



REYES BEVERAGE GROUP



CORPORATE SOCIAL RESPONSIBILITY

2023 REPORT

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Feature Story

Coming Together For Hawaii

MESSAGE FROM OUR CEO

Reyes Beverage Group (RBG) had a productive year in 2023 with many accomplishments and wins to evolve our business and move the needle in key areas of our operations. As an industry leader, we hold ourselves to high standards to deliver responsibly and we are committed to getting better every day. We believe it's incredibly important, and critical to our success, to operate with a continuous improvement and growth mindset.

In this report, we feature our RBG Cares sustainability and community efforts – everything from results we're proud of to goals we've outlined for the future. As you read through this report, know that great work is already underway in 2024 to make more strides in these areas because, as we like to say at RBG, we're just getting started.

Our purpose is to connect customers, consumers and brands every day, everywhere we operate and with an ambition to be the elite beverage distributor in the U.S., our Corporate Social Responsibility (CSR) goals are paramount to our mission. We're excited about our progress and the positive impact and growth ahead. Cheers!

Tom Day



“Get better every day.”



ABOUT RBG

Performance Promise

Company Overview

People

Safety & Compliance



PERFORMANCE PROMISE

At RBG, we're proud to be family-owned and the largest beer distributor in the U.S.— and we distribute a growing number of spirits brands, too. In 2023, we delivered over 320 million cases to more than 115,000 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 focus on development, progress and continuous improvement at every level of our business, all while working to leave this planet better than how we found it.



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

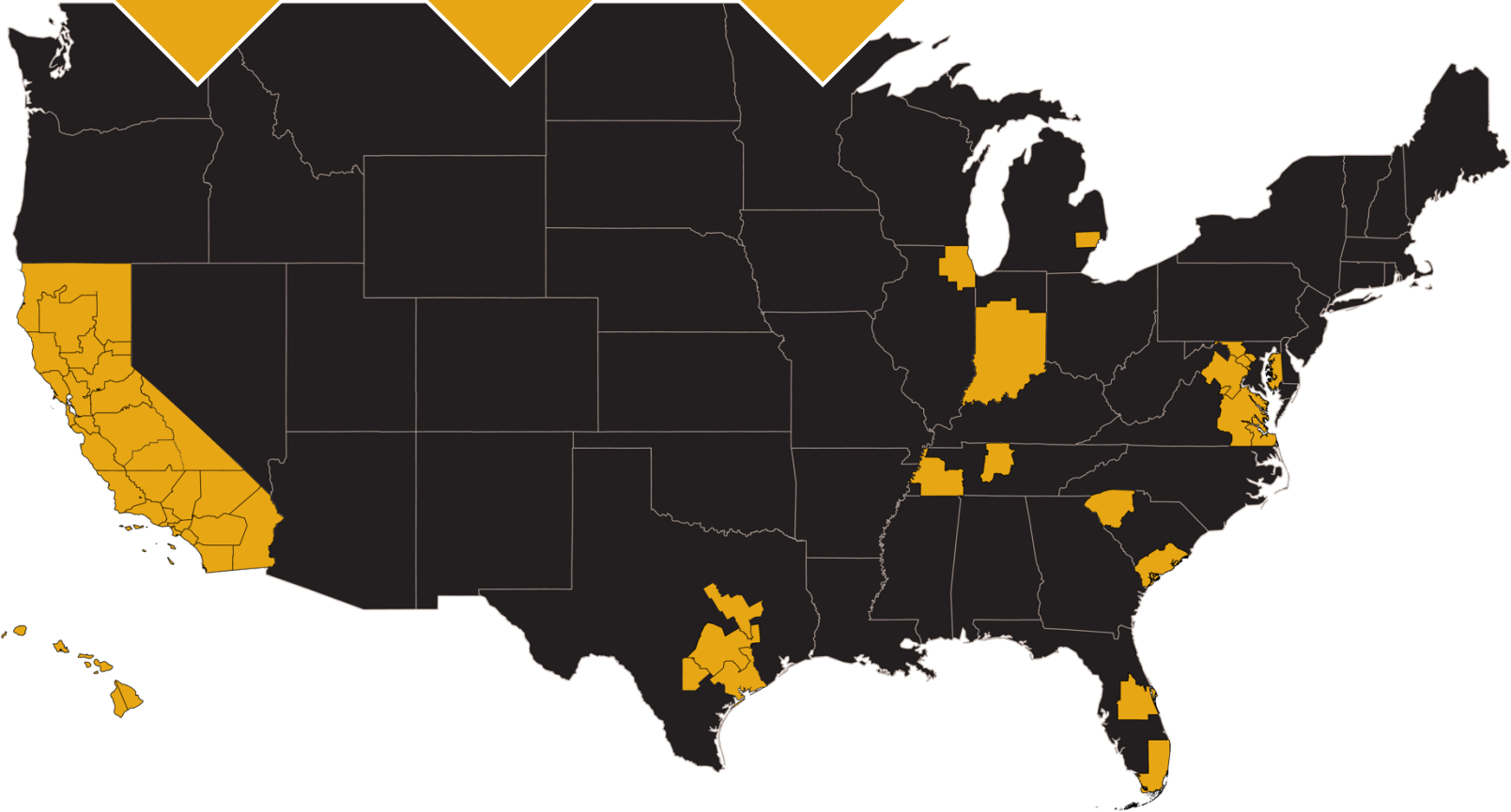
Integrity
Accountability
Wellness
Teamwork
Responsibility
Humility
Be The Best

