

Our
HERITAGE
in a glass





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HOW TO READ THIS REPORT

This document is Becele’s first Integrated Annual Report, and presents concrete actions, facts and figures that are verifiable, and contribute to making positive impacts in the environment and communities where we operate. It integrates our financial performance, and has been elaborated according to the following frameworks:



GRI Standards



SASB Standards applicable to the Alcoholic Beverages Industry



TCFD Recommendations



Sustainable Development Goals

The report on ESG (Environmental, Social and Governance) progress is structured into three chapters, each covering various material topics and their corresponding approaches. For every material topic, we offer disclosures that conform to the present market demands concerning the relationship between ESG and our business. To facilitate the search for information by our stakeholders, we have illustrated the report’s structure in the following diagram:

Heritage to the Future



Sustainable governance

The way we conduct our business and the oversight over our supply chain.



From source to market

Our environmental performance and efforts to improve it globally.



Looking after our people

How we make a positive impact with our collaborators and in our communities.

*Chapters of our ESG section start in page 44.



MESSAGE FROM OUR

CEO

GRI 2-22

Dear Shareholders,

I am thrilled to share with you that 2022 has been a year of significant progress for Beclé. We remain committed to creating value for our consumers, partners, and shareholders while prioritizing responsible corporate governance, our people, sustainability, and the preservation of the environment for future generations.

We have continued to benefit from the premium spirits trend, on-premise openings, and our successful management of supply chain challenges amidst inflationary pressures. Our unwavering belief in tequila as a top premium spirit has driven us to invest in product innovation and high-growth geographies. As a result, our Net Sales increased by 16% to P\$45,729 million compared to the same period in 2021. This growth was primarily driven by increased volume and higher average net selling prices per case.

We have taken a significant step forward in our sustainability commitment by developing a new framework that serves as a guide for our ESG practices. This framework not only provides guidelines but also acts as a compass, leading us towards our goal of creating a lasting positive impact.

We are dedicated to integrating sustainability into every aspect of our business and utilizing our unique position to drive meaningful change throughout the industry. Our focus lies in sustainable governance, ensuring a responsible source-to-market approach, and prioritizing the well-being of our people. This enables us to create products of exceptional quality that adhere to remarkable sustainable standards, from farm to glass.





Our robust ESG framework, coupled with ongoing risk mitigation efforts, drives meaningful change and value that reflects our unwavering commitment. Sustainability is not merely a moral obligation; it is an exciting management approach that allows us to differentiate ourselves in the market, enhance efficiency, and prepare for long-term risks.

As a testament to our commitment, I am proud to mention some noteworthy milestones. We have signed the United Nations Global Compact (UNGC), aligning our business strategy with their principles. Additionally, we have reduced our carbon footprint by eliminating 66.9% of our gift boxes in our premium tequila portfolio. Moreover, we treat 100% of the water waste from our distilling processes and embrace the circular economy by repurposing 100% of the bagasse waste generated from tequila production in our agave fields or for bio-based products.

Furthermore, I'm pleased to report that 46% of our energy consumption comes from renewable energy sources, and at sites like the Old Bushmills Distillery, we have achieved a remarkable 24% reduction in carbon emissions (Kg CO₂ / LA) from 2020 to 2022 by sourcing 100% of our electricity from certified renewable resources.

Our strong performance this year exemplifies the resilience of our business model, the strength of our portfolio, and our dedication to delivering unparalleled product quality.

We strive to invest in programs, services, and infrastructure that promote sustainable development in the communities where we operate, with a particular focus on education and social innovation. Our educational initiatives aim to enhance the academic development of children in our communities, while our social innovation efforts and in-kind contributions support local entrepreneurs in their business development, improve their households, and contribute to the local economy.

Our commitment to creating value for all stakeholders while making a positive impact in the world is integral to our long-term success. We remain steadfast in our pursuit of a more sustainable and equitable future, and we sincerely thank our collaborators, shareholders, and partners for their unwavering support on this journey.

Sincerely,

Juan Domingo Beckmann Legorreta

CHIEF EXECUTIVE OFFICER, BECLÉ, S.A.B. DE C.V.

Together, we will continue to work diligently to achieve our vision and build a better future for all.





Performance *Highlights*



Financial Snapshot

27.5 million

Volume of nine-liter cases +7.4%

P \$9,843

Million in EBITDA +24.0%

P \$45,729

Million in Net Sales +16.0%

21.5%

EBITDA Margin

P \$25,087

Million in Gross Profit +17.9%

P \$3,738

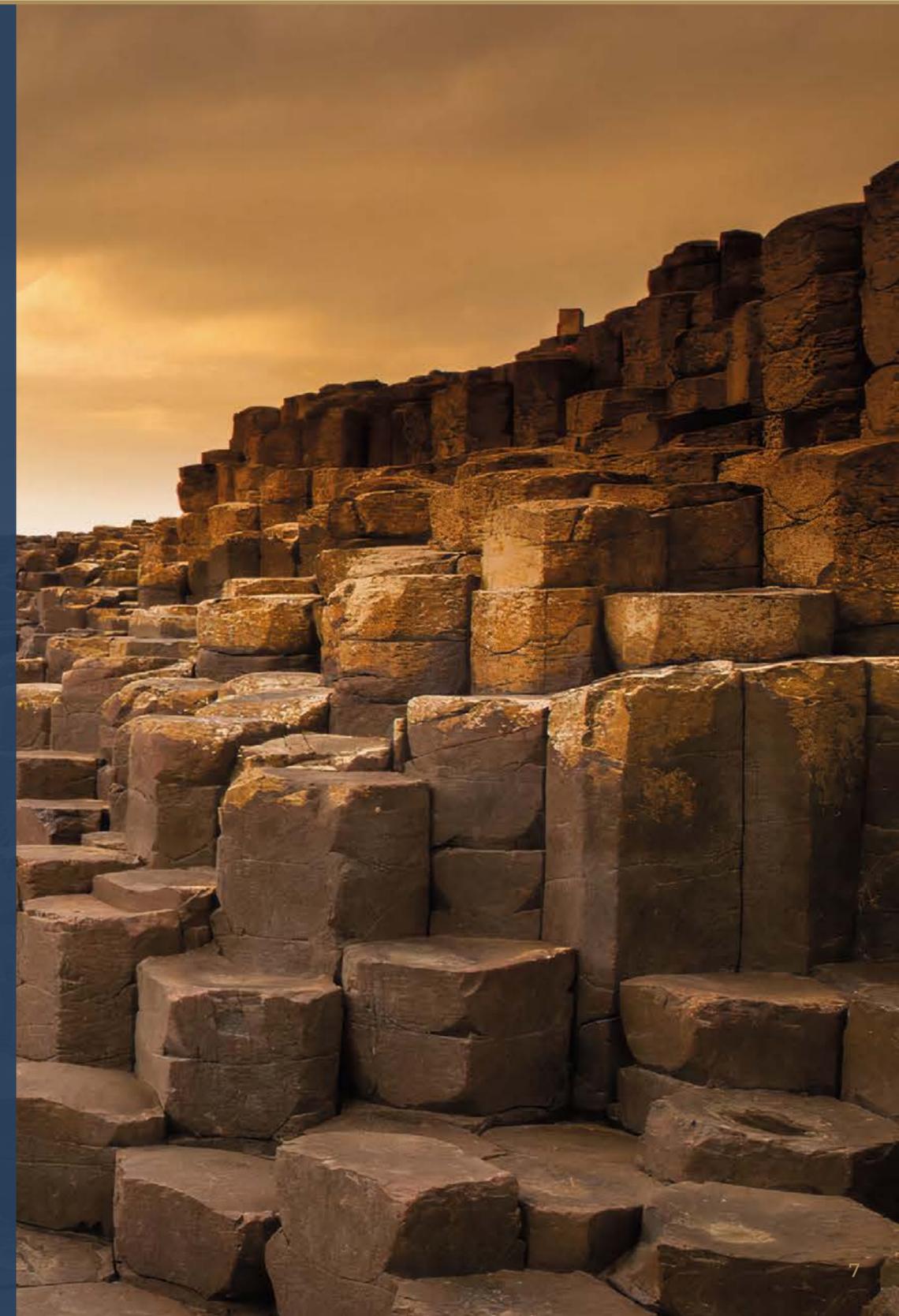
Million invested in CAPEX

P \$8,890

Million in Operating Income +24.8%

P \$1,510

Million of Dividends Paid





ESG Snapshot

RENEWABLE ENERGY

46%

of our global energy consumption comes from renewable sources

100%

renewable energy sources in our Old Bushmills Distillery

We obtained the ESR² Distinction for the 16th consecutive year



WATER INTENSITY ¹

5.98

L of water / L of product sold

66.9%

of reduction in our gift boxes in our premium tequila portfolio

We signed the United Nations Global Compact (UNGC), committing to align our business strategy with their Ten Principles



Our Agricultural unit has experienced a decrease in AFR³ of 11% versus 2021

WASTEWATER TREATMENT

100%

of our distilleries in Mexico comply with water treatment regulations

By using recycled cardboard, we helped preserve 7,897 trees and capture 15,041 metric tons of CO₂e

73%

of Independent Directors within our Board

WASTE MANAGEMENT

100%

of bagasse waste generated from tequila production is used in our agave fields or repurposed for bio-based products

9,437

employees in +85 countries with 8.6% of our workforce unionized

4.3

years of average tenure within our Board

99.3%

of our suppliers are local and only 2.2% are critical



¹ This figure only takes into consideration water usage for production in all of our facilities.
² Socially Responsible Company.
³ Accident Frequency Rate.



Milestones

We joined the *United Nations Global Compact*, the world's largest corporate sustainability initiative.



Launch of our *1st Mezcal Cristalino*, under the Creyente brand.

We became the first spirits company to build a *distillery in the metaverse*.



We are proud to share that in 2022 we *reduced our gift boxes by nearly 70%* from our premium tequila portfolio.

We created the *1800 Tequila Recycled bar*, which showcases products made by over 22 Australian brands, artists and designers who are finding innovative ways to keep trash out of the ground.



Jose Cuervo Tradicional's limited edition day of the dead bottles were expanded to 27 markets worldwide (versus 8 markets in 2021).



Bushmills surpassed *1 million cases in 2022*, marking a significant milestone for the industry and the brand.





Financial *Review*

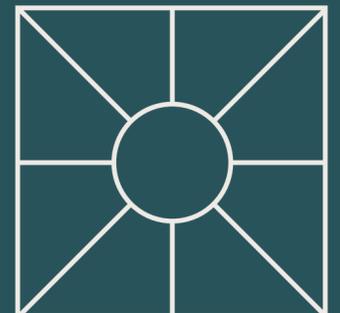
**CONSOLIDATED**

Figures

GRI 201-1

(PS. \$MM)*	2021	2022	VARIATION %
Net sales	39,419	45,729	16.0
Cost of goods sold	18,145	20,642	13.8
Gross profit	21,274	25,087	17.9
Advertising, marketing, and promotion	8,689	10,162	17.0
Distribution	2,028	2,193	8.1
Sales and administration	3,491	3,877	11.1
Other expense (income), net	(55)	(34)	(37.2)
Operating income	7,121	8,890	24.8
Financing results	214	620	190.1
Profit before income taxes	6,908	8,231	19.2
Income taxes	1,874	2,350	25.4
Consolidated net income	5,034	5,881	16.8
EBITDA	7,938	9,843	24.0
EBITDA Margin	20.1%	21.5%	140 bps
Earnings per share	1.40	1.64	16.8
Cash & cash equivalents	12,791	4,521	(64.7)
Total assets	95,205	97,866	2.8
Total liabilities	36,762	39,443	7.3
Total stockholders' equity	58,443	58,423	NA
Total financial debt	18,598	17,604	(5.3)
Net cash from operating activities	4,341	(1,744)	NA
Net cash flows used in investment activities	(5,657)	(3,789)	(33.0)
Net cash flow used in financing activities	5,984	(2,832)	NA

* Figures in millions of pesos, except per share amounts.





GRI 2-1



About *Becele*



We are a *globally renowned spirits company* and the world's largest producer of tequila.

Beclé was born over 250 years ago from Don José María Guadalupe de Cuervo y Montañó's vision, and that legacy has been nurtured for more than 11 generations. Our brands are sold and distributed in over 85 countries. The strength of our portfolio, of over 30 spirit brands, is based on the legacy of our iconic internally developed brands such as Jose Cuervo®, combined with complementary acquisitions such as Three Olives®, Hangar 1®, Stranahan's®, Bushmills®, Pendleton®, Proper No. Twelve® and Boodles®, as well as a relentless focus on innovation that over the years has created other renowned brands such as 1800®, Maestro Dobel®, Centenario®, Kraken®, Jose Cuervo® Margaritas and B:ooost®.

Since February 2017, Beclé, S.A.B. de C.V. shares are listed in the Mexican Stock Exchange (BMV), under the ticker symbol CUERVO.

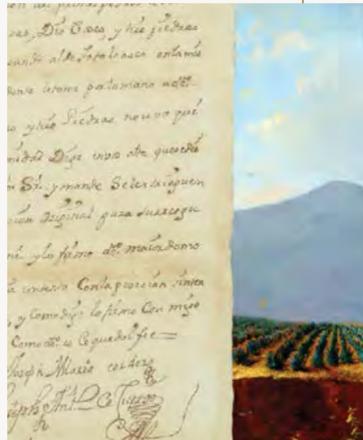




Our History

1758

José Antonio de Cuervo y Valdés was given a writ of land ownership by King Ferdinand VI to plant agave on his lands for producing tequila.



1795

The king of Spain Carlos IV issued a royal decree (Cédula Real) to Jose María Guadalupe de Cuervo y Montañó to produce and sell “Vino de Mezcal,” which is now known as tequila. This is generally considered the first license to produce and distribute tequila.

1812

La Rojeña, the oldest active distillery in Latin America, is founded.



1852

Jose Cuervo barrels made it to California from San Blas.



1880

Jose Cuervo® was the first tequila brand to bottle tequila individually, making it easier to transport to meet booming demand in Mexico and across the border.

Received the first-place medal given to Jose Cuervo tequila at the second *Exposición de Las Clases Productoras*, exhibition held in Guadalajara in May.



1945

Margarita cocktails are created.



1974

Bece defends tequila's appellation of origin. Just like champagne can only be made in France or scotch can only be made in Scotland, in order for a spirit to be called "tequila" it has to be made in certain states of Mexico.



1989

Positioning of our portfolio in 42 countries.

2004

Presence in over 85 countries. First company in the industry to obtain the Socially Responsible Company (ESR) distinction, granted by Cemefi.



2005

Maestro Dobel is established.



2010

250 years of history. Acquisition of Hangar 1. Acquisition of Stranahan's.

2007

Proximo Spirits is established. Acquisition of Three Olives.

2013

Jose Cuervo brand is distributed in the United States through Proximo Spirits. 7 million cases are exported.



2011

Launch of Tincup. Acquisition of Boodles Gin.



2017

Initial Public Offering in the Mexican Stock Exchange under the ticker CUERVO.

2021

Pricing of US\$800 million 10-year bond.
New distribution and production partnership with JAJA tequila.

2022

The Company launched “Gran Coramino” tequila in partnership with American comedian and actor Kevin Hart.



2015

Acquisition of the Old Bushmills Distillery.



2016

Shareholders approved Bece’s merger with Sunrise Holdings (the parent company of Proximo).

Launch of Ready-to-Drink cocktails: Jose Cuervo Especial Paloma and Kraken Cola.



2018

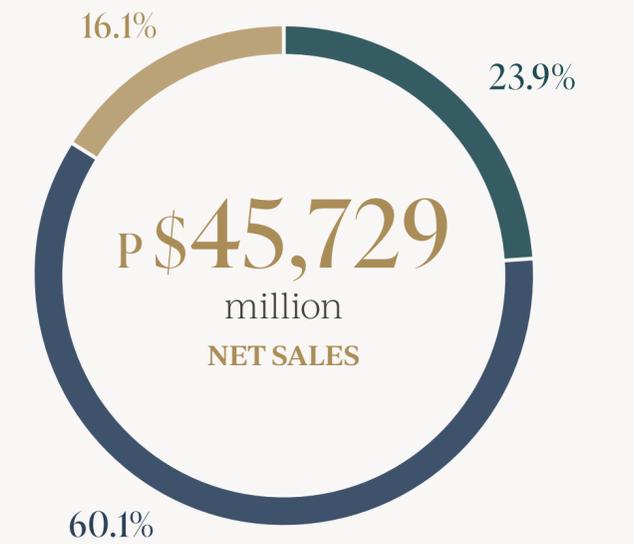
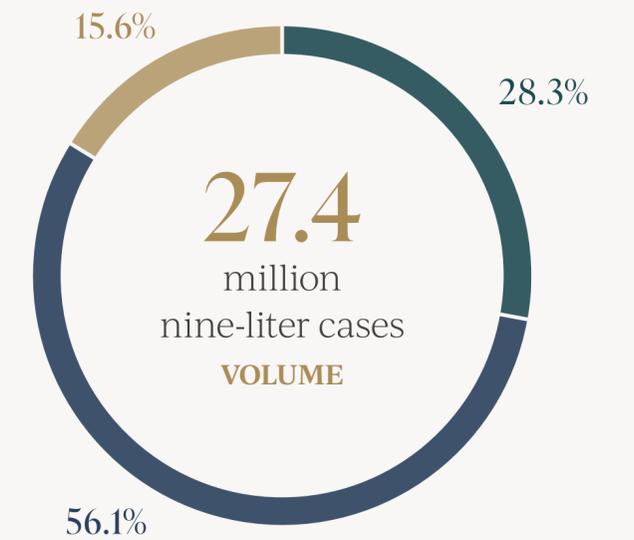
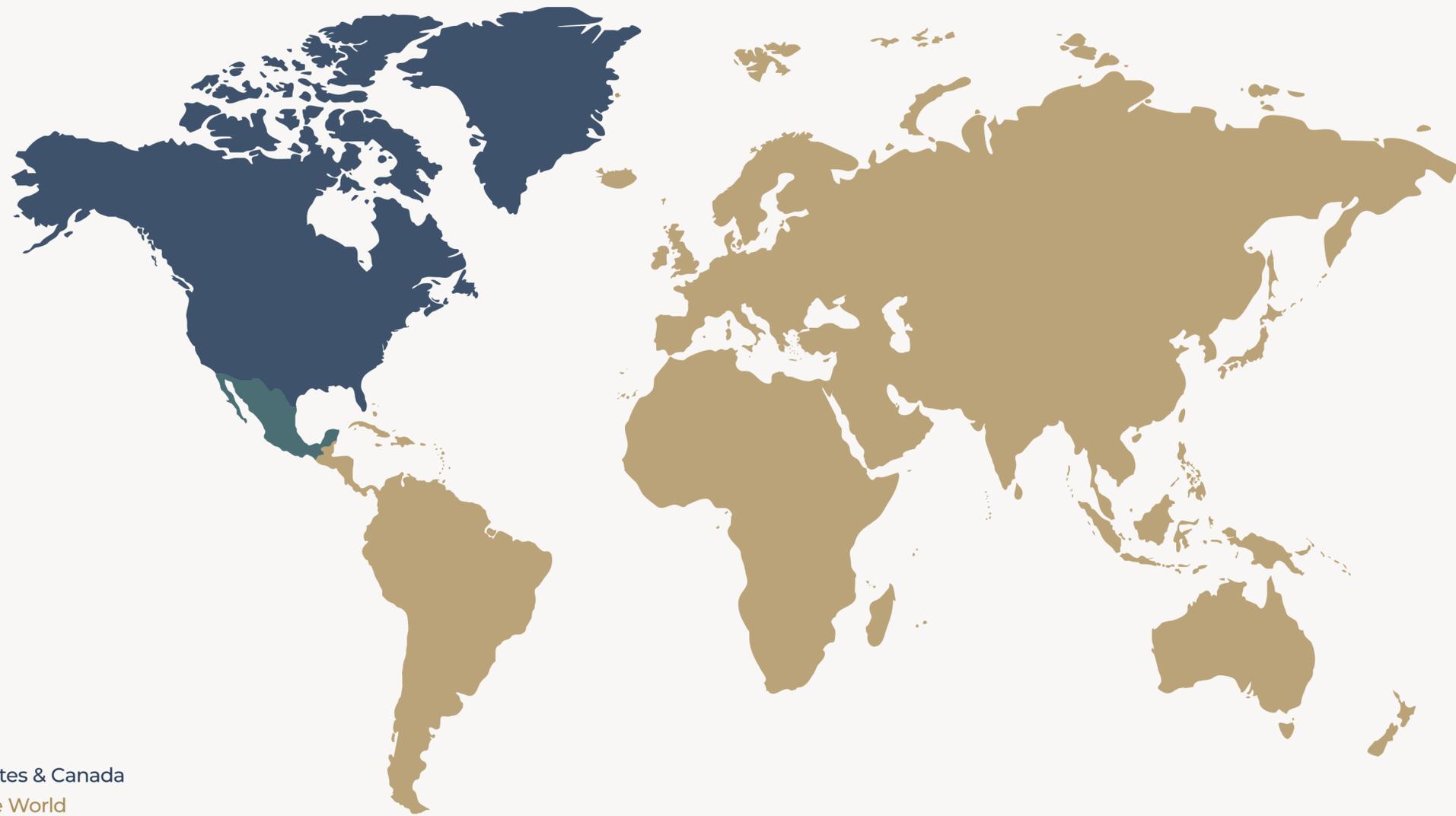
Acquisition of equity interest in Eire Born Spirits LLC, owner of the Proper Number Twelve Irish whiskey brand.

The Company completed the acquisition of the Pendleton whiskey brand from Hood River Distillers, Inc.





Global Footprint GRI 2-2, 2-6





Mexico



7.8 million
nine-liter cases +15.5%
VOLUME

P\$10,923
million +32.7%
NET SALES

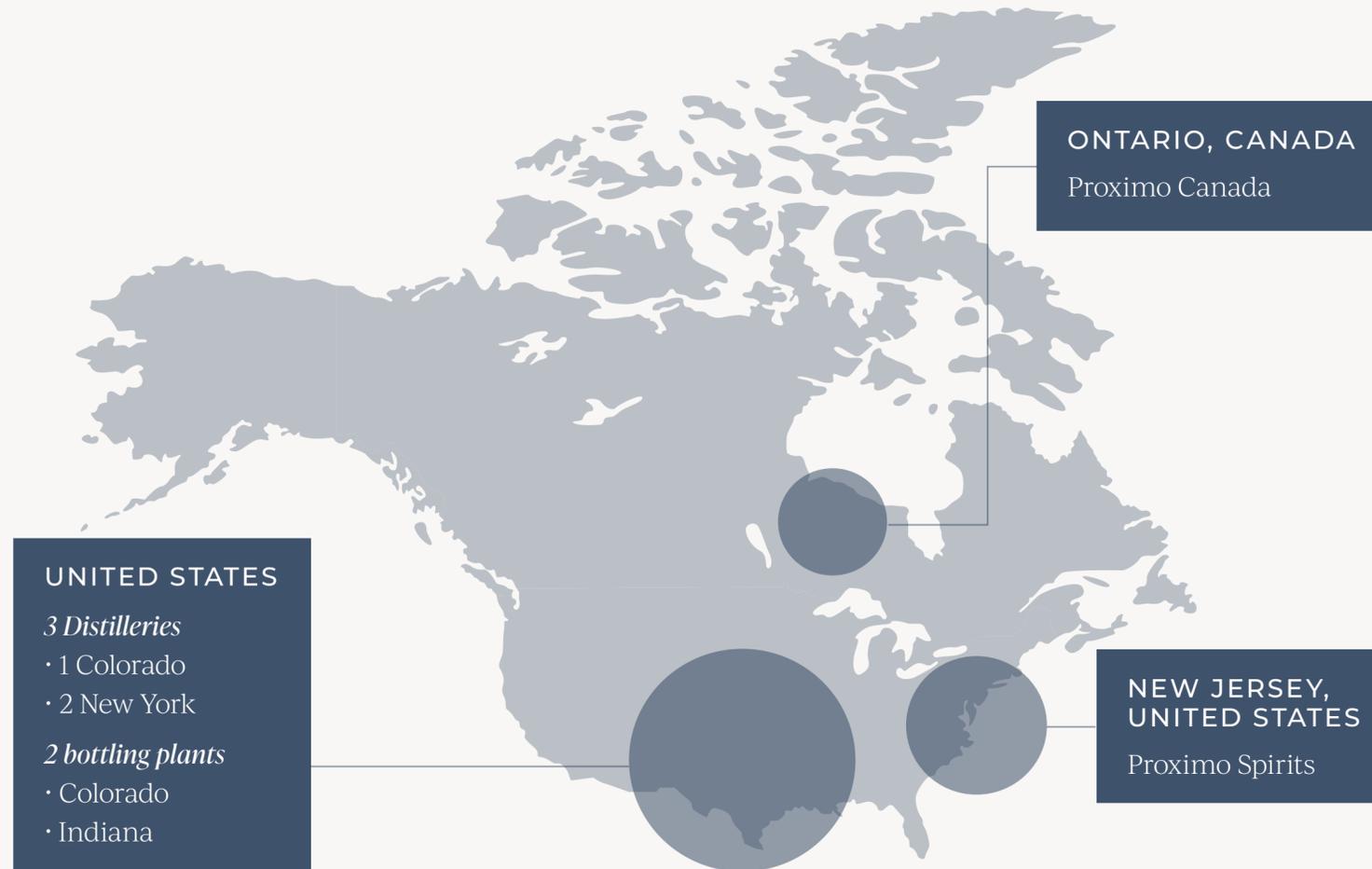


“We remain optimistic about the region’s underlying demand for our diverse and attractive brand portfolio and are confident in our premiumization and product mix strategies to continue driving successful results.”

Olga Limón
MANAGING DIRECTOR OF MEXICO AND LATAM



United States & Canada



15.4 million
 nine-liter cases -2.5%
VOLUME

P \$27,466
 million +6.6%
NET SALES



“Our full year Net Sales Value (“NSV”) growth reflects the positive effects of a 2022 price increase across our full-strength spirits portfolio and the successful execution of our premiumization strategy, driven by improved performance of our super and ultra-premium tequila brands.”

Luis Felix

MANAGING DIRECTOR OF UNITED STATES AND CANADA



Rest of the World

NORTHERN IRELAND, UK
 · Old Bushmills Distillery

LONDON, UK
 · Proximo UK
 · Distribution in the United Kingdom

DUBLIN, IRELAND
JC Master Distribution
 · Distribution in the Republic of Ireland
 · Distribution to the Rest of the World



4.3 million
 nine-liter cases +41.0%
VOLUME

P\$7,340
 million +35.7%
NET SALES



“The EMEA & APAC region is the largest growth opportunity for Beclé, with a leading position in tequila in both Europe ~30% and Asia ~60% as the category continues to rapidly expand. Moreover, EMEA is the leading region for our Bushmills Irish whiskey, which remains the fastest growing segment of the important whiskey sector.”

Gordon Dron
 MANAGING DIRECTOR OF EUROPE, MIDDLE EAST AND ASIA PACIFIC



GRI 2-6



Portfolio

Becle produces, markets and distributes a *unique portfolio* of more than 30 brands of spirits, Ready-to-Drink (RTD) cocktails and Non-alcoholic beverages *in more than 85 countries.*



PORTFOLIO

Breakdown

Our *diversified portfolio of spirits* comprises several categories, offering a wide array of tastes and prices for every occasion.

We hold an extensive portfolio of *over 15 leading spirit brands*. Through our premiumization strategy, we offer the best flavors and ingredients in each category.



VOLUME BREAKDOWN BY CATEGORY 2022



NET SALES BREAKDOWN BY CATEGORY 2022



Jose Cuervo
 Other Tequilas
 Other Spirits
 Non-alcoholic & Other
 RTD





INTERNATIONAL

Awards

PARTICIPATING BRANDS



PARTICIPATING CONTESTS



GENERAL RESULTS

 PLATINUM 9	 SILVER 59
 DOUBLE GOLD 15	 BRONZE 27
 GOLD 80	 CUSTOMER CHOICE 14

Our brands received over 200 international recognitions and tequilas accounted for more than 160 recognitions in 2022.



TEQUILA





Jose Cuervo Family

Our iconic *Tequila* brands delight every palate with their extraordinary variety of tastes.



9.2 million
nine-liter cases +16.0%
VOLUME

P \$16,086
million +18.7%
NET SALES

5.4 million
nine-liter cases +20.2%
VOLUME

P \$15,315
million +31.2%
NET SALES



Other Tequilas



BLACK DIAMOND MARGARITA

INGREDIENTS

2.0 oz Maestro Dobel Diamante

0.5 oz agave syrup

0.5 oz lime juice

Black lava salt

Lime wedge

HOW TO MAKE IT

Place ingredients in a shaker. Add ice, shake, and strain into rocks glasses rimmed with the salt and filled with ice. Garnish with black lava salt and a lime wedge.





OTHER SPIRITS



5.0 million
nine-liter cases +5.0%
VOLUME

P\$9,436
million +9.4%
NET SALES





Whiskey

North American Whiskey

A North American whiskey is an all-grain spirit produced from a mash bill that mixes corn, rye, wheat, barley, and other grains and then generally aged for an extended period in wooden barrels.



Irish Whiskey

Irish single malts are made exclusively from malted barley at a single distillery while blends are made from malted barley and grain, triple distilled and aged in oak casks for a minimum of three years resulting in exceptional smoothness and flavor.

Straight Bourbon Whiskey

Crafted from the finest ingredients and aged for four years in American oak barrels. The result is a smooth, well-balanced bourbon with light vanilla and white pepper finish.



IRISH NEGRONI

INGREDIENTS

1 part Black Bush

1 part herbal aperitif

1 part sweet red Vermouth

Orange peel

HOW TO MAKE IT

Combine ingredients in rocks glass.

Add ice and stir until combined.





Vodka

Hangar One

At Hangar 1, the California way isn't just our motto, it's our way of life.



Three Olives

Three Olives® vodka is the original premium vodka from England, best enjoyed with friends.



ELDERFLOWER ROSÉ

INGREDIENTS

- 1 oz Hangar 1® Rosé vodka
- 1 oz freshly squeezed, strained pink grapefruit juice
- 1 oz dry sparkling rosé
- ½ oz elderflower liqueur (more or less to taste)
- A few drops of lemon juice, to taste
- Thyme sprig to garnish

HOW TO MAKE IT

Combine Hangar 1 Rosé vodka, grapefruit juice, sparkling rosé, elderflower liqueur, and lemon juice into a stirring glass and add ice to fill halfway. Stir for 10 seconds, strain into a glass, garnish, and serve.





Rum

Owney's

A premium of New York City - distilled rum and aged Caribbean rum.



Kraken

Named for a sea beast of myth and legend, The Kraken rum is strong, rich and smooth.



Matusalem

The most wanted rum during Cuba's Golden Age, an indelible icon of that era.



BLACK MOJITO

INGREDIENTS

2 parts Kraken® Black Spiced rum

2 lime slices

Muddled mint leaves

1 tbsp. sugar

Top with soda

HOW TO MAKE IT

In a collins glass, add mint leaves sugar and lime, muddle together. Add crushed ice and Kraken® Black Spiced rum, then top with soda. Shake for 10 seconds. Double strain into a glass.





Mezcal

Creyente

Mezcal Creyente® is a blend of two mezcals from the Oaxaca, Mexico regions of Tlacolula and Yautepec, resulting in a soft herbal taste and subtle body.



400 conejos

Produced from agaves of Tlacolula in Oaxaca, Mexico, whose pines are cooked in a traditional way in a conical oven and milled with Tahona Stone.



OAXACA MARTINI

INGREDIENTS

- 90 ml mezcal Creyente Tobalá
- 20 ml Lillet blanc
- 2 shots orange bitter
- Twist of yellow lemon and a caper

HOW TO MAKE IT

Add the ingredients to a mixing glass with plenty of ice, stir around with a bar spoon until wellchilled and pour into a previously chilled coupette glass. Garnish with twist of yellow lemon and a caper.





