

Ambitious Minds Bring Excellent Results

ESG Report 2023





ESG Report

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Statement of the Acting Chief Executive Officer

It is with great pleasure that I present to you our first-ever ESG Report, which has been prepared with reference to the guidelines of GRI (Global Reporting Initiative) principles and serves as an important stepping stone in the path to our sustainable growth. It allows us to establish benchmarks to assess which tools will best ensure the successful implementation of our chosen strategies.

With this report, we are making our initial steps towards strategic long-term sustainability. The current report will help us with the upcoming CSRD (European Union Corporate Sustainability Reporting Directive) application.

Our sustainability roadmap outlines objectives and targets aligned with our core business policies, ensuring that sustainability remains a fundamental driver of our business decisions and actions. We recognize that our sustainability journey is an ongoing process characterized by continuous learning, adaptation, and innovation.

Our roadmap aims to contribute to three pillars: Planet, People, and Society. We are committed to achieving notable progress in the following years. Our Group aims to reduce emissions progressively and year by year, with a focus on increasingly shifting towards renewable energy where possible.

We strive to be proactive in our efforts to achieve higher rates of reuse and recycling. Despite the ongoing process of refurbishing our business to adapt to the ever-changing socio-economic environment of Europe and the rest of the world, we believe that the investments made during the reporting period are remarkable. We have made great progress in recycling waste, which resulted in many thousand tons of glass, cardboard, paper, and plastic being recycled annually.

In this report, you will also discover our commitment to fostering diverse and inclusive teams throughout our Group, our dedication to uphold the highest governance standards and ethical business practices, as well as our efforts to support local communities in the regions where we operate.

Our primary objective is to guarantee the best possible standards of health and safety for our staff members. We hold the belief that a company is comprised of individuals, which implies that the employees and the well-being

of the employees must be given the utmost importance. We are pleased to inform that in 2023, the number of accidents has been low compared to the industry in general. We will make great efforts to ensure that this trend continues.

Our Group recognizes that its operations are inextricably linked to the production and distribution of items that, if misused, may have a negative effect on individuals and society as a whole. We aim to educate and raise awareness about the safe and moderate consumption of alcoholic beverages, as well as promote a high level of moderation and self-control.

It is our duty to our stakeholders, employees, and shareholders to develop and implement strategies and activities that bring the most benefit to our company and society. Our stakeholders have successfully come together to achieve a shared goal: to look into the future from the perspective of the entire Group and each individual entity and to respect the geographical, legal, social, and practical differences and opinions.

Amber Beverage Group aims to manage its resources to achieve long-term goals, which involves developing the correct steps and practices. We firmly believe that the momentum created while developing this ESG Report and sustainability strategies will allow us to continue the good work into 2025, when the report will be prepared under the EU Corporate Sustainability Reporting Directive rules and beyond.

As we reflect and look towards the future, I am filled with optimism and excitement for what lies ahead. Our commitment to sustainability is unwavering, and we remain steadfast in our resolve to drive positive change and make a meaningful difference in the world. I invite you to join us on this journey as we continue to set further standards in sustainability.

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Acting CEO,
Group Chief Legal and Sustainability Officer



Introduction

Introduction

2023 - A transformative year for Amber Beverage Group

For Amber Beverage Group (hereinafter also – the Group or ABG), 2023 was a highly important year for sustainability. We started a systematic evaluation of our own ESG practices at Group level, and decided to create our first stand-alone ESG Report, with both quantitative and qualitative sustainability data collected from all our sites. As this is the very first Group-level ESG Report, we chose to report with reference to the GRI standards, as this gives us the opportunity to better understand our starting point. The references to ABG shall hereby refer to the ABG companies listed at the end of the report, unless otherwise stated under respective data points.

In 2023, the European Union introduced several regulatory frameworks related to sustainability. The directives concerning the reporting and due diligence responsibilities of corporations will have a direct impact on our business, underlining the need for systematic benchmarking and data management. Currently, countries within the EU are developing their national regulatory frameworks for the adaptation of the Corporate Sustainability Reporting Directive. The directive was introduced in early 2023, and the European Sustainability Reporting Standards were introduced in late 2023. Together with the Reporting Standard, a Due Diligence Directive is currently underway, with some uncertainty related to its practical adaptation.

On a wider scale, the importance of sustainability has become an ever-more important topic in the planning, mitigation and adaptation strategies, and practical operations of businesses and governmental organizations alike. The IPCC (Intergovernmental Panel on Climate Change) published the synthesis report for the Sixth Assessment Report in March 2023, which summarizes the state of knowledge of climate change, its widespread impacts and risks, as well as climate change mitigation and adaptation. The Sixth Assessment Report identified significant gaps existing between the implemented policies, and finance flows and the policies needed to meet climate goals across all sectors and regions. Climate impacts on people and ecosystems were assessed to be more widespread and severe than previously expected, outlining the importance of increasing resource allocation for both mitigation and adaptation. The report highlights the necessity of building business resilience in an era of turbulence, and the need for businesses to take nature related risks into account in their activities. As the gravity of these ESG related risks is becoming clearer across the world, new regulatory frameworks are also introduced at an accelerating pace. By starting to focus on our sustainability performance, we are preparing for these regulatory changes, and building resilience within ABG.

In the following years, we will align our management systems and reporting practices with the European Sustainability Reporting Standards, and assess and audit our business practices by the requirements set in the future Corporate Sustainability Reporting Directive. Further opportunities for transparency and accountability arise from the requirements set by the Green Claims Directive, which is projected to be adopted within the European Union during 2024.

We continue to prepare for these changes by implementing robust systems for internal data collection and analysis, and the upgrading of our supplier requirements to specifically outline the expectations for environmental, sustainability, and human rights practices. Developing collaboration with the diverse stakeholders within our value chain is crucial, and our goal is to pinpoint our key partners and opportunities for cooperation in the area of sustainability.

In addition to cooperation, the promotion of increasingly sustainable operations requires continuous development. In 2023, we started the development of a modern, BREEAM-certified, next-generation warehouse. We aim to build capabilities for renewable energy sources and explore opportunities for transitioning to alternative fuels and electric vehicles, reducing reliance on fossil fuels and lowering greenhouse gas emissions.

Amber Beverage Group is at the beginning of its sustainability journey. This report aims to understand the impacts across our diverse businesses. As such, it acts as a basis for further strategic development. Among other things, the development process includes the following elements:

- The crafting of a Sustainability Strategy.
- Understanding gaps in data, policies, and procedures.
- Preparing ABG for future reporting requirements.
- Strengthening ABG's position in sustainability and corporate responsibility.

From here, we further polish and finalise our Sustainability Strategy, together with a group of dedicated internal stakeholders across various businesses. Amber Beverage Group's Sustainability Strategy will be evaluated together with our Board members and main stakeholders under the guidance of external consultants. For strategy development, we have established a workgroup of 20 internal stakeholders across various business units within the Group. This workgroup takes an active part in building the Sustainability Strategy and setting the direction of the goals. After this, the management of the Group reviews and approves the Strategy.

The Group's goals are passed on further to the companies, and since the profiles of our companies vary across locations, the implementation of these goals depends on the specific company and industry in question.

Materiality assessment and methodology

In order to start lining up our ESG reporting practices with our stakeholders, and with the spirits industry in general, we conducted a material assessment to identify the topics that we should pay special attention to.

We started the process by analysing best practices and examples in the industry, and the topics that were common to a diverse set of different companies. Based on this assessment, we started the materiality assessment process by creating a questionnaire for our employees and stakeholders in our market areas and sites. The questionnaire included three perspectives on sustainability, and we analysed what is important for our customers, for society at large, and for our employees. We reviewed the data based on the specific countries and employee levels and created a summary of the findings.

The summary was analysed and discussed by the management of the whole Group, and the managers of each of the countries. As several countries had slightly different operations and focus areas, we scoped out some of the very site-specific topics and identified the larger topics that were important to the whole Group. As a result of the process, several focus areas were identified as material for ABG. From the focus areas we identified three strategic priorities. The priorities and the corresponding GRIs are outlined below.

1. Safeguarding the planet

Environment:

- Emissions (GRI 305, 2016)
- Water and effluents (GRI 303, 2018)
- Recycling and waste (GRI 306, 2020)
- Agriculture (GRI 13, 2022)

2. Valuing our people

Workplace wellbeing and equity:

- Employment (GRI 401, 2016)
- Occupational health and safety (GRI 403, 2018)
- Employee development (GRI 404, 2016)
- Equal opportunity and non-discrimination (GRI 405, 2016 & GRI 406, 2016)

As such, our global management team and employees play a key role in the implementation of sustainable and responsible practices. It is imperative that at ABG we prioritize raising awareness, deepening understanding, and fostering expertise in sustainability across our teams.