COMPANY OVERVIEW

50+
FACILITIES

20
DISTRIBUTORS

12
MARKETS



320MM+
CASES ANNUALLY



115K+
CUSTOMER ACCOUNTS



25K+
SKUs



475+
SUPPLIERS



60+
SUPPLIER AWARDS

PEOPLE

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 shape our enterprise 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.



9,300+
EMPLOYEES

Approx. **900** internal promotions
Approx. **3,400** new hires onboarded



30 WORKPLACE OF CHOICE AWARDS



87% EMPLOYEE ENGAGEMENT SCORE

with **91%** manager effectiveness score



SAFETY & COMPLIANCE

SAFETY GOALS & ACHIEVEMENTS

Our **journey to zero unsafe acts** is supported through our behavior-based safety observation program, where we completed more than **28,000 behavior-based safety observations** and related conversations to engage our team members on safe work practices. RBG continues to invest in technology to positively impact our people. In 2023, we introduced and installed a 360-camera safety system on **nearly 40% of our routes**.



Our OSHA incident rate showed a **7.3% improvement** vs. 2022 – demonstrating our continued focus on injury and risk reduction for our workforce



Vehicles installed with the 360-camera system saw a **22.6% YoY decrease** from August to December of fixed object, hit parked vehicle, backing and sideswipe collisions

DriveCam



Added **Capital Reyes Distributing** to the DriveCam program in 2023



Risk score dropped **11%*** The **RBG risk score is a leader** amongst peer companies using the Lytx platform

Total points per event recorder dropped **14%***
*compared to 2022

KINETIC

RBG had over **85% utilization of the Kinetic device** amongst our delivery drivers and warehouse selectors in 2023. Thanks to technology, adoption and coaching, we continue to see a decrease in severity of injuries.



2024 Focus & Key Initiatives

RBG continues to invest in safety and technology by installing more 360-degree cameras on our trucks. With the upcoming installations, over 50% of our fleet will be equipped with these side and rear-view cameras. We continue to evolve and engage our workforce with safety. In 2024, we will be gamifying Kinetic to help keep engagement up and to drive our high-risk postures down.

COMPLIANCE

THE LAW BEHIND BEV-ALC DISTRIBUTING

Alcohol is one of the most regulated consumer goods in the country. At RBG, we are committed to the responsible sale, marketing and consumption of the products we distribute. We are among the only bev-alc distributors with a compliance director who oversees all compliance leads and conducts training for all employees. Each RBG company is an active member of its respective state 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 on a daily basis.



Suppliers, brewers, distillers and importers

Distributors (that's us!) – the intermediate entity that buys products in bulk and sells to retailers. Distributors offer transportation, refrigeration and maintenance of products

Retailers – 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



"I appreciate that the company invests in safety equipment and I'm fortunate it was installed on my units. Tools like these help me stay safe & keep a clean driving record."

Jose Lopez, Driver,
Florida Distributing Company



CSR APPROACH

MISSION STATEMENT

At RBG, 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. 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.



CORPORATE SOCIAL RESPONSIBILITY

CSR ORGANIZATIONAL CHART



LEADERS

The first step is setting CSR goals. Our leadership team is responsible for providing guidance, inspiration, motivation and protocols to focus the company's conscience efforts within our communities.