Gin & Other Liqueurs



Boodles

Every batch of Boodles gin is made with labor and patience. It begins as a clean spirit distilled from British wheat. The liquid is then redistilled in a Carter Head copper still, which allows the botanicals to gradually infuse into the spirit.

Agavero

A 100% blue agave tequila blended with essence of the Damiana flower. Indigenous to the mountains of Jalisco, legend tells of the Damiana's power to stir up passion between admirers.





RHUBY MARTINEZ

INGREDIENTS

9 oz Boodles rhubarb & strawberry gin

3/4 oz sweet vermouth

1/4 oz maraschino liqueur

Lemon twist

HOW TO MAKE IT

Combine all of the ingredients in a mixing glass with ice. Stir and strain into a chilled coupe glass. Garnish with a lemon twist.





Ready-to-Drink Cocktails



Our *innovative cocktails* with diverse flavor offerings capitalize the trend of convenient single-serve beverages.



4.6 million
nine-liter cases -5.4%
VOLUME

P\$3,664
million -12.3%
NET SALES



Non-alcoholic Beverages

Consistent with our strategy to satisfy every consumer, these beverages are *great to enjoy on their own* or to complement any cocktail.



3.2 million
nine-liter cases -7.6%
VOLUME

P\$1,228
million -11.3%
NET SALES



GRI 2-6



Value Chain



At Becele, we recognize that every step in our production process adds *value to our final products.*

For this reason, we constantly work with all stakeholders involved, whether they are collaborators or part of the communities with which we interact. The diagrams in the following page show our production process, and the way people interact with them. The ***Supply Chain Management*** section within this report elaborates on how we collaborate with our suppliers to create value for all our stakeholders.





VALUE CHAIN

Tequila



* Silver Tequila does not require any maturation process.

Bece has been producing tequila at La Rojeña since its inception. It is considered the oldest active distillery in Latin America.





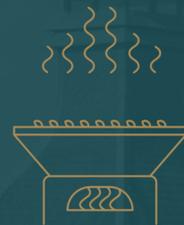
VALUE CHAIN

Whiskey



CULTIVATION OF BARLEY

1



MALTING

2



MILLING

3



FERMENTATION

4



FIRST DISTILLATION

5



SECOND DISTILLATION

6



THIRD DISTILLATION

7



SPIRIT STORAGE

8



AGEING

9



BOTTLING

10



DISTRIBUTION

11



For over 400 years, *Bushmills* has carried on an ancient whiskey tradition. Generations have passed down a handcrafted art, triple-distilling our “smooth and mellow” whiskeys.



ESG

ENVIRONMENTAL, SOCIAL & GOVERNANCE

Heritage to the Future



Strategy

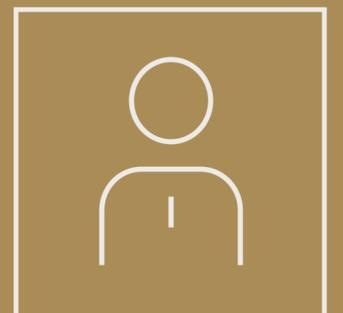
In 2022, we conducted a thorough analysis process to develop a new and unique ESG framework for our business. The process involved a top-down and bottom-up approach, which was led by senior leadership and included input from all levels of the organization from our global business units. Through this process, we gathered insights from our employees, stakeholders, and industry experts to create an ESG strategy that reflects our commitment with the environment, the community, and our people. The result of this effort is a robust framework that sets our course for strengthening our sustainable and responsible practices,

becoming more resilient and positioning ourselves for future challenges. Our goal is to use this framework to drive meaningful change, mitigate risks, and create value for our organization and all our stakeholders.

Our sustainability strategy is based on clear and defined business values and actions divided in three pillars: **1) sustainable governance, 2) from source to market** and **3) looking after our people**. To achieve tangible results, we continue to develop and fortify our capability system and the engagement processes with our stakeholders.

The ESG strategy is a fundamental part of our Company, business, and DNA.

The figures shown for 2022 are considered our baseline, since we updated our measuring and reporting methodologies to align to GRI and SASB standards. They are not comparable to information published in previous years.





Sustainability Strategy



FROM PAST

At Becele, we take great pride in our extensive heritage and longstanding traditions. As one of the oldest spirits producers in the world, we have persevered through countless changes and challenges spanning many centuries. Our Company's resiliency is unmatched, a testament to our enduring commitment to excellence.

TO FUTURE

We welcome this new challenge. Sustainability is long overdue in our world, and we are fully dedicated to playing our part in leaving a better world for future generations.



The center of our sustainability model reflects **our commitment** to securing a sustainable future.

Heritage to the future serves as a roadmap for our ongoing efforts to improve in every aspect of our operations, from health and safety to community engagement and environmental stewardship, and it encapsulates our values, goals, and strategies for a better future. The different sections of the framework are designed to measure our progress and provide a clear picture of our ESG performance across multiple criteria, serves as a guide to our ongoing efforts to be a better, greener, and more conscious company, and it enables users to see how we are putting our words into action and making real progress.



Through our strategic framework, we will also be able to contribute to the *United Nations Sustainable Development Goals* (SDGs).



Sustainable governance

Our “sustainable governance” pillar comprises our commitment to set the adequate system so that sustainability succeeds and to strengthen the trust of external stakeholders with Bece.



From source to market

Our “source to market” pillar encompasses our efforts to reduce our negative environmental impacts through innovative solutions in energy, waste, water, agriculture, packaging and the sourcing of our products.



Looking after our people

The “looking after our people” pillar encompasses our efforts to create a positive impact in the life of our collaborators and communities through initiatives in responsible marketing and drinking, community development, occupational health and safety, training and development, among others.

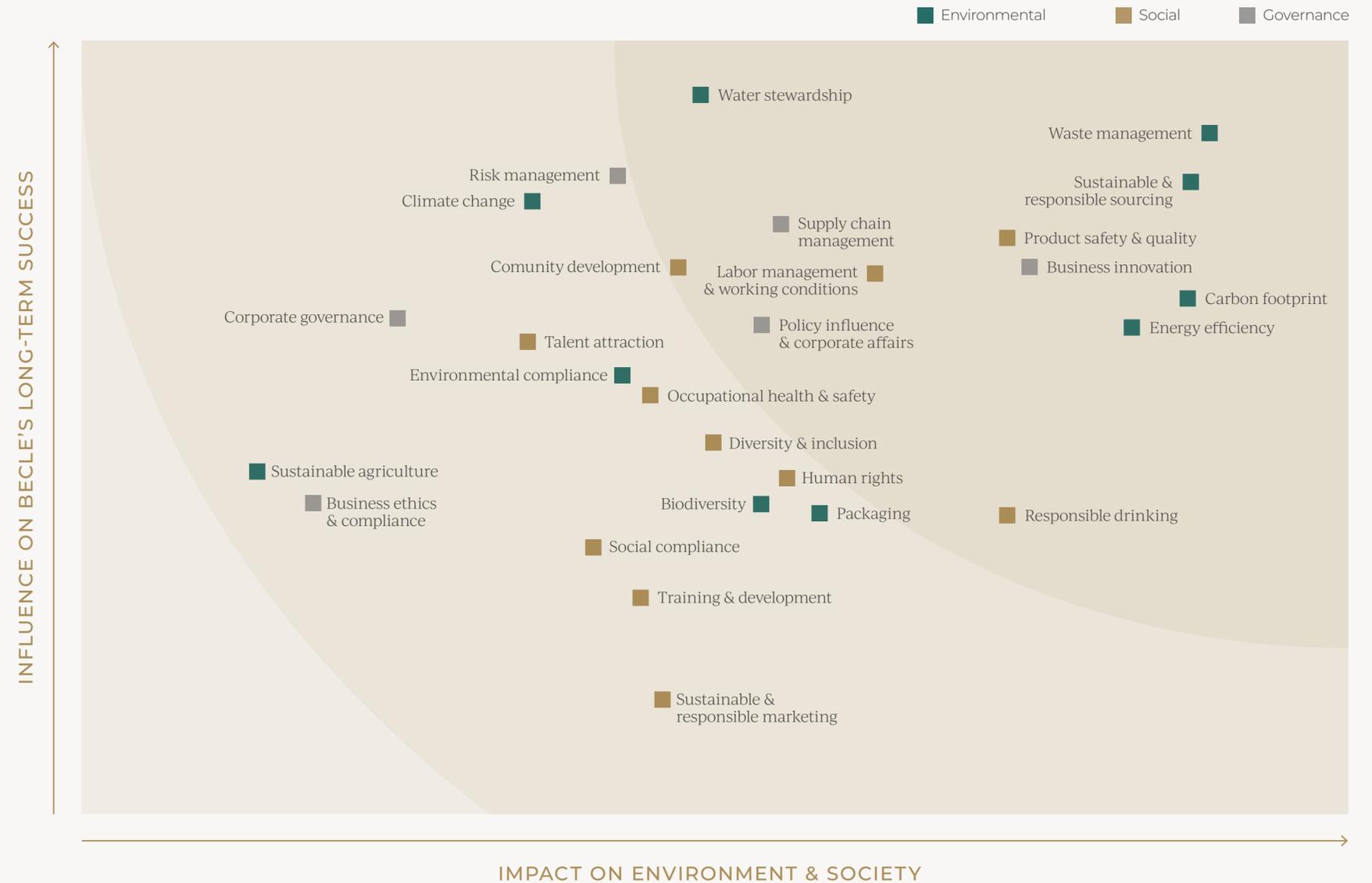


Materiality

GRI 3-1, 3-2, 3-3

Parallel to the development of our *Heritage to the future* sustainability framework, we conducted a rigorous materiality assessment intended to serve as a foundation for our sustainability strategy. This assessment involved proactive dialogue with our stakeholders, and thorough consideration of external factors shaping the spirits industry, as well as our operational environment.

Our materiality matrix illustrates the most significant matters relevant to Bece and its stakeholders, integrating *i) the impacts our value chain has on the environment and society at large*, and *ii) risks and opportunities that each ESG topic represent for our business*. This exercise helps us channel our sustainability efforts improving our focus on social and environmental critical topics.





GOVERNANCE

Sustainable Governance

GRI 2-10, 2-11

Our commitment to sustainable governance is demonstrated through our transparent and accountable decision-making processes, ethical business practices, and oversight of our supply chain. Our “Sustainable Governance” pillar orients our management approach to preserve our key resources and drive growth with a correct purpose; it allows sustainability to be embedded in every step of our value chain and to truly create accountability by building trust with internal and external stakeholders through a culture of openness and transparency about our ESG management systems.

We are dedicated to continuously assessing and improving our sustainability efforts to ensure that we are making a meaningful difference.

We are proud to be a *responsible corporate citizen* and will continue to *prioritize sustainable governance* in all aspects of our business.





Corporate Governance

GRI 2-9-a, 2-10-a, 2-12-a, 405-1-a

Governance is the collective responsibility at Bece, and we empower all our collaborators to ensure that the Company always operates in an ethical and responsible manner, protects the interests of our shareholders, and continues to thrive as a strong, highly reputable and respected organization.

BOARD OF DIRECTORS

GRI 405-1-a

Our Board of Directors is responsible for setting the strategic direction of the Company, overseeing management, and ensuring that the Company operates in an ethical and transparent manner, while other stakeholders such as senior executives and auditors also play a role in ensuring excellent corporate governance.

The Board of Directors complies with the best international practices, as well as the regulations imposed by the Mexican Stock Exchange and the Securities Market Law (“LMV”). All of our Board Members were elected or ratified in their positions on April 29, 2022. The Board’s responsibilities include:

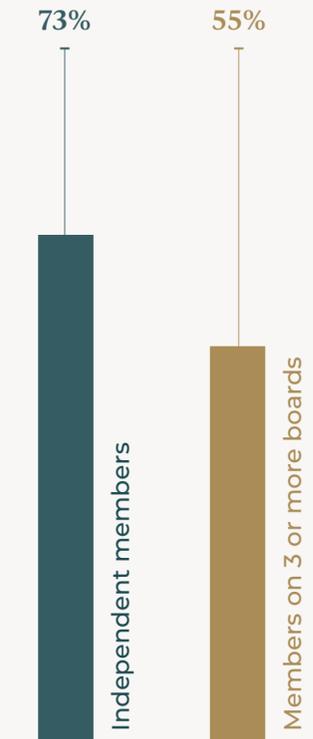
- Establishing the general strategy for managing the Company and the legal entities controlled by Bece.
- Representing the Company, taking any legal actions, and adopting any determinations it deems necessary or convenient to achieve the corporate purpose.
- Ensuring that the resolutions of the Shareholders’ Meetings are executed, which may be assessed by the Audit and Corporate Practices Committee.



Board of Directors

GRI 405-1-a

NAME		GENDER	NATIONALITY	TENURE	OTHER BOARDS ⁴	INDEPENDENCE
Board Members						
Juan Francisco Beckmann Vidal		M	Mexican	6	3	No
Juan Domingo Beckmann Legorreta	 	M	Mexican	6	0	No
Karen Virginia Beckmann Legorreta		F	Mexican	4	0	No
Independent Board Members						
Ronald Anderson		M	British	3	-	Yes
John Randolph Millian		M	American	6	4	Yes
Ricardo Cervera Lomeli		M	Mexican	6	3	Yes
Alexander Gijs Van Tienhoven		M	American	6	0	Yes
Sergio Visintini Freschi		M	Argentine	4	1	Yes
Luis A. Nicolau Gutiérrez		M	Mexican	2	3	Yes
Hernando Carlos Luis Sabau Garcia		M	Mexican	2	5	Yes
Alberto Torrado Martínez	 	M	Mexican	2	3	Yes
Alternate Board Members						
José Antonio Alonso Espinosa ⁵		M	Mexican	2	3	No
Fernando Suárez Gerard		M	Mexican	4	0	No
Luis Fernando Félix Fernández		M	Mexican	2	0	No
Independent Alternate Board Members						
Carlos Javier Vara Alonso		M	Mexican	6	-	Yes
Arsenio Farell Campa		M	Mexican	2	1	Yes
Secretary						
Sergio Rodríguez Molleda		M	Mexican	3	0	No
Alternate Secretary						
Cynthia Corro Origel		F	Mexican	6	0	No



11 Proprietary members on Becele's Board of Directors

4.3 years Average tenure of Board members

⁴ These figures include private and public companies.

⁵ Alternate of Mrs. Karen Virginia Beckmann Legorreta.

* A dash means data was not available. It does not indicate zero Boards.

 Financial Expert

 Industry Expert

 Honorary Life Chairman

 Chair of the Board

 Chief Executive Officer



Nomination procedure

GRI 2-10

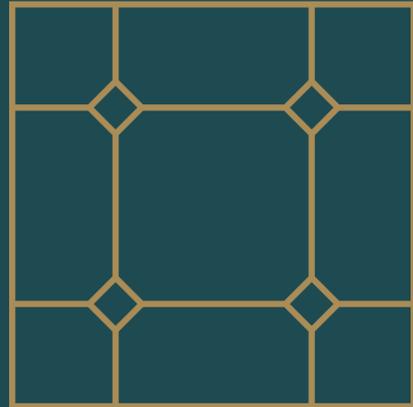
Our bylaws establish that each 10% owned by any shareholder comes with the right to nominate or remove one Board member. To elect Directors, the Board of Directors or the Committee of the Board of Directors that performs the duties of nominations and compensations of the Company, if any: (i) will propose to the Annual Ordinary General Shareholders' Meeting the ratification of positions for another year of members of the Board of Directors previously elected, or (ii) must submit to such Annual Ordinary General Shareholders' Meeting a list of candidate names proposed to form the Board of Directors of the Company, including the names of candidates for directors who, if any, were elected by minority shareholders and informed to such Committee. Also, the Board may appoint interim Directors, without the participation of the Shareholders' Meeting until the ratification of them.

Extensive experience in consumer markets is one of the main criteria looked upon when nominating and selecting the members of our Board.

AUDIT & CORPORATE PRACTICES COMMITTEE

The LMV imposes the obligation to have an audit committee, comprised of at least three independent members appointed by the Board of Directors (except in the case of companies controlled by a person or group holding 50% or more of the outstanding capital stock, in which case the majority of the members of the Audit Committee must be independent). The Audit and Corporate Practices Committee (together with the Board of Directors, which has additional responsibilities) replaced the auditor that was previously required pursuant to the Mexican General Business Law (*Ley General de Sociedades Mercantiles*).





Responsibilities of the Audit & Corporate Practices Committee

One statutory committee assists the Board in overseeing the Company's management and direction. Its responsibilities are, among others:

- Evaluating the work of the Company's external auditors.
- Overseeing the management, conducts and execution of the Company's business.
- Analyzing the external auditors' reports and informing the Board of Directors of any irregularity related to internal controls.
- Supervising related party transactions and the activities of the Chief Executive Officer.
- Submitting an Annual Report to the Board of Directors and to shareholders.

The committee is also responsible for issuing recommendations to the Board of Directors in relation to the performance of our key executives, the operations with related parties, the requests for opinions of independent experts, calling the shareholders' meeting and supporting the Board of Directors in the preparation of reports for the Annual Shareholders' Meeting.



Our Audit and Corporate Practices Committee is composed of the following members:

Sergio Visintini Freschi	President
John Randolph Millian	Member of the Board
Ricardo Cervera Lomelí	Member of the Board
Cynthia Corro Origel	Secretary
Sergio Rodriguez Molleda	Alternate Secretary

MANAGEMENT TEAM

Becele’s management team is composed of industry experts with clear responsibilities according to their area of expertise ranging from the appropriate financial performance of the Company to the development and execution of best corporate practices.

Juan Domingo Beckmann Legorreta	Chief Executive Officer
Fernando Suárez Gerard	Chief Financial Officer
Luis Fernando Félix Fernández	Managing Director, USA & Canada (Proximo)
Olga Limón Montaña	Managing Director, Mexico and LatAm
Gordon Dron	Managing Director, EMEA and APAC
Iván Ramos	Audit Director
Gabriel Sander Muñiz	Human Resources Director
Sergio Rodríguez Molleda	General Counsel
Peter Vogtlander	Chief Operations and Supply Chain Officer





ESG PRACTICES OVERSIGHT WORKING GROUP

GRI 2-13, 2-14

We have established a supervisory working group for ESG practices at the middle and senior management level to guide the implementation of recommendations and report progress to the Board of Directors. The working group is responsible for monitoring the implementation of actions related to governance, strategy, risk management, process transformation, and metrics and objectives.

To ensure the ESG Practices Oversight Working Group has the appropriate skills and competencies, Bece continuously provides formal training on the subject. This training seeks to prepare our executives by increasing our level of knowledge regarding ESG-related risks and opportunities and our impact on the organization.

To further enhance our corporate governance practices, we have trained our mid-management to identify sustainability-related opportunities, which serves as a primary form of information to the Working Group.

ROLE OF THE CEO & CHAIRPERSON OF THE BOARD

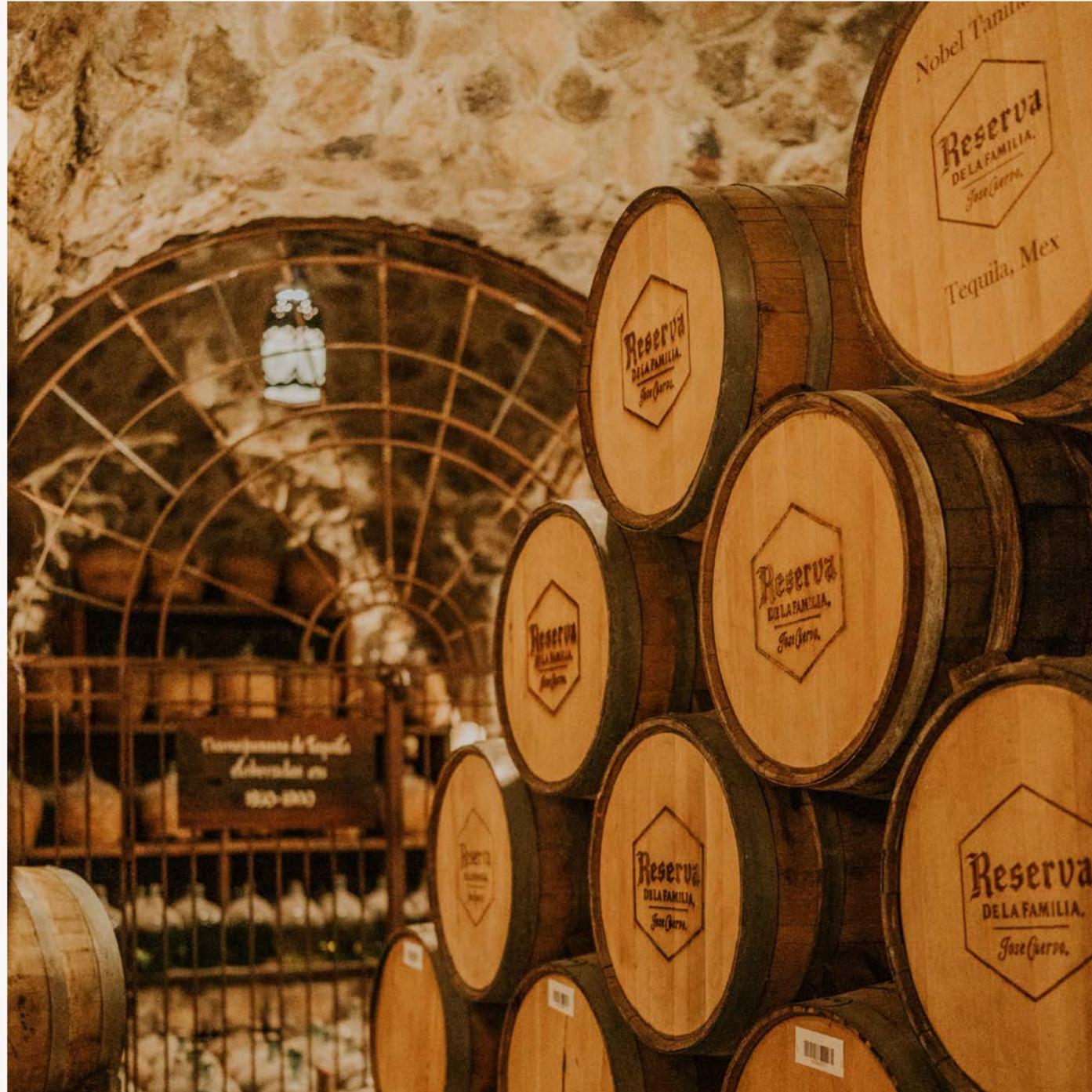
GRI 2-11

Our CEO and Chairperson of the Board is Juan Domingo Beckmann. Having both roles, his main functions within the organization are as follows:

1. Oversee the operations of the Company and ensure that it achieves its financial and strategic objectives.
2. Comply with the agreements of the Shareholders' Meetings and the Board of Directors.
3. Our CEO plays a critical role in Board composition, ensuring that it consists of individuals with diverse skills, expertise, and backgrounds. He leads the process of identifying and recruiting new directors and assessing the performance and independence of existing Board members.
4. Develop and execute guidelines for the internal control and audit systems of the Company and its controlled entities, as required by the Securities Market Law.

5. Disseminate relevant information and events with the public, in accordance with the Securities Market Law and the Board's guidelines.
6. Comply with the provisions relating to the execution of acquisition and placement operations of the Company's own shares.
7. Comply with the legal and statutory requirements established with respect to dividends paid to Shareholders.
8. Establish mechanisms and internal controls to ensure that the Company and its controlled entities comply with applicable regulations and monitoring their effectiveness, taking necessary measures when needed.





COMPENSATION

GRI 2-20

The compensation to Directors, Secretary of the Board and members of the Committees of the Company is determined by the General Ordinary Shareholders' Meeting.

We conduct frequent market surveys in compensation matters to assure remuneration for management is competitive versus companies similar in size, scope, and complexity. We also rely on advice from external experts.

For people leaders, individual and operational employees, short-term KPI's linked to variable compensation may include sales, productivity or specific metrics defined in each area.

Director and C-Suite KPI's linked to variable compensation include Volume, Sales, EBITDA, EBITDA Margin and ROIC.

We also provide long term incentives for all functional levels; however, they are not linked to equity.

Note: Operational personnel refer to employees working in field operations or factories. Individual employees are those who do not have subordinates. People leaders encompass managers or employees who supervise teams within the organization. Tactical leaders refer to directors who oversee specific areas or functions, while strategic leaders encompass the executive-level employees who hold positions within the C-suite.



CONFLICTS OF INTEREST

GRI 2-15

Our behavior, both on the job and outside the workplace, must not conflict with Bece’s best interest. We face situations everyday where our judgement and our ability to act in the company’s best interest might be compromised.

Bece encourages its employees to disclose any potential conflict of interest as soon as they are identified, to evaluate accordingly and agree on actions to resolve them completely. To help employees identify a potential conflict of interest, Bece makes the following resources available:

- Regular training of our employees on conflicts of interest and the importance of transparency and disclosure.
- A specific section within the Code of Conduct outlines the process that should be followed to disclose any conflict of interest, and examples of what a conflict looks like. The Company keeps a record of the disclosures made and the actions agreed upon.
- A whistleblower policy that encourages employees to report any potential conflicts of interest or other ethical concerns.

We also disclose any related party transactions or outstanding balances that may exist, and we ensure that these transactions are conducted at arm’s length and in accordance with applicable laws and regulations.

In summary, we are committed to preventing, recognizing and mitigating conflicts of interest by promoting a culture of transparency across the organization, as well enable mechanisms to disclose any conflict of interest. By doing so, we ensure that our decisions are made in the best interests of our company and our stakeholders.

COMMUNICATION OF CRITICAL CONCERNS

GRI 2-16

Critical concerns are communicated to the highest governance body at the Board Meeting, which can be conducted every three months if necessary.

During 2022, there were no critical concerns communicated to the highest governance body.





BOARD EFFECTIVENESS

GRI 2-18

To evaluate our Board's effectiveness, we use a mix of legal requirements and best practices that focus on the Board's ability to carry out its duties, its composition and processes, and its relationship with stakeholders. Among the factors taken into consideration, the following are a priority when assessing our Board's effectiveness:

- 1 Whether the Board can provide strategic direction, oversee management, and monitor the Company's performance effectively and efficiently.
- 2 The diversity of Board members, their expertise and qualifications, and their independence from management.
- 3 The quality and frequency of Board meetings, use of committees, and ability to obtain and use information.
- 4 The Board's communication and relationship with stakeholders, including shareholders, employees, and regulators.

As a publicly traded company, we are required by the Mexican Securities Market Law to establish independent audit and corporate practices committees. These committees must operate transparently, efficiently, and objectively.

We also follow the Corporate Governance Code established by the Mexican Stock Exchange (BMV), which sets out best practices for publicly traded Company Boards, including requirements for Board composition, independence, and evaluation.





Enterprise Risk Management

We recognize the importance of risk governance, emerging risks, incentives, training, and empowering employees to develop an effective risk culture and risk management strategies as a tool for achieving our goals.

We have set up a corporate risk management framework led by our Corporate Risk department, which reports directly to our CFO.

The organizational structure for risk management consists of three lines of defense that maintain an independent position from each other:

I. Risk identification & management

The first line of defense involves business units that create a risk and control environment through identification, assessment, management, and reporting of risks, and ensure daily actions to mitigate the impact of said risks.

II. Risk control & supervision

This involves supervision and control departments that ensure compliance with established policies and regulations, monitor and validate risk assessments, and facilitate a consolidated view of risks to senior management.

III. Internal audit

The third line evaluates whether policies, controls, methods, and procedures are adequate and successfully implemented to mitigate or eliminate risks.



The risk management governance structure ensures the full participation of our senior management and CEO in risk decision-making, coordination of communication between the three lines of defense, alignment and monitoring of the main objectives of the framework, and an adequate risk management and control environment for all types of risks.

Critical risks are reported to senior management and the framework ensures compliance and the final implementation of action plans if necessary.

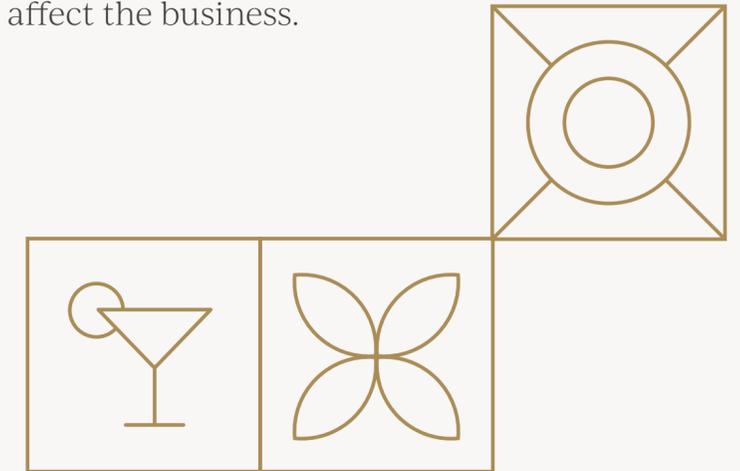
Our methodology uses qualitative and quantitative approaches to assess the probability and impact of each risk,

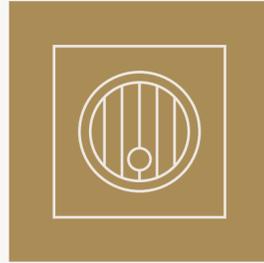
and predefined risk criteria by region and materiality levels. Based on the assessment results, they determine whether to create or enhance mitigation controls for each process.

We manage risks and opportunities that have an impact on our operations and design mitigation strategies, allowing our business to be sustainable in the future. Furthermore, we have a disaster recovery plan and a business continuity plan that enable us to maintain our operations and protect key processes in the event of any contingency.

Some of the key risks that could affect our Company's activities, financial condition, results of operations and/

or prospects are described in the following pages. There may be additional risks and factors that we are not currently aware of or do not currently consider material, which could also adversely affect the business.





SUPPLY CHAIN CONSTRAINTS

Global supply chain constraints may adversely affect product availability.

KEY MITIGATION ACTIONS

- Optimization and automation of our supply chain processes.
- Working with vendors to increase inventory availabilities in key brands.
- Prioritization of packages and flavors to maximize the benefit of our production capabilities.

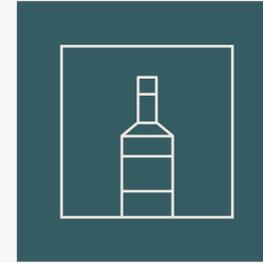


CONSUMER PREFERENCES AND DEMAND

Changes in consumer preferences, demographics, consumption patterns, social trends, public health regulations and/or a downturn in economic conditions might generate variations in the demand for some of our products.

KEY MITIGATION ACTIONS

- Market research and consumer insights.
- Product diversification and innovation.
- Marketing and branding strategies.
- Customer engagement and relationship management: Through various channels such as social media platforms.
- Collaboration and partnerships.



COMPETITION

We face continued competition from international as well as regional and local companies in the countries in which we operate for share of throat across a wide range of consumer drinking occasions.

KEY MITIGATION ACTIONS

- Brand building and marketing.
- Enhanced consumer service.
- Product differentiation: Unique flavors, innovative packaging, emphasis on heritage and craftsmanship.
- Pricing strategies: Development of competitive pricing strategies that balance profitability with market positioning.
- Distribution channels: Evaluation and optimization of distribution channels to ensure broad market reach.



BRAND REPUTATION

Any counterfeiting of Cuervo's brands, product adulterations, inability to meet customers' needs or expectations, unethical conducts, among others, could adversely affect brand reputation.

KEY MITIGATION ACTIONS

- Product quality and safety assurance: Implementation of rigorous testing procedures and quality control measures.
- Ethical business practices: Integrity in sourcing ingredients, responsible production practices and adherence to regulations and industry standards.
- Brand advocacy and positive PR.