3. Caring for society

Responsible governance:

- Economic performance (GRI 201, 2016)
- Anti-corruption and fair business activities (GRI 205, 2016 & GRI 206, 2016)
- Responsible supply chain and procurement (GRI 414, 2016 & GRI 204, 2016)
- Tax (GRI 207, 2019)

Customers and community:

- Customer health and safety and customer communication (GRI 416, 2016)
- Responsible marketing and labelling (GRI 417, 2016)
- Data collection and privacy (GRI 418, 2016)
- Community action

The applicable GRI standards are listed in the GRI content index at the end of this report. In addition to the areas mentioned above, we utilized the GRI standards to analyse certain areas that are site- or country-specific to better understand the nature of our operations. Among these are, for example, site-specific topics such as water use, relevant to production sites, and a country-specific topic is agriculture, relevant to our agave fields in Mexico.

The information in this report is based on data submitted by each ABG company with the help of external consultants. We acknowledge the importance of information auditing as our reporting frameworks mature, as we take further steps on our sustainability journey, and we are aware of the reporting responsibilities that arise from regulatory frameworks, such as the Corporate Sustainability Reporting Directive. For the time being, we place a high value on transparency and note the gaps and uncertainties when necessary and relevant.

Based on the answers submitted by ABG companies, we identified gaps and opportunities, which will be used to update our Sustainability Strategy and set more defined KPIs. The gaps and opportunities are outlined in the relevant sections of this report.



Responsible governance

Responsible governance

Economic Performance

The performance of ABG is intertwined with the economic landscape and consumer behaviour in its principal markets. Operating on a global scale, we face challenges due to the occasional opacity and complexity of local regulations, which might be difficult to interpret and may be applied inconsistently.

The geopolitical frictions involving Russia, the European Union, and the United States are continuing to contribute to instability across Eastern Europe. We are diligent in monitoring economic trends and consumer patterns, guiding our strategy for product offerings and innovation. Approximately half of our companies are within the European Union, making us subject to its legislative framework.

We keep a close watch on market dynamics, continually reassessing our product lineup and market strategies, and adjusting as necessary. Our strategy includes actively exploring diversification opportunities and seeking new avenues for business and investment beyond Europe. The European Green Deal and the regulations arising from it

pose medium-term challenges to our cost structure, requiring adjustments across industries that are slow to adapt to these mandates. Nonetheless, the emergence of new market alternatives is anticipated to facilitate a reduction in production costs and the price of goods sold, thanks to diversification in energy sources and production methodologies.

Our involvement in nurturing the local business ecosystem is pivotal, and we are committed participants in various national associations such as:

- Producers of alcoholic beverages in Latvia and Mexico.
- Entrepreneurs, employers, and investors in Latvia, Lithuania, and the United Kingdom.
- Retailers and distributors in Latvia, Lithuania, Estonia, Australia, Austria, and the UK.

In 2023, our net revenue was EUR 329 058 thousand, and we paid EUR 49 226 thousand in salaries (including respective tax expenses). A more in-depth presentation of our economic performance is presented in ABG's Annual Report for 2023.

Anti-corruption and fair business activities

ABG takes corruption and bribery very seriously; thanks to our robust anti-corruption policies, internal audits, and regular trainings, no cases of corruption or suspected corruption were identified in our organizations in 2023 or 2022. The Group maintains an Anti-corruption policy that applies to all employees and representatives of ABG. The policy requires compliance with all applicable laws and regulations, accurate book- and record-keeping, and due diligence on retained third parties.

Anti-corruption training is conducted every three years in the Group's companies. As most companies had conducted trainings in 2022 or 2021, in 2023, a total of 63 employees and 10 governance body members of ABG were trained in anti-corruption. In addition to anti-corruption training, audits are regularly conducted by our Group's Legal department.

Our Anti-corruption policy gives clear guidelines to all employees on how to act in cases of suspected anti-corruption, no matter how insignificant it may seem. To guide the work, the policy outlines several concrete examples of signs of corruption in employment and business relationships.

Our policy prohibits all forms of corrupt practices, including the giving or accepting of bribes and fraudulent accounting. Bribes are defined as any payments, offers, or promises in the form of financial or other benefits that are designed to influence the receiver's behaviour. Our policy includes the following (but not limited to) examples of bribes: presents, product samples, lunches, entertainment, premiums, loans, loan guarantees, wedding gifts, job offers, contractual rights, overcompensation of costs, etc. The policy prohibits the performance of "incentive" payments to state officials, even if such payments are in the amount of the nominal value. The performance of an unlawful incentive payment in any country exposes an employee and their colleagues to possible prosecution and other sanctions in the country in which the incentive payment was made.

ABG's Anti-corruption policy extends to third parties working for or on behalf of the company. The policy lists several conditions for working with third parties, including (but not limited to) the requirement of fixed and written contracts, economically justified rates in the given market conditions, and monitoring of third parties. ABG's employees can be held liable if they neglect or disregard the requirements set for working with third parties.

We empower our employees to actively participate in upholding our policies by reporting any potential violations or breaches of relevant laws and regulations. We encourage our employees to ask questions whenever there are doubts, verify the reliability of representatives, joint venture partners, and any other third parties, be alert and carefully watch the activities of third parties, and never ignore rumours, inadequate payments, or other warning signs. We prioritize confidentiality when handling reports, ensuring that we address all concerns with discretion and sensitivity. Our policy has a commitment to zero tolerance for retaliation against reported incidents.

We treat violations of our anti-corruption policy with the utmost seriousness, and they may result in disciplinary actions, including termination of employment, in accordance with local legislation. Recognizing bribery as a criminal offence, we emphasize the importance of adherence to anti-corruption laws for all employees. In addition to our strict anti-corruption policies, we take care not to engage in activities that restrict fair competition. Within the GRI, anti-competitive behaviour refers to actions of an organization or its employees that can result in collusion with potential competitors with the purpose of limiting the effects of market competition, which can include fixing prices, creating market or output restrictions, imposing geographic quotas, and allocating customers and suppliers (among other things).

Within all ABG companies, we comply with the applicable anti-trust and competition laws in the relevant jurisdictions, and we do not engage in anti-competitive practices. Our partners must meet both the requirements of the relevant jurisdictions as well as our requirements for anti-corruption and transparency. Over the years, we have

had no cases of legal actions related to anti-competitive behaviour or anti-trust legislation or identified cases of corruption. Our dedication to ethical principles ensures that our operations remain transparent and accountable, safeguarding against actions aimed at personal or financial gain at the expense of integrity.

It is essential that, while building relationships with our clients and partners, we ensure high standards of compliance with global, regional, and local regulations. Compliance with anti-money laundering regulations and regulations imposing restrictive sanctions on individuals and entities is one of the focal points when forming relationships with our clients and partners. Non-compliance carries the risk of major penalties from state authorities; therefore, it is essential to follow proper and thorough KYC (know-your-client) procedures before engaging in further business, as well as to incorporate routine sanction monitoring practices to ensure adherence to changes in sanction regime regulations. At Amber Beverage Group, we have adopted programs, policies, and instructions for employees to manage various potential risks in connection with our business partners, including credit risks, various sanctions checks, and others. Regular training of employees is key to ensuring that they are informed about the latest KYC and sanctions requirements and follow the procedures.

Following Russia's military invasion of Ukraine in February 2022, tensions among Russia, Belarus, the EU, and the USA escalated, leading to several amendments and constant growth in the lists of sanctioned legal entities and private individuals. We monitor the changes and respond quickly to be fully compliant with the imposed restrictions on financial and sectorial sanctions.

Responsible supply chain and procurement

Our reputation is important to us; therefore, to uphold our status as an exemplary company, we carefully select our business partners. That is why our partners are selected through our corporate procurement procedure, and a Code of Conduct has been developed to ensure that partners, including suppliers, share the same values as ABG. These values are based on the principles of ethics, integrity, safety, and legality. Within this Code of Conduct, we also urge our partners to prioritize efficient use of natural resources, embrace a perspective which considers

the entire life cycle of their operations, and to actively engage in continuous improvement processes. This entails comprehensive reporting, including data collection, measurements, assessments, anticipation of challenges, establishment of corrective plans, implementation of actions, and exploration of innovative solutions. Through these recommendations, we aim to optimize, minimize, and ultimately eliminate any environmental impacts associated with their products or services across the entire life cycle or throughout their value chain.



As part of our current Sustainability Strategy, we aim to establish a resilient and transparent supply chain, and to do that, we have set up several short-term, medium-term, and long-term initiatives that have been created to ensure that we achieve this goal. The core activities for this goal are to integrate social and environmental standards, ensure transparency of the supply chain, identify wider impacts, and scale partnerships with our suppliers and third parties. We are planning to implement green procurement in the supplier selection process. We are also planning on developing a team of auditors to perform

audits at suppliers' premises. There are plans to upgrade the Suppliers' Code of Conduct, outlining expectations for environmental sustainability and human rights practices.

We need to build a resilient and transparent supply chain, because being adaptable allows us to respond quickly to disruptions, ensuring business continuity and customer satisfaction, while transparency helps identify and manage risks, maintain product quality, and uphold ethical standards.