CSR COMMITTEE

A group of individuals across the Reyes Holdings enterprise is responsible for providing guidance and standards for the company's sustainable operations.

COMMUNITY ENGAGEMENT COMMITTEE

Our community engagement committee includes employees from coast to coast who have a passion for giving, advocating and volunteering through local initiatives. They help improve the communities where we do business.

SUSTAINABILITY TEAM

Our 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.

EMPLOYEES

Our employees are the core of our corporate social responsibility efforts. They make our company and community a better place every day, everywhere we operate.



RBG Cares
COMMUNITY



RBG Cares
RECYCLING



RBG Cares
ENERGY



RBG Cares
FUEL &
EMISSIONS

RBG CARES PILLARS

DRIVING POSITIVE CHANGE IN OUR COMMUNITIES

Our RBG Cares banner embodies our commitment to make a positive impact in the communities where we live and work. As part of our commitment, we believe in the power and necessity of working together to lift those around us and leave a better world for future generations.



COMMUNITY



We know that when the communities where we live and work thrive, our business thrives. Whether it be through volunteerism, philanthropic support or local partnerships, we strive to have a positive and lasting impact in our communities, especially in times of need.

CHARITABLE FOCUS AREAS



**Veterans /
Active Duty**



**Housing /
Seasonal**



**Community /
Family**



**Local Food
Organizations**



Volunteerism



**Employee
Engagement**



**Team
Building
Opportunities**



#RBGJOY



COMMUNITY

OUR 2023 COMMUNITY IMPACT



LOCAL NEWS



Premium Distributors of Washington, D.C.
Habitat for Humanity



Allied Beverages
Partnered with Toys for Tots for the Cheers For Charity and #RBGJOY holiday initiative



"Giving back is in our company's DNA. There was no better way to celebrate the end of 2023 and the holidays than by collecting toy donations for the Lotus House in Miami-Dade and Joe DiMaggio's Children's Hospital in Broward with the entire Gold Coast team."

Alessandra Ferrand, HR,
Gold Coast Beverage

PRIMARY PARTNERS



Approx. **80**

local non-profit and philanthropic partners



110+
Community events



1,900+
Volunteer hours



600+
Volunteers



\$87,000+
Monetary donations



100+
Meals prepared at Ronald McDonald House



5,700+
Pounds of food donated over the holidays

Enough to feed approximately 1,425 people in one day!



1,300+
Toys donated over the holidays



1,000+
Trees planted



**REDUCE.
REUSE.
RECYCLE.**
REYES BEVERAGE GROUP.

Fleet Improvements

Investing in new equipment with the most recent technology advancements



Fuel Efficiency

Driving continuous improvement in idle time, MPG and routing



Renewable Energy

Installing on-site solar panels & sourcing renewable energy



Alternative Fuels

Utilizing electricity and biofuel



Waste Diversion

Increasing recycling efforts across all waste streams



Energy Efficiency

Upgrading and maintaining our warehouses with the most energy efficient technology

2030

Reyes Beverage Group will achieve 60% reduction in carbon emissions and zero waste to landfill by 2030.



In addition to making progress on our recycling, emissions and energy goals in 2023, Reyes Beverage Group also planted **1,000+ trees across the United States to help offset our carbon footprint.**

*Did you know?
This is equivalent to sequestering greenhouse gas emissions from about 6,800 gallons of gasoline.*



We created a **sustainability-focused channel** to connect employees across all locations and share updates on local environmental progress and events, like boosting sustainability awareness, planting trees, partnering with our suppliers on clean water initiatives or engaging in recycling challenges.



SUSTAINABILITY
Roadmap

RECYCLING



GOAL

- Achieve zero waste to landfill by 2030 by increasing recycling efforts across all waste streams
- Increase waste diversion by 15% in 2024

OVERVIEW

In April 2023, RBG transitioned to a new recycling and waste management partner. This enabled us to streamline our recycling and waste management efforts across nearly all locations, track progress more efficiently and ultimately, brings us one step closer to achieving zero waste to landfill by 2030.

We're committed to identifying and creating actionable waste diversion and reduction solutions while engaging all contributors to the waste cycle, from our frontline employees to our suppliers.