CLIMATE CHANGE

In the event that climate change has a negative effect on agricultural productivity in the regions from which the Company procures its raw materials, we may be subject to decreased availability or increase prices of raw materials that are necessary in the production of our products.

KEY MITIGATION ACTIONS

- Commitment to efficient use of water, energy, and materials.
- Carry insurance to cover our assets against natural disasters and other risks.

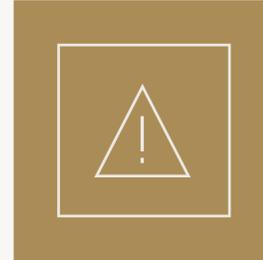


CYBER-ATTACKS

Service interruption, misappropriation of data or breaches of security could adversely impact our business. Systems failures could lead to business disruption

KEY MITIGATION ACTIONS

- Implementation of a robust cybersecurity infrastructure to protect the Company’s digital assets and data.
- Development of an incident response plan that outlines the steps to be taken in the event of a cyber-attack.
- Implementation of a robust data backup and recovery system to protect critical business information.



RISKS RELATED TO MACRO ENVIRONMENT

Global economic and political conditions, such as economic slowdown, inflation, volatility and tightening of credit and capital markets in which we do business may substantially affect our sales and profitability

KEY MITIGATION ACTIONS

- Natural hedging because of hard currency.
- Deployment of action plans based on changes or updates in the macroeconomic and political environment, which are continuously monitored through various management committees.



REGULATIONS

Beverage alcohol products are subject to national excise, import duty and other types of direct and indirect taxes in most countries around the world, and further increases in these could result in higher sales prices and adversely affect our sales and profit margin.

KEY MITIGATION ACTIONS

- Monitoring regulatory risks as well as staying updated on the latest regulations.
- Processes, guidelines, and tools are regularly updated to incorporate any changes in regulations.
- Tax strategies and planning.

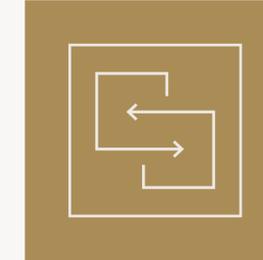


ACQUISITIONS & JOINT VENTURES

Our acquisitions and JV strategy and integration of acquired brands may not be successful, in which case our results of operations could be negatively impacted.

KEY MITIGATION ACTIONS

- Thorough due diligence: Careful evaluation and analysis of financial health, market position, operational capabilities, and cultural fit.
- Integration planning: Development of a structured integration process, including clear communication channels and setting measurable objectives.



FOREIGN EXCHANGE

Fluctuations in the value of the Mexican Peso against the U.S. Dollar and other currencies may have an adverse effect on our financial condition and results of operations.

KEY MITIGATION ACTIONS

- Financial forecasting and scenario analysis: Development of sensitivity analysis models to assess the potential impact of exchange rate movements.
- We have monetary assets and liabilities denominated in foreign currencies for which we seek to minimize our net exposure by buying and selling at “spot” exchange rates.

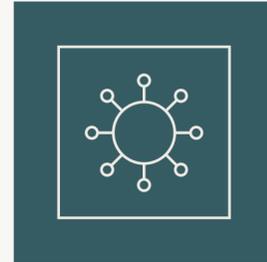


RAW MATERIALS

The prices of raw materials fluctuate and are largely determined by global supply and demand. Commodity price changes may result in unexpected increases in the cost of raw materials, glass bottles and other packaging materials.

KEY MITIGATION ACTIONS

- Regularly engaging with suppliers to build strong relationships and foster open communication.
- Diversification of suppliers.
- Diversification of our portfolio to minimize the exposure to certain raw materials and operating disruptions.
- Inventory management practices to balance raw material procurement with demand fluctuations.



GLOBAL PANDEMIC

The COVID-19 pandemic or any other future global pandemic may have a material adverse effect on the business, financial condition and results of operations of the Company.

KEY MITIGATION ACTIONS

- Business plan to leverage our favorable status and leadership in the high-growth Tequila and Ready-to-Drink categories.
- Crisis Committees and forums are established to effectively address such events.



SHAREHOLDER RELATIONSHIPS

Most of our outstanding shares belong to the Beckmann family. Accordingly, the Beckmann family has the power to appoint the majority of the members of the Board of Directors of the Company and to approve the matters to be subject to vote by the shareholders. The interests of the major shareholders of the Company may be different to the interests of the rest of the investors.

KEY MITIGATION ACTIONS

- Collaborate and encourage productive communication among our key shareholders to maximize value.



LEGAL PROCEEDINGS

Unfavorable outcomes of legal proceedings could adversely impact our business.

KEY MITIGATION ACTIONS

- Adhere to applicable laws and regulations and abide with workplace rights policy.



Business Ethics & Compliance

GRI 2-23, 2-24, 2-25, 2-26, 205-3-a, 2-27-a

The oversight and responsibility of “Business Ethics and Compliance” is of utmost importance for Bece. While the Ethics Committee supports the Audit Committee in promoting and embedding a culture of integrity and compliance to applicable laws and regulations, it is important to recognize that the responsibility for maintaining ethical behavior and uphold our Company values extends to all members of our organization. Ensuring that we operate with integrity and do the right thing is a shared responsibility that requires everyone’s active engagement.

OUR COMMITMENT WITH INTEGRITY

Our Integrity Program endorses our commitment of acting ethically and correctly, in compliance with applicable laws and regulations. The program consists of a set of codes, policies, procedures, and tools grouped in *three main pillars*, to identify and manage compliance risks and avoid actions that could cause legal risk or damage our reputation:



PREVENT



DETECT



RESPOND

The program helps protect our reputation and contributes to the success and sustainability of our business.



CODE OF CONDUCT

The Code is an essential element of our Integrity Program that applies to every employee and everywhere Bece does business, and it is an important tool in bringing Bece's values to life in our work. The Code highlights expectations in areas of the business that could cause ethical or legal issues if mishandled and helps with better decision making.

Our recently updated *Code of Conduct* consists of *five pillars*:



RESPECT AND
COLLABORATION



FAIR BUSINESS
PRACTICES



GOOD PROFESSIONAL
JUDGEMENT



HONESTY AND
TRANSPARENCY



OUR COMMUNITIES

These pillars group relevant topics such as Human rights, Harassment, Proper use of Company assets, Confidential information, Responsible consumption, Conflicts of interest and Anticorruption.

To access the Code of Conduct document please use the following [link](#).





WHISTLE-BLOWER SYSTEM

GRI 2-24, 2-26

The Company has implemented a whistle-blower system (Ethics Line or **LINEA CUERVOZ**) managed by an independent third-party through which our employees and business partners, can reliably and anonymously report any wrongdoing or alleged breaches of the Code of Conduct, our policies, or the law. The whistleblowing channel promotes a culture of transparency and accountability, and provides a confidential mechanism for reporting issues without fear of retaliation.

The Ethics Committee is the governing body that oversees the reliability and effectiveness of the Ethics line, investigates reported alleged breaches, and decides on applicable corrective actions for non-compliance substantiated cases.

Throughout 2022, 57 allegations were brought to our attention, all of which were thoroughly investigated. Out of these, only five were substantiated. It is noteworthy that none of the reports received were related to corruption, forced labor, or human trafficking.



Note: These figures were not validated by PwC.

ANNUAL CERTIFICATION OF INTEGRITY (ACI)

The ACI process is conducted globally each year, in which employees must confirm that they fulfilled their individual responsibilities and commitments to understand and act in adherence to the provisions of the Code and Company’s policies.

COMPLIANCE AWARENESS PLAN

To increase the understanding of all employees regarding the Code of Conduct and the Compliance policies, a global mandatory training and communication plan is executed annually. In 2022, we joined a globally recognized association dedicated to antibribery, compliance and good governance, which allowed us to access a library of compliance materials, including corruption, forced labor and human trafficking training courses.



ETHICS & COMPLIANCE TRAINING IN 2022

+2,200

employees completed the “Global Certification of Integrity”, which was completely digital for the first time.

+1,200

employees in Mexico enrolled for the first time to the e-learning of the Code of Conduct.

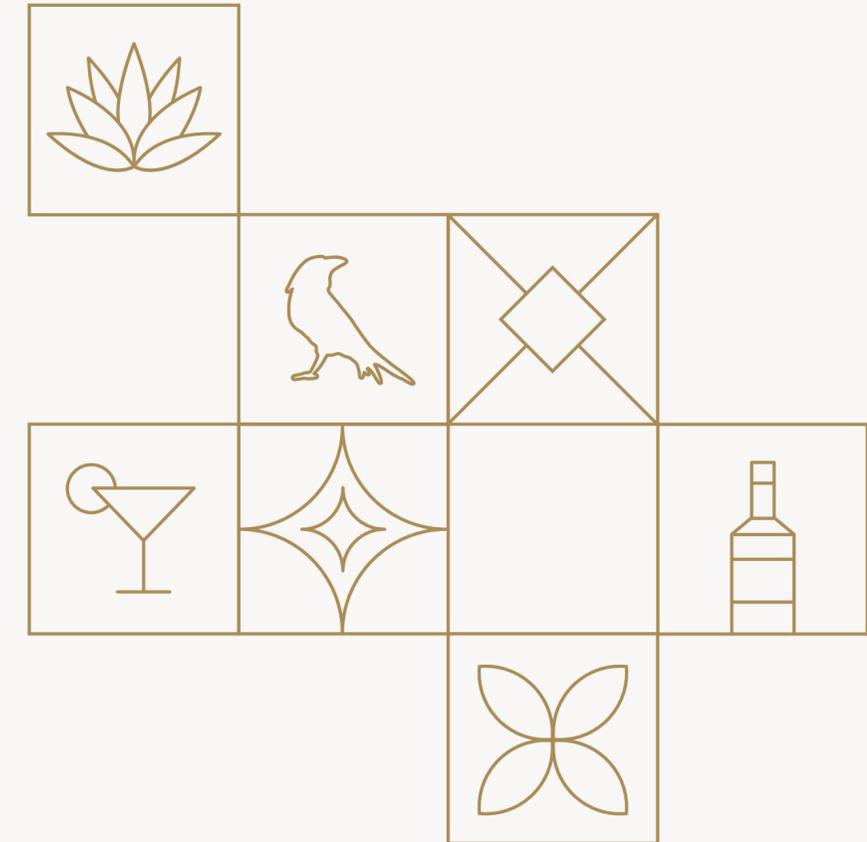
+1,000

Global Managers are taking self-study courses on:

451 ANTI-CORRUPTION COURSE

459 CYBERSECURITY COURSE

234 MODERN SLAVERY COURSE
(forced labor and human trafficking)



MODERN SLAVERY

In accordance with the Modern Slavery requirements in some of the jurisdictions in which we operate, we have issued annual statements outlining the steps we have taken to ensure that slavery and human trafficking are not taking place in our operations and supply chains. Said statement is signed by a senior member of the organization and is published on the Company’s website.

To access the Company’s website please use the following [link](#).



Policy Influence

GRI 2-28, 2-29

Through the years, Bece has continually worked closely with internal stakeholders, external partners, and advocacy groups, to identify key policy issues, and advocate for policy advancement to comply with high-standard stakeholder demands and contribute to the creation of a more sustainable and responsible business environment.

We have a strategic approach to policy influence which has been consolidated through alliances with sustainability related associations that bolster influence in our own material topics, as well as collaborating with standard setting bodies for the products in our portfolio.

Our continued endeavors, such as becoming a member of the United Nations Global Compact and engaging in materiality consultations and town hall meetings with local communities, has strengthened our position to leverage communication channels with local stakeholders to improve risks & opportunities monitoring, and to demonstrate our commitment to responsible corporate governance, accountability, and to ensure that our Company's interests and values are aligned with those of our stakeholders and that the Company is well positioned to navigate a rapidly changing policy landscape.



GRI 2-28

To strengthen our relationship with the community, *we participate in the following associations:*

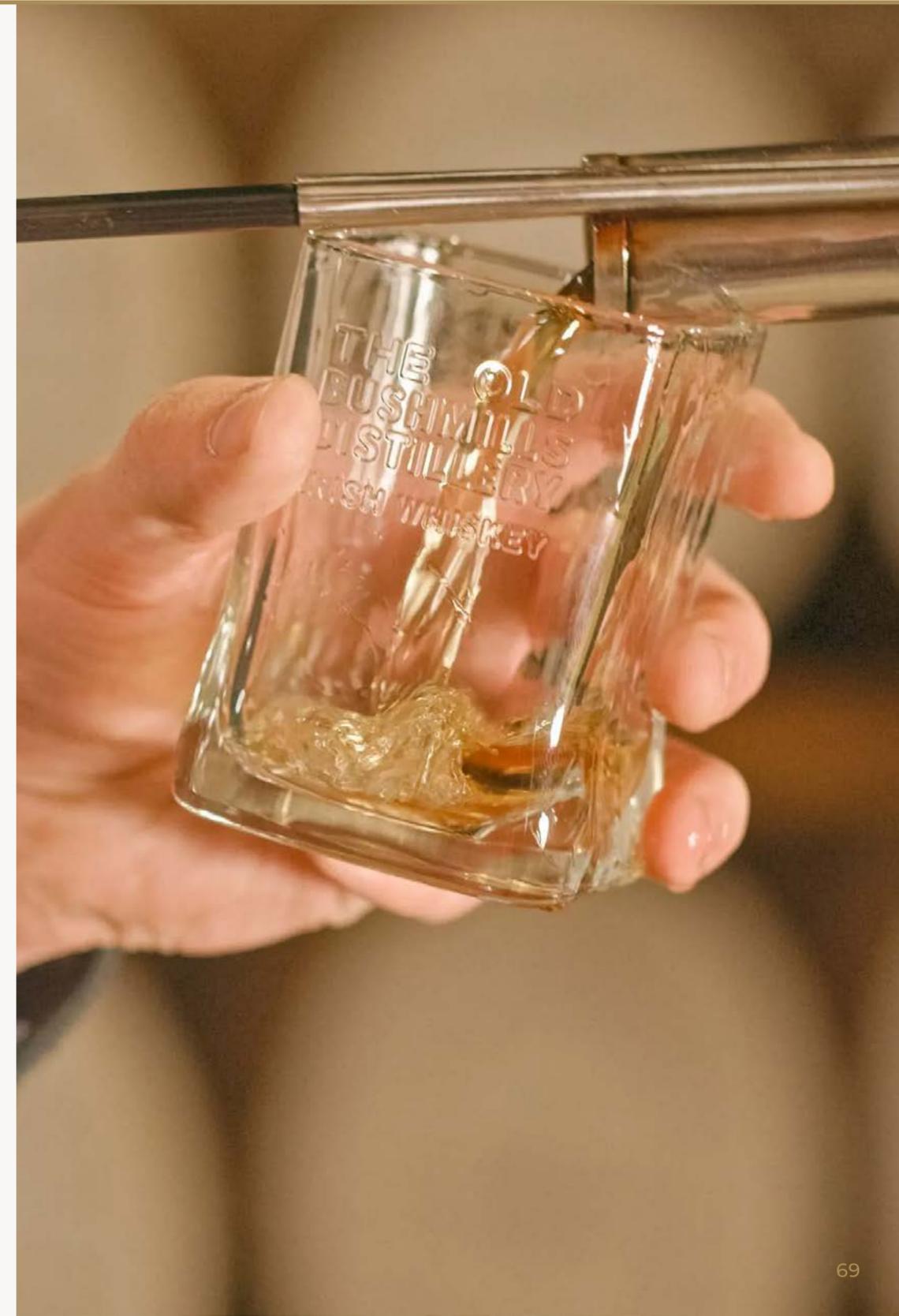


Bece's policy influence & public affairs capabilities effectively mitigate risks by leveraging our overall risk management framework and a close monitoring of market, consumer, regulators, and stakeholder demands. Such monitoring responsibilities fall under Bece's public affairs team, which collaborates closely with senior management and staff across our operations, supply chain, compliance, and commercial teams.

Our public affairs team, comprised of senior and mid-management personnel, continuously participates to boost our competitiveness, gain access to new markets and promote policies which allow us to develop innovative products and

technologies that keep us at the forefront of the industry; additionally, they address stakeholder concerns, as well as advocate for responsible drinking and marketing practices which can help improve consumer health and safety.

As a first commitment to leverage our policy influence capabilities in favor of sustainability, Bece has become a member of the United Nations Global Compact (UNGC) and *Alianza Empresarial por el Clima*. We will report our progress towards the alignment of our strategies and operations with the UNGC's principles on human rights, labor, the environment, and anti-corruption, among others.





Tax Transparency

GRI 207-1

Having clear and robust internal control processes in place to ensure compliance with tax laws is of utmost importance to Bece, and thus we have an internal tax department which regularly monitors and reports on our tax activities to ensure a comprehensive and well-documented tax strategy, which is then reviewed by the Chief Financial Officer and ultimately approved by the Chief Executive Officer. Additionally, our Board advises on the Company’s tax strategy, leveraging on the financial expertise of its members.

Our tax strategy is built on a strong tax governance framework that prioritizes tax compliance and aligns with our ethical and legal obligations to pay the legally due taxes in a timely and appropriate manner in all countries where we operate in accordance with each market’s jurisdiction. To ensure compliance, we conduct regular internal and external audits, identifying areas of potential concern and addressing any risks in an open and transparent manner.

We provide clear and concise information on our tax strategy, policies, and processes in annual reports and other public disclosures, and all tax-related decisions are based on sound judgment and evidence.

To mitigate risks, we conduct thorough risk assessments, taking into consideration any potential ethical and legal implications. Additionally, we provide regular training and education for employees on tax compliance to ensure they understand their obligations and responsibilities. We maintain accurate and complete records of all tax-related transactions, including payments and taxes due, in all countries where the Company operates.

By implementing these measures, we ensure tax compliance and can provide assurance to stakeholders, including customers, investors, and regulators, that Bece operates in an ethical and transparent manner.

	NUMBER OF EMPLOYEES	REVENUE	PROFIT BEFORE INCOME TAXES	CURRENT TAX EXPENSE	DEFERRED TAX EXPENSE	INCOME TAXES
Total	9,437	45,729	8,231	2,426	(75)	2,350

Note: The above figures are in millions of Mexican Pesos, except the number of employees.



Supply Chain Management

GRI 2-6-b.ii, 414-1, FB-AB-440a.2

As the largest tequila producer and one of the largest spirits companies in the world, we welcome the responsibility of a complex supply chain by investing in superior oversight and governance capabilities that include technological, environmental and social considerations.

To ensure that we are operating in an optimal way, we have established a dedicated supply chain management team lead by our COO, which reports directly to the CEO and Board of Directors.

Our supply chain management team is comprised of experts in the agricultural process and raw materials necessary for the creation of our beverages, as well as on the logistics and global distribution front. This team is responsible for the oversight of our procurement and distribution practices, as well as the collaboration with our suppliers to align with our sustainability framework.

By performing a continuous analysis on the availability of supplies, risks over critical suppliers, and the performance of our operations and distribution centers, our supply chain management team enables the CEO and Board members to make informed decisions.



In Beclé, we strive to improve financial performance by using our supply chain management capabilities in the following ways:

Meeting customer demand

Customers have high expectations when it comes to quality, price, and availability, and we strive to meet customer demand by delivering products on time and in the right quantity.

Ensuring quality and safety

The spirits industry is subject to strict regulations and quality standards; therefore, we leverage our superior oversight capabilities to ensure that products are manufactured and transported in compliance with these standards, reducing the risk of product recalls and liability issues.

Streamlining operations

We have embedded a culture of reducing costs and increasing efficiency in all our supply chain processes, which reduce the time and resources required to produce and deliver our products.

Logistics optimization

We select the most efficient transportation modes and optimize transportation routes to reduce costs.

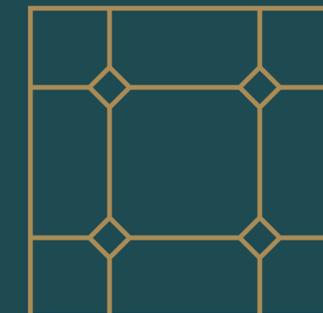
Supplier management

To reduce risks, we have a policy in place that requires at least two suppliers for each major ingredient or raw material when the nature of the product supply allows it, we have a permanent program of dual sourcing development for the supply of our main dry goods and ingredients, which allows us to have supply alternatives for packaging and raw materials. With this strategy, we limit the risk of dependence on any supplier and incentivize competition among them, which translates to increased quality, service, and value.

Sustainable supply

We work with our suppliers to improve their ESG performance and management approach, in turn, increasing the resilience and improving the environmental and social impact of the overall supply chain.

We understand that managing risk in the supply chain is a crucial aspect of responsible and sustainable business practices. That is why we have implemented several precautionary measures to anticipate risks and ensure the integrity of our supply chain.





Our supply chain management strategy includes the definition of risk criteria to evaluate suppliers, the creation of a questionnaire to rate their risk profile, ***the evaluation of the risk profile of 100% of critical suppliers***, and the creation of corrective plans for those suppliers that do not meet the defined minimum acceptable thresholds. These measures allow us to proactively address any potential risks and maintain the highest standards of responsible and sustainable supply chain management.

We are committed to transparent and ethical business practices and are constantly working to improve our supply chain management for the benefit of all stakeholders.

We constantly evaluate specific parameters for current and potential suppliers to guarantee competitive market conditions and ensure our suppliers comply with regulations. We assess suppliers based on three pillars: environment, economy, and society. Subsequently, ***we categorize their sustainability maturity in three groups according to their compliance Red (0-39%); Yellow (40-69%) and Green (70-100%).***

We developed specific questionnaires for suppliers that are special for their scope and relationship with Bece: Below the line (“BTL”) agencies, freight services, furniture producers and concessionaires.

Sustainability evaluation is an important part of the supplier’s scorecard. We will provide regular feedback to suppliers to help them improve in these topics. These scorecards will be annual for indirect materials and services and in a monthly basis for direct materials.



The **Supplier Assessment** is comprised of the following sections and topics:



Social

- a. Diversity and equality
- b. Fair treatment
- c. Ethics labor and governance
- d. Health, safety and security
- e. Poverty reduction
- f. Privacy



Economic

- a. Supply security
- b. Price stability
- c. Healthy margins and competitive advantage
- d. Efficient processes
- e. Perception as positive employer



Environmental

- a. Renewable energy
- b. Replenishing natural resources
- c. Sustainable water and land use
- d. Limiting or eliminating emissions and pollution
- e. Limiting or eliminating land waste

The evaluation of supplier compliance with our **Code of Ethics for Suppliers** includes the following sections:



I. Business Integrity

- a. Honesty
- b. Confidentiality
- c. Service
- d. Conflicts of interest
- e. Gifts and/or preferential treatment
- f. Integrity

II. Human Rights and Labor Conditions

- a. Discrimination
- b. Harassment
- c. Voluntary work
- d. Hiring minors
- e. Compensation
- f. Freedom of association

III. Health and Safety

- a. Working hours

IV. Impact on the environment and supply chain sustainability

V. Communication and reporting of inappropriate conducts

- a. Ethics Line



TOTAL SUPPLIERS

	CRITICAL SUPPLIERS			NON-CRITICAL SUPPLIERS			TOTAL
	MEXICO	US & CANADA	REST OF THE WORLD	MEXICO	US & CANADA	REST OF THE WORLD	
Local suppliers	85	28	24	2,261	1,352	3,346	7,096
Non-local suppliers	15	-	-	33	-	-	48
Total	100	28	24	2,294	1,352	3,346	7,144

* A dash means data was not available. It does not indicate zero suppliers.
Note: These figures were not validated by PwC.

We pride ourselves on sourcing most of our raw materials from local suppliers. Our decision to do so is driven by several factors:

- 1 It allows us to contribute to sustainable practices by reducing our carbon footprint associated with transportation and logistics.
- 2 Working with local suppliers often leads to better quality products as the supply chain is shorter and communication between the Company and the supplier is more direct.
- 3 It is essential for us to support local businesses and communities.
- 4 Having a reliable local supply chain can mitigate potential risks associated with sourcing from distant suppliers such as delays and unforeseen disruptions.

RISK EVALUATION OF SUPPLIERS

YEAR	TOTAL SUPPLIERS EVALUATED	SUSTAINABILITY MATURITY		
		RED	YELLOW	GREEN
2021	38	5	11	22
2022	71	8	41	22

Note: These figures were not validated by PwC.

+86.8% YoY improvement in evaluated suppliers

We have developed a corrective plan for each of the 8 suppliers which fell under the red threshold of sustainability maturity. We will continue working with them to determine the necessary improvement measures as well as adding other suppliers to this program.





Business Innovation

Our innovation practices fall under two main teams:



OPERATIONS

We have built a specialized team of process innovation experts who are in constant communication with our production and distribution areas.



MARKETING

Our marketing teams are constantly identifying market trends, allowing us to develop new products that align with consumer preferences.

Both teams collaborate to enrich our portfolio and to drive higher efficiencies and sales.



We understand that business innovation is key to staying ahead in a constantly evolving market. That is why we have a strategic focus on investing in cutting-edge technologies that support our processes, including agriculture, production, and distribution; as well as creating unique products fit for the taste of our consumers.

By combining our expertise in production and product innovation, we stay at the forefront of the spirits industry in the following ways:

1 Meeting changing consumer preferences

Consumer tastes and preferences are constantly evolving, and innovation is necessary to keep up with these changes. We continually develop new products and flavors that appeal to changing consumer tastes to remain relevant in a highly competitive market.

2 Differentiation

We differentiate ourselves by introducing unique and innovative products. Our aim is to attract new customers and retain existing ones.



3 Expansion into new markets

By introducing products that appeal to specific regional tastes or cultural preferences.

4 Sustainability

The spirits industry is under increasing pressure to operate sustainably, and innovation is critical to achieving this goal. We develop and adopt new technologies and processes that reduce our environmental footprint and improve the sustainability of our operations.

Business innovation can bring both opportunities and risks. To mitigate potential risks, we have implemented several precautionary measures, such as requiring an analysis of risks when evaluating the feasibility of new projects.

To capitalize on opportunities, our focus on process innovations is to reduce costs and simplify operations, while also linking capital expenditure to environmental and social factors. Similarly, our approach to product innovation is focused on driving sales and exploring new markets in a responsible and sustainable way.



PRODUCT INNOVATIONS

Bushmills 12-Year-Old Single Malt Irish Whiskey

Made exclusively from malted barley that has been triple-distilled and aged for at least 12 years, first in American oak bourbon barrels and Spanish Oloroso sherry casks before finishing in hand selected marsala casks. Bushmills 12 Year Single Malt has a golden amber color and a complex aroma of honey, vanilla, and oak. On the palate, it has flavors of fruit, nuts, and spice, with a long and warming finish. It is best enjoyed neat or on the rocks to fully appreciate its flavors and aromas.

Mezcal Creyente Cristalino Reposado

Creyente Cristalino is made using 100% Espadín agave, which is grown in Oaxaca, Mexico. The agave plants are harvested and then cooked in an underground pit oven, giving the mezcal its distinct smoky flavor. After cooking, the agave is crushed, and the juice is fermented using natural yeasts. The fermented juice is then distilled twice in copper pot stills before being filtered to remove any impurities and give it a clear appearance.



Mezcal 400 Conejos Añejo

Made using 100% Espadín agave grown in the state of Oaxaca, Mexico. The aging process in oak barrels gives Mezcal 400 Conejos Añejo its distinct amber color and complex flavors. The mezcal has aromas of vanilla, caramel, and toasted oak, along with a smoky note that is characteristic of mezcal. On the palate, it has flavors of dried fruit, honey, and a subtle spiciness that lingers in the finish.



PRODUCT INNOVATIONS

Tequila Gran Centenario Azul Baby Mango

The tequila has a bright, golden color and a rich aroma of ripe mango and agave. On the palate, it has a sweet, tropical flavor with hints of citrus and a smooth, velvety finish. The sweetness of the mango flavor is balanced by the natural agave flavors, creating a well-rounded and enjoyable tequila.

Tequila Maestro Dobel Diamante Ironhead

Maestro Dobel Diamante Ironhead is a blend of Reposado, Añejo, and Extra Añejo tequilas that have been aged in American white oak barrels. The bottle design is also noteworthy. It features a handcrafted leather label that is inspired by the custom motorcycles of Ironhead. The bottle is also individually numbered and signed by the master distiller, making it a unique and collectible tequila.



Tequila Maestro Dobel Atelier – Charrería Edition

This tequila is aged in American white oak barrels for a period of six months. After the initial aging process, the liquid is transferred to French oak barrels that were previously used to age red wine from the Bordeaux region of France. The tequila is aged for an additional six months in these barrels, which gives it a unique flavor profile that is unlike any other tequila. The bottle design of Maestro Dobel Atelier Charrería Edition is also noteworthy. It features a handcrafted leather label that is inspired by the traditional attire worn by Mexican horsemen known as “charros.” The bottle is also individually numbered and signed by the master distiller, making it a unique and collectible tequila.



PRODUCT INNOVATIONS

Tequila Gran Coramino Cristalino & Añejo

Our Reposado Cristalino and Añejo are complex and smooth tequilas crafted from hand-selected piñas, harvested at peak maturity. Both tequilas are roasted in traditional stone ovens and barrel aged. Cristalino is then finished in California Cabernet wine casks and slow-filtered, while our Añejo is aged and precisely blended with an Añejo matured in ex-cognac casks, making both tequilas exceptionally unique in their own way.



Tequila Gran Centenario Añejo Cristalino

Gran Centenario Añejo Cristalino uses the finest Añejo and Extra Añejo tequilas matured in American oak barrels. The blended aged tequila is then finished in Calvados casks for a few months, before being filtered through a meticulous process with Mexican silver, transforming the aged tequila into a crystal-clear liquid. The resulting spirit has the smoothness and depth of an aged tequila, with hints of fresh apple and oak coming from the Calvados cask finish.

Matusalem Rum XO

Matusalem Rum XO is made from a blend of rums that have been aged for up to 25 years in oak barrels using the Solera aging process. This process involves blending younger and older rums in a series of barrels over time, resulting in a consistently aged and flavorful rum.





PRODUCT INNOVATIONS

Tequila Reserva de la Familia Tercerunquinto Edition

This tequila is a collaboration between Bece and Tercerunquinto, a contemporary art collective based in Mexico. The bottle features a black and white label that was designed by Tercerunquinto, featuring their signature graphic style. Each bottle is individually numbered and signed by the master distiller, making it a collectible item for tequila enthusiasts and art collectors.



Tequila Reserva de la Familia Organic (Silver and Reposado)

These tequilas are developed using organic ingredients and adhere to specific organic farming and production standards, which avoid synthetic pesticides, herbicides, and genetically modified organisms (GMOs).



SPECIAL EDITIONS

Tequila Maestro Dobel 50 Cristalino X Onora

Hand-painted by Master Artisans from Xalitla, Guerrero, a Nahuatl village in the Mezcala region located in the Balsas River Basin. The cork of each bottle illustrates the production cycle of the agave used to make tequila. This unique style of amate painting is one of the most celebrated folk-art traditions in Mexico.



Tequila Maestro Dobel 50 Silver Oak Edition

Handcrafted in the lowlands of Jalisco, using 100% Blue Weber Agaves expertly grown and sourced from a single-family estate, Dobel 50 Silver Oak edition is an extra-aged tequila created in partnership with renowned Northern California winery Silver Oak. This luxury Extra Añejo tequila is matured in American oak and finished in Silver Oak Cabernet Sauvignon wine barrels and celebrates the winery's monumental 50th anniversary.





ENVIRONMENTAL

From Source to Market

We are committed to preserving nature, mitigating environmental-related risks, creating sustainable agriculture programs, and generating a positive impact towards the environment.





Our *commitment to the environment* is driven by the following guiding principles:



RESPONSIBILITY

As a global company, we understand that our operations can potentially impact the environment. Therefore, it is our responsibility to ensure that our actions are sustainable.