Tax

ABG's dedication to social responsibility is primarily demonstrated through significant contributions made via various tax payments. We cooperate with state oversight institutions and several organizations that support initiatives aimed at reducing the shadow economy in the alcohol industry and developing sustainable tax policies. In 2023, we contributed EUR 285 540 thousand in taxes, with a notable portion

of this total, approximately 75%, attributed to excise duties. These duties, levied on the sale of alcohol and packaging, amounted to EUR 213 721 thousand for the year. Value-added tax represents 21% of the Group's tax payments, and in 2023, we paid EUR 60 445 thousand in VAT. The remaining 4% consists of social taxes, corporate income taxes, natural resource taxes, and other taxes. Our tax contributions are presented in the table below:

ABG Taxes in 2023 (EUR 000)

VAT	60 445
Excise	213 721
Social tax	4 047
Corporate income tax	2 760
Natural resource tax	4 160
Other taxes	407
Total	285 540

Some of the ABG companies in Latvia, when it comes to the excise taxpayers, are among the largest taxpayers in their localities. Compliance with tax laws in each country of operation is a cornerstone of our approach, ensuring we adhere to local legislation. This commitment not only supports our social responsibility initiatives, but is also crucial for maintaining profitable operations and positive financial outcomes. By achieving good financial results, we

can implement our social responsibilities in the most effective manner. Significant tax fluctuations have the potential to impact our business in a material way, since taxes represent the largest part of the shelf price for alcoholic beverages. We monitor these changes, our compliance with the changes, and their resulting effects on buying behaviour, on a continuous basis.



Workplace wellbeing and equity

Workplace wellbeing and equity

Employment

At ABG, we believe that strong brands are built by talented and motivated people. This means that our top priority is to provide a culture of vitality and a dynamic working environment. We believe that our values and working principles contribute to a culture that is focused on long-term value creation.

All work is performed on the basis of a recognized and legal employment relationship established in accordance with national laws and practices. We ensure that our employees work under conditions that comply with all laws that are in effect, and with all mandatory industry standards relating to normal working hours and overtime.

We take care of the well-being of our employees by monitoring their well-being through surveys and creating initiatives that aim to support the physical and mental well-being of our workforce. Amber Express is a survey that focuses on several aspects of work contentment, and covers areas such as emotional wellbeing and stability, management, communication, motivation, engagement, diversity, collaboration, and salary and benefits. The annual ABG initiative called Value Week has now been organized for six consecutive years and is designed to share, strengthen, and develop the understanding of shared values within the Group.

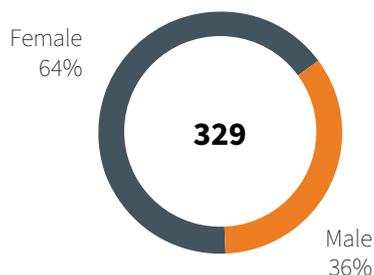
In 2023, we had a total of 1 522 employees across all our sites. Of these employees 50% worked in production, 45% in distribution and 5% in other roles.

In 2023, we hired a total of 329 new employees, of which 211 were female employees, indicating a significant representation of women in the workforce. Our organization welcomes a diverse range of talents, evident in the age distribution of our new hires. Among the 329 employees who joined our team, we celebrate the inclusion of experienced individuals, with 60 employees aged over 50 bringing invaluable seniority and expertise. Throughout the reporting period, a total of 279 employees transitioned from ABG. While transitions are inevitable in any dynamic organization, it should be noted that many of our facilities offer a significant amount of seasonal work. We observed



59 departures from employees aged over 50, and 134 from those aged between 30 and 50, and 93 from individuals aged below 30, reflecting general turnover trends in the millennial generation; while the turnover in the younger age cohorts can be largely explained by seasonal work and the general life changes experienced by people in their 20s. By addressing the diverse needs and aspirations of employees across different stages of their careers, and facilitating communication and cooperation between three different generations, we can foster greater engagement and loyalty within our workforce.

Gender distribution among new employees



In 2023, a total of 86 employees were entitled to parental leave, with 42 of them being female employees, meaning that over half of the employees entitled to parental leave were men, but not all of them chose to use it. As a general trend, more and more men are taking parental leave, which is also reflected in the changing regulatory landscape in many of ABG’s operational countries. By encouraging the uptake of parental leave for both women and men, we empower our employees to prioritize their family commitments without compromising their professional growth. This reflects our company’s dedication to supporting employees with family responsibilities, ensuring that they have the flexibility and resources needed to balance their work and personal lives effectively.

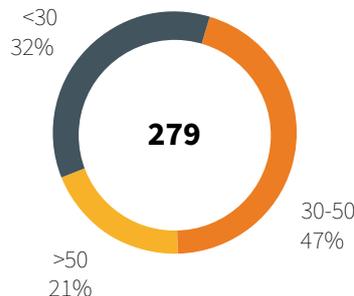
Occupational health and safety

We take great care of our employees by providing safe, stable, and good working conditions, social guarantees, and benefits. At ABG, employee health and safety is one of our top priorities, and this is an area where we constantly strive for improvement.

ABG remains committed to ensuring the health and safety of its employees in every aspect of operations. Through proactive measures and continuous improvement initiatives, we strive to create a culture where employees feel engaged and committed to the principles of health and safety. We engage our employees by providing them with feedback and communication platforms, which enable them to share their views on various factors. Through our own survey program, Amber Express, we track the mental well-being of our employees on a regular basis.

Across all our operations, we reported a total of nine work-related incidents that led to lost time, all of which

Employee turnover by age group



In 2023, entry-level positions across our organizations were consistently higher than the regulatory minimum compensations: on average, our salaries for entry-level positions were 55.5% higher than the regulatory minimum.

We provide safe and fair working conditions for our employees. The risk of forced labour existing within our supply chain is understood, and we adopt a zero-tolerance policy in this matter; however, this risk is mitigated by a large portion of our suppliers being located within the European Economic Area. Responsible management and compliance with all legal requirements are reflected in our policies, procedures, practices, and contracts with our suppliers.

took place at production and logistics sites. While each incident is regrettable, we are happy to report that most of our focus on incident reporting and swift response mechanisms underscores our commitment to employee well-being.

Different standards set different rates for the reporting of accident frequency. In this report, we have chosen the method used in GRI 403, 2018, where the rates of recordable work-related accidents are reported per a total of million worked hours. The rate of recordable work-related injuries was 5.4 in 2023 and 2.3 in 2022. While the increase in the rate is relatively significant, it is worth noting that the data for certain facilities (mainly Amber Tequila and Amber Agave) was missing for 2022. In addition, there was a significant decrease in the rate of high-consequence injuries, from 3.2 in 2022 to 0.5 in 2023. Compared to industry standards, ABG’s accident rates are low, reflecting our proactive approach to health and safety.

It should be noted that sometimes the increased number of accidents can also be explained by the continuous development of our safety culture, leading to even smaller accidents being reported. In 2022, we made significant improvements and changes to the management of safety issues within our Group, and increased the safety training for employees in specialized educational institutions. In addition, the rates have been calculated based on the ABG companies which had information on both the total hours worked within the company and occupational accidents: these were Amber Latvijas balzams, Amber Production Tequila, Amber Agave, Amber Distribution Latvia, Amber Distribution Lithuania, Amber Beverage Australia, and Interbaltija Amber. It is therefore possible that the accident rate across the company is even smaller than presented here.

We had zero fatalities resulting from work-related injuries or work-related ill health among our own employees in 2023, making the rate of fatalities in both years zero. In 2023, we reported one high-consequence injury among our own employees. Through targeted interventions and employee engagement initiatives, we are actively working to reduce the incidence of such events.

We take care of our employees' health, specifically focusing on reducing accidents at work and preventing occupational diseases. To this end, the company ensures the regular evaluation of risks, awareness-raising, and staff training, providing various materials as well as briefing sessions. We regularly remind our employees about the necessity of reporting near misses to manage risks in the future.

Employee development

The Group's success depends on the skills of key personnel and its ability to retain such personnel. We prioritize the continuous development and safety of our employees through comprehensive training initiatives, both online and on the premises, as well as at the Group and company level. During the onboarding process for new employees, we provide specialized training sessions to ensure they are equipped with the necessary skills and knowledge to excel in their roles. These onboarding sessions not only introduce them to company policies and procedures but also focus on essential aspects such as safety protocols and emergency procedures.

In addition to onboarding training, we conduct regular annual training sessions to reinforce key competencies and safety protocols. These sessions cover a range of topics, including first aid, specialized skills training, and other relevant areas to enhance employee proficiency and ensure compliance with industry standards.

To help prevent occupational injuries and accidents, we have ingrained a practice of regularly testing and training our employees to assess their proficiency in industrial safety rules. We ensure that the workplace machinery, equipment, and work processes, as well as chemical, physical, and biological substances and agents are under our control, and do not present any risks to the hygiene, health, and safety of employees. Whenever necessary, we supply suitable protective equipment and clothing to minimize the risk of accidents or negative health consequences.

We make provisions for essentials like drinking water, proper lighting, comfortable ambient temperatures, ventilation, and sufficient sanitary facilities, along with the necessary personal protective equipment and well-equipped workstations. In addition, the installations are built and maintained in accordance with the standards set by the legislation and regulations in effect.

All accidents and near misses in ABG are registered, and the circumstances leading to them are promptly rectified. We register all serious and potentially serious accidents with the relevant authorities and regulatory bodies and conduct an in-depth investigation of the circumstances leading to them. At the end of the investigation, we develop an action plan on how to avoid similar incidents from happening again, and the preventive actions are then communicated to the relevant employees.