RECYCLING

From 2022 to 2023, RBG saw a 30% improvement in recycling rates



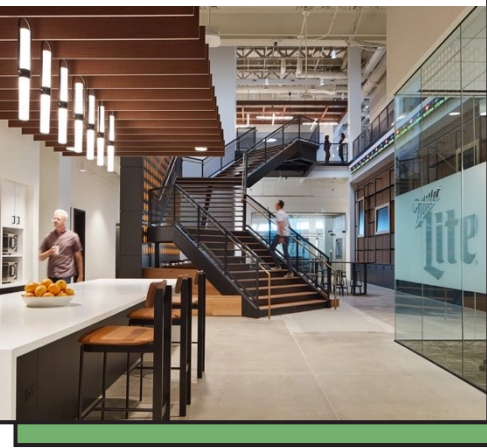
RECYCLING METRICS 2023

LOCAL NEWS

REYES RBG Headquarters – Elston (Chicago)

RBG’s HQ facility in Chicago, IL launched a New Year’s resolution to improve recycling efforts by removing all garbage cans in offices and cubicles, and by placing dedicated recycling bins in the common areas.

Employees also facilitated the “Elston Earth Week Challenge” to encourage forming a habit of bringing in reusable containers, utensils and dishes.



PREMIUM Premium Distributors of Michigan



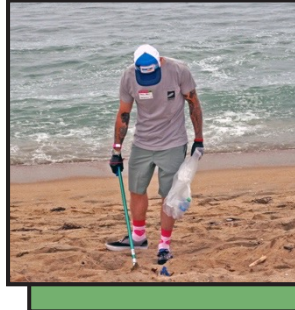
The team at Premium Distributors of Michigan embraced Earth Day by hosting a dedicated trash cleanup event around the facility grounds. Plus, the team engages in the Michigan state recycling program by picking up empty cans and bottles from customers each day.

PREMIUM Premium Distributors of Washington, D.C.



The Premium Distributors of Washington, D.C. team also facilitated a trash cleanup event across the D.C. area on Earth Day.

HARBOR Harbor Distributing



The Harbor Distributing team hosted a beach cleanup event in October while raising awareness for breast cancer.

*Did you know? This is equivalent to the weight of about **three Chicago Bean (Cloud Gate) sculptures***

Over **185 TONS** Metal materials recycled

*Did you know? This is equivalent to approximately **37,152 full beer kegs***

Over **330 TONS** Single-stream materials recycled

Over **573 TONS** Paper materials recycled

Over **943 TONS** Plastic materials recycled

Nearly **3,000 TONS** Organic materials recycled

ENERGY

GOAL

- Achieve 60% reduction in carbon emissions by 2030



RBG Cares
ENERGY

OVERVIEW

We partnered with EnergyCap, an energy and sustainability software management company, to track electricity, water and gas usage across our facilities. All RBG employees have access to this metrics report, which empowers employees to engage in energy-saving behaviors and see their impact on energy reduction each month.

We are actively working to incorporate and enhance sustainability technology and capabilities in our facilities while utilizing renewable energy where possible.



ENERGY

ENERGY METRICS 2023



LOCAL NEWS



Crest Beverage

In April 2023, our team at Crest Beverage moved into a new, state-of-the-art facility. Crest Beverage's rooftop system features 250kW battery storage plus a 720kW system installed on carports. In addition to solar panels, Crest is also making strides in sustainability by using daylighting throughout the warehouse and offices, plus engaging in innovative refrigeration energy reduction strategies in the keg cooler and warehouse.



Premium Distributors of Michigan

Premium Distributors of Michigan is now part of DTE's MIGreenPower program. By attributing 100% of its energy use to renewable energy, Premium Distributors of Michigan is helping reduce carbon emissions and support a more sustainable future.



60%

of our facilities **reduced their electricity usage in 2023** when compared to 2022 usage



We completed over

20 HVAC/refrigeration projects

in 2023



We have over

95% LED lighting

across all of our facilities. All new facilities under construction in 2023 feature 100% LED lighting.

*Did you know?
LED lights use up to 90% less energy than other standard bulbs. They produce about 70-90% less heat than incandescent lighting and can cut energy costs.*
EnergyStar.gov*



Solar

RBG facilities have a **total of 7+ MW solar systems either installed or in progress**. The solar installations we manage are sized to produce as close to a 100% offset of a site's energy usage (kWh) as possible.