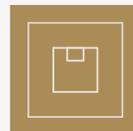
LONG-TERM BUSINESS VIABILITY

Sustainability is not only the right thing to do, but it is also essential for our long-term business viability. Our Company depends on natural resources such as water, agave, grains, and other raw materials. We acknowledge and embrace our responsibility to manage these resources sustainably.



CONSUMER DEMAND

Consumers are increasingly demanding sustainable products and are willing to pay a premium for them. We recognize that being sustainable is not only good for the environment, but it is also good for our business.



UNLOCKING OPPORTUNITIES THROUGHOUT THE SUPPLY CHAIN

By working with our suppliers, communities, and other stakeholders, we can create business solutions that have environmental benefits and generate savings that are reallocated to value added sustainable initiatives that reinforce our long-term goals.



REGULATORY COMPLIANCE

Our industry has a wide range of environmental laws and regulations, mainly regarding water, air, waste management and noise. We comply with all applicable environmental laws and regulations, as well as specific permits and decrees.



As a company with an environmental-forward vision, we have adopted *best practices in the industry*. The following are some of the *highlights* of our operations:

WASTEWATER TREATMENT

100%

of our distilleries in Mexico comply with water treatment regulations

RENEWABLE ENERGY

46%

of our global energy consumption comes from renewable sources

WATER INTENSITY ⁶

5.98

L of water / L of product sold

GHG MEASUREMENT

100%

of our distilleries and bottling facilities globally measure Scope 1 & 2 GHG emissions

ENVIRONMENTAL MANAGEMENT SYSTEMS

02

of our distilleries (Camichines and Bushmills) are ISO 14001 certified and share best practices with the rest of our production facilities

PACKAGING

66.9%

reduction in our gift boxes in our premium tequila portfolio

WASTE MANAGEMENT

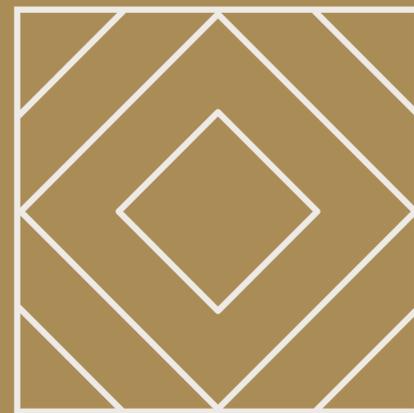
100%

of bagasse waste generated from tequila production is used in our agave fields or repurposed for bio-based products

In addition, all our production facilities have innovation and capital expenditure plans that consider environmental criteria.



⁶ This figure only takes into consideration water usage for production in all of our facilities.



Great Sources Create Great Products

As a company that values excellence, Beclé recognizes that the quality of its products is directly linked to the quality of the sources from which they come. Therefore, we prioritize sustainable agriculture, preserving biodiversity, and sustainable sourcing. These material topics are not only important for the integrity of our products, but they also have a significant impact on the environment and society.

As leaders within the Agave industry, we recognize our obligation and responsibility with the maintenance of high standards to safeguard human health and the environment in all our operations and our products. We believe that strong management is critical to our business success and is an integral part of our mission and values.

SUSTAINABLE AGRICULTURE

GRI 13.5-1, 13.6.1, 13.6.2, 204-1a, 308-1a, 414-1a

As one of the largest agricultural producers in Mexico, sustainable agriculture is a main priority for our Company. We leverage our superior oversight capabilities to ensure our employees' safety in the agricultural fields we manage, and we continuously implement new technologies that enable traceability of our agave plantations, guaranteeing non-deforestation and care of the land we manage.

We acknowledge the importance of sustainable agriculture and have created an Agricultural Unit under our Operations team to oversee and implement our strategy regarding this topic. Our Operations team ensures that all agricultural supplies are sourced in an environmentally responsible way, while also assessing the associated risks and opportunities.



We understand that sustainable agriculture is linked to our business strategy in several ways:

1 Cost savings

Practices such as the efficient use of pesticides and fertilizers, the automation of activities, precision agriculture, production of tissue culture plant, selection of land with high production potential, agave quality or planting material of good vigor and health and the timely management of materials, equipment and personnel can help reduce the cost of production.

2 Improved product quality

Through our sustainable agriculture practices we obtain better quality ingredients, which lead to higher-quality spirits. Higher-quality spirits can command a premium in price, which can increase revenue and profitability.

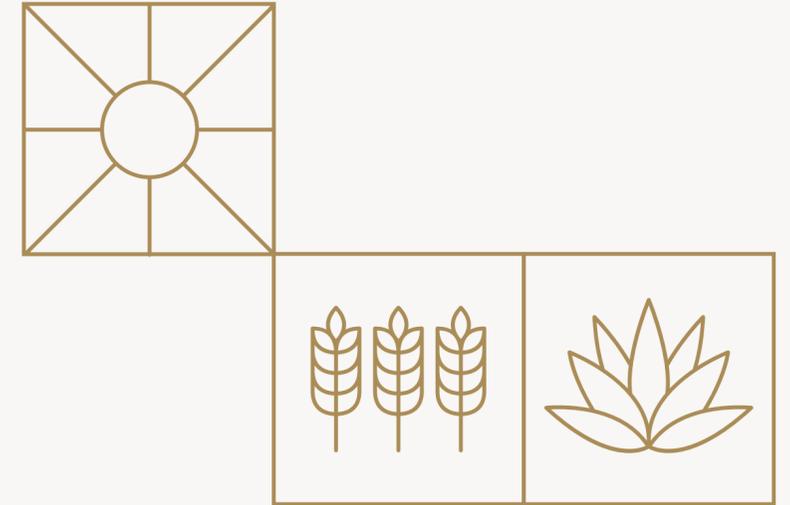
3 Access to new markets

By implementing sustainable agriculture practices, we can access new markets that are willing to pay a premium for sustainable products.

4 Reduced risk

Sustainable agriculture practices help mitigate environmental and social risks, such as water scarcity, soil erosion, and labor issues. By reducing these risks, we minimize the potential for disruption to our supply chain.

Our Agricultural Unit is responsible for managing the risks associated with our agave supply chain. We have implemented policies and procedures to ensure that all our agricultural supplies are sourced in an environmentally responsible way, while also ensuring that we comply with all relevant environmental regulations. We align our budgets, people, and tools to support our position on sustainable agriculture, and our Agricultural Unit maps operational changes, costs, or implications on modifying agricultural activities to comply with CRT certification standards.





Our Agricultural Unit is comprised of industry experts that manage the following processes:

1 Land use permissibility & no-deforestation

We conduct a thorough analysis of land use policies and regulations in the areas where we operate. This includes the use of GIS technology to ensure that we do not engage in any activities that contribute to deforestation in 100% of the agricultural areas we manage. For those purposes, we have also implemented monitoring systems that track our agave plantations and ensure that they are not planted in areas or next to areas prone to deforestation, in accordance and full compliance with all applicable regulations.

2 Climate risk analysis

We conduct a climate risk analysis to identify potential risks and opportunities related to climate change prior to deciding where to plant our agave. This includes analyzing the impacts of climate extremes on crop yields, water availability, frost, wind, floods, landslides, and other factors that can affect our operations.

3 Controlling pesticides & fertilizers

We have implemented an integrated pest management strategy that reduces the use of pesticides, as well as precision agriculture techniques that reduce the amount of pesticides and fertilizers used. We have also established monitoring systems to improve the effectiveness in the use of pesticides and

fertilizers by ensuring that they comply with local regulations and internationally recognized good agricultural practices.

Dependence on chemicals has been reduced through practices such as pest monitoring, manual control, and others. The recommendations of the agricultural programs are based on the monitoring and analysis of water, soil and plant in highly technical laboratories.

4 Minimizing impact on biodiversity

We have conducted a biodiversity assessment to identify areas of high biodiversity value and implemented measures to protect the species that interact with our plantations. We have also implemented sustainable land management practices that minimize habitat destruction, reduce soil erosion, and promote soil health.

5 Research & development

The company has an Agricultural Research Department with state-of-the-art technology in agave fertility and nutrition, tissue culture, soil microbiology, phytopathology, pesticide quality evaluation. New procedures for the timely management of diseases or pests are also sought. The technological facilities and research of the Department have made it the most advanced in the Agave Sector.

It monitors climate variables through a network of weather stations in the DOT generating relevant information for production. The quality management of the field work is carried out based on the systems of good agricultural practices (GAP), as well as in the distillation process operations (GMP), to ensure a high quality tequila.



We monitor and assess our progress to ensure that we are impacting and securing our long-term vision for sustainable agriculture.



Our Agricultural Unit is committed to ensuring that we meet our targets while also identifying *opportunities to improve and innovate our sustainable agriculture practices.*

Sustainable Agriculture

FRAMEWORK	INDICATOR DESCRIPTION (International Framework)	UNIT OF MEASUREMENT	2022
GRI 13.6.2	Report the volume and intensity of pesticides used by the following toxicity hazard levels:		
	Extremely hazardous		0.0195
	Highly hazardous		0
GRI 13.6.2	Moderately hazardous	Kg / Ha / Yr	0.2765
	Slightly hazardous		4.0506
	Unlikely to present an acute hazard		0
GRI 305-1-a	Gross direct (Scope 1) GHG emissions	ton CO ₂ e	21,332.15

Note: This information only makes reference to our agricultural unit within our Mexican territory.



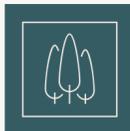
BIODIVERSITY

GRI 304-2-a

We believe that *protecting and conserving biodiversity is essential* for the health of the planet, the success of our business, and the well-being of future generations.

Our goal is to embed this topic deeply in the roots of our Company to truly take care of the ecosystems and environment that surround us.

We have implemented a management system based on state-of-the-art technology and specialized personnel that considers the following aspects:



DEFORESTATION

Ensure that our plantations don't contribute to deforestation and habitat destruction.



SOIL EROSION

We use contour lines in our plantations to avoid soil erosion and we incorporate the use of biomass into our land management practices to help healthy soil reducing the erosion.



SPECIES PROTECTION

Allow local fauna perform their natural functions and interactions.





We invest in sustainable agricultural practices, supporting conservation initiatives, and using technology to improve environmental monitoring and management.

By aligning resources with our position on biodiversity, Bece demonstrates its commitment to minimizing its impact on the environment and promoting sustainable business practices.

ZERO

reports, warnings or fines associated with impacts to biodiversity, during 2022.

SUSTAINABLE SOURCING

Our approach to sustainable sourcing is guided by our Code of Conduct, which outlines our expectations and standards for suppliers across all aspects of their operations. This policy is integrated into our internal processes and is supported by our Procurement Team, who are responsible for ensuring that our suppliers meet the environmental and social criteria established in the Code of Conduct.

We also work closely with external stakeholders, to stay up to date on best practices and to collaborate on sustainability initiatives that benefit the wider community.

Bece recognizes the importance of sustainable sourcing practices as an essential component of our commitment to social and environmental responsibility. Sharing good sustainability practices with third-party agrarians is one of the ways we can guarantee a long-term supply of agave while ensuring that our suppliers operate in a socially and environmentally responsible manner.

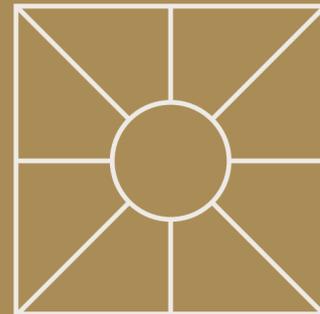
As a responsible company, we believe it is our duty to set a standard for sustainable and responsible sourcing. By prioritizing sustainable sourcing practices, we aim to achieve the following results:

Cost savings

Implementing a sustainable sourcing program helps us reduce costs in several ways. For example, sourcing ingredients locally can reduce transportation costs, and using renewable energy sources can reduce energy costs.

Increased ESG performance

By working with our suppliers, we can detect the opportunities to improve our sustainability performance along the whole supply chain.





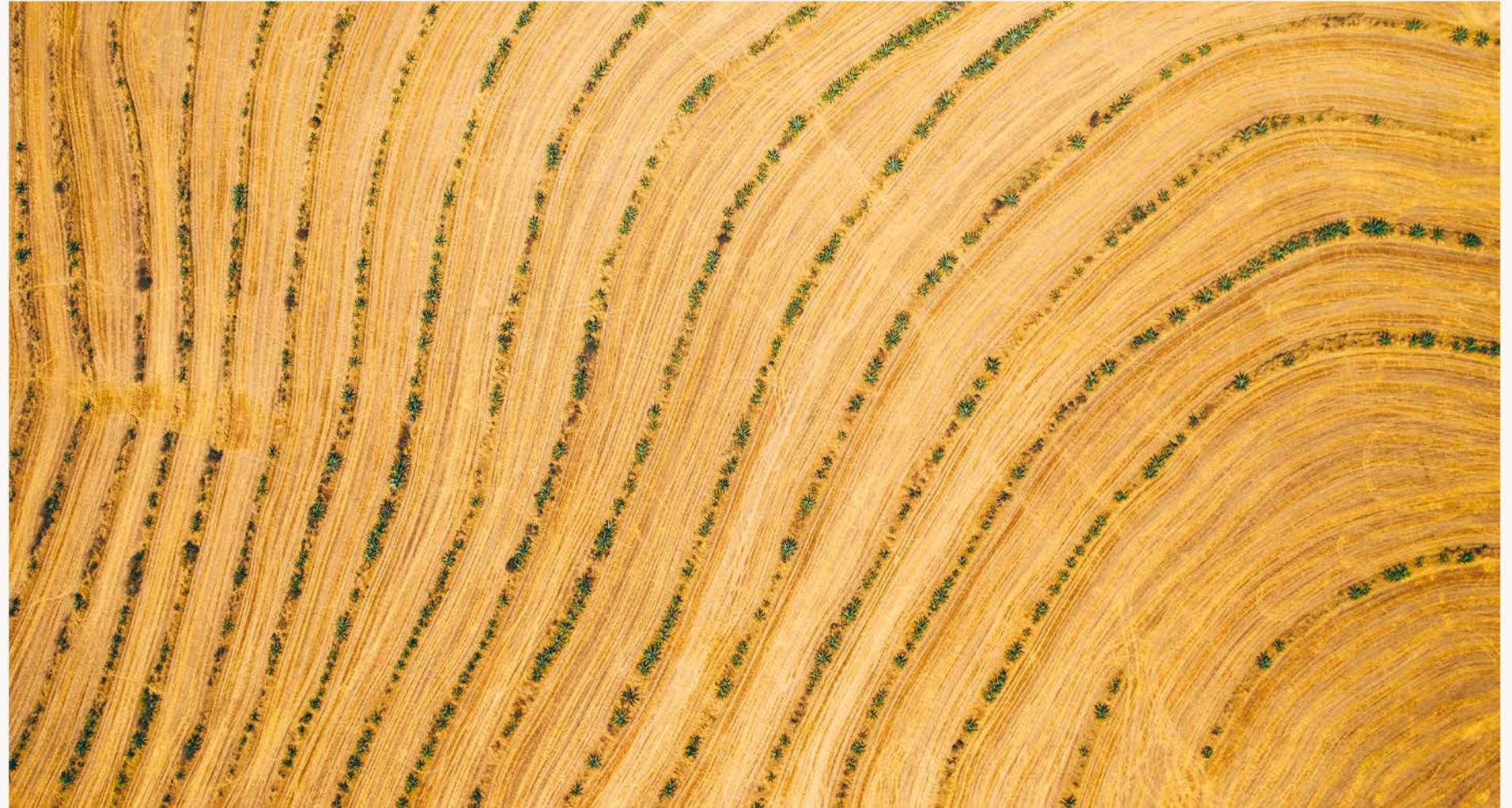
Reduced risk

Sourcing ingredients from sustainable sources can help us reduce our risk of supply chain disruptions.

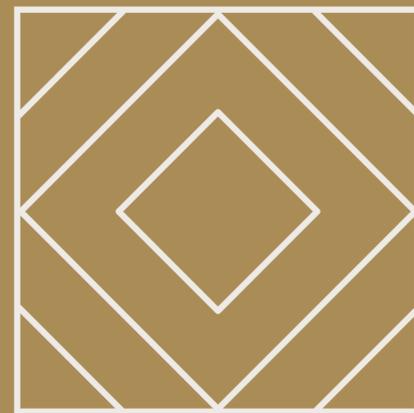
Regulatory compliance

Many countries are implementing regulations aimed at reducing the environmental impact of businesses. With a sustainable sourcing program, we can ensure compliance with these regulations.

We recognize that our sourcing practices are subject to a range of risks, including environmental, social, and economic risks. To mitigate these risks, we have established a set of protocols and processes to ensure that our critical suppliers meet our sustainability criteria and to monitor their performance over time. We also have contingency plans in place to manage any supply chain disruptions or other unforeseen events that could impact our sustainability objectives. Additionally, we use technology to support our risk management efforts, such as remote monitoring tools that help us track our suppliers' sustainability practices in real-time.



Our goal is to ensure that our supplier's practices align with our ESG practices and commitments.



Emissions & Climate Change

We recognize the importance of reducing our greenhouse gas emissions and mitigating the effects of climate change. Through strategic initiatives and innovative solutions, we aim to reduce our carbon footprint and promote sustainability for future generations.

CLIMATE CHANGE

GRI 201-1-a, TCFD Recommendations

We recognize that climate change is a critical issue that affects us all, and we believe that addressing it requires a collective effort from everyone across all levels of our Company. In response to the urgent need to address climate change, Bece's Board of Directors has taken proactive steps by appointing a dedicated operations team to lead all efforts related to mitigating the impacts of climate change. This unit is responsible for developing and implementing strategies to reduce greenhouse gas emissions and increase climate resilience, as well as to assess potential exposure to physical and transition climate-related risks.

The Company is committed to aligning with relevant industry and government initiatives to support systemic change because we recognize that our planet's sustainability is the responsibility of all, and we aspire to lead by example and take responsible steps towards creating a greener and better planet for all.



We channel our efforts towards combating climate change by integrating climate risk monitoring into our overall risk management and corporate strategies, reducing greenhouse gas emissions and increasing climate resilience, and regularly monitoring climate risks development to ensure our adaptation plan remains relevant and effective.

Our climate change strategy integrates with all our other environmental material topics. We recognize that climate change is a complex and interconnected issue that requires a holistic approach. Our commitment to reducing greenhouse gas emissions, improving energy efficiency, minimizing waste, and conserving water resources are all part of our broader strategy to address climate change. By taking a comprehensive approach, we aim to ensure that our efforts towards climate change mitigation and adaptation are fully integrated into our business operations and strategy, and that we continue to make significant progress towards a more sustainable future.

The Company has incorporated climate risk into its overall risk management policies and procedures to ensure that it remains relevant and effective. Bece monitors climate risks development and updates the adaptation plan to ensure that it continues to be effective.

We engage with relevant industry and government initiatives to align with best practices and support systemic change. ***Bece is committed to achieving its long-term vision for a more sustainable future and recognizes that climate change is an essential component of that vision.***





CARBON FOOTPRINT

GRI 305-1, 305-2, 305-4

We believe that transitioning to a low-carbon economy is not only necessary but also an opportunity to drive innovation and growth. We understand that minimizing natural resource consumption and mitigating greenhouse gas emissions is not only good for the planet, but it's also crucial for the long-term viability of our business.

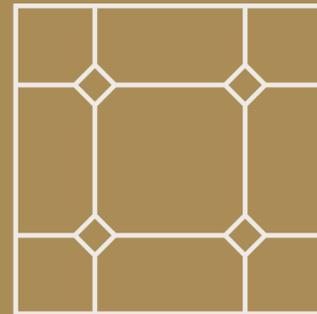
We recognize that the responsibility for our carbon footprint is not owned by a single department or individual, but rather by everyone involved in our operations. Our carbon footprint encompasses all our activities; from the fields to the market. We believe that it is essential for all members of our team to be aware of and involved in our mission to reduce our carbon footprint, and we actively encourage participation and awareness from all levels of the organization.

Our strategy contemplates evaluating technologies that will help us reduce energy consumption and material usage

linked to carbon emissions across the whole supply chain in a cost-efficient way.

In addition, we recognize that not addressing climate change poses significant risks to humanity, and we are taking a proactive approach to risk management in this area. By reducing our carbon footprint and implementing sustainable practices throughout our operations, we aim to mitigate these risks and create a more sustainable future.

Our commitment to reducing our environmental impact is an integral part of our overall business strategy.





Our operations team, in conjunction with our collaborators across all levels of our Company, aim to manage the following *risks and opportunities* related to carbon emissions.



Risks

Regulatory risks

Carbon emissions management is subject to government regulations, and non-compliance can result in fines or other penalties. We comply with all regulations in all geographies we operate.

Reputational risks

Consumers are becoming increasingly concerned about the environmental impact of businesses, and we work to manage our carbon emissions and inform all stakeholders interested in this aspect.

Financial risks

Carbon emissions management can be costly; therefore, we proactively look for carbon reduction opportunities.



Opportunities

Cost savings

Carbon emissions management can result in cost savings, for example, reducing energy consumption can result in lower utility bills.

Brand reputation

We aim to build a positive brand reputation among consumers who are concerned about the environment.

Innovation

Carbon emissions management drives innovation within our Company, leading to new processes that can create a competitive advantage.

Access to new markets

By demonstrating a commitment to carbon emissions management, we may be better positioned to access new markets, such as those that require suppliers to meet certain environmental standards.



We are in the process of *evaluating a long-term carbon emissions target that complies with our cost-efficiency strategy.*

Carbon Footprint 2022

FRAMEWORK	INDICATOR DESCRIPTION (International Framework)	UNIT OF MEASUREMENT	MEXICO	UK	US
GRI 305-1-a	Gross direct (Scope 1) GHG emissions	ton CO ₂ e	51,627.71 ✓	15,044.00	2,012.65
GRI 305-1-b	Gases included in the calculation	CO ₂ , CH ₄ , N ₂ O	-	-	-
GRI 305-1-g	Standards, methodologies, assumptions, and/or calculation tools used	The methodology used is the Greenhouse Gas Protocol (GHG Protocol), which is aligned with the regulations of the General Law on Climate Change regarding the National Emissions Registry.	-	-	-
GRI 305-2-a	Gross location-based energy indirect (Scope 2) GHG emissions	ton CO ₂ e	12,545.48	0.00	7,135.18
GRI 305-4-a	GHG emissions intensity ratio for the organization	Kg CO ₂ e / L	0.600	1.127	0.0873
GRI 305-4-b	Organization-specific metric (the denominator) chosen to calculate the ratio	Liters	-	-	-
GRI 305-4-c	Types of GHG emissions included in the intensity ratio	Scope 1 and 2	-	-	-
GRI 305-4-d	Gases included in the calculation	CO ₂ , CH ₄ , N ₂ O	-	-	-

Notes:
 MEXICO: Includes La Rojeña, Camichines and EDISA.
 UK: Includes OBD (Old Bushmills Distillery).
 US: Includes PDI (Proximo Distillers Indiana).
 Figures with this check mark ✓ are third-party assured.





ENERGY

GRI 305-1, 302-1, 302-2, 302-3, FB-AB-130a.1

We are committed to implementing energy-efficient technologies and practices, such as using renewable energy, reducing greenhouse gas emissions, and utilizing efficient energy management systems to achieve our long-term sustainability goals. We believe that by investing in energy efficiency, we can reduce our carbon footprint, and positively impact the environment, while also contributing to a cleaner and healthier world. By incorporating energy efficiency into our core ESG practices, we aim to ensure a better, cleaner, and more sustainable future for generations to come.

We recognize that energy efficiency is the responsibility of all those involved in our operations. Therefore, our Operations team leads the oversight of our energy management strategy.

We are committed to continue reducing our energy intensity. To achieve this, we have developed a comprehensive strategy that includes initiatives such as renewable power purchase agreements, thermal insulation in our distilling equipment and pipes, replacing old heating equipment with more efficient options, and incorporating fuel efficiency factors in our transportation routing software.

By pursuing these initiatives and targets, we are not only reducing our environmental impact but also enhancing the resilience of our operations and contributing to a cleaner and healthier planet.

We agree with the increasing climate ambitions of countries around the world, as we believe that it is our responsibility to protect the environment and ensure a cleaner and healthier world for generations to come. As such, we have made it a priority to use renewable energy sources and improve our energy efficiency across our operations.



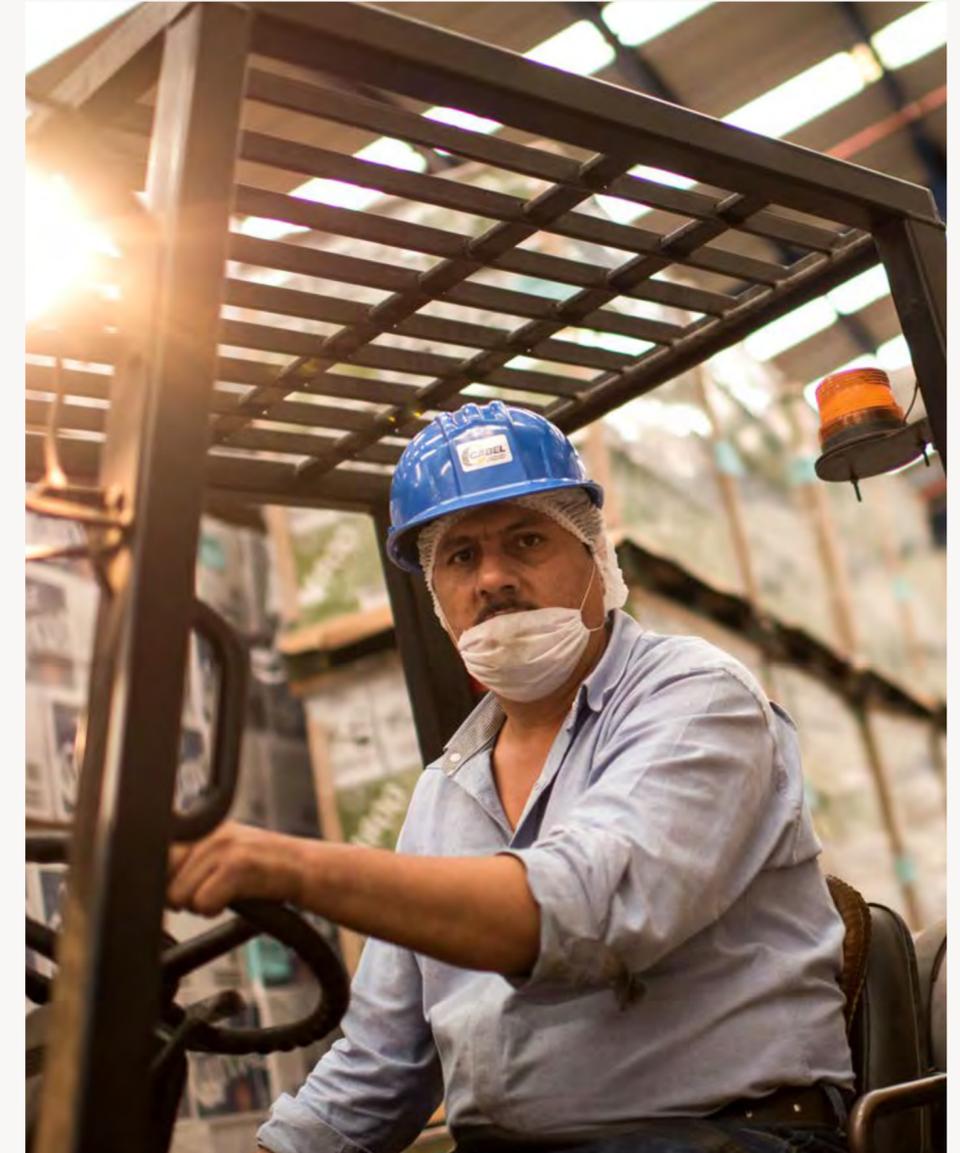


We believe that using renewables aligns Becele with prospective energy requirements and policies, and *we are committed to going beyond compliance to achieve our sustainability goals.*

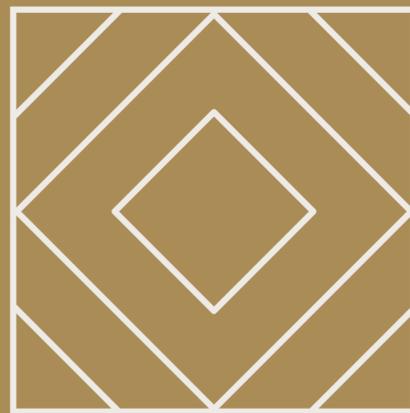
As part of our efforts to reduce our energy consumption and greenhouse gas emissions, we have developed a set of metrics and objectives that guide our strategy, which are focused on increasing the share of renewable energy in our operations, improving the efficiency of our equipment, and incorporating fuel efficiency factors into our transportation routing software. By implementing these initiatives, we aim to reduce our carbon footprint.

Energy 2022

FRAMEWORK	INDICATOR DESCRIPTION (International Framework)	UNIT OF MEASUREMENT	MEXICO	UK	US
GRI 302-1-a	Total fuel consumption within the organization from non-renewable sources and including fuel types used	GJ	836,294.46 ✓	288,299.38	39,826.61
GRI 302-1-b	Total fuel consumption within the organization from renewable sources and including fuel types used	GJ	79,500.10 ✓	N/A	N/A
UN-SDG	Fuel intensity ratio for the organization	GJ / L	0.00857	0.02160	0.00038
GRI 302-1-c-i	Total electricity consumption within the organization	GJ	66,922.71 ✓	22,539.70	39,882.52
GRI 302-1-e	Total energy consumption within the organization	GJ	982,717.27 ✓	N/A	N/A
GRI 302-3-a	Electric energy intensity ratio for the organization	GJ / L Bottled	0.00063	0.00169	0.00
UN-SDG	% Renewable electricity / total electricity consumed	%	46%		
GRI 302-3-b	Organization-specific metric (the denominator) chosen to calculate the ratio	L Bottled	-	-	-
GRI 302-4-a	Reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives	GJ	0.00	28.32	0.00



Notes:
 MEXICO: Includes La Rojeña, Camichines and EDISA.
 UK: Includes OBD (Old Bushmills Distillery).
 US: Includes PDI (Proximo Distillers Indiana).
 Figures with this check mark ✓ are third-party assured.
 Fuels considered for the following frameworks:
 302-1 a: Natural gas, LP Gas, Diesel, Gasoline, Fuel Oil, and Acetylene.
 302-1 b: Biogas.



Water Stewardship

GRI 303-1-a, 303-2-a, 303-3-a, 303-4-a, 303-5-a, FB-AB-140a.1, FB-AB-140a.2

Water stewardship is a critical topic for Becele, and as such, oversight and responsibility is assigned at multiple levels of the organization. While Operations, specifically Distilling and Bottling teams, are responsible for the day-to-day management of water usage, senior management also places a high level of importance on water stewardship. The Board of Directors and C-suite executives oversee the Company's sustainability efforts and ensure there is the necessary expertise and authority to drive sustainable water management throughout the Company.

Becele's strategy for water stewardship is based on a comprehensive and systematic approach that involves understanding water-related risks and opportunities, engaging with stakeholders, setting goals and targets, and implementing actions to improve water management practices. Becele recognizes that water is a shared resource, and that effective water stewardship requires collaboration and engagement with local communities, governments, and other stakeholders.

Our approach to water stewardship is aligned with the Alliance for Water Stewardship framework, which provides a globally recognized standard for responsible water stewardship. This framework emphasizes the importance of understanding the water context, engaging with stakeholders, managing water use, protecting water quality, and supporting water governance. By aligning with this framework, Becele is able to ensure that its approach to water stewardship is consistent and effective and is able to deliver meaningful and positive impacts for both the environment and local communities.



This alignment reflects the Company’s strong belief in the importance of responsible water stewardship, and its dedication to making a *positive impact on the environment and local communities*.