As mentioned above, all new employees are introduced to key policies on ethics and human rights, but we also give more extensive training on certain topics, where relevant to the employee's work and role in the organization. In 2023, we provided in-depth training in human rights policies or procedures and anti-corruption policies or procedures to 811 employees, representing over 50% of our employees. This demonstrates a strong commitment to employee development, and reflects our proactive efforts to foster a culture of ethical awareness and compliance.

Data on gender differences in training was limited to three of our sites: Amber Distribution Lithuania, Walsh Whiskey, and Amber Beverage Austria. Further efforts to systematize data collection efforts should be made to better understand the dynamics of training conducted

across our sites, and to delineate the explanations for potential disparities. Ensuring equitable access to training programs for all employees is important for fostering a diverse and inclusive workplace culture.

Several of our companies have Employee Performance Appraisal Processes on an annual basis, and in 2023 over 230 of our employees went through this process. The formal Employee Performance Review in ABG starts from

Hay level 14. In addition to the EPA process, there are several different measures and KPIs across different employee groups to review the employees' performance. These reviews are conducted on a monthly, quarterly, and annual basis. Our robust performance management systems enable employees to unlock their full potential and contribute effectively to organizational success.

Equal opportunity and non-discrimination

GRI 405 addresses the topic of an organization's approach to diversity and equal opportunity at work. When diversity and equity are actively promoted, significant benefits for both the employees and the company might arise. By making conscious efforts towards equity, the company can gain access to a more diverse and larger set of talent.

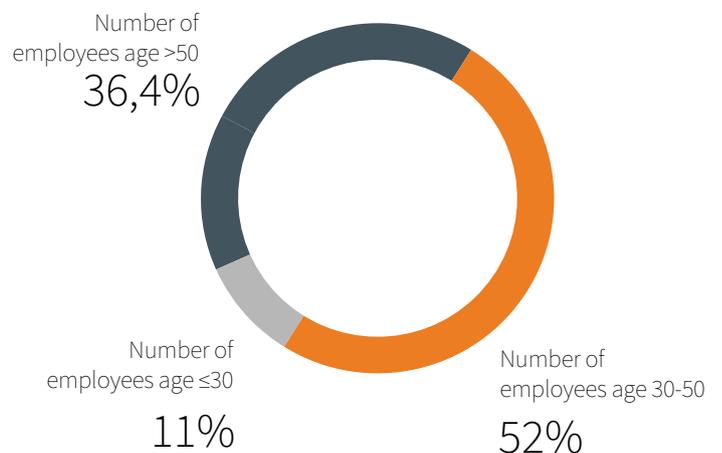
At ABG, we are committed to fostering a workplace environment that embraces diversity, promotes equal opportunity, and prioritizes the well-being of all our employees. Equality and non-discrimination are core human rights concepts at ABG. We follow a risk-based approach in evaluating violations of equality. We have internal procedures in place to ensure the identification of possible or actual risks in this field, as well as a safe whistle-blowing mechanism. Throughout our companies, no cases of discrimination based on race, sexual orientation, political opinion, or other such characteristics were identified in 2023, or in 2022.

In 2023, we demonstrated a strong presence of female employees, with over half of our employees being women. The world's recommended good practice for an optimal proportion of gender equality in companies is

60% to 40%, thus the indicators of ABG are excellent. At the same time, we recognize that there is still progress to be made, particularly in enhancing gender parity at management level, with 16 of our 47 managers being female in 2023. At the same time, it should be noted that ABG is a somewhat typical company in this regard, as the European Union average for women in management is 34%, while the global average is approximately 37%. In all of ABG's companies' women accounted for exactly 34%, reflecting the European Union average division. The promotion of gender diversity at all organizational levels presents an opportunity for ABG to reinforce inclusivity and ensure equal opportunities for all.

Our employees are divided across all age groups in all our sites, with the largest proportion being made up of people in the age group of 30 to 50 years, reflecting a somewhat typical corporate demographic with global median ranges of workforce ranging from 37 to 41 years. A significant proportion of our workforce (36.4%) consists of more senior employees, aged 50 years or older. By leveraging the diverse perspectives and skills of employees across different age groups, we aim to cultivate a dynamic and inclusive work environment that drives innovation and success.

Employee age distribution





Environment

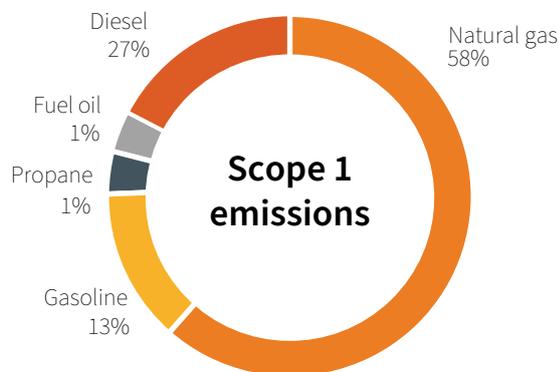
Environment

Energy and emissions

In accordance with the Global Reporting Initiative (GRI) guidelines, ABG presents its comprehensive assessment of energy-related emissions for the year 2023. As an organization committed to the development of our sustainability practices and transparent disclosure, we aim to provide a detailed overview of our environmental performance, particularly in the realm of energy consumption and associated emissions. 2023 will act as the benchmark year for the development of our emissions data, and we acknowledge the importance of evolving emissions tracking methods and data management.

Scope 1 emissions

During the reporting period, our observed Scope 1 emissions amounted to 1303.62 tons of CO2 equivalent per year. These emissions are attributed to direct sources within our operational control, including natural gas, fuel oil, propane, diesel, and gasoline. Within our Scope 1 emissions breakdown, the percentages of each emission source are shown in the chart.



Scope 2 emissions

Our Scope 2 emissions in 2023 totalled 1676.61 tonnes of CO2 equivalent per year, primarily stemming from purchased electricity consumption. Despite being indirect emissions, they represent a substantial portion of our overall carbon footprint within Scopes 1 and 2. We understand the importance of reducing our reliance on electricity generated from fossil fuels and are actively exploring opportunities to obtain renewable energy sources. We recognize the absence of comprehensive data from certain sites, emphasizing the need for enhanced data collection mechanisms and transparency across our operations.

In this chapter, we will present our Scope 1 and 2 CO2 emissions, as well as other emissions arising mainly from our production facilities.

The Scope 1 and Scope 2 emissions of ABG's production sites are presented in grams of CO2 equivalent per litre of produced alcohol. This presentation is guided by a benchmarking study produced by the Beverage Industry Environmental Roundtable (BIER) in early 2024. In 2023, ABG's Scope 1 and 2 emissions for production facilities were approximately 55 grams of CO2 equivalent per litre, representing good performance in this area.

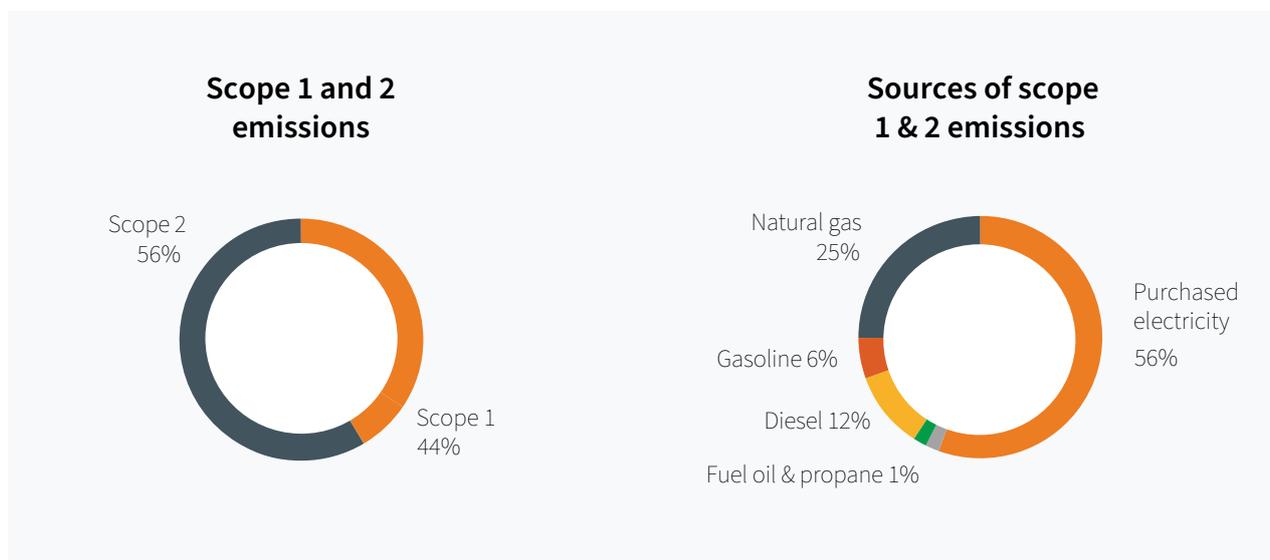
While we have implemented various measures to mitigate these emissions, it is important to acknowledge that data from certain sites, namely our office based in Riga, Amber Beverage Austria, and Amber Distribution Estonia, is not included due to limited data availability. In addition, the emissions impacts from our agricultural activities' fertilizer and land use have not been calculated. While we recognize the significance of a comprehensive assessment, and remain committed to addressing them effectively across our entire organizational footprint in the future, it is worth noting that these facilities are either office environments and/or quite small units. Our main goal for 2023 was to scope out the overall ESG impact of our activities. As such, the calculations here act as a starting point for future assessments and reviews.

