

BORSODI

– SÖRGYÁR –

A MOLSON COORS COMPANY

SUSTAINABILITY REPORT 2023



Content

Welcome from the General Manager	3
Top Employer Certificate	3
ABOUT BORSODI BREWERY	4
About the report	4
CSR management	4
Company Profile	5
Our values	6
Our brands	7
OUR BASIC COMMITMENTS	10
Membership in professional chambers	10
Responsible marketing	11
Alcohol commercial communication knowledge base	12
Corporate Governance, ethics, anti-corruption measures	12
OUR SUSTAINABILITY STRATEGY	13
PEOPLE	14
Our employees	14
Employees engagement, support	15
Work environment and workers’ rights	16
Trade union and works council	16
Benefits	17
Diversity and equal opportunities	18
A diverse and inclusive working environment	19
Wellbeing	20
Employee education and career development	20
University programs	21
Internal communication	21
I am a proud to work at Borsodi!	22
Community and volunteering	22
OUR PLANET	23
Extended Producer Responsibility (EPR) and (DRS)	23
Product safety and consumer health	24
World Class Supply Chain (WCSC) 2.0	24
Supplier chain, raw materials	25
Our environmental goals	26
Energy	27
Water	27
Packaging materials	28
Emissions from beer production	28
Waste management	29
Workplace safety, accident prevention	29
Logistics	29

Welcome from the General Manager

50 years and developments – this best describes 2023, which has been a special year for us. On April 5, 1973, the first bottle of Borsodi Világos rolled off the production line of the new brewery in Bőcs.

Since then, the first bottle has been followed by many millions of hectolitres, and in 50 years, Borsodi Brewery has developed from a factory serving the needs of Eastern Hungary to a nationally renowned company, becoming a member of one of the largest beverage producers in the world. Bőcs also commemorated the 5 decades of our common history with a headstone in the centre of the village.

Our anniversary year also includes many other milestones. We are proud that in 2023, Borsodi Brewery was awarded the Top Employer Institute’s Top Employer Certificate for the first time, recognising our people-centred company culture

Our brewery, which now employs nearly 500 people, launched its #bűszkeborsodis campaign in its anniversary year, with more than 100 colleagues sharing why working with us is important to them.



Borsodi Brewery’s three-year investment programme, launched in 2023, will aim to support the sustainable operation of the Bőcs brewery, in line with Molson Coors’ ESG ambitions, in addition to the technological and infrastructural development of the plant. In 2023, we started preparing for the introduction of the DRS (Deposit Refund System) for the majority of our products and the introduction of packaging in line with the new regulation.

Among other things, we summarise these actions and our main achievements in our report for 2023.

Zsolt Vuleta
general manager

Top Employer Certificate

Borsodi Brewery was awarded the Top Employer Certificate in Hungary for the first time in 2023. Borsodi Brewery has been awarded the national Top Employer Institute certificate in recognition of its people-oriented corporate culture. The brewery’s parent company, Molson Coors, has also earned the Top Employer award at European level. In order to achieve the certification, the brewery underwent a strict and comprehensive process conducted by the Top Employers Institute, a global institution that recognises excellence in people practices. This assessment covers

six HR areas with 20 sub-themes including people strategy, work environment, talent management, learning, diversity and inclusion, and well-being. Winning these awards also demonstrates the excellent way companies treat their employees and reflects their ambition to become the first choice for their customers and partners. In 2023, including Borsodi Brewery, 2053 companies from 121 countries received this recognition.



About the report

Borsodi Brewery has always considered it important to take responsibility for its environment, communities, employees and business partners as a producer.

The brewery considers its "Our Imprint" goals set by Molson Coors Beverage Company for 2025 as guidance for its own operations and sustainability efforts. It therefore reviews its operation each year and summarizes the results achieved in its annual sustainability report. This report outlines the events of 2023 and the results achieved along the main pillars of the company's strategy: humans and our planet. In preparing this report, we consider the requirements of the United Nations Sustainable Development Goals (SDGs) as guiding, on the basis of which Molson Coors has also developed its sustainability goals and aspirations.



CSR management

Social responsibility agenda falls within the competence of the legal and corporate affairs department. The company management is actively involved in all projects and initiatives, which this department controls under the leadership of Ágnes Besze, Senior Legal & Corporate Affairs Manager. We regularly inform our business partners, customers and consumers on our results achieved in the area of CSR and sustainable development.

Company Profile

The predecessor of the company started its operation in 1973; the registered date of Borsodi Brewery Kft's (Ltd) incorporation is November 10, 2009. The seat of the company is located at 81 Rákóczi Street, 3574 Böcs, Hungary, and its main activity is beer production. The company has been registered by the Court of Registration of the Tribunal of Miskolc under no. 05-09-019849, and its tax number is 14981140-2-05. The company is solely owned by Molson Coors Netherlands B.V., registered in the Kingdom of the Netherlands, with its registered address at 1043 BW Amsterdam, Naritaweg 165, registration number: 34362656. The parent company of the entire Molson Coors group (of which our company is a member since 2012) is Molson Coors Brewing Company, registered in the United States of America.