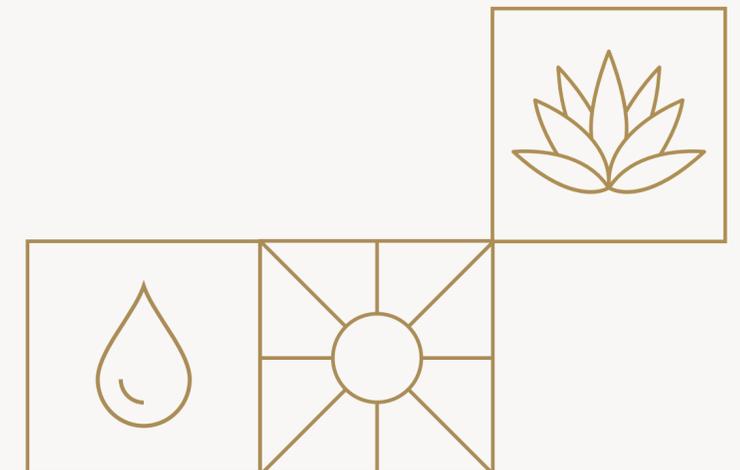
By implementing robust water management practices, we can mitigate the risks associated with tougher regulations on discharge and cost structures. To anticipate risks and take precautionary measures, we assess the risks associated with water availability in the sources with a climate risk prospective vision, as well as the potential social, regulatory, and technological challenges to maintain water balance. We have created an action plan to ensure compliance with water-related legal and regulatory requirements, respect water rights, and maintain water balance. We are actively engaged in executing this plan in cooperation with key stakeholders, while also providing regular updates on our progress.

Our objectives include minimizing water use and implementing water reuse and recycling where possible, as well as monitoring and mitigating the potential environmental

impacts of our operations. We are committed to communicating our progress on water stewardship to our stakeholders and integrating it into our corporate reporting. We have also taken steps to assess and mitigate risks associated with water availability, as well as to comply with regulatory requirements and respect water rights. To support these efforts, we are continuously exploring ways to collaborate with relevant stakeholders and identify innovative solutions for responsible water management.

Becele currently operates 2 state-of-the-art water plants for the biological treatment of effluents with high concentrations of organic and inorganic matter, such as tequila vinasse. The third Water Treatment Plant is scheduled to commence operations in 2023. Our water treatment process combines physical, chemical, and biological treatments tailored to the specific requirements of each facility located in Jalisco.

One of the significant advantages of our water treatment plants is the ability to recycle and reuse a portion of our wastewater. This practice reduces our water consumption and minimizes our impact on local water resources. It not only helps conserve water but also decreases the volume of wastewater discharged into the environment, which is crucial for ecosystem protection. Additionally, we obtain biogas as a byproduct of the decomposition of organic components present in vinasses.





AGAVE TEQUILANA WEBER & RAINFALL'S VITAL ROLE

In the heart of Bece lies a sustainable philosophy, one that celebrates the remarkable adaptability and efficiency of Blue Agave Tequilana Weber. Despite common belief, *this plant thrives without relying on water inputs and instead efficiently utilizes rainfall.*

Our agave, known for its iconic blue-green leaves and the exceptional tequila it produces, has evolved to thrive in arid and semi-arid regions by tapping into stored water reserves. The plant's leaves act as a natural reservoir, storing water within their tissues. During dry periods, when rainfall is scarce, the agave expertly taps into its stored water reserves, allowing it to thrive without the need for additional watering.

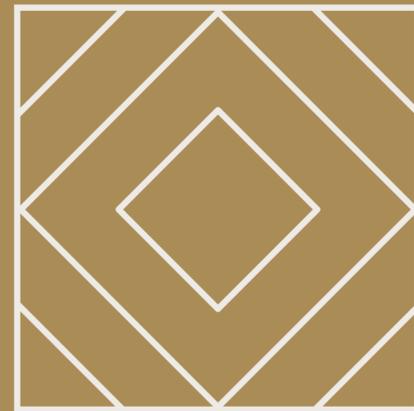
By relying on captured rainfall instead of excessive irrigation, we contribute to the preservation of local ecosystems, avoiding the depletion of water sources and disruption of delicate flora and fauna. Cheers to a future where sustainability and excellence go hand in hand.





Water Stewardship

FRAMEWORK	INDICATOR DESCRIPTION (International Framework)	UNIT OF MEASUREMENT	2022
GRI 303-2-a	A description of any minimum standards set for the quality of effluent discharge, and how these minimum standards were determined, including:		
GRI 303-2-a-i	How standards for facilities operating in locations with no local discharge requirements were determined	Each site has its own water use permits according to the country and region	
GRI 303-2-a-ii	Any internally developed water quality standards or guidelines	Does not apply	
GRI 303-2-a-iii	Any sector-specific standards considered	Does not apply	
GRI 303-3-a	Total water withdrawal in accordance with the following sources:		
GRI 303-3-a-i	Total surface water withdrawal from all areas	m ³	176,468.00
GRI 303-3-a-ii	Total ground water withdrawal from all areas	m ³	1,984,203.00
GRI 303-3-a-iii	Total sea water withdrawal from all areas	Does not apply	
GRI 303-3-a-v	Total third-party water withdrawal from all areas	m ³	50,503.00
GRI 303-4-a	Total water discharged in accordance with the following points:		
GRI 303-4-a-i	Total water discharged to surface water	m ³	468,470.00
GRI 303-4-a-ii	Total water discharged to ground water	m ³	41,171.00
GRI 303-4-a-iii	Total water discharged to sea water	m ³	181,137.00
GRI 303-4-a-iv	Total water discharged to third-party water facilities	m ³	43,229.70
GRI 303-5-a	Total water consumption	m ³	1,477,166.30
GRI 303-4-d	Priority substances of concern for which discharges are treated:		
GRI 303-4-d-i	How priority substances of concern were defined, and any international standard, authoritative list, or criteria used	Each site has its own quality water discharges limits of each substance of concern, according their federal, state and local water discharge permits, legacy policy, and mandatory standard for water discharges	
GRI 303-4-d-ii	The approach for setting discharge limits for priority substances of concern		
GRI 303-4-d-iii	Number of incidents of non-compliance with discharge limits		#
UN-SDG	Total treated water reused from all areas	m ³	11,105.00
UN-SDG	Raw water intensity ratio for the sites	L / L Bottled	9.92
UN-SDG	Wastewater intensity ratio for the sites	L / L Bottled	2.54
UN-SDG	Treated water reuse intensity for the sites (L treated water reused / L treated water generated)	L / L (100% a/v)	0.0151



Waste Management

GRI 306-3, 306-4, 306-5

Waste management is a highly material topic for Bece, given its significant impact on the environment and society, as well as its potential to affect our long-term success. Our Board of Directors and executive management provide oversight and support to the operations team’s efforts to improve our waste management practices, and we have policies and procedures in place to ensure that waste management is given the attention and resources it requires. We also regularly monitor and review our waste management practices to identify areas for improvement and ensure that we are meeting our objectives. Our commitment to effective waste management is driven by our belief in responsible and sustainable business practices, as well as our desire to ensure the long-term success of our operations.

Bece has a clear strategy to manage waste and reduce its impact on the environment. Our goal is to move towards a circular economy, where waste is minimized, and resources are used efficiently. ***To achieve this, we have implemented various initiatives such as creating client dedicated products made from bagasse, retrofitting furnaces and heating infrastructure, and exceeding the regulatory standards to manage wastewater, as well as the byproducts of wastewater treatment.*** We aim to make the most of our waste by using it as a resource to generate energy and create new products. By implementing these initiatives, we not only reduce our waste but also increase our supply chain’s resilience.



At our company, we strongly value sustainability and responsible business practices, and we exemplify this commitment through our approach to bagasse composting. As a prominent tequila producer, we generate a substantial volume of agave bagasse waste. Instead of disposing of this waste conventionally, we transform 100% of our bagasse into compost. This practice underscores our dedication to sustainable operations.

The composting procedure we employ brings about numerous advantages for both the environment and our Company. Through the conversion of our bagasse waste into compost, we effectively decrease our total waste output, thereby minimizing our environmental impact. Furthermore, the resulting compost supplies valuable nutrients to our soil, enhancing its health and fostering sustainable agricultural methods.

AEROBIC PROCESS OF AGAVE BAGASSE COMPOSTING



GENERATION

1



COMPOSTING PROCESS

2



QUALITY CONTROL

3



APPLICATION

4

- 1 Bagasse is generated at La Rojeña and Camichines Distilleries and subsequently transported to our composting centers.
- 2 The composting process involves the arrangement of bagasse in linear beds, which are periodically turned using a composting machine to facilitate the exchange of gases between the aerobic biomass and fresh oxygen. To maintain moisture levels, the bagasse beds are irrigated with treated water and stabilized sludge from the distilleries' Wastewater Treatment Plants. The composting process typically lasts up to 16 weeks, during which the bagasse undergoes decomposition and transformation into nutrient-rich compost.

- 3 In every stage of the process, the bagasse undergoes multiple laboratory analysis such as moisture percentage, ash and carbon content, carbon to nitrogen ratio, pH levels and a range of nutrition tests. These analyses provide valuable information about the quality and nutrient composition of the compost.
- 4 The application of compost in agave fields offers various benefits to plants, such as supplying organic matter, nitrogen, phosphorus, and other essential nutrients. Additionally, compost helps retain moisture in the soil, prevents erosion, improves soil structure by providing porosity and excellent oxygen exchange. It also contributes to the introduction of beneficial microorganisms into the soil. Collectively, these effects promote regenerative agriculture, favoring sustainable management and improving the health of the agricultural ecosystem in agave fields.



We also understand that regulatory requirements related to wastewater discharge and waste disposal are becoming more stringent in our operating regions. As a result, we have put measures in place to ensure compliance with these regulations and continuously monitor changes to stay ahead of any new requirements. By managing waste effectively, we not only reduce the potential for regulatory and reputational risks but also contribute to a more sustainable future.

We continuously evaluate and implement initiatives to reduce waste generation, improve waste segregation, and promote the reuse of waste. Our efforts are aligned with global best practices and regulations and are aimed at contributing to the circular economy, where waste is viewed as a valuable resource. Through effective waste management, Bece seeks to reduce environmental impacts, optimize production processes, and create shared value for all stakeholders.

Bece is committed to implementing a comprehensive waste management strategy in order to reduce the environmental impact of our operations. As part of this strategy, we have mapped a series of initiatives aimed at achieving more sustainable waste management practices. These initiatives include the creation of client-dedicated products made from bagasse, such as straws and notebooks.



Additionally, *we are exploring opportunities to sell biogas in distilleries where the by-products of waste-water treatment use is not feasible and are exploring technologies to use the biomass waste from our production as energy.* We are pleased to report that progress has been made on these initiatives, and we will continue to communicate our progress in our annual integrated reports.





SUSTAINABLE PACKAGING

We have made notable advancements in our efforts to minimize product packaging usage, through the following sustainability practices:

1

In a world where environmental consciousness has become paramount, we are proud to share that in 2022 we reduced our premium tequila gift boxes by nearly 70%. By using less packaging, we have efficiently reduced waste, contributed to water conservation, to the preservation of trees, as well as minimized our overall carbon footprint.

Water conservation

By embracing innovative practices and optimizing our packaging solutions, we have made great progress in conserving this valuable resource. Our dedication to sustainability drives us to continually minimize water consumption for a sustainable future.

Preservation of trees

By prioritizing sustainable packaging alternatives and eco-friendly materials, we have reduced our reliance

on paper and cardboard sourced from trees harvested in forests worldwide. This achievement reflects our commitment to preserving trees and the biodiversity they support.

Emission reduction

Through innovative packaging solutions and optimized supply chains, we have successfully decreased our carbon footprint. Our efforts in packaging production, transportation, and disposal contribute to mitigating climate change.

The elimination of gift boxes was across our premium tequila portfolio. We will evaluate how consumers worldwide react to this change, and if it proves to be successful, we will extend the program to additional product categories in 2023.



By using less packaging, we have efficiently reduced waste production and minimized our environmental impact.

2

We were honored with the *Bosque Urbano Award* by one of our suppliers. This award recognizes companies that use 100% recycled cardboard packaging as well as other types of contributions, such as the following made by the Company:

3

Another valuable sustainable packaging initiative involved the utilization of *Saverglass' Organic Color Play* to create labels for our Jose Cuervo Tradicional brand. This printing technique is not only environmentally friendly but also highly efficient. It provides a wide range of organic ink-based colors without the use of harmful heavy metals like lead, hexavalent chromium, cadmium, and mercury. The process allows for precise color adjustment and intricate printing, resulting in lifelike graphics. Additionally, it significantly reduces energy consumption when compared to traditional enamel screen printing methods.



7,897 trees preserved

15,041 mt of CO₂e captured

67,685 m³ of water conserved

1,316,100 kWh of energy saved



BUSHMILLS SUSTAINABILITY ACHIEVEMENTS

Our Old Bushmills Distillery stands as a beacon of excellence in the world of whiskey. With a history that spans over four centuries, this iconic distillery has perfected the art of producing exceptional Irish whiskey, earning its place among the finest distilleries in the world. The state-of-the-art facilities at Bushmills combine traditional craftsmanship with modern technology, ensuring that every drop of whiskey produced maintains the highest standards of quality and flavor.

Bushmills Distillery is not only renowned for its exceptional whiskey but also for its *noteworthy environmental achievements.*

Committed to sustainability and environmental stewardship, the distillery has implemented various practices to minimize its ecological footprint:



One of its notable accomplishments is the *utilization of renewable energy sources*. Bushmills has invested in on-site wind turbines and solar panels, harnessing the power of nature to generate clean energy for its operations. This transition to renewable energy has significantly reduced the distillery's carbon emissions and dependence on fossil fuels.

100%

of electricity used in Bushmills comes from certified renewable resource

24%

reduction in carbon emissions (Kg CO₂ / LA) from 2020 to 2022

12.5%

energy reduction (Kwh / LA) from 2020 to 2022



Furthermore, Bushmills Distillery actively focuses on **waste management and recycling initiatives**. By implementing comprehensive recycling programs and working closely with local waste management authorities, we have successfully contributed to the conservation of natural resources.

ZERO WASTE

Bushmills has achieved a consistent zero waste to landfill status.

REDUCE IMPACT ON THE ENVIRONMENT

Waste segregation and recycling are adopted on site.

RECYCLING

Organic material from our whiskey production process is recycled and used as animal feed by our local farmers.



Additionally, **water conservation** plays a crucial role in our environmental efforts. Bushmills employs innovative water-saving technologies, such as rainwater harvesting and water recycling systems to minimize water consumption.



Finally, Bushmills has an accredited **integrated management system** in ISO 9001 (Quality), ISO 22000 (Food Safety), ISO 45001 (Occupational Health & Safety) and ISO 14001 (Environmental). Being accredited allows us to improve our performance through resource efficiency and risk management, as well as achieving the highest quality standards.

By prioritizing sustainable practices and embracing environmentally friendly solutions, Bushmills Distillery sets a commendable example for our other distilleries and the spirits industry alike.





Waste Management

FRAMEWORK	INDICATOR DESCRIPTION (International Framework)	UNIT OF MEASUREMENT	2022
GRI 306-3-a	Total weight of waste generated in metric tons, and a breakdown of this total by type of waste	Metric Tons	140,627.36
GRI 306-3-b	Contextual information necessary to understand the data and how the data has been compiled	The methodologies used to gather the information for Mexico are aligned to CRETIB and Mexican regulations. The methodology for the US is based on waste transfer notes from contracted waste collectors.	
GRI 306-4-a	Total weight of waste prevented from disposal in metric tons, and a breakdown of this by type of waste**	Metric Tons	139,842.87
GRI 306-4-b	Hazardous waste	Metric Tons	5.60
GRI 306-4-c	Total weight of non-hazardous waste prevented from disposal in metric tons, and a breakdown of this by type of waste	Metric Tons	28,460.60
GRI 306-4-c-ii	Recycling (internal external)	Metric Tons	2,829.73
GRI 306-4-c-iii	Other recovery operations processes co-processes (internal or external)	Metric Tons	137,087.57
GRI 306-5-a	Total weight of waste directed to disposal*	Metric Tons	784.50
GRI 306-5-c	Total weight of waste directed to disposal (waste-to-landfill)	Metric Tons	778.90

GLOBAL WASTE SUMMARY															
Site	FOR DISPOSAL*			PREVENTED FROM DISPOSAL**											GRAND TOTAL
	Waste-to-landfill	Hazardous	Total	Plastics	Metals	Glass	Carboard Paper	RME ⁷	Bagasse	WWTP Sludges ⁸	Mixed	Food Waste	Non-hazardous	Total	
Bushmills	0	0	0	4.93	-	94.68	-	175.00	-	-	71.30	4.59	28,460.60	28,811.10	28,811.10
Camichines ✓	11.20	1.90	13.10	-	46.80	-	-	2.91	57,009.56	26,510.77	-	-	-	83,570.04	83,583.13
Rojeña ✓	12.21	1.70	13.91	-	27.60	-	-	16.39	18,940.55	6,089.75	-	-	-	25,074.29	25,088.20
EDISA ✓	318.49	2.00	320.49	-	-	-	-	1,888.44	-	-	-	-	-	1,888.44	2,208.93
PDI	437.00	-	437.00	1.00	-	218.00	280.00	-	-	-	-	-	-	499.00	936.00
Total	778.90	5.60	784.50	5.93	74.40	312.68	280.00	2,082.74	75,950.11	32,600.52	71.30	4.59	28,460.60	139,842.87	140,627.36

⁷ RME: Includes plastics and special handling waste.

⁸ WWTP Sludges: Wastewater treatment plants.

Note: The above figures are in metric tons.

Figures with this check mark ✓ are third-party assured.



SOCIAL

Looking After our People

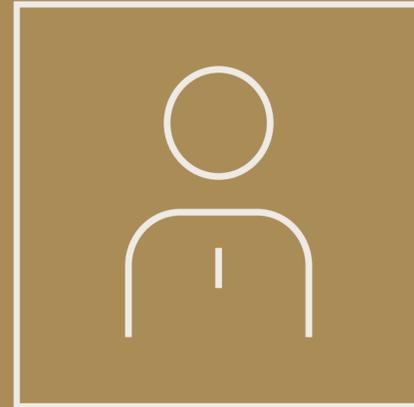
GRI 203-1-b

We believe in creating a workplace that is safe, healthy, and inclusive for all employees.

Our focus on well-being starts with our employees and extends beyond the workplace into the communities where we operate. We foster a culture of respect and responsibility, as well as design and implement initiatives to responsibly advertise our products and to educate society regarding the consequences of excessive alcohol consumption.

We strive to maintain an exemplary relationship with our unions, ensuring employee wellbeing and business continuity; we have not had a labor-related stoppage in our operations in the last 19 years. Currently, 8.6% of our workforce is unionized.





For the 16th consecutive year, we obtained the Socially Responsible Company (ESR) Distinction, granted by Cemefi⁹ and AliaRSE, which recognizes our commitment with social principles.

9 Cemefi: Centro Mexicano para la Filantropía.

Integral Management of Human Capital

Integral management of human capital seeks to create a work culture and conditions that foment the integral wellbeing and success of our employees to achieve greater engagement, commitment, efficiency, and productivity.

DIVERSITY & INCLUSION

GRI 405-1, 405-2-a, 406-1-a

We believe that diversity is not just important but essential to our success as a company. Our team is composed of people from different backgrounds, experiences, and cultures, which allows us to bring unique perspectives and insights to the table.

Diversity and Inclusion are overseen by the Human Resources Department, which places great emphasis on the wellbeing of all individuals within the organization. The HR team understands the importance of respecting and valuing the diversity of employees as well as recognizing the potential that can be unlocked when every individual feels included and valued. By creating dedicated groups and committees and involving external allies and sponsors, Becle is committed to advancing its efforts towards greater inclusion and wellbeing for all its employees. The HR department works closely with Senior Leadership to ensure that every employee feels heard and understood, and that any concerns or needs are addressed promptly and effectively.



We recognize that *Diversity and Inclusion* are not only the right things to do, but they are essential to our success as a Company.

We understand that a diverse and inclusive workforce can help us better understand and connect with our customers, foster innovation and creativity, and create a culture of respect and belonging for all our employees. We are committed to building a workforce that is representative of the communities where we operate, and we have implemented various initiatives to promote diversity and inclusion, including diversity training for our employees, mentorship programs, among others.

We view diversity and inclusion as strategic to achieve the following outcomes:

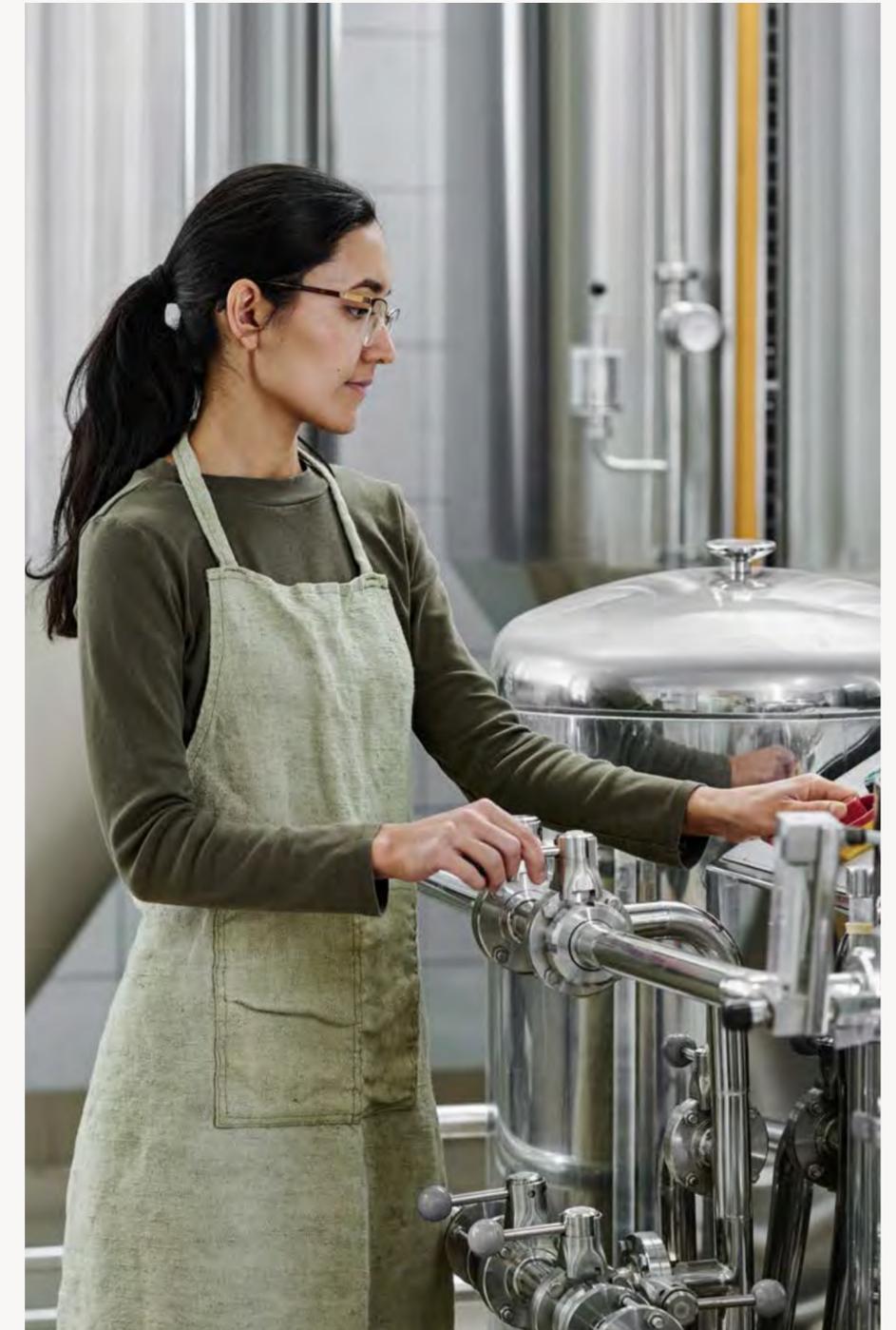
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BUILDING STRONGER COMMUNITIES
We can leverage diversity and inclusion to build stronger communities around our operations. By engaging with diverse stakeholders and supporting local initiatives, we build trust in our Company.
- 

IMPROVING EMPLOYEE RETENTION & SATISFACTION
By creating a more inclusive workplace culture, we improve employee retention, reducing turnover costs and improving productivity. Additionally, we attract top talent and build a more diverse and innovative workforce.
- 

BROADENING OUR CUSTOMER BASE
By embracing diversity and inclusion, we can attract a broader customer base that reflects the diversity of the population. This can lead to increased sales, higher market share, and improved customer loyalty.
- 

INNOVATION
By leveraging the diversity of our employees and customers, we can develop new products that appeal to a broader range of tastes and preferences. This helps us stay competitive and meet changing consumer demands.



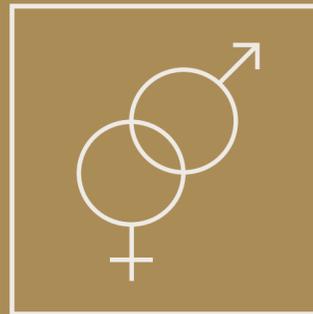


Equal Opportunities & Non-Discrimination

During 2022, we continued to implement initiatives and made efforts to support equal opportunities and ensure non-discrimination, promoting inclusive and violence-free workspaces, where the personal and professional growth of all employees is guaranteed. We have a strict non-discrimination policy. Its main use is geared towards the talent acquisition process, where no candidate should be discarded because of their religion, race, age, gender, physical capabilities, or any other subjective factor. Our office is equipped with the necessary measures to allow for every employee to traverse without complication. Furthermore, our Code of Conduct applies to everyone who works at Bece, including full- and part-time employees, consultants, and temporary staff. It declares our complete commitment with equal opportunities and defines guidelines to ensure a healthy workspace. Some of these are:

- Treat all coworkers with respect.
- Promote an environment of openness, teamwork and trust.
- Promote diversity, evaluating people as individuals with different capabilities and avoiding discrimination on the basis of irrelevant personal factors.
- Share our commitment to diversity and equal opportunities with suppliers, customers and other business partners.
- Prohibit harassment and abusive or intimidating behaviors in the workplace.
- Adapt the workplace or public areas for employees with a disability.

We strive to improve our employees' quality of life, regardless of their gender.





Hence, our compensation plans are based on each position's obligations, responsibilities, and performance.

By taking a proactive approach to managing diversity and inclusion-related risks, we create a more inclusive and equitable workplace, mitigate potential legal and reputational risks, and improve financial performance over the long term.

We manage risks related to diversity and inclusion in the following ways:

Policies and procedures

Our risk management framework recognizes diversity and inclusion-related risks in the *legal & compliance and reputational* types of risk. Hence, we have developed policies for addressing discrimination and harassment, as well as procedures for handling complaints and investigations.

Providing training and education

We provide training and education for employees on diversity and inclusion topics. This includes training on unconscious bias and cultural sensitivity.

Ensuring diversity in hiring and promotions

We ensure that diversity and inclusion are considered in all hiring and promotion decisions.

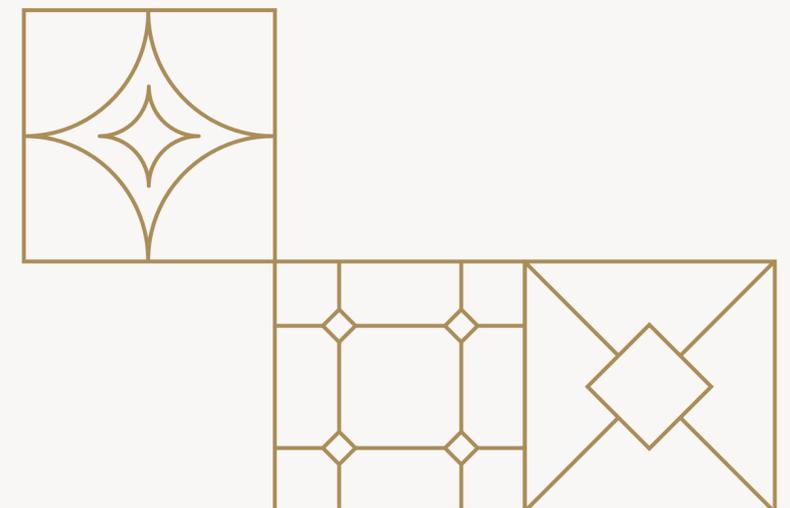


Engaging with diverse stakeholders

We engage with diverse stakeholders, including employees, customers, and community organizations. This includes listening to feedback and addressing concerns related to diversity and inclusion.

Conducting regular assessments

We conduct regular assessments to identify potential diversity and inclusion-related risks. This includes reviewing policies and procedures, conducting employee surveys, and analyzing data related to hiring, promotion, and retention.



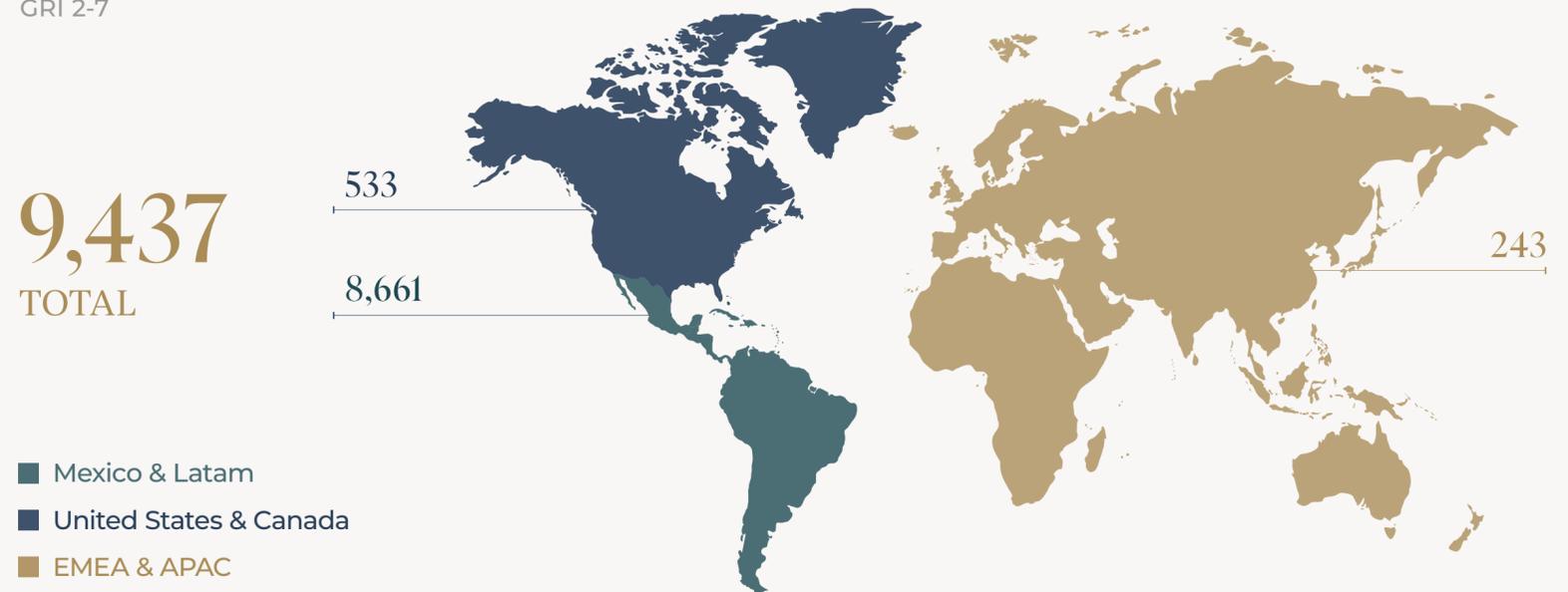


We have mapped several initiatives to enhance diversity and inclusion within the organization. These initiatives are designed to identify minority groups within the Company and assess their priorities and needs. The involvement of HR and Senior Leadership is sponsored to promote their wellbeing and inclusion in Bece. The Company plans to involve external allies, supporters, drivers, and sponsors to advance the efforts of inclusion within the Company. To measure and monitor the effectiveness of these initiatives, Bece has mapped metrics and objectives to track progress. These metrics include employee engagement, diversity of the workforce, retention rates, and promotion rates.