The Scope 1 emissions from our production sites in 2023 amounted to 953.67 tonnes CO2 equivalents per year (eq/y), while those from distribution sites and offices were 349.94 tonnes CO2 eq/y. This means that the emissions from our production sites are approximately 2.72 times higher than those from distribution sites and offices. In terms of Scope 2 emissions, our production sites contributed 1312.0 tonnes CO2 eq/y, whereas distribution sites and offices accounted for 364.63 tonnes CO2 eq/y. It is crucial to note that for distribution sites and offices, the Scope 2 emissions data

excludes our shared services centre office in Riga, Amber Distribution Latvia, Interbaltija Amber, Amber Beverage Austria, and Amber Distribution Estonia. Scope 1 excludes Amber Beverage Austria and Amber Distribution Estonia due to insufficient data availability.

In response to our energy-related emissions, ABG is committed to implementing strategies aimed at reducing

energy consumption, enhancing energy efficiency, and transitioning towards renewable energy sources wherever feasible. However, we recognize that our journey towards sustainability is ongoing, and we remain dedicated to pursuing innovative solutions and collaborating with stakeholders to achieve our environmental goals. Through transparent reporting and proactive measures, we strive to foster stakeholder engagement and contribute positively to



Other emissions

At ABG, we recognize the critical importance of addressing our environmental footprint to build a sustainable future. Understanding our GHG emissions is vital in the fight against climate change; however, it is also important to look at other emissions from a wider scope. To understand the emissions impact of our actions, it is important to consider the emissions relative to production volumes. Through this ESG Report, we aim to transparently communicate our emissions data, identify areas where improvements can be made, and pinpoint any existing gaps in our emission reduction strategies. By clearly understanding our current emissions profile, and recognizing where we fall short of our sustainability objectives, we can effectively set achievable goals to drive continuous improvement and make meaningful strides towards a more environmentally responsible future.

The air emissions tracked in this report include nitrogen oxides (NOx) and sulphur oxides (SOx), particulate matter (PM10), as well as volatile organic compounds (VOC). These emissions have an impact on climate, ecosystems, air quality, habitats, agriculture, as well as the health of humans and animals. At one of our production sites, Amber Latvijas balzams, we have observed a reduction in NOx emissions.

In 2021, NOx stood at 3 355.00 kg, dropping to 2 494.00 kg in 2022 and further to 2 297.00 kg in 2023. At another site – Amber Distribution Lithuania - we have also observed a reduction in nitrogen oxide (NOx) emissions over the years. In 2021, emissions were 156.23 kg, dropping to 150.83 kg in 2022, and further to 126.64 kg in 2023. Particulate matter emissions (PM) are not significant in our operations, standing at 1.71 kg in 2023.

To gain a comprehensive understanding of our environmental impact, a site-by-site emissions inventory is necessary. This inventory will provide detailed insights into emissions from each facility, enabling us to identify areas of strong performance and areas for improvement. Starting with a site-by-site approach will allow us to develop targeted strategies to address emissions effectively company-wide. In addition, it would be important to better understand the reasons behind significant changes. To track our emissions reduction performance, we think that it is important to compare the emissions impacts of our operations to our output and processual changes in the operations. Increased emissions can be, and often are, related to increased production.

Water and effluents

ABG is mainly located in areas where we benefit from consistent access to rich and high-quality water throughout the year, but at the same time, we are aware of the challenges that the rest of the world is facing in terms of access to drinking water, especially during the summertime, and we strive to track our water usage efficiency. While acknowledging that our company still has considerable room for improvement, we recognize water as a precious resource. Due to gaps in water data, the report examined three production sites (Amber Latvijas balzams, Amber Production Remedía, and Amber Production Tequila) and one distribution site (Amber Distribution Lithuania). Water, prior to filtration, is mainly obtained from two sources: groundwater and the public water supply network, with one exception (Amber Production Tequila), where water is obtained from rainwater. Comparing the year 2023 with 2022, a decrease in water consumption has been observed across all our assessed sites. In 2022, Amber Latvijas balzams total water consumption was 167 202 m³, whereas in 2023, it decreased to 115 485 m³. Similarly, Amber Production Remedía total water consumption in 2022 was 35 000 m³, reducing to 31 000 m³ in 2023. The trend continues in Amber Distribution Lithuania, where the total water consumption decreased from 2 875 m³ in 2022 to 2 632 m³ in 2023. We do not have data on Amber Production Tequila water consumption in 2022.

It is worth mentioning that Amber Distribution Lithuania is undergoing reconstruction of the water supply system. This project will improve the resilience and reliability of the water infrastructure, ensuring a continuous supply to the facility.

Recycling and waste

In our pursuit of sustainability, we have prioritized efficient waste management practices across our operations as one of our most material topics. In the future, we aim to scale the recycling of material fractions and side streams generated in our production processes and to improve the sorting of the materials. ABG companies collect and sort materials such as paperboard, glass, plastic, metal, and hazardous substances. Our commitment is evident in the substantial efforts dedicated to recycling and preparing non-hazardous waste for reuse. Out of a total of

At our Amber Agave site, a strategic approach has been adopted by incorporating contour curves to optimize the use of water from rainfall. This innovative technique not only increases water retention but also promotes efficient irrigation practices, aligning with our commitment to sustainable agriculture. By using the natural terrain, we aim to reduce soil erosion, improve soil moisture retention, and strengthen the resilience of crops to changing weather conditions.

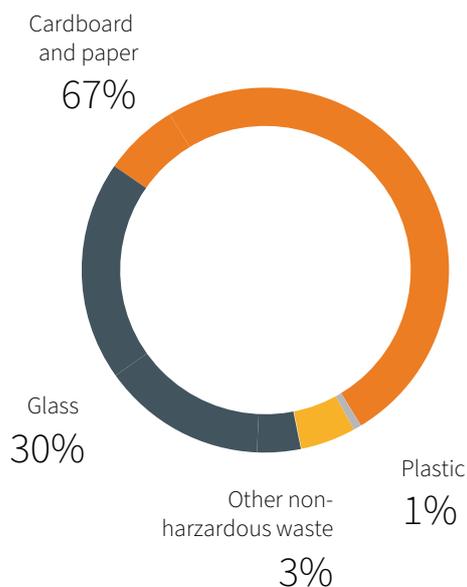
At our agave fields at La Carrera ranch, we have implemented a rainwater collection system consisting of two reservoirs to capture water from rainfall. This helps reduce dependence on external water sources. In addition, at our agave fields at Las Cieneguitas ranch, we have established a cooperative relationship with a neighbouring property owner, who transfers the rainwater captured in his reservoir to our equipment. This partnership enables us to further utilize rainwater as a valuable resource in our agricultural operations, improving water security and resilience in a changing environment.

To provide a comprehensive overview of water consumption in ABG, it is important that we begin to track water usage across all our sites, which will provide us with a detailed understanding of our overall water consumption patterns. This information will enable us to identify areas of high-water usage, potential inefficiencies, and opportunities for improvements.

27 040.664 tonnes of non-hazardous waste generated collectively across various sites, an impressive 26 733.428 tonnes have been recycled or readied for reuse, that is about 99% recycled or ready for reuse from total waste generated. Our data showcases significant achievements: 7 822.1 tonnes of glass waste, 17 211.7 tonnes of cardboard and paper, and 69 tonnes of plastic have been recycled, additionally, 819 tonnes of other non-hazardous waste (excluding by-products) were recycled, and 40 000 tonnes were prepared for reuse.

Non-hazardous waste recycled

Across our companies, there is a shared commitment to responsible waste management practices and environmental stewardship. While each company exhibits a unique approach tailored to its operations, common themes emerge. Regular monitoring and recording of waste production are prevalent, although specific reduction targets are not universally established. Furthermore, while the solid waste impacts of the supply chain may not be tracked comprehensively, adherence to local regulations and best practices remains consistent.



At Amber Agave, our waste management protocols adhere to local regulations and best practices. Between 20% to 49% of the material (by volume) is composed of recyclable (and labelled as such) or biodegradable materials. Moreover, we strictly prohibit agricultural burnings, and ensure proper management of waste generated, such as agrochemical containers, through triple washing, crushing, and disposal in authorized facilities. These measures underscore our dedication to sustainability and compliance with environmental standards. The waste management and other environmental practices of our agricultural sites are further assessed under the relevant section of this report.

We also do our best to re-use by-products such as vinasse at Amber Production Tequila, which is the liquid residue remaining after distillation of fermented agave juice. To ensure proper management of the vinasse, Amber Production Tequila collaborates with a specialized company, which takes this vinasse and sends it to be recycled and converted into compost. Through this

process, the vinasse is recycled as fertilizer for agave plants. The waste management and other environmental practices of our agricultural sites are further assessed under the relevant section of this report.

