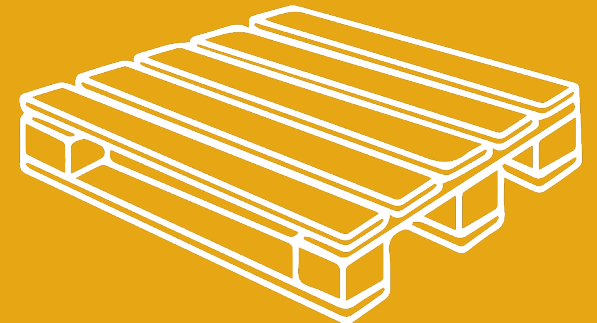
We diverted 4,654.75 tons of waste, which is equal to over **46 Cloud Gate (aka "The Bean") structures.**



In 2022, we diverted **683.2 tons of plastic** from our locations, which is equal to **3.34 Statues of Liberty.**

## OUR PROGRESS

In 2022, RBG began testing **recyclable plastic pallets** instead of wood pallets with one of our supplier partners. These plastic pallets have an average **lifespan of ten years**, whereas wood pallets last about three years. When the plastic pallet reaches the end of its useful life, it is **melted down and molded into a new pallet**. This cuts down on wood breakage and waste.







# COMMUNITY



## CHEERS FOR CHARITY STATS



Over **2,000** RBG employees volunteered over **1,200** hours at over **70** events from coast to coast.



We partnered with over **55** community organizations.



We packed over **42,000** pounds of food at local non-profits and assembled over **7,000** food trays to hand out to those in need.



We gave **thousands of dollars** to our local philanthropy partners.



We donated almost **2,000** toys during the holidays.



We donated **over one ton** of food to hunger-fighting organizations and prepared **200+ meals** for the **Ronald McDonald House Charities**.

# 55+

## PHILANTHROPY PARTNERS



RONALD McDONALD  
HOUSE CHARITIES®



Habitat  
for Humanity®



susan G.  
**komen**  
FOR THE  
**cure**®

FEEDING  
AMERICA®







**WORKING  
TOWARD  
A BETTER  
TOMORROW**

# 2022



REYES BEVERAGE GROUP

## **CORPORATE SOCIAL RESPONSIBILITY REPORT**