The Company's long-term vision is to *create a workplace culture that values and respects diversity and inclusion, which will enhance employee satisfaction and contribute to the Company's success.*

EMPLOYEES PER REGION GRI 2-7

9,437
TOTAL



- Mexico & Latam
- United States & Canada
- EMEA & APAC

EMPLOYEES PER REGION AND CONTRIBUTION LEVEL

	MEX-LATAM	%	USA-CAN	%	EMEA-APAC	%	TOTAL	%
Strategic Leaders	8	0.1%	1	0.2%	1	0.4%	10	0.1%
Tactical Leaders	26	0.3%	103	19.3%	27	11.1%	156	1.7%
People Leaders	489	5.6%	190	35.6%	79	32.5%	758	8.0%
Individual	659	7.6%	97	18.2%	47	19.3%	803	8.5%
Operational	7,479	86.4%	142	26.6%	89	36.6%	7,710	81.7%
Total	8,661		533		243		9,437	



EMPLOYEES PER GENDER

GRI 2-7

GENDER	MEX-LATAM	USA-CAN	EMEA-APAC	TOTAL
Men	80%	65%	69%	79%
Women	20%	35%	31%	21%
Total	100%	100%	100%	100%



- Men
- Women

EMPLOYEES PER AGE GROUP

AGE GROUP	MEX-LATAM		USA-CAN		EMEA-APAC		TOTAL	
	Count	%	Count	%	Count	%	Count	%
18-34	4,078	47%	139	26%	87	35%	4,304	46%
35-44	2,363	27%	159	30%	51	21%	2,573	27%
45-59	2,103	24%	182	34%	90	37%	2,375	25%
>60	17	1.3%	53	10%	15	6%	185	2%
Total	8,661	100%	533	100%	243	100%	9,437	100%



RATIO OF THE BASIC SALARY AND REMUNERATION OF WOMEN TO MEN PER REGION AND CONTRIBUTION LEVEL

	MEX-LATAM		USA-CAN		EMEA-APAC	
	Men	Woman	Men	Woman	Men	Woman
Strategic Leaders	95%	100%	100%	-	100%	-
Tactical Leaders	100%	95%	100%	89%	100%	86%
People Leaders	100%	99%	100%	96%	100%	91%
Individual	100%	100%	100%	98%	100%	100%
Operational	100%	100%	100%	99%	100%	100%

We prioritize maintaining competitive and equal remuneration and conditions for all employees, regardless of gender, across all levels of our organization.

As part of our commitment to transparency, we have consistently analyzed our gender pay gap, resulting in a slight disparity. This valuable data will guide us in designing effective strategies to reduce these gaps and ensure employee retention.





HUMAN RIGHTS

We understand the significance of protecting human rights and ensuring that our policies and practices align with the same. We have established governance processes, controls, and procedures to monitor and manage human rights issues, providing the highest level of attention to this critical matter. Our team regularly assesses and evaluates the human rights policies of our stakeholders to maintain the highest standards and ensure that we remain accountable to our values. Additionally, we have developed a human rights due diligence process to address any incidents of non-compliance, providing corrective plans and continuous improvement efforts. We are dedicated to maintaining a positive and responsible reputation regarding human rights and stand firm in our commitment to protect the dignity of every individual.

The responsibility for human rights compliance along all our supply chain is shared among our Operations team, who provide oversight on the practices of our suppliers and

distributors, as well as monitoring that human rights are respected and upheld with our workforce in each step of our production process.

We grow by:

- Respecting human rights of those we work and interact with and encourage our business partners to follow similar standards.
- Full compliance with labor laws, including prohibitions against child and compulsory labor.
- Identifying and reporting any signs of human trafficking or forced labor.
- Properly compensating workers and respecting their right to collectively bargain.

As responsible corporate citizens, we only do business with partners who follow the law and *always operate fairly and ethically.*



Becle’s Code of Conduct, as well as the Code of Ethics for Suppliers ratify our commitment to the *protection of Human Rights*.

To ensure that our business practices do not violate or contribute to Human Rights abuses, we perform the following actions:

Conducting human rights due diligence

We conduct a human rights due diligence to identify and assess potential risks related to our operations and supply chain. This includes reviewing policies and procedures, assessing the impact of our business activities, as well as our business partners.

Engaging with suppliers and business partners

We engage with suppliers and business partners to ensure that they are also committed to upholding human rights. This includes conducting supplier assessments and audits and developing human rights clauses in contracts.

Monitoring labor practices

We monitor labor practices in our operations and supply chain to ensure that workers are not subject to exploitation or

abuse. This includes monitoring working conditions, wages, hours, and implementing measures to address any violations.

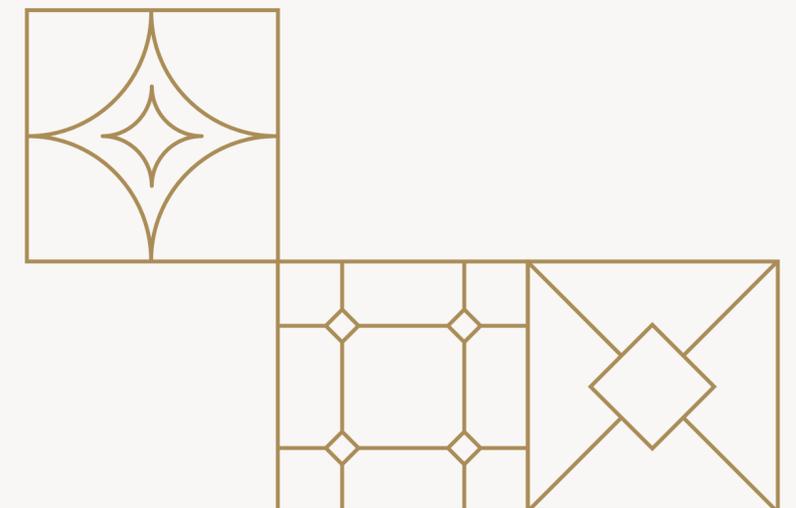
Respecting indigenous rights

We respect the rights of indigenous communities, including their rights to land, resources, and cultural heritage. We engage with indigenous communities to understand their concerns and perspectives and implement measures to address any impacts on their rights. Moreover, we protect the agave cultural heritage, which is deeply rooted in the indigenous communities with which we interact.

Establishing grievance mechanisms

We provide a way for employees, suppliers, and community members to report potential human rights abuses. This includes ensuring that the mechanisms are accessible and effective, and that there are no negative consequences for anyone who uses the mechanism.

We have a human rights assessment platform to rate the compliance of all people related to the Company, and we evaluate the human rights compliance of 100% of these parties on a regular basis. Additionally, we have established a human rights due diligence process that includes corrective plans for all suppliers and partners that fall below our defined minimum acceptable thresholds. This ensures that our Company continues to uphold our commitment to responsible and ethical business practices in all areas, including human rights.





OCCUPATIONAL HEALTH & SAFETY

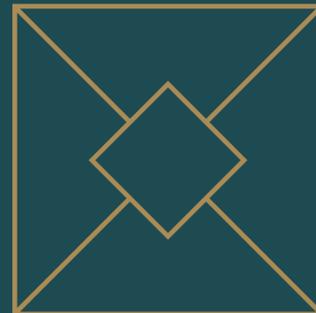
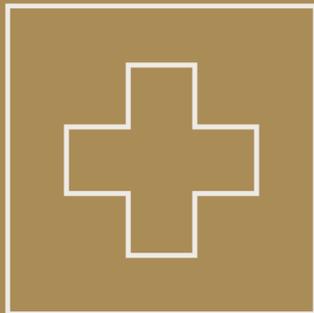
GRI 403-1-a, 403-2-a, 403-7

We take a cross-functional approach to Occupational Health and Safety (“OHS”), with everyone in the organization playing a role in ensuring a safe and healthy workplace. Our Operations and Human Resources teams are responsible for setting policies, ensuring compliance with relevant laws and regulations, and leading by example. We believe that a strong commitment to OHS from everyone in the organization is essential for achieving our goal of maintaining a low Lost Time Injury Frequency Rate (“LTIFR”).

We have a comprehensive strategy that involves regular assessments of workplace hazards, ongoing training and education for our employees and contractors, use of appropriate equipment and facilities, and robust health and safety policies.

We strive to impact our business through OHS in the following ways:

-  **TAKING CARE OF OUR PEOPLE**
By implementing and enforcing comprehensive OHS policies and procedures.
-  **IMPROVING PRODUCTIVITY**
Our safe and healthy work environment improves employee morale, which increases productivity.
-  **COMPLYING WITH REGULATIONS**
We comply with all OHS laws and regulations in every region we operate.





Integral Management Policy & OHS Programs

We have an Integral Management Policy and have established the Safety and Hygiene Commission, which oversees all OHS issues for our employees.

In addition, we are certified by the Self-Management Program in OHS (PASST-2) from the Mexican Ministry of Labor and Social Welfare, which endorses all our facilities' procedures within the country. Likewise, we have a training program that is linked to the First Aid and Emergency Brigades programs.

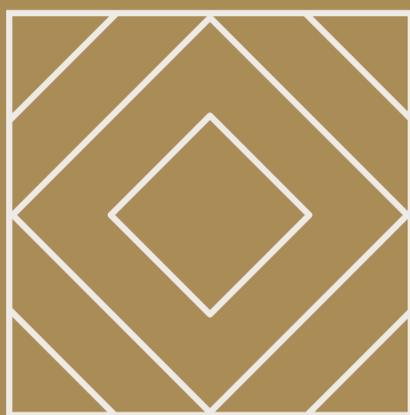
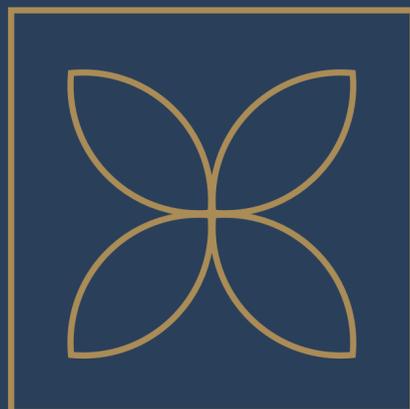
Also, we have comprehensive and documented safety protocols for all employees and site visitors with routine reinforcement training and performance measurements.

We have implemented comprehensive policies and procedures to ensure the health and safety of our employees,

contractors, and other stakeholders involved in our operations. Our policies cover a wide range of areas including workplace hazards assessments, provision of training and equipment to workers, and continuous monitoring and reporting of OHS performance. We also ensure compliance with OHS laws and regulations and are dedicated to making continuous improvements in this area. With the goal of maintaining a low LTIFR, our team is held accountable for implementing these policies and procedures.

Through this initiative, we can assess and understand the effectiveness of our OHS practices and identify areas for improvement. Our cross-functional approach to OHS management, involving senior leadership, helps us ensure that good occupational health and safety policies and procedures are in place and consistently followed across all operations.





OHS Metrics & Targets

We offered 86 courses within the Operations Unit and 36 within the Agricultural Unit throughout the year on Occupational Health and Safety topics:

OCCUPATIONAL HEALTH AND SAFETY TRAINING	
TRAINING HOURS	
Operations (Rojeña, EDISA, 1800, Camichines)	
Conditions and safety at work	950
Civil protection	621
Work environment risks	617
Nutrition and mental health	603
Management and industrial protocols	537
First aid	359
Responsible consumption of alcohol	277
Health and hygiene	220
Wellness programs and life insurance	105
COVID-19 prevention measure	104
Others	954
Total hours trained	5,347

OCCUPATIONAL HEALTH AND SAFETY TRAINING	
TRAINING HOURS	
Agricultural Unit	
Risks in agricultural activities	11,263
Sharpening of coa tool for harvesting	4,856
Agrochemical warehouses	3,309
Management of agricultural machinery	2,467
Emergency brigades and civil protection	1,895
Others	7,450
Total hours in safety training	31,240
Disease prevention	30,258
Nutrition	18,730
Mental health	6,090
Addiction prevention	5,233
Others	32,399
Total hours in safety training	92,710
GRAND TOTAL	129,297



ACCIDENT FREQUENCY RATES

ACCIDENT FREQUENCY RATE CAMICHINES		
	2021	2022
Number of incidents	0	0
Number of accidents	1	1
Total number of accidents	1	1
Number of days lost	34	21
Initial date	1 Jan 21	1 Jan 22
Final date	31 Dec 21	31 Dec 22
Total days of the period	365	365
Total employees worked hours	443,840	452,600

Accident Frequency Rate (AFR)	0.451	0.442
Severity rate	0.077	0.046

Date last accident	21 Sep 21	19 Sep 22
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ACCIDENT FREQUENCY RATE AGRICULTURE UNIT		
	2021	2022
Number of incidents	69	78
Number of accidents	217	221
Total number of accidents	286	299
Number of days lost	2,636	4,135
Initial date	1 Jan 21	1 Jan 22
Final date	31 Dec 21	31 Dec 22
Total days of the period	365	365
Total employees worked hours	24,392,220	28,754,700

Accident Frequency Rate (AFR)	2.345	2.080
Severity rate	0.108	0.144

Date last accident	16 Dec 21	20 Dec 22
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Notes:

*The Accident Frequency Rates have been calculated based on 200,000 hours worked.

** "Accident" includes a serious injury or illness, while an "incident" consists of an unexpected hazard, or a minor injury.

*** For 2022, we only have information on our Camichines Distillery and our Agriculture Unit.



LABOR MANAGEMENT & WORKING CONDITIONS

GRI 409-1-a

We are dedicated to fostering positive and productive relationships with our employees and to creating a safe, inclusive, and respectful work environment. Our commitment to excellence in labor management and working conditions is an integral part of our business strategy.

Our Human Resources and Operations teams are responsible for regularly monitoring and reporting on our OHS performance, and for identifying and managing any hazards or risks that may arise.

We are fully committed to ensuring that the well-being of our employees is protected, and that we maintain the highest standards of occupational health and safety.

We understand the importance of maintaining good relations with our employees and adhering to international standards on labor and human rights. To address significant labor management and working conditions issues, risks, and opportunities, we have implemented a comprehensive risk management strategy.

Through an effective and robust management of labor practices, we benefit in the following ways:

Attracting and retaining top talent

We prioritize the implementation of fair labor practices, such as competitive compensation, benefits, and opportunities for advancement.

Enhancing brand reputation

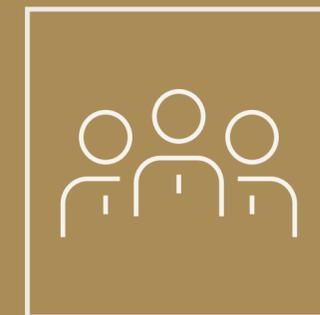
We are committed to ethical labor practices, such as fair wages and working conditions, which enhances our brand reputation and attracts socially conscious customers.

Increasing operational efficiency

Effective labor practices management, such as providing adequate training and resources to workers, increases operational efficiency.

Mitigating legal risks

Compliance with labor laws and regulations, as well as ethical labor practices, helps us avoid legal and reputational risks.





Our labor practices management approach involves several key steps:

- 1** We conduct regular assessments to identify areas of risk and opportunity related to labor management and working conditions. Then, we engage with stakeholders such as employees, suppliers, and local communities to understand their perspectives and concerns. This helps us establish clear policies and procedures that ensure compliance with local regulations and international standards on labor and human rights.
- 2** We implement training and awareness programs for employees, suppliers, and local communities to educate them on labor management and working conditions. This helps us create a culture of awareness and responsible behavior. Furthermore, we have established a system for monitoring, reporting, and managing incidents related to labor management and working conditions. This allows us to respond quickly and effectively to any issues that may arise.
- 3** We regularly review and update our policies to ensure they remain effective and relevant in the face of changing risks and opportunities. By taking these steps, the

Company demonstrates its commitment to responsible and sustainable business practices and effectively manages the risks and opportunities related to labor management and working conditions.

We implemented several initiatives to ensure our employees' health, such as flexible work schedules, providing employees with additional hardware to facilitate virtual meetings, online trainings, between other initiatives.

In addition, we comply with all applicable regulations, including the NOM-035-STPS2018 Psychosocial Risk Factors in the Workplace. Our senior management defined the Psychosocial Risk Prevention Policy and we applied questionnaires to identify, analyze and prevent these kinds of risks. Subsequently, we implemented an improvement plan that included informative sessions, communication campaigns and the activation of an online assistance program for employees, covering emotional, medical, nutritional, financial and legal support.



TALENT ATTRACTION & RETENTION

GRI 2-7, 2-30, 401-1, 404-3-a

Talent attraction and retention is a key focus for our organization and is closely overseen by our Human Resources team. Our “looking out for our people” pillar within our overall strategic framework reflects our commitment to creating a supportive and inclusive work environment. By prioritizing talent attraction and retention, we aim to foster a culture that values and invests in our people, helping to ensure that Becle remains a top choice for top talent.

Our initiatives include establishing long term incentives for employees, measuring employee engagement, implementing performance appraisals where employees receive constant recognition for their work, and establishing employee resource networks to encourage cross-functional collaboration and opportunities for our employees to apply their skills and knowledge within the organization.

Throughout the year, our efforts were dedicated to further enhancing the performance evaluation process, emphasizing the individual worth and impact of each employee on our business strategy. This served to strengthen and advocate for a merit-based system. Additionally, we persisted

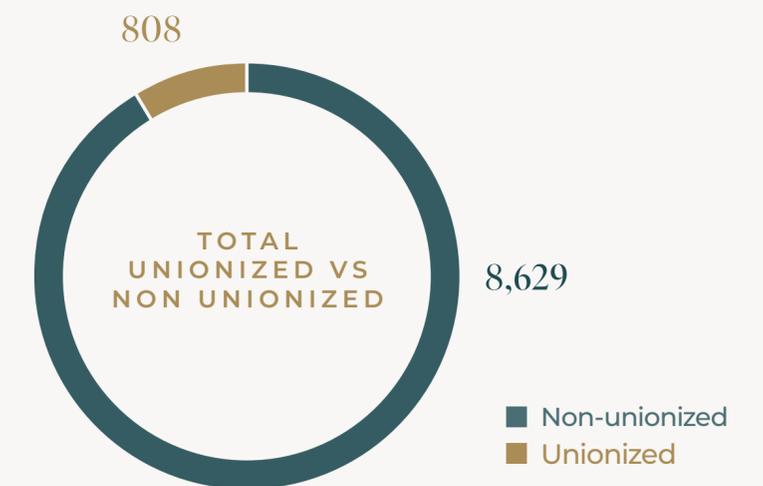
in fostering a culture where our executives actively engaged in continuous dialogues with team members regarding their performance and growth. As a result, ***we successfully conducted performance evaluations for 100% of our workforce this year.***¹⁰

We continuously assess the effectiveness of these initiatives by monitoring employee engagement levels through surveys, tracking the uptake and impact of our performance appraisal platforms, and gauging the success of our employee resource networks through participation and feedback. By measuring and monitoring these initiatives, we can stay on track and adjust as needed to achieve our goal of attracting and retaining top talent at Becle.



UNIONIZED VERSUS NON UNIONIZED EMPLOYEES

	MEX-LATAM	USA-CAN	EMEA-APAC
Non-unionized	8,059	416	154
Unionized	602	117	89
Total	8,661	533	243



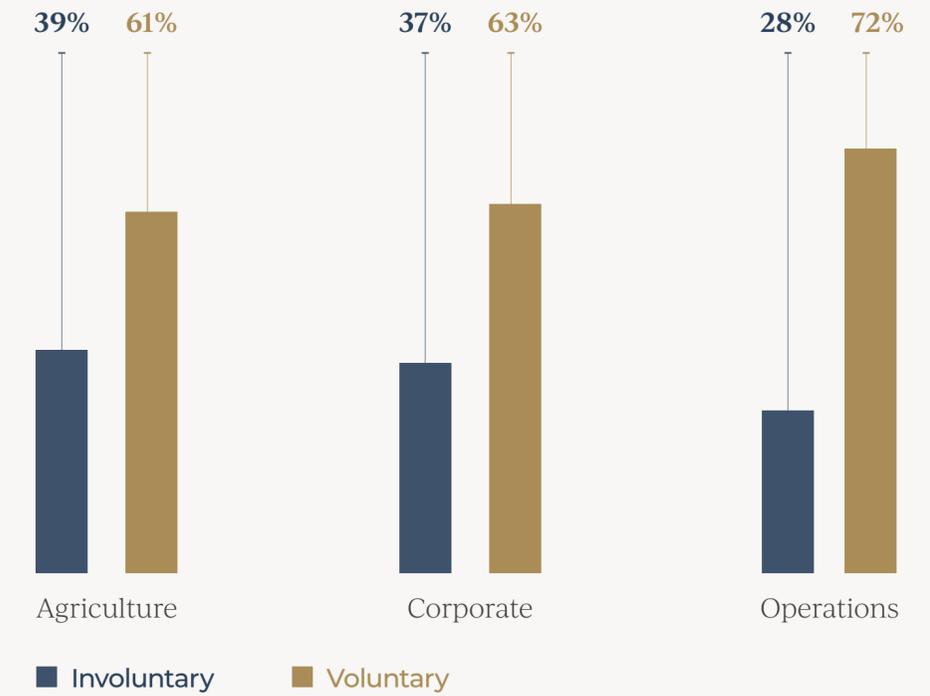
¹⁰ Excluding unionized and Promobeb employees.



TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES AND TURNOVER

	TOTAL
Employee hires	702
Employee turnover	485
Involuntary turnover	158 (33%)
Voluntary turnover	327 (67%)

TURNOVER



Note:
Employee hires and turnover figures only include Mexico (Agriculture Unit, Operations and Corporate).
PwC did not verify the breakdown of involuntary and voluntary turnover.



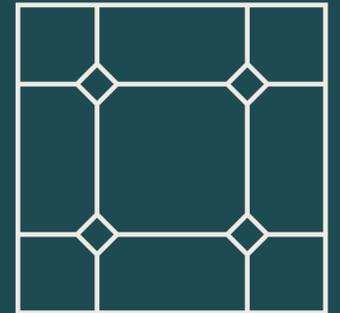
COMPENSATION AND BENEFITS BY CONTRIBUTION LEVEL IN MEXICO

	OPERATIONAL	INDIVIDUAL	PEOPLE LEADERS	TACTICAL LEADERS	STRATEGIC LEADERS
Health insurance coverage for employees and their family	✗	✓	✓	✓	✓
Minor medical expenses insurance	✗	✗	✗	✗	✗
Life insurance	✓	✓	✓	✓	✓
Retirement plan	✓	✓	✓	✓	✓
Savings fund	✓	✓	✓	✓	✓
Short-term performance bonus	✗	✗	✓	✓	✓
Long-term performance bonus	✗	✗	✗	✓	✓
Vacation bonus higher than required by law (<i>Prima Vacacional</i>)	✓	✓	✓	✓	✓
Additional vacation days beyond what the law mandates	✗	✗	✗	✗	✓
Annual Christmas bonus higher than required by law (<i>Aguinaldo</i>)	✓	✓	✓	✓	✓
Coupons for groceries (<i>Vales de despensa</i>)	✓	✓	✓	✓	✓
Non-utility cars	✗	✗	✓	✓	✓
Medical check-up	✗	✗	✗	✓	✓
Scholarships for professional development	✗	✓	✓	✓	✓
Training programs	✓	✓	✓	✓	✓
Stock purchase plan	✗	✗	✗	✗	✗
Dental insurance	✗	✓	✓	✓	✓
Psychological assistance	✓	✓	✓	✓	✓
Gym pass	✓	✓	✓	✓	✓
Sale of products at a discount	✓	✓	✓	✓	✓
PARENTAL LEAVE					
Maternity leave	✓	✓	✓	✓	✓
Paternity leave	✓	✓	✓	✓	✓

100%

of the employee's salary is paid in their parental leave,

which is higher than legal requirements by some local regulations such as Mexico (60%) where most of our people are based.





TRAINING & DEVELOPMENT

GRI 404-1-a, 404-2-a

We are committed to providing our people with the skills, knowledge, and tools they need to perform their jobs effectively and to help them grow and develop. The Human Resources team is responsible for ensuring that our training and development initiatives align with our overall business strategy and that our employees receive the support they need to succeed.

We mapped and designed a strategy to assess our Company's competencies, determining the skills necessary for success, and developing the plans and resources needed to teach those skills. We also evaluate the readiness of our people for promotion and create a career development plan for them.

We believe training and developing our people is a valuable investment, and we aim to use training and development inputs for the following purposes:

Increased productivity

Training can improve the skills and knowledge of our people, making them more efficient and effective in their roles.

Better customer service

Training can also help our people to provide better customer service. This can result in increased customer satisfaction, loyalty, and retention.

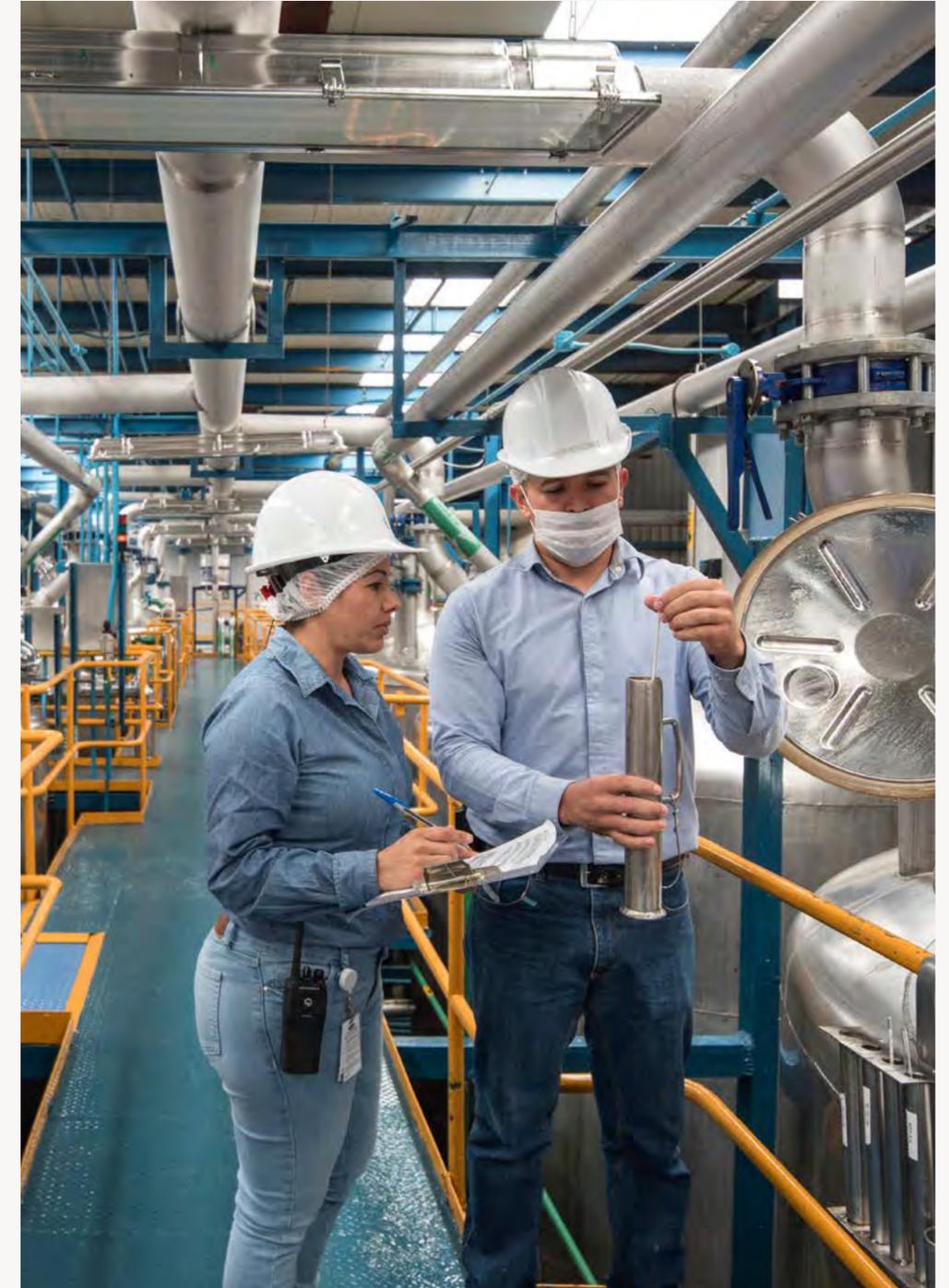
Improved quality

Training can help our people produce higher quality products.

Enhanced oversight on sustainability

A trained workforce, with consciousness on our ESG material issues will help align our business towards a more sustainable economy.

We offered more than 100 courses throughout the year on a variety of topics, such as project management, emergency brigades, seminars against extortion and fraud, compensation plans, internal supply chain, business, and foreign languages, among others. This totaled to an average of 33 training hours per employee.





Bece's goals and objectives for training and development are to assess current capabilities, determine needed competencies for the success of Company goals, assess strategies, deployment plans, and resources and materials needed to develop and teach competencies, identify readiness of employees for promotion, generate development plans for top-tier employees, and measure and disclose hours of training, broken down by gender, age, and contribution level. The Company also measures and discloses employee return on investment.

These goals and objectives are regularly monitored and measured to ensure that the Company is making progress towards meeting its targets.

Bece has an authentic, long-term vision for training and development that is integrated into its overall business strategy. The Company is committed to providing comprehensive training programs to develop the talent needed to maintain its position in the market and adapt to changing trends.

TRAINING AND DEVELOPMENT METRICS BY SITE

SITE	TRAINING HOURS	%
La Rojeña	9,683	3.1%
Camichines	3,504	1.1%
1800	13,347	4.2%
EDISA	11,410	3.6%
Agricultural Unit	123,950	39.4%
Proximo US	152,378	48.5%
Total	314,272	100%

9,437 employees

33 hours of training per employee





AVERAGE HOURS PER GENDER IN OUR PROXIMO (U.S.) DIVISION

	NUMBER OF EMPLOYEES			TOTAL TRAINING HOURS			% OF TOTAL HOURS	
	Men	Woman	Total	Men	Woman	Total	Men	Woman
Strategic Leaders	9	1	10	234	26	260	90%	10%
Tactical Leaders	69	22	91	2,205	671	2,875	77%	23%
People Leaders	80	44	124	4,260	2,020	6,280	68%	32%
Individual	104	99	203	4,767	4,922	9,689	49%	31%
Operational	142	42	184	100,848	32,425	133,273	76%	24%
Total	404	208	612	112,314	40,064	152,378	74%	26%

HARVARD MANAGEMENT PROGRAM

CONTRIBUTION LEVEL	NUMBER OF EMPLOYEES	%
Strategic Leaders	1	1%
Tactical Leaders	11	11%
People Leaders	70	71%
Individual	16	16%
Total	98	100%

To cultivate effective leadership and enhance managerial skills within our Company, we have implemented prestigious training programs offered by Harvard University. These programs specifically target our managers and directors, providing them with invaluable knowledge and insights to excel in their roles. Through these programs, participants gain exposure to cutting-edge research, industry best practices, and practical case studies, enabling them to make informed decisions and drive the success of our Company.