At Amber Latvijas balzams, approximately 20% of the materials (by volume) in the areas where our products are sold consist of recyclable or biodegradable materials, all appropriately labelled. Additionally, a significant portion, approximately 75% to 99% (by volume), of our packaging is recyclable. Moreover, we actively participate in state recycling programs, further contributing to our efforts in waste reduction and sustainability.

While in Amber Distribution Lithuania, approximately 50-74% of the materials (by volume) are composed of recyclable (and labelled as such) or biodegradable materials in the areas where they are sold, including both the product and packaging. Furthermore, the company actively participates in both state-obligatory and voluntary waste management programs, which include waste sorting initiatives.

Agriculture

ABG owns two agave fields in Mexico: La Carrera and Las Cieneguitas. Owning our own fields allows us to control our supply chain, ensure the field-to-bottle production capacity of our own tequilas, and strive to improve our supply chain's sustainability. In 2023, we harvested approximately 1 030 tonnes of agave from our own fields.

Amber Agave – the company responsible for ABG's current agricultural activities in Mexico – is an active member of the Tequila Regulatory Council (CRT), which is the organization dedicated to inspecting and certifying compliance with the Official Tequila Standard, as well as promoting the quality, culture, and prestige of the national drink par excellence. Our membership of the council and its committees helps to benchmark and share our practices, and track our performance in the areas of sustainability and strategic planning. In late 2023, we proposed the application of compost in the fields in the council's budget, which has since been approved. The application of compost has great potential in promoting soil regeneration, improving nutrient retention, and decreasing the number of other fertilizers used for agave crops, as especially the excessive use of inorganic fertilizers can increase soil

acidity levels and alter soil fertility. We are planning to start using compost in our own fields starting from 2024.

The first field acquired by ABG was the La Carrera ranch located in the community of Salto de Coyotes in Jalisco. The ranch is located approximately 117 kilometres from the Amber Production Tequila distillery. Las Cieneguitas was acquired by Amber in 2022 and is located approximately 87.4 kilometres from our distillery.

In 2023, the first plantation of agave was carried out under the direct management of Amber Agave. We implemented several changes in the plantation process and improved the overall sustainability, as well as health and safety and labour practices. During 2023, the layout of the crop lines was implemented with a contour curve to avoid erosion and soil loss, and to improve the equal drainage of water in the entire field. The implementation of the contour lines and distancing of the plants increased the efficiency of the fields without affecting the development of the agave plants. With these changes implemented, the density of plants per hectare grew from 2 277 plants per hectare to 3 500 plants per hectare. The increased efficiency per hectare of cultivated land decreases the land use impact of the farming of agave.



In 2023, we introduced quality standards and specifications for hijuelos, the baby agaves that are planted in the field. The quality standards help us to ensure that the agave plants do not die in the early stages and that they reach maturity. With the introduction of quality standards, we strive to minimize the risk of lost crops, which can help to avoid CO2 emissions arising from unnecessary fertilizer use and other farming practices. With the introduction of technological analysis, we reduced the amount of agrichemicals used in the fields,

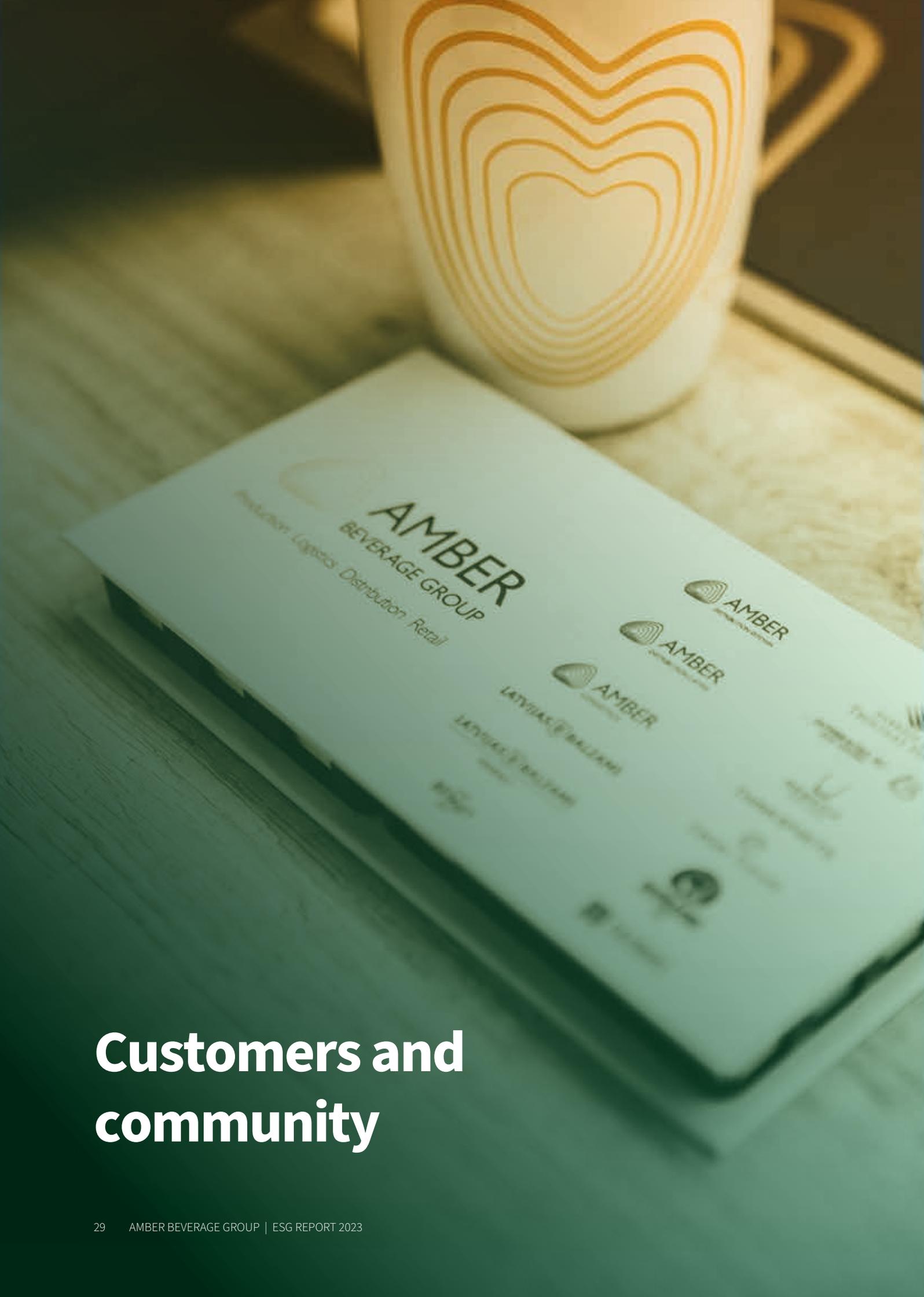
leading to both financial savings and reduced environmental impacts.

The people working in our fields belong to the local communities. We strive to give back to the communities by paying our workers a higher salary rate (162% compared to the legal minimum) than the industry average. We take great care to pay all social contributions diligently and in a timely manner.



ABG's control over production in the fields has improved health and safety practices, as well as the dignity of work in the fields. Among other initiatives, we designated and renovated a new dining area within the ranch, replacing the previous practice of field workers eating lunch in a storage building housing agrochemicals. We recognized the risks of the work by introducing a systematic risk matrix and brought waste management and treatment to a higher standard with the systematic separation of waste, with agrochemicals separated from other wastes for proper disposal. We introduced training procedures on several topics, such as safety culture, principles of self-protection, preventive security, and reactive security. As a constantly developing organization, we understand there's

still plenty of room for improvement, and we are striving to understand our impact on both the global and local environment. For this reporting period, we have not calculated the emissions or impacts (positive or negative) arising from fertilizers or land use. However, it is important to note that we solely and exclusively produce agave on areas designated for agriculture or grazing, without any tree felling or space transformation that could alter the land use aspects of these areas. From the perspective of greenhouse gas emissions and land degradation, it is also worth noting that agave is a drought-resistant plant that has the capacity to draw down large amounts of CO2 and produce more above-ground and below ground biomass when sustainable agricultural practices are followed.



Customers and community

Customers and community

Customer health and safety, and customer communication

We take great care to deliver the highest quality standards in all parts of our business and constantly aim to ensure that our products meet our high requirements. We do this through continuous monitoring, feedback mechanisms, technological advancements, and rigorous product quality evaluation. Our laboratories test the contents of both distilled spirits and fermented beverages. We have developed, implemented, and maintained a self-controlled system according to HACCP production principles to ensure the compliance of our products with the European Union and market-specific requirements.

In the data for 2023, we observed one product health and safety-related incident resulting in a small fine, and four product health and safety-related incidents resulting in a notification. The reported incidents were related to bottle breakages. In 2022, we had two incidents resulting in a notification.

We communicate with our customers through various channels. ABG's Customer Service Centre (CSC) serves as the central point of communication between our business clients and the company; facilitating information flow and ensuring all client queries and concerns are addressed promptly. We solve problems and drive innovation through the feedback we receive through the CSC, and initiate cooperation between different departments within the company in order to ensure cohesive and qualitative service delivery and client satisfaction.