6 facilities with active on-site solar systems

5 facilities with solar installations planned or in progress

FUEL & EMISSIONS



RBG Cares
FUEL &
EMISSIONS

GOAL

- Achieve 60% reduction in carbon emissions by 2030

OVERVIEW

In April 2023, our sustainability team began distributing a monthly RBG Idling Performance Report (RIP Report) to all delivery managers across RBG. This report showcases best practices and news relating to our idle time reduction initiative. It gives delivery managers across RBG the data they need each month to coach and recognize their top performers – and ultimately reduce idling time across the organization.

We are evolving our fleet by investing in new equipment, technology, fuel efficiency and renewable diesel to drive continuous improvement and positive environmental impact in our communities.



FUEL & EMISSIONS

LOCAL NEWS



Drivers at Island Distributing

Drivers at Island Distributing - Maui made huge strides in reducing their collective idle time. In just four months, the team reduced their average idle time by over 50%. The team is committed to engaging in friendly competition and aim to out-perform each other each month.



FUEL METRICS

Did you know? Idling for just 10 seconds burns more fuel than restarting your engine.

Idle Time Reduction Program

In 2023, our drivers **saved 31,270 gallons of fuel*** by reducing their idle time. This is equivalent to approx. **413,390kg of carbon emissions avoided.**

Since the idle time reduction program's inception in 2021, our drivers have **saved 62,000 gallons of fuel*** by reducing their idle time. This is equivalent to approx. **817,350kg of carbon emissions avoided.**



*Did you know? This is approximately the weight of **65 Aloha Towers***



*Did you know? This is approximately **1/3** the weight of **The Wheel (Orlando Eye) at ICON Park***

**Data from 12/28/22 to 1/1/24*



*Did you know? This is approximately the weight of **nearly four Hollywood signs***



*Did you know? This is approximately the weight of **over five Lincoln statues***

**Data from 10/3/21 to 1/1/24*



EVs & EV Chargers

In 2023, we **purchased 29 Class 8 electric tractors** that will be deployed in 2024, with plans to increase our electric tractor fleet in the future. All 1,000+ of our tractors and service vehicles in California will be zero-emission vehicles between 2035 and 2039. We also **purchased and deployed 10 electric vans.** These vans are now in use at three of our California locations.



We currently have **75 electric vehicle chargers available** for employee use across RBG.



Renewable Diesel

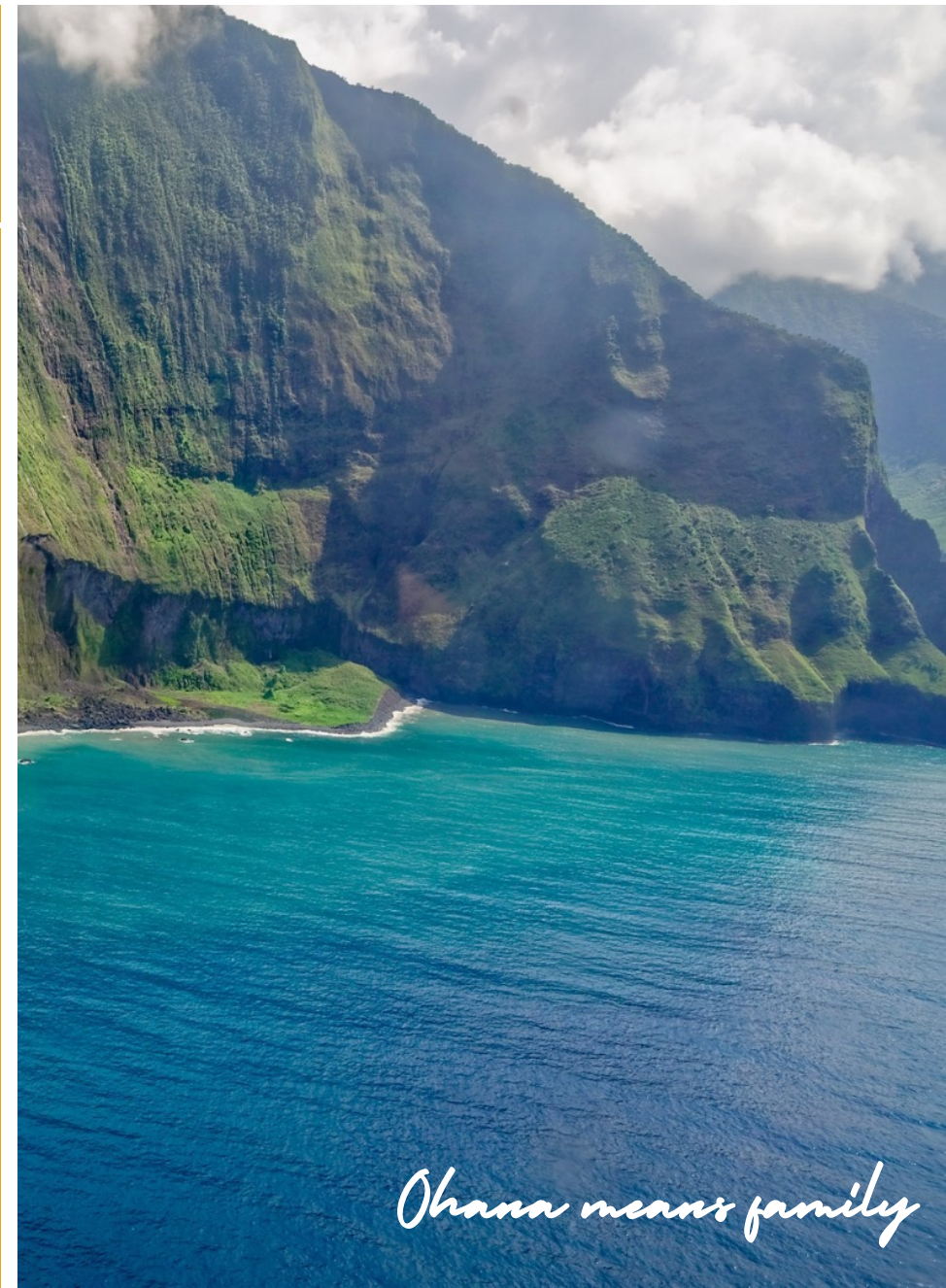
In June 2023, we began testing renewable diesel across six of our California locations. These tests were successful and ultimately led us to transitioning our fleet from regular diesel to renewable diesel at **18 of our California facilities** in February 2024. This will provide up to **65% GHG emissions reduction.**