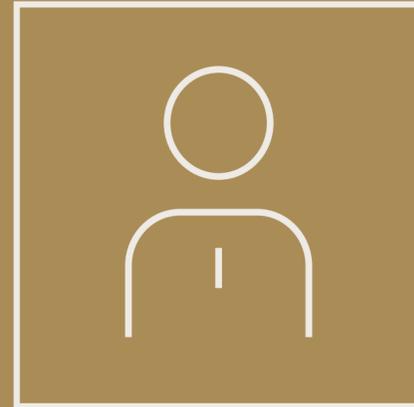




TOP 20 TRAINING PROGRAMS IMPLEMENTED

01	Employee development	11	Golden rule of safety
02	Innovation and creativity in the workplace	12	Risks in agricultural activities
03	Leading people	13	Sharpening of agricultural cutting tools
04	Public speaking	14	Proper management of agrochemicals
05	Project management	15	Emergency brigade training
06	Strategic thinking	16	Safe driving protocols of heavy equipment
07	Time management	17	Hard care in agricultural labour
08	Finance essentials	18	Occupational health and safety training
09	Change management	19	Covid prevention
10	Harvard management program	20	First aid





Responsible Consumption of our Products

Bece strives to design and implement initiatives to responsibly advertise its products and to educate society about the practices of moderation and responsibility while consuming alcoholic beverages.

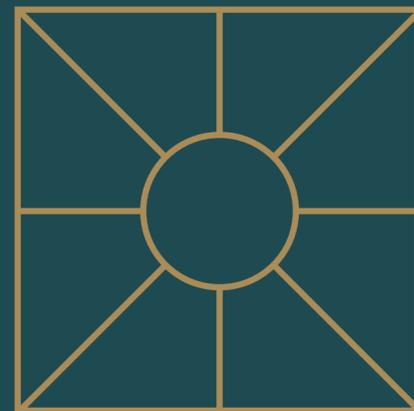
PRODUCT SAFETY & QUALITY

GRI 2-27, 416-1-a, 416-2

Product quality is a top priority for Bece, and the operations team ensures that our products meet the highest standards of safety and quality. We have established robust governance processes, controls, and procedures to monitor and manage product safety and quality-related issues, and we regularly review and update these to ensure that they remain effective.

The team also is responsible for ensuring that all production facilities and other properties are up to date and compliant with quality and safety regulations.

Bece has policies in place to support the actions for each topic, including a Hazard Analysis and Critical Control Points Management system and a Customs Trade Partnership against Terrorism program. The Company aligns budgets, people, and tools to achieve its position regarding the topic, as demonstrated by the regular audits of the quality and safety management system.





The Company has put in place measures to anticipate risks and *ensure the best possible quality for its customers.*

We aim to improve our business' performance by using product safety and quality in the following ways:

Regulatory compliance

Complying with regulations is crucial for our Company's product quality and safety. Non-compliance can result in fines, legal expenses, and reputational harm.

Increased customer satisfaction and loyalty

Customers are more likely to buy from a company that produces quality products and is committed to their safety.

Reduced costs

Improving product quality and safety can also lead to reduced costs. Our efforts result in waste reduction, decreased rework, and minimized recalls stemming from customer complaints, non-compliance with regulations, and the preservation of our reputation.





The Company has implemented a certified food safety and quality management system, regularly audited by internal and external teams, which ensures the best possible quality for customers and continuous improvement. These efforts have resulted in several quality and manufacturing certifications, including:



ISO 9001:2015 Quality Management System Processes, resources, assets, and cultural values that support the goal of optimal quality, customer satisfaction and organizational efficiency.



ISO 17025 General competency requirements for the testing and calibration of laboratories.



HACCP Hazard Analysis and Critical Control Points Management system in which food safety is addressed through the analysis and control of biological, chemical, and physical hazards ranging from raw material production, procurement, and handling to manufacturing, distribution, and consumption of the finished product.



KMD Kosher Certificate that guarantees that a product complies with the standards of the Jewish religion, both in ingredients and final products in the retail market.



C-TPAT Customs Trade Partnership Against Terrorism One layer of the U.S. Customs and Border Protection's (CBP) multi-layered cargo enforcement strategy. Through this program, CBP works with the trade community to strengthen international supply chains and improve United States border security.

This management approach, as well as our accomplished certifications, distinguish Bece as a top performer in the industry. Innovation and quality are part of our DNA, and we have successfully built our product portfolio through a combination of organic growth, including the development of existing and new products and brands.



Becele has set clear goals and objectives to maintain its position as a top performer in product quality and safety. These include continually monitoring changes in industry standards and local laws to ensure compliance and continually implementing new processes and procedures. Our metrics for success include ongoing internal audits of our food safety and quality management system, as well as regular external accreditation agency audits to assess our compliance with certifications such as ISO 9001:2015 and ISO 17025. Our authentic, long-term vision for Becele regarding product quality and safety is to consistently provide our customers with the highest-quality products while maintaining our commitment to safety, sustainability, and continuous improvement.

In 2022, there were *no incidents of non-compliance* with regulations or voluntary codes concerning the health and safety impacts of Becele’s products and services.

The Company did not receive any fines or penalties resulting from non-compliance with regulations during this period, nor did it receive any warnings. These results demonstrate Becele’s commitment to product quality and safety management, as well as its proactive approach to identifying and addressing potential risks in this area.



MODERATION & RESPONSIBLE DRINKING

FB-AB-270A.4-1.2, 1.4, 2.2, 2.3

We have a dedicated cross functional team that implements policies and programs that align with our values and business objectives. We take a proactive approach to addressing this topic and continuously monitor our performance to ensure that we meet the highest standards to promote moderation and responsibility while drinking.

We actively participate in programs and campaigns to promote moderation and responsibility while consuming alcoholic beverages, while fostering a balanced and healthy way of life.

Along with several NGO's, we promote moderation and responsible consumption of our products. We focus on preventing drinking and driving, zero consumption of alcoholic beverages by minors and pregnant women. In Mexico, we partner with the Tequila Industry National Association

(CNIT), the Commission for the Wine and Liquor Industry (CIVyL) and Fundación de Investigaciones Sociales, A.C. (FISAC) to achieve these goals.

Furthermore, we have ongoing campaigns to avoid and prevent the harmful use of alcoholic beverages, such as:

- Discouraging drinking and driving.
- Preventing the sale of alcoholic beverages to people under legal age.
- Promoting respect for abstinence in the consumption of alcoholic beverages.

Regarding the advertising and sale of our products, alcoholic beverages are subject to various regulations in different markets, which fully comply in accordance with each jurisdiction.

Our commitment to moderation and responsible drinking is rooted in our values, and it is essential to ensure the long-term success of our Company.





FB-AB-270A.4-3

We have pledged to uphold the highest responsible standards in all our advertisements. Some of our commitments with responsible marketing are:

- To promote moderation and responsibility while consuming alcoholic beverages.
- To disseminate advertising messages that are fully compliant by regulations and authorities in accordance with each market jurisdiction.
- To abstain from advertising and otherwise promoting the consumption of alcoholic beverages in places that are generally attended by minors.
- To abstain from advertising hazardous conducts.

Additionally, since 2016 we implemented a Consumer Assistance platform so our stakeholders may report any inconsistency or non-compliance with regulations. This way, we increase our consumers' satisfaction, the preference for our brands and communications with our customers. Every brand has social media websites and free telephone numbers so any grievance can be addressed.

Partnership with FISAC

FB-AB-270A.4-1.4

- Campaign **“Te lo pedimos todos, si manejas no tomes”**. FISAC as our partner launched a campaign where the key message is to promote responsible consumption and discouraging drinking and driving. The campaign reached at least 32 million impressions on social media.
- Campaign **“Shots de verdad”**. FISAC, as our partner, launched a campaign where the key message was to help the consumer make decisions that are consistent with responsibility and moderation towards their consumption. The campaign reached 136 thousand social media impacts.



We have set goals and objectives to align our standards to the best practices for moderation and responsibility while drinking.

These objectives include implementing seasonal responsible consumption campaigns. These goals are measured and monitored through regular assessments of Bece 's participation in responsible drinking programs and campaigns. Bece also has a long-term vision for moderation and responsible drinking that includes proactive engagement with stakeholders, continuous improvement of moderation and responsibility programs, and a commitment to promoting responsible drinking as an integral part of our identity. By focusing on these objectives and maintaining a proactive approach to moderation and responsible drinking, Bece is well-positioned to mitigate risks and create value for stakeholders over the long term.





RESPONSIBLE & SUSTAINABLE MARKETING

GRI 2-27, 417-1-a, 417-2-a

We prioritize our customers and the public’s overall well-being and recognize that marketing is a critical element in this regard. Our marketing team works to communicate a clear and consistent message about our products in a healthy way, prioritizing transparency, and avoiding any misleading or deceptive marketing practices. We strive to create and maintain long-term, positive relationships with our customers, and we believe that responsible marketing is a crucial component of that goal.

To implement a responsible marketing strategy, we have outlined a series of initiatives that include gathering data on brand perception regarding sustainability through questionnaires, deploying them through communication channels, and tracking progress on the impact of brand perception on sustainability topics. We use this issue as a key differentiator, not only to reduce risks but also as a growth driver, seeking to provide our customers with the best possible experience. Our strategy focuses on transparency and ensuring that we are providing our customers with clear, consistent messaging regarding our products.

We aim to improve our performance through responsible and sustainable marketing in the following ways:

- 1 **INCREASED BRAND REPUTATION**
Responsible and sustainable marketing practices enhance our brand reputation, which leads to increased customer loyalty.
- 2 **ATTRACTING NEW CUSTOMERS**
Sustainable marketing practices help us attract new customers who are concerned about social and environmental issues.
- 3 **COST SAVING**
Sustainable marketing practices can also lead to cost savings. For example, using sustainable packaging can reduce packaging costs and waste. Using renewable energy can also reduce energy costs.
- 4 **REGULATORY COMPLIANCE**
Many countries have regulations related to responsible and sustainable marketing practices. We comply with these regulations in all regions of operation.
- 5 **ACCESS TO NEW MARKETS**
We promote the best of our sustainability practices and our products in a responsible way to access these markets with or without such requirements.



Bece is committed to implementing a responsible marketing strategy that puts our customers first. By implementing good marketing practices, we can mitigate any risks associated with non-compliance with future regulations. Our commitment to responsible marketing ensures that we are transparent, ethical, and actively working to create a safe and responsible drinking culture.

At Bece, we take our commitment to responsible marketing seriously. We believe in putting our customers first and ensuring they have access to clear and accurate information about our products. To achieve this, we have implemented a rigorous set of procedures for product and service information and labeling. This includes sourcing information, content details, safe use instructions, and disposal guidelines, as well as complying with all applicable regulations.

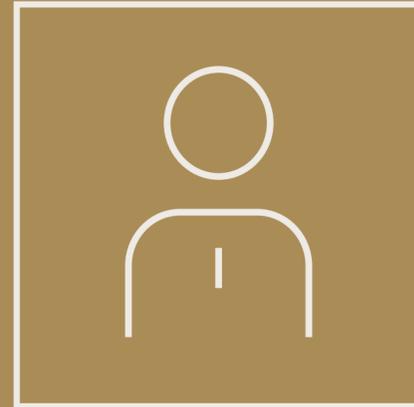
In addition, we understand the importance of complying with regulations and voluntary codes concerning product and service information and labeling. For instance, Tequila producers are required to comply with specific labeling requirements for Tequila as a Denomination of Origin, contained in the standard “Norma Oficial Mexicana-006-SCFI-2012-Bebidas Alcohólicas-Tequila-Especificaciones”, in addition to any requirements imposed by laws of the country

to which the Tequila may be exported and commercialized. We are pleased to report that we meet all these specific labeling requirements, as well as any other demands for other spirits within our portfolio.

Our responsible marketing strategy also includes compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship. We believe that transparency and ethical marketing practices are crucial to creating a safe and responsible drinking culture. As such, we have not identified any incidents of non-compliance with these regulations and codes.

In 2022, we had no incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling.



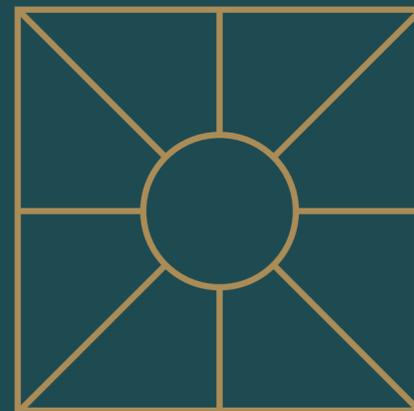


Improving our Communities

We perform actions that guarantee the economic and social development of our surrounding communities through job opportunities, education and infrastructure.

Proximo and the Beckmann Foundation partnered to allocate resources and construct the first prototype of a sustainable house for laborers in agave fields. The main objective of this project was to generate innovative solutions to address the housing issues experienced by marginalized inhabitants in rural areas, as well as innovating with the use of agave bagasse as a raw material for construction.

The “House that Tequila Made” was built in 2022, serving as Becele’s first prototype that employs recycled materials from the Tequila production process.





The house, constructed entirely from agave, helps *establish a circular economy* by repurposing, reusing, and recycling existing materials and products derived from tequila production.



This approach reduces waste and generates additional value while utilizing natural resources efficiently, leading to a sustainable construction. We will continue to seek out and develop such initiatives in the communities where we are based.

The house, constructed entirely from agave, helps establish a circular economy by repurposing, reusing, and recycling existing materials and products derived from our tequila production, such as bottles, agave fiber and by-products, and barrels. In addition, natural materials from the Tequila region, including soil and clay, were used in its creation.





COMMUNITY DEVELOPMENT

GRI 2-29, 411-1-a, 413-1-a

At Bece, we are committed to not only improving the way we operate and our products but also bringing positive change to the communities and society at large. Investing in communities is an investment in our future, and we are proud to support this endeavor.

We have a corporate commitment to work with the communities where we have operational presence to develop and invest in programs, services, and infrastructure geared towards their sustainable development. In 2022, most of these efforts were centered in Tequila, our landmark community by history, tradition, and extent of operations, where we have steered efforts both on education and on the social innovation arenas.

Through our brands, we also invest in socially responsible projects in areas such as promotion for moderation and responsible drinking, art, culture, and community engagement.

Ultimately, we have an important role to play in ensuring we create shared value, deliver consistent performance, and have a positive impact where we live, work, source and sell. Therefore, we have publicly committed to implement socially responsible management and continuous internal improvements as part of our corporate culture.

Our goal is to contribute to the *betterment of the communities where we operate and to ensure that they have a better future.*



The Company and our shareholders have supported the Tequila, Jalisco community for more than two decades through the Cuervo Foundation (Fundación José Cuervo, A.C.) and the Beckmann Foundation (Fundación Beckmann, A.C.). This community is home to our first landmark distillery. These efforts focus on producing a positive impact on the lives of individuals and families of the community, through social investment in educational programs, social innovation, health and well-being, and culture. In addition, our shareholders have actively promoted tourism

in Tequila as a Pueblo Mágico (“Magical Town”) thereby supporting its independent and sustained long-term growth.

In 2022, *the Jose Cuervo Foundation contributed a sum of 12.2 million pesos in charitable donations, highlighting our unwavering dedication to community engagement and progress.* Our focus has been directed towards initiatives that address critical societal issues such as responsible drinking, education, healthcare, poverty alleviation, infrastructure development, and social innovation.

We remain resolute in our commitment to community development and will persist in making strategic social investments that empower communities and that responsibly and respectfully strengthen our relationship with them.



OUR MAESTRO DOBEL ATELIER UNVEILING MEXICAN ARTISTRY AND EMPOWERMENT

The Maestro Dobel Atelier is an annual collection that introduces a new hand-painted series inspired by the traditional Oaxacan alebrijes technique.



Each year, a unique collection is launched, and in 2022, the focus was on honoring the artisans themselves who embellish our distinctive charro outfits, chairs, and hats with intricate designs, silver, and gold. The collection comprises five different designs, drawing inspiration from the current charro outfits crafted by Mexican artisans.

This project has had a significant impact on the artisans who paint the Maestro Dobel Atelier bottles. It has provided them with expanded business opportunities and allowed them to grow their operations. By celebrating these talented individuals who showcase the rich heritage of Mexico, Maestro Dobel Atelier demonstrates its commitment to social empowerment and community engagement. The brand believes that by intertwining these principles with their exceptional tequila, they can make a positive difference in the lives of artisans and communities.

Beyond the artistic value of the hand-painted bottles, Maestro Dobel Atelier tequila is distinguished by its unparalleled quality. It is an Extra Añejo tequila that undergoes a meticulous aging process of 40 months in American and European oak barrels. This extended aging results in a harmonious blend of aromas and flavors, including notes of cooked agave, hints of vanilla, dried fruits, spices, and a delightful touch of toasted almond.





MD&A



MD&A

During the full year of 2022, total volume grew 7.4% to 27.4 million nine-liter cases. This increase reflects a 15.5% volume expansion in Mexico and a 41.0% increase in the RoW region, partially offset by a 2.5% decrease in the U.S. and Canada.

Volume of 'Jose Cuervo' grew 16.0% versus the previous year and represented 33.4% of total volume for the full year of 2022. The Company's 'Other Tequila' brands represented 19.8% of total volume and increased 20.2% compared to the prior year. The Company's 'Other Spirits' brands represented 18.2% of total volume in the period and increased 5.0% over the full year 2021. Volume of 'Non-alcoholic and Other' represented 11.7% of total volume, decreasing 7.6% compared to the prior year. Volume of 'RTD' represented 16.8% of total volume and decreased by 5.4% compared to the prior year period.

Net sales during the full year 2022 increased 16.0% to P\$45,729 million pesos compared to the same period of 2021, driven by volume growth and higher average net selling prices per case. Net sales in the U.S. and

Canada increased by 6.6% versus the same period of 2021, driven by better price mix as a result of our premiumization strategy and partially offset by a 2.5% decrease in volume and Mexican peso appreciation against the U.S. dollar on a year over year basis. Mexico net sales increased 32.7% year on year due to higher average net selling prices per case mainly as a result of price increases. Net sales for the RoW region increased 35.7% versus the full year of 2021, reflecting volume growth. 60.1% 23.9% 16.1%

'Jose Cuervo' reported an increase in net sales of 18.7% compared to 2021, representing 35.2% of total net sales for the full year of 2022. The Company's 'Other Tequila' brands net sales increased 31.2% compared to the prior year representing 33.5% of total net sales. The Company's 'Other Spirits' brands represented 20.6% of total net sales in the period and reported a 9.4% increase in net sales compared to the full year of 2021. Net sales of 'Non-alcoholic and Other' represented 2.7% of total net sales, an 11.3% net sales decline compared to the prior year. Net sales of 'RTD' represented 8.0% of total net sales and reported a decrease of 12.3% compared to the prior year.





Gross profit for the full year of 2022 increased 17.9% versus the same period of 2021 to P\$25,087 million pesos. Gross margin was 54.9% for the full year of 2022 compared to 54.0% for the full year of 2021. Gross margin was positively impacted primarily by pricing initiatives and improved product mix across all regions.

AMP expenses increased 17.0% to P\$10,162 million pesos compared to the full year of 2021. As a percentage of net sales, AMP increased 20 basis points to 22.2%, in line with the Company's investment strategy.

Distribution expenses increased 8.1% to P\$2,193 million pesos when compared to 2021. As a percentage of net sales, distribution expenses decreased to 4.8% from 5.1% in 2021, driven by decreased freight, warehousing and logistics costs arising from reduced supply chain constraints.

Selling and administrative (SG&A) expenses increased 11.1% to P\$3,877 million pesos when compared to the full year of 2021. As a percentage of net sales, SG&A expenses decreased 40 basis points to 8.5% from 8.9% in 2021, driven by firm cost controls.

During the full year of 2022, operating profit increased 24.8% to P\$8,890 million pesos compared to the prior year. Operating margin increased to 19.4% compared to 18.1% in 2021.

EBITDA for the full year of 2022 increased by 24.0% to P\$9,843 million pesos compared to P\$7,938 million pesos for the full year of 2021. The EBITDA margin increased to 21.5% compared to 20.1% in 2021.

Net financial result was a loss of P\$620 million pesos for the full year 2022, primarily driven by a higher net interest expense and a lower net foreign exchange gain during the year, as compared to the previous year.

Consolidated net income for the full year of 2022 was P\$5,881 million pesos, an increase of 16.8% versus the prior year period. Net margin was 12.9% for the full year. Earnings per share were P\$1.64 compared to P\$1.40 in 2021.



Consolidated *Financial Statements*



BECLE, S.A.B. DE C.V. AND SUBSIDIARIES

Consolidated Statements of Financial Position

December 31, 2022 and 2021
(Thousands of Mexican pesos (Ps) and U.S. dollars (US))

ASSETS	2022 (U.S. \$) ⁽¹⁾	2022 (Ps)	2021 (Ps)
Cash and cash equivalents	233,496	4,520,839	12,791,283
Trade receivables	610,059	11,811,648	10,284,156
Related parties	2,303	44,593	14,174
Recoverable income tax	18,889	365,724	–
Other recoverable taxes and other receivables	100,770	1,951,053	965,770
Inventories	943,007	18,258,022	12,093,628
Biological assets	66,672	1,290,877	933,397
Prepayments	64,072	1,240,521	1,076,837
Total current assets	2,039,268	39,483,277	38,159,245
Inventories	312,148	6,043,649	6,588,473
Biological assets	387,460	7,501,800	5,866,734
Investments in associates	29,849	577,930	648,351
Property, plant and equipment	726,904	14,073,950	11,854,967
Intangible assets	973,505	18,848,514	20,627,687
Goodwill	311,041	6,022,213	6,991,770
Right-of-use assets	138,344	2,678,554	2,371,205
Deferred income tax	107,745	2,086,105	1,934,567
Employee benefits	24,658	477,408	434,690
Other assets	3,757	72,742	61,879
Total non-current assets	3,015,411	58,382,865	57,380,323
Total assets	5,054,679	97,866,142	95,539,568

LIABILITIES	2022 (U.S. \$) ⁽¹⁾	2022 (Ps)	2021 (Ps)
Senior Notes	4,973	96,286	102,363
Trade payables	436,041	8,442,402	4,593,948
Related parties	3,721	72,047	70,788
Lease liabilities	32,195	623,336	787,853
Other accounts payable	323,714	6,267,610	6,602,572
Total current liabilities	800,644	15,501,681	12,157,524
Senior Notes	904,277	17,508,150	18,495,297
Lease liabilities	124,494	2,410,390	1,840,177
Environmental reserve	7,320	141,725	140,311
Other liabilities	15,751	304,960	692,855
Deferred income taxes	184,698	3,576,026	3,770,082
Total non-current liabilities	1,236,540	23,941,251	24,938,722
Total liabilities	2,037,184	39,442,932	37,096,246
Stockholders' equity			
Capital stock	1,331,003	25,770,212	25,770,212
Retained earnings	1,593,650	30,855,444	26,392,671
Other comprehensive income	86,776	1,680,112	6,187,664
Stockholders' equity attributable to controlling interest	3,011,429	58,305,768	58,350,547
Non-controlling interest	6,066	117,442	92,775
Total stockholders' equity	3,017,495	58,423,210	58,443,322
Total liabilities and stockholders' equity	5,054,679	97,866,142	95,539,568

⁽¹⁾ U.S. dollars translated at 19.3615 Mexican pesos solely for the convenience of the reader.



BECLE, S.A.B. DE C.V. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended on December 31, 2022 and 2021
(Thousands of Mexican pesos (Ps) and U.S. dollars (US) except earnings per share)

	2022 (U.S. \$) ⁽¹⁾	2022 (Ps)	2021 (Ps)
Net sales	2,361,878	45,729,492	39,419,400
Cost of goods sold	1,066,152	20,642,306	18,145,221
Gross profit	1,295,726	25,087,186	21,274,179
Expenses:			
Advertising, marketing and promotion	524,881	10,162,475	8,688,948
Distribution	113,246	2,192,609	2,028,053
Selling	82,053	1,588,662	1,417,221
Administrative	118,178	2,288,102	2,073,675
Other income - Net	(1,782)	(34,498)	(54,920)
Total Expenses	836,576	16,197,350	14,152,977
Operating Income	459,150	8,889,836	7,121,202
Interest income	(7,388)	(143,048)	(250,671)
Interest expense	43,877	849,526	698,707
Foreign exchange loss - Net	(4,488)	(86,885)	(234,440)
Financing result	32,001	619,593	213,596
Equity Method on Associates	2,015	39,020	–
Income before income taxes	425,134	8,231,223	6,907,606
Income taxes	121,388	2,350,261	1,873,743
Consolidated net income	303,746	5,880,962	5,033,863

	2022 (U.S. \$) ⁽¹⁾	2022 (Ps)	2021 (Ps)
Other comprehensive income:			
Components to be subsequently reclassified to income			
Foreign operations - Foreign currency translation reserve - net of income taxes	(234,207)	(4,534,596)	249,750
Components not to be subsequently reclassified to income			
Changes in the fair value of equity investments as fair value through other comprehensive income - net of income taxes	–	–	(60,980)
Employee benefits - net of income taxes	1,397	27,044	21,226
Other comprehensive income	(232,810)	(4,507,552)	209,996
Consolidated comprehensive income	70,936	1,373,410	5,243,859
Net income attributable to:			
Controlling interest	302,472	5,856,295	5,019,732
Non-controlling interest	1,274	24,667	14,131
	303,746	5,880,962	5,033,863
Comprehensive income attributable to:			
Controlling interest	69,662	1,348,743	5,229,728
Non-controlling interest	1,274	24,667	14,131
	70,936	1,373,410	5,243,859
Basic and diluted earnings per share (pesos)	0.08	1.63	1.40

⁽¹⁾ U.S. dollars translated at 19.3615 Mexican pesos solely for the convenience of the reader.



BECLE, S.A.B. DE C.V. AND SUBSIDIARIES

Consolidated Statements of changes in stockholders' equity

For the years ended on December 31, 2022 and 2021
(Thousands of Mexican pesos (Ps))

	Capital Stock	Share premium	Capital reserves	Retained earning	Other comprehensive income	Total controlling interest	Non-controlling interest	Total stockholders equity
Balances as of January 1, 2021	11,283,642	14,486,570	4,302,893	18,615,653	5,977,668	54,666,426	78,644	54,745,070
Comprehensive income:								
Net income	-	-	-	5,019,731	-	5,019,731	14,131	5,033,862
Changes in the fair value of equity investments at fair value through other comprehensive income - net of income tax	-	-	-	-	(60,980)	(60,980)	-	(60,980)
Remeasurement of employee benefits - Net	-	-	-	-	21,226	21,226	-	21,226
Foreign currency translation reserve	-	-	-	-	249,750	249,750	-	249,750
Total comprehensive income	11,283,642	14,486,570	4,302,893	23,635,384	6,187,664	59,896,153	92,775	59,988,928
Transactions with stockholders:								
Dividends	-	-	-	(1,545,606)	-	(1,545,606)	-	(1,545,606)
Total transactions with stockholders	-	-	-	(1,545,606)	-	(1,545,606)	-	(1,545,606)
Balances as of December 31, 2021	11,283,642	14,486,570	4,302,893	22,089,778	6,187,664	58,350,547	92,775	58,443,322
Comprehensive income:								
Net income	-	-	-	5,856,295	-	5,856,295	24,667	5,880,962
Remeasurement of employee benefits - Net	-	-	-	-	27,044	27,044	-	27,044
Foreign currency translation reserve	-	-	-	-	(4,534,596)	(4,534,596)	-	(4,534,596)
Total comprehensive income	-	-	-	5,856,295	(4,507,552)	1,348,743	24,667	1,373,410
Transactions with stockholders:								
Dividends	-	-	-	(1,510,126)	-	(1,510,126)	-	(1,510,126)
Other stockholders' movements - Net	-	-	-	116,604	-	116,604	-	116,604
Total transactions with stockholders	-	-	-	(1,393,522)	-	(1,393,522)	-	(1,393,522)
Balances as of December 31, 2022	11,283,642	14,486,570	4,302,893	26,552,551	1,680,112	58,305,768	117,442	58,423,210



BECLE, S.A.B. DE C.V. AND SUBSIDIARIES

Consolidated Statements of Cash Flow

For the years ended on December 31, 2022 and 2021
(Thousands of Mexican pesos (Ps) and U.S. dollars (US))

	2022 (U.S. \$) ⁽¹⁾	2022 (Ps)	2021 (Ps)
Operating activities:			
Income before income taxes	425,134	8,231,223	6,907,606
Adjustment from items not implying cash flows:			
Depreciation and amortization	49,242	953,393	816,969
Non-cash items	(12,553)	(243,039)	(181,342)
Loss on sale of property, plant and equipment	3,537	68,484	7,650
Allowance for trade receivables	1,106	21,405	(3,744)
Allowance for obsolete inventories	2,682	51,931	184,290
Equity method on associates	2,015	39,020	(24,661)
Interest income	(7,388)	(143,048)	(58,668)
Upfront gain	959	18,562	(192,003)
Long-term debt cost amortization	4,982	96,467	72,434
Net cost for the period of employee benefits	2,811	54,420	19,555
Unrealized foreign exchange	(19,953)	(386,314)	(597,332)
Interest expense	26,802	518,926	429,829
Subtotal	479,376	9,281,430	7,380,583
(Increase) decrease in:			
Trade receivables	(98,137)	(1,900,087)	(1,043,202)
Related parties	1,558	30,164	(55,505)
Other recoverable taxes and other receivables	(46,183)	(894,173)	464,700
Inventories	(358,348)	(6,938,162)	(1,467,950)
Biological assets	(101,571)	(1,966,574)	(1,713,460)
Prepayments	(11,933)	(231,043)	(41,236)
Other assets	33,555	649,670	536,697
Increase (decrease) in:			
Trade payables	202,173	3,914,366	1,345,042
Other accounts payables	(18,261)	(353,551)	1,795,724
Employee benefits	(7,355)	(142,412)	1,615
Income taxes paid or recoverable	(164,937)	(3,193,421)	(2,864,021)
Net cash from operating activities	(90,065)	(1,743,793)	4,338,987

	2022 (U.S. \$) ⁽¹⁾	2022 (Ps)	2021 (Ps)
Investment activities			
Property, plant and equipment	(192,560)	(3,728,251)	(2,197,456)
Intangible assets	(10,120)	(195,931)	(3,052,689)
Investment in associates and joint ventures	(394)	(7,631)	(475,974)
Sale of property, plant and equipment	–	–	10,420
Interest income	7,388	143,048	58,668
Net cash flows used in investment activities	(195,686)	(3,788,765)	(5,657,031)
Financing activities			
Dividends paid	(77,996)	(1,510,126)	(1,545,606)
Principal lease payment	(35,444)	(686,245)	(505,818)
Interest lease payment	(6,205)	(120,138)	(83,702)
Interest paid	(26,622)	(515,440)	(263,243)
Bank loan paid	–	–	(3,091,125)
Senior Note issued	–	–	8,367,028
Bank loan facility	–	–	3,106,995
Net cash flows used in financing activities	(146,267)	(2,831,949)	5,984,529
Net increase (decrease) of cash and cash equivalents	(432,018)	(8,364,507)	4,666,485
Cash and cash equivalents at beginning of year:			
At beginning of the period	660,656	12,791,283	7,646,318
Cash received from acquisition	1,301	25,189	–
Effects of exchange rate changes on cash and cash equivalents	3,557	68,874	478,480
Cash and cash equivalents at end of year	233,496	4,520,839	12,791,283
Non-cash transactions	2,842	55,017	(162,436)

⁽¹⁾ U.S. dollars translated at 19.3615 Mexican pesos solely for the convenience of the reader.