The CSC is responsible for client relationship management, ensuring timely and effective communication. We onboard and train our new business clients, ensuring

they understand how to use the products or services effectively, and provide training and resources as needed. We do performance monitoring and reporting, and compare our delivery against our own standards and client expectations, and generate regular reports on service issues and resolution outcomes for both internal stakeholders and clients.

We offer tailored solutions by assigning dedicated people for each customer, and requesting and coordinating the supply chain from receiving orders to loading trucks or vessels. Our CSC employees are supply chain experts with strong work experience and education in the field of logistics. Each of our employees has their own region and a deep understanding of the region's economic, social, and political situation, as well as deep knowledge of the legal supply chain-related requirements of the respective regions, and the customer profiles in these areas. To further deepen the expertise and understanding of the CSC employees, we conduct regular exchange days during which the employees work in other departments (such as planning, bottling, warehouse, and customs) of the company.

The Service Centre simplifies the customer process and offers a clear point of contact through which direct communication with the relevant bodies of the organization can be established. Our Customer Service IT tools allows full visibility and traceability of all service-related issues. All viewpoints and feedback are closely analysed, and the data is compiled and updated into a consumer satisfaction index.

Responsible marketing and labelling

We strive to create a culture in which our customers are well-informed about our products and use them responsibly. The minimization of potential negative impacts on society is one of our key responsibilities, and we make continuous efforts to educate society and our customers about the responsible consumption and sale

of alcoholic beverages. We engage in education campaigns within the legislative frameworks of our operating countries, and set clear marketing guidelines and codes of conduct, which are aimed at consistent compliance with the legislative requirements of each region we operate in.

Our guidelines and Code of Conduct outline several requirements for the responsible marketing of our products. We take great care in ensuring that our products are not advertised or marketed in a way that would be primarily interesting to young people who have not reached the legal drinking age. We forbid advertising and marketing materials for our products that depict situations where alcohol is used excessively or irresponsibly, or that portray intoxication as a socially acceptable behaviour. Alcohol products should not be represented in a way that implies social, professional, academic, or athletic advancement through the consumption of alcohol. Marketing communication may provide information about the strength of the alcoholic product, but it should not emphasize high alcoholic content as a positive feature of the product.

Data collection and privacy

In ABG, we carry out regular briefings for the Board, executives, and other action on the readiness of data protection within their organizations. We conduct Privacy Impact Assessments in key risk areas to ensure the proper use of data and conduct internal audits and trainings, ensuring that our eCommerce routes are compliant with regulatory requirements such as the GDPR.

We have implemented several technical and organizational measures to ensure the secure processing of personal data received by or from ABG. These measures ensure that our security measures are sufficient to protect personal data from destruction, accidental loss, alteration, unauthorized disclosure or access, or any other unlawful forms of data processing, especially in cases where data is transmitted over networks. In both 2022 and 2023, we had no cases of substantiated complaints concerning breaches of customer privacy, complaints from outside parties, or complaints from regulatory bodies. Neither were any cases of leaks, thefts, or losses of customer data identified.

ABG takes a proactive role in the reduction of potential harms, markets its brands responsibly, and actively cooperates with governments, individuals, NGOs, and other companies to ensure that the products are marketed and sold in a way that respects the laws, habits, and cultures of consumers. We have analysed the best practices for alcohol warnings and responsible marketing, and we take great care to ensure we stay not only compliant but also aware of the larger societal expectations and best practices.

In 2023, we had one incident resulting in a small fine from regulatory bodies across all of our companies. The incident was related to the font sizes and locations of warnings on the label and was promptly remediated. In 2022, there were no cases of non-compliance with regulatory codes or voluntary programmes and codes.

Community action

In several of our companies, we put a strong emphasis on striving to give back to communities, both locally and internationally. In addition to tax contributions and membership of organizations that support different initiatives related to responsible drinking, several of our companies participate in charity and social activities of varying scales. During 2022 and 2023, we have donated more than half a million euros for social causes supported by the top management and employees of the Group.



ABG deep dives

ABG deep dives

BREEAM warehouse in Riga freeport

In November 2023, we announced a significant milestone in the development of our automated, high-bay warehouse located in the Freeport of Riga, Latvia, as the foundations of the warehouse were completed a full month earlier than scheduled. We will construct the warehouse building in accordance with the technical BREEAM requirements.

BREEAM is the world's most recognized environmental assessment method and rating system for buildings, and sets the standard for the best practices in sustainable building design, construction, and operation. The certification provides a detailed analysis of a building's energy efficiency, its environmental impact, user experience, and sustainability throughout the entire lifecycle of the building.

The assessment is based on performance measures, which are compared against benchmarks to evaluate the aspects of technical solutions of the buildings. The performance measures are divided into nine categories, outlined as follows:

- Management
- Energy
- Health and wellbeing
- Transport
- Water
- Material
- Pollution
- Waste
- Land use and ecology
- Innovation

BREEAM sets the standard for best practice in sustainable building design, construction and operation, and is one of the most comprehensive and widely recognized measures of a building's environmental performance assessment.

BREEAM tailors its evaluation metrics to the specific building type and its stage in the lifecycle, offering a versatile approach that guarantees sustainability principles are integrated into the building's design, construction, operation, and management. Only certified professionals are authorized to issue BREEAM certificates.

For our warehouse in Riga, a pre-assessment has been conducted with concretely outlined action points for specific areas. When commissioned in April 2025, the warehouse and logistics centre will increase the Group's warehouse capacity by around 30%, from 25 000 pallets to 35 000 pallets.

In addition to increased warehouse capacity and improved logistic performance, we are ensuring the sustainability of our future development by following BREEAM standards. The warehouse is going to be highly automated and equipped with the latest technology to increase efficiency, speed, and safety. This will help us to decrease the current technical equipment fleet (like lifters and loaders) to ensure better compliance with the latest technological and sustainability standards.

Walsh Whiskey – business with a commitment to responsibility

In Walsh Whiskey's activities, the literary and whiskey making traditions of Ireland blend with an active commitment to social responsibility and environmental stewardship. Walsh Whiskey treats its employees, community, and suppliers with care and respect, and it has taken active steps in the following areas:

1. Commitment towards its employee base.
2. Donations to charitable causes
3. Engagement in efforts to reduce the carbon and environmental footprint of its products.

Among the core values of Walsh Whiskey are integrity, considerateness, and genuineness. These core values are reflected in how the company conducts its business in a way that is, most of all, humane. The company is a family business at its core, as it was established by Bernard and Rosemary Walsh in 1999 with the goal of reviving Irish whiskeys as one of the world's most appreciated spirits, and was acquired by ABG in November 2021. Walsh Whiskey is a leading producer of premium and super-premium, triple-distilled, craft Irish whiskeys: The Irishman, and Writers' Tears.



Origin Green

Walsh Whiskey is a certified member of Origin Green, which is a sustainability program run by Bord Bia (the Irish Food Board). Through its engagement in the program, Walsh Whiskey is committed to reducing its carbon footprint over a defined target period.

Origin Green is a sustainability initiative for the food and drink sector in Ireland, aiming to position Irish produce as

the premier choice globally. The scheme offers a comprehensive framework and expertise to foster sustainability across the entire food and drink supply chain on a national scale. The initiative “promotes participation from farmers, producers, manufacturers, retailers, and foodservice companies, and “remains the world’s only national food and drink sustainability programme that operates across all sectors from farm to fork.”

Honouring the literary traditions of Ireland

Over the past half-decade, the partnership between Writers' Tears premium Irish whiskey brand and Sweny's Pharmacy has been steadfast, providing consistent annual financial assistance alongside other forms of support. Situated in the heart of Dublin, Sweny's stands not only as a physical space but also as a living testament to the literary legacy of James Joyce's masterpiece, *Ulysses*.

Despite facing the looming threat of closure due to soaring rent prices, Sweny's Pharmacy remains an essential landmark in the cultural landscape of Dublin. Although its pharmaceutical operations ceased over a decade ago, the pharmacy has been lovingly preserved in its original state, serving as a pilgrimage site for aficionados of Joyce's work, attracting visitors from around the globe.

Under the stewardship of a devoted team of volunteers, Sweny's Pharmacy has transformed into more than just a historical relic; it has become a vibrant hub for literary enthusiasts, hosting readings, discussions, and events that celebrate the enduring influence of Joyce's writings.

By extending support to Sweny's Pharmacy, Writers' Tears not only ensures the preservation of this iconic establishment but also actively participates in the perpetuation of Irish culture. Through this collaboration, Writers' Tears embodies a commitment to fostering appreciation for Ireland's rich literary heritage, safeguarding a cherished piece of Dublin's history for generations to come.

Amber Beverage Group’s Sustainability Strategy

Roadmap

During the Spring of 2024, ABG started the creation a comprehensive Sustainability Strategy, which is still an ongoing process, and might change and evolve in the years to come. As we stride towards 2035 and beyond, our company’s Sustainability Strategy will be firmly rooted in an approach that spans environmental initiatives,

social responsibility, and ethical governance across all operations. This strategy not only aims to meet regulatory demands and global sustainability targets but also positions us as an active participant in the creation of corporate responsibility. The main pillars of the current version of ABG’s Sustainability Strategy are presented below.