FEATURE STORY

COMING TOGETHER FOR HAWAII

In August 2023, the beverage industry came together like never before when tragic wildfires tore through the town of Lahaina in Maui, displacing thousands of people and wreaking havoc on the community. While we were relieved that all of our employees remained safe, we knew we wanted to support those affected.



Ohana means family

COMING TOGETHER FOR HAWAII

By leveraging the supply chain in coordinated efforts with FEMA and the local government, we assisted by donating funds, supplies and products, and utilized our warehouses as logistics hubs for donation overflow, taking our lead from the local experts on the ground.

Suppliers also stepped up in a big way to provide relief. Thank you to the following industry partners for their contributions:

Reyes Coca-Cola Bottling

Martin Brower

Molson Coors

Constellation Brands

Ballast Point

Pabst Blue Ribbon

Lagunitas

Wai Koko

Good 2 Grow

Talking Rain

Dr. Pepper Snapple Group

Vita Coco

& many more!

Across RBG and Island Distributing, we took every opportunity to help our community, including:

Conducted daily check-ins with our Island Distributing employees to ensure their safety, where appropriate we connected employees with our Employee Assistance Program resources for additional support

Donated \$25,000 from RBG to The Hawai'i Community Foundation (Maui Strong Fund)

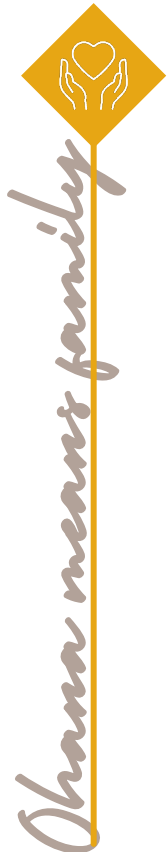
Provided relief via product donations - **over 1,500 cases**

- ◆ **Product donations and supplies were provided to our accounts**, particularly those being used as shelters, on Maui and the other islands
- ◆ Product donations were also used to **support local Fire Department and airports**

Used our warehouses as logistics hubs for holding donations as products were being allocated based on overstock and critical need

Leveraged the supply chain of Hawaii in **coordinated efforts with FEMA and the local government**

Connected with our supplier network to collect monetary and product donations



WORKING TOWARD A BETTER TOMORROW

CORPORATE SOCIAL RESPONSIBILITY 2023 REPORT

REYES BEVERAGE GROUP