Shareholder *Information*



OWNERSHIP STRUCTURE

GRI 2-1

The following table establishes the distribution of our capital stock as of the date of this report:

SHAREHOLDER	SHARES	OUTSTANDING CAPITAL (%)
JDBL y Compañía, S.A. de C.V. ¹¹	1,833,803,430	51.06%
Karen Virginia Beckmann Legorreta	1,278,910,251	35.61%
Other members of the Beckmann Legorreta Family	2	0.01%
Public Investors	478,462,618	13.32%
Total Subscribed and paid-in shares	3,591,176,301	100%

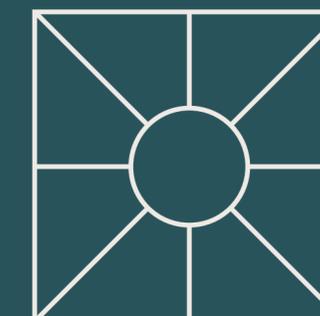
In the last three fiscal years, there have been no significant changes in the ownership percentages maintained by our majority shareholders.

¹¹ Juan Domingo Beckmann Legorreta exercises control of said Company.

MARKET CAPITALIZATION

At a year-end price of MXN\$42.55 on December 31, 2022, the market capitalization of Bece on the balance sheet date was US\$7.8 billion.

Year-end price (MXN)	\$42.55	December 31, 2022
Total Subscribed and paid-in shares	3,591,176,301	December 31, 2022
Market Capitalization in MXN	\$152,804,551,607.55	December 31, 2022
Market Capitalization in USD (Foreign Exchange rate of 19.496)	\$7,837,738,592.92	December 31, 2022





QUARTERLY STOCK PRICE TABLE

QUARTER ENDED	MEXICAN PESOS		2022
	\$ HIGH	\$ LOW	\$ CLOSE
Dec-31	45.20	35.49	42.37
Sep-30	47.35	35.62	35.67
Jun-30	51.91	43.14	43.50
Mar-31	53.40	45.59	48.95

DISCLAIMER & REFERENCE INFORMATION

This document may contain forward-looking statements. These statements are statements that are not historical facts and are based on management’s current view and estimates of future economic circumstances, industry conditions, Company performance and financial results. The words “anticipates”, “believes”, “estimates”, “expects”, “plans” and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction

of future operations and the factors or trends affecting our financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.





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Data & *Performance*



ESG Performance Data Summary

ENVIRONMENTAL				
	UNITS	2022	GRI	SDG
SUSTAINABLE AGRICULTURE				
Extremely hazardous	Kg / Ha / Yr	0.0195	13.6.2	
Highly hazardous	Kg / Ha / Yr	0.00	13.6.2	
Moderately hazardous	Kg / Ha / Yr	0.2765	13.6.2	
Slightly hazardous	Kg / Ha / Yr	4.0506	13.6.2	
Unlikely to present an acute hazard	Kg / Ha / Yr	0.00	13.6.2	
Gross direct (Scope 1) GHG emissions	ton CO ₂ e	21,332.15	305-1-a	13
CARBON FOOTPRINT (MEXICO)				
Gross direct (Scope 1) GHG emissions	ton CO ₂ e	51,627.71	305-1-a	13
Energy indirect (Scope 2) GHG emissions	ton CO ₂ e	12,545.48	305-2-a	13
GHG emissions intensity ratio for the organization	Kg CO ₂ e / L	0.60	305-4-a	13
CARBON FOOTPRINT (UK)				
Gross direct (Scope 1) GHG emissions	ton CO ₂ e	15,044.00	305-1-a	13
GHG emissions intensity ratio for the organization	Kg CO ₂ e / L	1.13	305-4-a	13
CARBON FOOTPRINT (US)				
Gross direct (Scope 1) GHG emissions	ton CO ₂ e	2,012.65	305-1-a	13
Energy indirect (Scope 2) GHG emissions	ton CO ₂ e	7,135.18	305-2-a	13
GHG emissions intensity ratio for the organization	Kg CO ₂ e / L	0.09	305-4-a	13
ENERGY (MEXICO)				
Total fuel consumption within the organization from non-renewable sources and including fuel types used	GJ	836,294.46	302-1-a	13
Total fuel consumption within the organization from renewable sources and including fuel types used	GJ	79,500.10	302-1-b	7, 13
Fuel intensity ratio for the organization	GJ / L	0.00857		13
Total electricity consumption within the organization	GJ	66,922.71	302-1-c-i	13
Total energy consumption within the organization	GJ	982,717.27	302-1-e	13
Energy intensity ratio for the organization	GJ / L Bottled	0.00063	302-3-a	13
Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives	GJ	0.00	302-4-a	



ENVIRONMENTAL				
	UNITS	2022	GRI	SDG
ENERGY (UK)				
Total fuel consumption within the organization from non-renewable sources and including fuel types used	GJ	288,299.38	302-1-a	13
Total fuel consumption within the organization from renewable sources and including fuel types used	GJ	N/A	302-1-b	7, 13
Fuel intensity ratio for the organization	GJ / L	0.02160		13
Total electricity consumption within the organization	GJ	22,539.70	302-1-c-i	13
Total energy consumption within the organization	GJ	N/A	302-1-e	7, 13
Energy intensity ratio for the organization	GJ / L Bottled	0.00169	302-3-a	13
Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives	GJ	28.32	302-4-a	
ENERGY (US)				
Total fuel consumption within the organization from non-renewable sources and including fuel types used	GJ	39,826.61	302-1-a	13
Total fuel consumption within the organization from renewable sources and including fuel types used	GJ	N/A	302-1-b	7, 13
Fuel intensity ratio for the organization	GJ / L	0.00038		13
Total electricity consumption within the organization	GJ	39,882.52	302-1-c-i	13
Total energy consumption within the organization	GJ	N/A	302-1-e	7, 13
Energy intensity ratio for the organization	GJ / L Bottled	0.00	302-3-a	13
Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives	GJ	0.00	302-4-a	
WATER STEWARDSHIP				
Total water withdrawal	m ³	2,211,174.00	303-3-a	6, 12
Total water discharged	m ³	734,007.70	303-4-a	6, 12
Total water consumption	m ³	1,477,166.30	303-5-a	6, 12
Total treated water reused from all areas	m ³	11,105.00		
Raw water intensity ratio for the sites	L /L Bottled	9.92	303-3	6, 12
Wastewater intensity ratio for the sites	L /L Bottled	2.54	303-3	6, 12
Treated water reuse intensity for the sites	L / L (100% a/v)	0.0151		
WASTE MANAGEMENT				
Total weight of waste generated	Metric Tons	140,627.36	306-3-a	
Total weight of waste diverted from disposal	Metric Tons	139,842.87	306-4-a	
Total weight of non-hazardous waste prevented from disposal	Metric Tons	28,460.60	306-4-c	
Total hazardous waste	Metric Tons	5.60		
Recycling (internal external)	Metric Tons	2,829.73	306-4-c-ii	
Other recovery operations processes co-processes (internal or external)	Metric Tons	137,087.57		
Total weight of waste directed to disposal	Metric Tons	784.50	306-5-a	
Total weight of waste directed to disposal (waste-to-landfill)	Metric Tons	778.90	306-5-a	



SOCIAL				
	UNITS	2022	GRI	SDG
DIVERSITY & INCLUSION				
Total employees	Number	9,437	2-7	5, 8
Men	Number (%)	7,432 (79%)	2-7	8
Women	Number (%)	2,005 (21%)	2-7	8
Unionized	Number (%)	808 (8.6%)	102-40	
OCCUPATIONAL HEALTH AND SAFETY				
OHS training	Hours	129,297	403-5	3, 8
Accident frequency rate Camichines	AFR	0.442	403-9	3
Severity rate Camichines	SIR	0.046		3
Accident frequency rate Agriculture Unit	AFR	2.080	403-9	3
Severity rate Agriculture Unit	SIR	0.144		3
Fatalities	Number	0	403-9	3
TALENT ATTRACTION AND RETENTION				
Employee hires	Number	702	401-1-a	5, 8, 10
Employee turnover	Number	485	401-1-b	5
<i>Involuntary turnover</i>	Number (%)	158 (33%)	401-1-b	5
<i>Voluntary turnover</i>	Number (%)	327 (67%)	401-1-b	5
Employees entitled to parental leave	%	100%	401-3-a	
TRAINING AND DEVELOPMENT				
Training	Hours	314,272	404-1	5, 8
Average training	Hours/year/employee	33	404-1	8

Notes:
 Safety rates are calculated on the basis of 200,000 hours.
 Employee hires and turnover figures only include Mexico.



GOVERNANCE				
	UNITS	2022	GRI	SDG
CORPORATE GOVERNANCE				
Women Directors	Number (%)	1 (9.1%)	405-1-a-i	
Independent Directors	%	73%	102-22-ii	
Financial experts in the Board	Number	8	102-22-vii	
Industry experts in the Board	Number	6	102-22-vii	
Average tenure	Years	4.3	102-22-iii	
BUSINESS ETHICS & COMPLIANCE				
Allegations received	Number	57		
Allegations substantiated	Number	5	205-3	
SUPPLY CHAIN MANAGEMENT				
Total suppliers	Number	7,144		8
Local suppliers	Number	7,096		8
Non-local suppliers	Number	48		8
Critical suppliers	Number	152		8
Non-critical suppliers	Number	6,992		8

Note: Only proprietary members are considered for the calculation of women directors within our Board.



GRI Content Index

GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		EXPLANATION	EXTERNAL VERIFICATION
			REQUIREMENT(S) OMITTED	REASON		
GRI 2: GENERAL DISCLOSURES 2021						
1. The organization and its reporting practices						
2-1	Organizational details	a and c. p. 176 a. Becele, S.A.B. de C.V. b. p. 158 c. Corporate Offices located at Guillermo Gonzalez Camarena 800-4 Alvaro Obregón, Santa Fe, C.P. 01210 Mexico City, Mexico d. p. 17-20				✓
2-3	Reporting period, frequency and contact point	a, b, c and d. p. 176 a. Annual b. The financial reporting is annual and reports from January 1 to December 31, 2022. c. July 10 th , 2023 d. ir@cuervo.com.mx				✓
2-4	Restatements of information	a i, ii. No restatements of information from previous reporting periods were presented, as there were no errors made, change in the measurement methodologies, in the definitions used, or in the nature of the business.				✓
2-5	External assurance	See PwC's Independent Verification Letter. p. 174	a and b iii	a and b iii. Information unavailable.	As it is the first year of the exercise, responses for this content are being consolidated for future reports.	✓
2. Activities and workers						
2-6	Activities, value chain and other business relationships	a. Industrial sector of alcoholic and non-alcoholic beverages. b i. p. 40-43 b ii. p. 72-75 b iii. Partial omission. Entity names are not included due to confidentiality issues. The Company has a solid global distribution network. The size and level of coverage of this network allow it to efficiently distribute its products in the main markets for distilled alcoholic beverages worldwide. The products are distributed through wholesalers and independent establishments located around the world, including the main supermarket chains, groceries, hotels, restaurants and duty-free stores. See more here .				✓



GRI STANDARD	DISCLOSURE	LOCATION	OMISSION				EXTERNAL VERIFICATION
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
		c. The Company owns the registration rights for a large number of trademarks, trade names, designations and designs, copyrights, technical knowledge, and domain names. The Company believes that its trademarks, including the names under which it sells its products, distinguish its products as leading distilled alcoholic beverages among consumers. Therefore, the Company's activities depend heavily on the protection of its trademarks and all related intellectual property rights. The Company believes that its trademarks are properly registered or protected by other means in all necessary aspects in the markets in which it operates. For more information, please see more here . d. There were no significant changes during the reporting period.					
2-7	Employees	a. p. 117 and 118 c i, ii. This data was compiled from information extracted from the Human Resources systems, taking into account the active employee roster as of the end of 2022. d. p. 128 e. There were no significant fluctuations in the number of employees during the reporting period.	b i, ii, iii, iv, v	b i, ii, iii, iv, v. Confidentiality constraints.	b i, ii, iii, iv, v. Confidentiality constraints.	✓	
3. Governance							
2-9	Governance structure and composition	a. p. 51 b. p. 53-54 c ii, iii, iv, v. p. 51	c i, vi, vii, viii	c vi. Not applicable c i, vii, viii. Confidentiality constraints.	c vi. Not applicable c i, vii, viii. Confidentiality constraints.		
2-10	Nomination and selection of the highest governance body	p. 52 b i. For the Board of Directors Appointment Process, there is the participation of the relevant stakeholders, such as the Shareholders' Meeting. b iv. Extensive experience in consumer markets is one of the main criteria looked upon when nominating and selecting the members of our Board. p. 52	b ii, iii	Information unavailable.	We are working on this information for future reports.	✓	
2-11	Chair of the highest governance body	a and b. p. 55	b	Partial omission. Information unavailable.	Information unavailable/ We are working on this information for future reports.	✓	
2-12	Role of the highest governance body in overseeing the management of impacts	p. 50	a. Partial omission b i, ii, and c.	a. Information unavailable. b i, ii and c. Confidentiality constraints.	a. We are working on this information for future reports. b i, ii and c. As this is sensitive information, it is not possible to disclose this data.	✓	
2-13	Delegation of responsibility for managing impacts	a. and a i. p.55 a ii. Delegating the responsibility for impact onto other employees is part of the functions of the highest governing body. b. The frequency with which the highest governing body is informed about the management of economic, environmental, and human impacts is quarterly.	a ii and b	Partial omission. Information unavailable.	a ii and b. The information related to the processes through which senior executives and other employees report to the highest governing body about the organization's management of impacts on the economy, the environment, and people, as well as the delegation of responsibility for managing impacts onto other employees, is being worked on for future reports.	✓	



GRI STANDARD	DISCLOSURE	LOCATION	OMISSION				EXTERNAL VERIFICATION
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
2-15	Conflicts of interest	a. p. 57	b i, ii, iii, iv	b i, ii, iii, iv. Information unavailable.	We are working on this information for future reports.	✓	
2-16	Communication of critical concerns	a. p. 57 b. No critical concerns were communicated to the highest governance body during the reporting period.				✓	
4. Strategy, policies and practices							
2-22	Statement on sustainable development strategy	a. The scope of PwC's verification regarding indicator 2-22 is solely focused on qualitative data presented on pages 4 and 5.				✓	
2-23	Policy commitments	a. p. 64 a iv. We respect the human rights of those with whom we work and interact, and we encourage our Business Partners to uphold similar standards. See our Code of Conduct here . c. Our Code of Conduct is public information, see here . Currently, only the Code of Conduct is available, and we are working on policies for future reports. d and e. Our commitments and policies were approved at the highest level of the organization and these are applicable to all our business activities and relationships. f. Through internal communication campaigns and newsletters, we communicate our progress on our commitments, as well as the policies of interest to our collaborators and business partners.	a i, ii, iii and b i, ii	Information unavailable.	We are working on this information for future reports.	✓	
2-24	Embedding policy commitments	a. p. 65 a iv. p. 66	a i, ii, iii	Information unavailable.	We are working on this information for future reports.	✓	
2-26	Mechanisms for seeking advice and raising concerns	a i, a ii. p. 66 Ethics line: Linea Cuervoz				✓	
2-27	Compliance with laws and regulations	p. 138, 143 a, b, c, d. During the reporting period, there were no significant non-compliances.				✓	
2-28	Membership associations	a. p. 69 Fundación de Investigaciones Sociales, A.C. (FISAC), Comisión para la Industria de Vinos y Licores, A.C. (CIVYL), Consejo Regulador del Tequila, A.C., Consejo Mexicano de la Industria de Productos de Consumo, A.C. (CONMEXICO), Irish Whiskey Association, Consejo Nacional Agropecuario, Alianza Empresarial por el Clima, American Distilled Spirits Alliance (ADSA), Cámara Nacional de la Industria Tequilera, World Economic Forum (WEF), Consejo de la Comunicación A.C. and Consejo Mexicano Regulador de la Calidad del Mezcal (COMERCAM).				✓	



GRI STANDARD	DISCLOSURE	LOCATION	OMISSION			EXTERNAL VERIFICATION
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
5. Stakeholders engagement						
2-29	Approach to stakeholder engagement	p. 69, 146 a i. Auditors, Civil Society, Communities, Institutional Clients, Competitors, Consumers, Distributors, Government Authorities, Investors, Media, Regulatory Councils, Service Providers, Suppliers, Tourists. We identify our stakeholders through our materiality analysis study. a ii. p. 69 a iii. The participation of interest groups is beneficial, since we have two-way, responsive and continuous communication.				
2-30	Collective bargaining agreements	p. 128 a. 8.6% of our employees are part of a collective bargaining agreement, i.e., they are unionized workers.	b	Information unavailable.	We are working on this information for future reports.	✓
GRI 3: MATERIAL TOPICS 2021						
2. Disclosures on material topics						
3-1	Process to determine material topics	p. 48 a. A 5-step methodology was implemented to determine our material topics: (1) Industry mapping, (2) Understanding the company's operational context, (3) Stakeholder consultation, (4) Understanding environmental and social impacts, and (5) Understanding business implications (risks and opportunities). a i, ii. An assessment of the external impact on the environment and society at large was conducted, considering the probability, severity, and reparability of the impacts. Similarly, an analysis was carried out on the potential impact of sustainability issues on our performance and operations, as well as the risks and opportunities associated with them. b. Stakeholder groups that participated in the process of determining the material topics included: Auditors, Civil society, Institutional clients, Communities, Competitors, Consumers, Distributors, ESG rating agencies, Government and authorities, Investors, Press and digital media, Regulatory bodies, Service providers, Suppliers, Tourists.				✓



GRI STANDARD	DISCLOSURE	LOCATION	OMISSION				EXTERNAL VERIFICATION
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
3-2	List of material topics	a. 1. Waste management, 2. Sustainable and responsible sourcing, 3. Water stewardship, 4. Risk management, 5. Supply chain management, 6. Product safety and quality, 7. Business innovation, 8. Community development, 9. Labor management and working conditions, 10. Carbon footprint, 11. Energy efficiency, 12. Policy influence and corporate affairs, 13. Responsible drinking, 14. Corporate governance, 15. Talent attraction and retention, 16. Environmental compliance, 17. Occupational health and safety, 18. Diversity and inclusion, 19. Biodiversity, 20. Packaging, 21. Human rights, 22. Social compliance, 23. Training and development, 24. Sustainable and responsible marketing, 25. Sustainable agriculture, 26. Business ethics and compliance, 27. Climate change b. Not applicable as it is the first year of the exercise.					✓
GRI 207: TAX 2019							
1. Topic management disclosures							
207-1	Approach to tax	a i, ii, iii. p. 70	a iv	Information unavailable.	We are working on this information for future reports.		
GRI 302: ENERGY 2016							
2. Topic disclosures							
302-1	Energy consumption within the organization	p. 99 f and g. We used the energy equivalences and conversion factors provided by the CRE (Energy Regulatory Commission).	c ii, iii, iv and d	c ii, iii, iv. Partial omission d. Not applicable	c ii, iii, iv. We are working on this information for future reports. d. The sale of energy-related products to third parties is not applicable.		✓
GRI 303: WATER AND EFFLUENTS 2018							
2. Topic disclosures							
303-4	Water discharge	a. p. 100-103 e. Internal calculations and Becele's softwares.	b	b. Not applicable	b. Not applicable		
GRI 305: EMISSIONS 2016							
2. Topic disclosures							
305-1	Direct (Scope 1) GHG emissions	p. 97 d. Base year is 2022. e. IPCC f. Operational control g. The methodology used is the GHG Protocol (Greenhouse Gas Protocol), and it is aligned with the regulations of the General Law on Climate Change regarding the National Emissions Registry.	c and d i, ii, iii	c. Information unavailable. d i, ii, iii. Not applicable	c. We are working on this information for future reports. d i, ii, iii. First year of the exercise.		✓



GRI STANDARD	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED		REASON		EXPLANATION		EXTERNAL VERIFICATION
GRI 306: WASTE 2020									
2. Topic disclosures									
306-3	Waste generated	p. 111 for Mexico sites							✓
GRI 401: EMPLOYMENT 2016									
2. Topic disclosures									
401-1	New employee hires and employee	a and b. p. 129 It refers to all operations within Mexican territory. Becle's hiring rate for 2022 in Mexico was 8.1%. Becle's turnover rate for 2022 in Mexico was 5.6%.	Partial omission a and b		Information unavailable.		We are working on this information for future reports.		✓
GRI 403: OCCUPATIONAL, HEALTH AND SAFETY 2018									
2. Topic disclosures									
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 122	Partial omission		Information unavailable.		We are working on the information related to hazards and risks for future reports.		✓
GRI 404: TRAINING AND EDUCATION 2016									
2. Topic disclosures									
404-3	Percentage of employees receiving regular performance and career development reviews	p. 128 100% of our employees received regular performance evaluations during the reporting period. Note: Excludes unionized employees and Promobeb. Only Mexico and Latam locations are included in the scope of this indicator.							
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016									
2. Topic disclosures									
405-1	Diversity of governance bodies and employees	a i. p. 51	a ii, iii and b i, ii, iii		a ii and b i, ii. Confidentiality constraints. a iii and b iii. Not applicable. There are no other diversity indicators available for governance bodies or employees.		a ii and b i, ii. Confidentiality constraints. a iii and b iii. Not applicable. There are no other diversity indicators available for governance bodies or employees.		✓
GRI 416: CUSTOMER HEALTH AND SAFETY 2016									
2. Topic disclosures									
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	p. 138 a and b. No incidents of non-compliance related to the impacts of the product and service categories on health and safety were identified during the reporting period.							✓



GRI Additional Content Index

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION				EXTERNAL VERIFICATION
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
GRI 2: GENERAL DISCLOSURES 2021							
1. The organization and its reporting practices							
2-2	Entities included in the organization's sustainability reporting	p. 17-20					
3. Governance							
2-14	Role of the highest governance body in sustainability reporting	p. 55					
2-18	Evaluation of the performance of the highest governance body	p. 58					
2-20	Process to determine remuneration	p. 56					
GRI 3: MATERIAL TOPICS 2021							
2. Disclosures on material topics							
3-3	Management of material topics	p. 48					
GRI 201: ECONOMIC PERFORMANCE 2016							
2. Topic disclosures							
201-1	Direct economic value generated: revenues	p. 11, p. 153-159					
GRI 205: ANTI-CORRUPTION 2016							
2. Topic disclosures							
205-3	Total number and nature of confirmed incidents of corruption	p. 66					
GRI 304: BIODIVERSITY 2016							
2. Topic disclosures							
304-2	Significant impacts of activities, products and services on biodiversity	p. 91					



GRI STANDARD	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED		REASON		EXPLANATION		EXTERNAL VERIFICATION
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018									
1. Topic management disclosures									
403-1	Occupational health and safety management system	p. 122-124							
403-2	Hazard identification, risk assessment, and incident investigation	p. 122-125							
GRI 404: TRAINING AND EDUCATION 2016									
2. Topic disclosures									
404-1	Average hours of training per year per employee	p. 131-133							
404-2	Programs for upgrading employee skills and transition assistance programs	p. 134							
GRI 406: NON-DISCRIMINATION 2016									
2. Topic disclosures									
406-1	Incidents of discrimination and corrective actions taken	p. 66							
GRI 409: FORCED OR COMPULSORY LABOR 2016									
2. Topic disclosures									
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 66, 120, 126							
GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016									
2. Topic disclosures									
411-1	Incidents of violations involving rights of indigenous peoples	a. 0 cases		b		Does not proceed			
GRI 413: LOCAL COMMUNITIES 2016									
2. Topic disclosures									
413-1	Operations with local community engagement, impact assessments, and development programs	p. 146-148							



GRI STANDARD	DISCLOSURE	LOCATION	OMISSION			EXTERNAL VERIFICATION
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016						
2. Topic disclosures						
414-1	New suppliers that were screened using social criteria	p. 71-75				
GRI 416: CUSTOMER HEALTH AND SAFETY 2016						
2. Topic disclosures						
416-1	Assessment of the health and safety impacts of product and service categories	p. 135-138				
GRI 417: MARKETING AND LABELING 2016						
2. Topic disclosures						
417-1	Requirements for product and service information and labeling	p. 142-143				
417-2	Incidents of non-compliance concerning product and service information and labeling	p. 143				

SASB Content Index

SASB STANDARD	DISCLOSURE	LOCATION	EXTERNAL VERIFICATION
FB-AB-270: RESPONSIBLE DRINKING & MARKETING			
FB-AB-270 a.4	Responsible Drinking & Marketing	1.1 The scope of our efforts and strategies related to responsible consumption positively contribute to our reputation, business areas and organization. 1.2 p. 139 1.3 In 2022, Bece invested 1,395,011 pesos to encourage responsible consumption. During the reporting period, there was no risk that could affect the achievement of our campaigns. 1.4 p. 139, 140 2.1 The commitment plans included in the report only cover the markets of the Mexican territory. 2.2, 2.3 p. 139 2.4 The engagement period began in 2016 with the consumer assistance platform, this engagement was active throughout the period of 2022. 3. p. 140 4. 100% of the disclosed activities were ongoing during the entire reporting period.	✓



Independent Verification Letter

GRI 2-5



This version of our Limited Assurance Report was carried out based on the Spanish version of the Integrated Annual Report. This is a translation from the original in Spanish, in the event of a discrepancy in this version, the Spanish language version prevails.

Independent practitioner's Limited Assurance Report on the 2022 Sustainability Indicators Identified in the Integrated Annual Report 2022 of BECLE, S.A.B. de C.V.

To the Directors of BECLE, S.A.B. de C.V.

We have undertaken a limited assurance engagement on the Sustainability Indicators listed below and identified with a ✓ in the "GRI Index Content" of the Integrated Annual Report 2022 (the "Sustainability Indicators"), which were prepared by BECLE, S.A.B. de C.V. ("BECLE") for the year ended December 31st 2022.

Sustainability Indicators

The Sustainability Indicators for the year ended December 31, 2022 are summarized below:

Indicator	GRI Description
2-1	Organizational details
2-3	Reporting period, frequency and contact point
2-4	Restatements of information
2-5	External assurance
2-6	Activities, value chain and other business relationships
2-7	Employees
2-10	Nomination and selection of the highest governance body
2-11	Chair of the highest governance body
2-12	Role of the highest governance body in overseeing the management of impacts
2-13	Delegation of responsibility for managing impacts
2-15	Conflicts of interest
2-16	Communication of critical concerns
2-22	Statement on sustainable development strategy
2-23	Policy commitments
2-24	Embedding policy commitments
2-26	Mechanisms for seeking advice and raising concerns
2-27	Compliance with laws and regulations
2-28	Membership associations
2-30	Collective bargaining agreements
3-1	Process to determine material topics
3-2	List of material topics
302-1	Energy consumption within the organization
305-1	Direct (Scope 1) GHG emissions
306-3	Waste generated
401-1	New employee hires and employee turnover

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403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
405-1	Diversity of governance bodies and employees
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services

Our assurance was with respect to the Sustainability Indicators for the year ended December 31, 2022 only and we have not performed any procedures with respect to earlier periods or any other indicators or elements included in the Integrated Annual Report 2022 and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by BECLE to prepare the identified Sustainability Indicators are the Global Reporting Initiative (GRI) Standards (the "Criteria") and are set out in the section "GRI Index Content" on page 165 of the Integrated Annual Report 2022.

BECLE's Responsibility on the Sustainability Indicators

BECLE is responsible for the preparation of the identified Sustainability Indicators in accordance with the Criteria. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of identified Sustainability Indicators that are free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence requirements and other ethical requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of Independent Professionals in Relation to Assurance Work

Our responsibility is to express a limited assurance conclusion on the identified Sustainability Indicators in accordance with the Criteria, based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants. These standards require that we plan and perform this engagement to obtain limited assurance about whether the identified Sustainability Indicators are free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of BECLE's use of the Criteria as the basis for the preparation of the identified Sustainability Indicators, assessing the risks of



material misstatement whether due to fraud or error of the identified Sustainability Indicators, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the identified Sustainability Indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included interviews, review of the processes executed, inspection of documents, analytical procedures, tests on selective bases, and agreeing or reconciling with underlying records.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether BECLE's identified Sustainability Indicators have been prepared, in all material respects, in accordance with the Criteria.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the identified Sustainability Indicators of BECLE, S.A.B. de C.V. for the year ended December 31, 2022 are not prepared, in all material respects, in accordance with the Criteria¹.

PricewaterhouseCoopers, S.C.



C.P.C. José Vicente Güendulain

Mexico City, Mexico

July 10, 2023

¹ The maintenance and integrity of the BECLE, S.A.B. de C.V. website is the responsibility of its directors. Our work does not involve consideration of these matters and, accordingly, we do not assume any responsibility for any difference between BECLE, S.A.B. de C.V. Sustainability Indicators on which the assurance report was issued or the assurance report that was issued and the information presented on the website.



Independent Verification Letter

SASB



This version of our Limited Assurance Report was carried out based on the Spanish version of the Integrated Annual Report. This is a translation from the original in Spanish, in the event of a discrepancy in this version, the Spanish language version prevails.

Independent practitioner's Limited Assurance Report on the 2022 Sustainability Indicators Identified in the Integrated Annual Report 2022 of BECLE, S.A.B. de C.V.,

To the Directors of BECLE, S.A.B. de C.V.,

We have undertaken a limited assurance engagement on the Sustainability Indicators listed below and identified with a ✓ in the "SASB Topics Index" of the Integrated Annual Report 2022 (the "Sustainability Indicators"), which were prepared by BECLE, S.A.B. de C.V., ("BECLE") for the year ended December 31st, 2022.

Sustainability Indicators

The Sustainability Indicators for the year ended December 31, 2022 are summarized below:

SASB Standard	Indicator	SASB Description
Alcoholic Beverage	SASB FB-AB-270a.4	Responsible alcohol consumption and marketing

Our assurance was with respect to the Sustainability Indicators for the year ended December 31, 2022 only and we have not performed any procedures with respect to earlier periods or any other indicators or elements included in the Integrated Annual Report 2022 and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by BECLE, S.A.B. de C.V. to prepare the identified Sustainability Indicators are the Sustainability Accounting Standards Board (SASB) Standards of the industries: Food and Beverage 2018 version (the "Criteria") and are set out in the section "SASB Topics Index" on page 173 of the Integrated Annual Report 2022.

BECLE's Responsibility on the Sustainability Indicators

BECLE, S.A.B. de C.V. is responsible for the preparation of the identified Sustainability Indicators in accordance with the Criteria. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of identified Sustainability Indicators that are free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence requirements and other ethical requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented

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policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of Independent Professionals in Relation to Assurance Work

Our responsibility is to express a limited assurance conclusion on the identified Sustainability Indicators in accordance with the Criteria, based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants. These standards require that we plan and perform this engagement to obtain limited assurance about whether the identified Sustainability Indicators are free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of BECLE, S.A.B. de C.V.'s use of the Criteria as the basis for the preparation of the identified Sustainability Indicators, assessing the risks of material misstatement whether due to fraud or error of the identified Sustainability Indicators, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the identified Sustainability Indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included interviews, review of the processes executed, inspection of documents, analytical procedures, tests on selective bases, and agreeing or reconciling with underlying records.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether BECLE, S.A.B. de C.V.'s identified Sustainability Indicators have been prepared, in all material respects, in accordance with the Criteria.



Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the identified Sustainability Indicators of BECLE, S.A.B. de C.V. for the year ended December 31, 2022 are not prepared, in all material respects, in accordance with the Criteria¹.

PricewaterhouseCoopers, S.C.



C.P.C. José Vicente Güendulain

Mexico City, Mexico

July 10, 2023

¹ The maintenance and integrity of the BECLE, S.A.B. de C.V., website is the responsibility of its directors. Our work does not involve consideration of these matters and, accordingly, we do not assume any responsibility for any difference between BECLE, S.A.B. de C.V. Sustainability Indicators on which the assurance report was issued or the assurance report that was issued and the information presented on the website.



INVESTOR

Information

GRI 2-1, 2-3, 2-4

The contents of this document provide details on the financial performance and operations for the year 2022. The report will be presented annually, and the following points of contact are available for information requests regarding the contents of this document.

Becele, S.A.B. DE C.V.

BMV: [CUERVO]

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