Our Sustainability Strategy reflects our dedication not only to environmental stewardship but also to the social and ethical components of global business practices. By setting clear, achievable goals for 2035 and beyond, we are committed to advancing sustainability, enhancing the lives of our employees, enriching

our communities, and ensuring ethical practices across our businesses. ABG’s Sustainability Strategy will serve as a roadmap to a more sustainable and responsible future, and each goal will be divided into more specific targets and concrete core activities that serve these goals.

Safeguarding our planet

The shift towards a greener fleet will see us replacing existing vehicles with zero or low-emission alternatives. Another significant pledge is to increase the sustainability of our packaging. By 2035, our intention is for our packaging to be recyclable, reusable, or biodegradable, and to incorporate at least 50% recycled content in our packaging materials, thereby significantly reducing our consumption of new, virgin materials. In terms of waste management, our aim for zero waste to landfill from our own operations marks a critical step in minimizing our environmental footprint.

Additionally, we are dedicated to developing a transparent and resilient supply chain that adheres to good standards of sustainability and efficiency. We aim to do this by integrating environmental standards to our procurement and supplier policies and criteria, implementing supplier data analysis and supplier grading systems, and collaborating with suppliers in innovating circular solutions.

Commitment to our people

Our people strategy focuses on creating a safe, engaging, and equitable workplace across all company entities. This involves a commitment for striving towards zero accidents, enhancing employee engagement and well-being, and fostering a continuous learning culture. Fair and equitable treatment for all employees is a cornerstone of our strategy, ensuring that every team member is valued and heard.

We are also committed to building an inclusive culture that celebrates diversity. This inclusivity extends beyond our direct operations to influence our supply chains and broader society. In our supply chain, we will strengthen our Suppliers' Code of Conduct with an emphasis on human rights and reserve the right to conduct audit visits to ensure compliance and assess the social practices of our suppliers.

Caring for Society

Our responsibility extends to the communities we serve. We are actively investigating opportunities to build large-scale social initiatives that address and prevent harmful alcohol use among young people and teenagers. By engaging in community service, forming partnerships with NGOs, and engaging in volunteering programs, we aim to foster substantial, positive community impact.

Contact

Arturs Evarts

Acting CEO, Group Chief Legal and Sustainability Officer
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List of ABG Companies included in the 2023 ESG Report

All ABG's companies are listed on page 129 of the Annual Report for 2023.

Name	Principal activities	Country of incorporation/ operations	% Equity interest 31/12/2023
Amber Distribution Latvia SIA	Distribution	Latvia	100%
Interbaltija AG AS	Distribution	Latvia	100%
Amber Distribution Estonia OU	Distribution	Estonia	100%
Amber Distribution Lithuania UAB	Distribution	Lithuania	100%
Amber Beverage UK Ltd	Distribution	the UK	100%
Amber Beverage Australia Pty Ltd	Distribution	Australia	100%
Amber Beverage Austria GmbH	Distribution	Austria	90%
WW Equity House Trading Ltd	Distribution and Brand management	Ireland	100%
Amber Latvijas balzams AS	Production of alcoholic beverages	Latvia	89,99%
Amber Production Tequila S.A. de C.V.	Production of alcoholic beverages	Mexico	100%
Amber Agave S.A. de C.V.	Agricultural activities	Mexico	100%
Amber Production Remedja OU	Production of alcoholic beverages	Estonia	100%
Amber Beverage Group SIA	Management	Latvia	100%

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13-12	Local communities	28
13-19	Occupational health and safety	28
13-20	Employment practices	28
13-23	Supply chain traceability	27-28

200 - Economic

Economic performance

201-1	Direct economic value generated and distributed	11
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Procurement practices

3-3	Management of material topic	12-14
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Anti-corruption

205	Topic management disclosures	11-12
205-2	Communication and training about anti-corruption policies and procedures	11-12
205-3	Confirmed incidents of corruption and actions taken	12

Anti-competitive behavior

3-3	Management of material topic	12
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	12

Tax

3-3	Management of material topic	14, Annual Report: 86, 93–94
207-1	Approach to tax	14, Annual Report: 86, 93–94

300 - Environment

Emissions

3-3	Management of material topic	23
305-1	Direct (Scope 1) GHG emissions	23
305-2	Energy indirect (Scope 2) GHG emissions	23
305-5	Reduction of GHG emissions	23
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	24

Water and effluents

3-3	Management of material topic	25
303-3	Water withdrawal	25
303-5	Water consumption	25

Water and effluents

3-3	Management of material topic	25-26
306-3	Waste generated	25-26
306-4	Waste diverted from disposal	25-26
306-5	Waste directed to disposal	25-26

400 - Social

Employment

3-3	Management of material topic	17
401-1	New employee hires and employee turnover	17
401-3	Parental leave	18

Employment

3-3	Management of material topic	18-19
403-2	Hazard identification, risk assessment and incident investigation	19
403-5	Worker training on occupational health and safety	19
403-9	Work-related injuries	18
403-10	Work-related ill health	18

Training and education

3-3	Management of material topic	19-20
404-2	Programs for upgrading employee skills and transition assistance programs	19

Diversity and equal opportunity

3-3	Management of material topic	20
405-1	Diversity of governance bodies and employees	20

Non-discrimination

3-3	Management of material topic	20
406-1	Incidents of discrimination and corrective actions taken	20

Supplier social assessment

3-3	Management of material topic	12-14
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Customer health and safety

3-3	Management of material topic	31
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	31

Marketing and labeling

3-3	Management of material topic	31
417-1	Requirements for product and service information and labeling	32
417-2	Incidents of non-compliance concerning product and service information and labeling	32

Customer privacy

3-3	Management of material topic	32
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	32

Annex 1 (ABG): Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2023

Economic Activities	Codes	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy	Pollution	Taxonomy aligned proportion of 2 turnover, year 2023
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Turnover of environmentally sustainable activities	-	0	0%	0%	0%	0%	0%	0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities	-	0							
A.2 Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	-	0	0%						
Total (A.1 + A.2)		0	0%						0%
B. TAXONOMY NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy - non-eligible activities (B)		497 609	100%						
Total (A + B)		497 609	100%						

Annex 2 (ABG): Proportion of CapEX from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2023

Economic Activities	Codes	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy	Pollution	Taxonomy aligned proportion of 2 turnover, year 2023
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)	-	0	0%	0%	0%	0%	0%	0%	0%
A.1 CapEx of environmentally sustainable activities (Taxonomy-aligned)		0	0%						
A.2 Taxonomy-Eligible but not environmentally sustainable activities	-	0	0%						
A.2 CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	-	0	0%						
Total (A.1 + A.2)		0	0%						0%
B. TAXONOMY NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy - non-eligible activities (B)		15 143	100%						
Total (A + B)		15 143	100%						

Annex 3 (ABG): Proportion of OpEX from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2023

Economic Activities	Codes	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy	Pollution	Taxonomy aligned proportion of 2 turnover, year 2023
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)	-	0	0%	0%	0%	0%	0%	0%	0%
A.1 OpEX of environmentally sustainable activities (Taxonomy-aligned)		0	0%						
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not taxonomy-aligned activities)	-	0	0%						
A.2 OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	-	0	0%						
Total (A.1 + A.2)		0	0%						0%
B. TAXONOMY NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy - non-eligible activities (B)		313 237	100%						
Total (A + B)		313 237	100%						

Annex 4 (ALB - Amber Latvijas balzams): Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2023

Economic Activities	Codes	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy	Pollution	Taxonomy aligned proportion of 2 turnover, year 2023
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Turnover of environmentally sustainable activities	-	0	0%	0%	0%	0%	0%	0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities	-	0							
A.2 Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	-	0	0%						
Total (A.1 + A.2)		0	0%						0%
B. TAXONOMY NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy - non-eligible activities (B)		97 920	100%						
Total (A + B)		97 920	100%						

Annex 5 (ALB): Proportion of CapEX from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2023

Economic Activities	Codes	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy	Pollution	Taxonomy aligned proportion of 2023 turnover, year 2023
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)	-	0	0%	0%	0%	0%	0%	0%	0%
A.1 CapEx of environmentally sustainable activities (Taxonomy-aligned)		0	0%						
A.2 Taxonomy-Eligible but not environmentally sustainable activities	-	0	0%						
A.2 CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	-	0	0%						
Total (A.1 + A.2)		0	0%						0%
B. TAXONOMY NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy - non-eligible activities (B)		2 187	100%						
Total (A + B)		2 187	100%						

Annex 6 (ALB): Proportion of OpEX from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2023

Economic Activities	Codes	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy	Pollution	Taxonomy aligned proportion of 2023 turnover, year 2023
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)	-	0	0%	0%	0%	0%	0%	0%	0%
A.1 OpEx of environmentally sustainable activities (Taxonomy-aligned)		0	0%						
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not taxonomy-aligned activities)	-	0	0%						
A.2 OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	-	0	0%						
Total (A.1 + A.2)		0	0%						0%
B. TAXONOMY NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy - non-eligible activities (B)		96 790	100%						
Total (A + B)		96 790	100%						



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