Borsodi Sörgyár Kft. has no subsidiaries. The company owns properties in which it operates the brewery in Böcs, Hungary. Borsodi Sörgyár Kft. is one of the largest beer producers in Hungary and is a beer exporter to various countries across Europe. In 2023, we exported beer to seven European countries (Czech Republic, Slovakia, Poland, Germany, Croatia, Romania). Our company is not dependent on any patents or licenses, trading or financial contracts or new production

processes, which would be of fundamental importance to maintaining its business operations. Our company is not currently involved in any significant litigation, the outcome of which could have a significant effect on its business operations. We did not interrupt our business operations in 2023 or in preceding accounting periods. In 2023, our company did not engage in any research and development activities and we have no organizational units abroad.

FACTS ABOUT BORSODI BREWERY in 2023

18
number of
marketed brands

1973
the year of the
establishment of the
Borsodi Brewery

HUF 48,5b
annual net sales

117
total presentation of
marketed products (SKU)

479
number of employees

30%
proportion of female
employees

11
average number of years
employees spent with
the company

Our values

Our set of values focuses on people development, commitment and performance. Each of our values is clear, unambiguous and transparent, and can also be easily interpreted in everyday life. They are also ambitious, giving our organization room for growth and development. Together, these values contribute to the realization and development of our strategy, plans and goals.

OUR PURSUIT

To become first choice for our colleagues, consumers and customers.

OUR OBJECTIVE

To connect people, to celebrate every moment in life.

OUR PEOPLE COME FIRST

We value and respect differences. We believe that cooperation and a successful team culture are key to diversity without exclusion.

WE LEARN EVERY DAY

We always look for ways to become better and help others to develop.

BRAVE AND DETERMINED STANCE

We are innovators, and not afraid of being direct, move quickly and question familiar things.

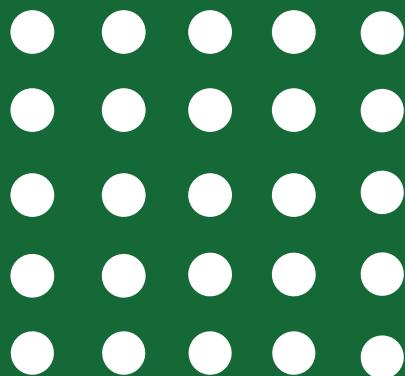
WE CELEBRATE TOGETHER

We are enthusiastic ambassadors to our brands and company; we believe in the importance of recognizing and celebrating our achievements.



RESPONSIBILITY

We act with integrity, highly appreciate commitment, acknowledge our mistakes and try to learn from them.



Our brands

Borsodi

50 years ago, on April 5, 1973, the first bottle of Borsodi Világos rolled off the production line of the new brewery in Bőcs, which was opened at that time. In 2023, Borsodi Világos was given a unique packaging commemorating the anniversary year, with Bor50di in the logo.

Borsodi Friss 0,0%

From 2022 onwards, the Borsodi Friss portfolio consists exclusively of 0.0% alcohol-free products, and from this year, the Borsodi Friss 0.0% brand also offers consumers low-calorie products with special product features in the flavoured beer category that is unique in Hungary. In addition, from 2023, all members of the portfolio are made exclusively with naturally sourced ingredients. Last year, the packaging of Borsodi Friss 0.0% was also changed – the renewed design of the range highlights the light, youthful character of the beer. Throughout the year, our target audience was treated with special interactive Friss stops (bus, tram), alongside our digital launches and standard outdoor advertising, and in the autumn, following a short TV campaign, as a part of the Asia Express TV programme sponsorship, Borsodi Friss 0.0% supported the refreshment of the audience's favourite reality adventurers.

Our premium brands

In 2023, we strengthened our marketing activities with events that connect directly with consumers, in partnership with international celebrities.

From 2023, Orlando Bloom is the new brand ambassador for Staropramen. In the focus of the campaign is Staropramen beer, a beer that has long been serving the world's most discerning beer drinkers in the world's beer capital, and a beer that is almost synonymous with brewing expertise. The new commercial is set in Prague, and Bloom explains his special connection to the city, having lived and worked there for many years, and how the city's sophisticated beer culture has evolved. Bloom goes around the city's iconic locations, from sunny terraces to underground tunnels, and then try to uncover the secrets of Prague's most famous beer at the Staropramen brewery.

Premium beer brand Miller Genuine Draft is collaborating with the superstar tech house DJ Hot Since 82 on a new global campaign that includes a new TV spot, five events in cities around the world and a brand new track created by Hot Since 82 himself for the project. As part of the campaign, Miller is giving the audience the opportunity to attend parties in unique venues with unique experiences, including Fisherman's Bastion Restaurant that provided the venue in July in Budapest.



Dining Guide

On Monday evening, 22 May 2023, the Audi-Dining Guide Restaurant of the Year Awards Gala took place, the most important event of the Hungarian gastronomic scene, which is preceded by great anticipation every year. The country's oldest gastronomic platform tests hundreds of restaurants every year to determine the final ranking.

For the 8th year running, Borsodi Brewery has sponsored the event every year with its Belgian brands under the Pride of Belgium umbrella brand, such as Stella Artois, Hoegaarden and Leffe. The main objective of this partnership is to strengthen the relationship between our Belgian brands in beer-food pairings and to provide presence and visibility both at the event and in the printed Guide.

Our brewery proudly represented the excellent portfolio of Belgian beers at the Gourmet Festival 2023 held at Millenáris between 2 and 4 June. The event gave us an excellent opportunity to present our unique and quality products to the beer-loving public.

Our participation was further enriched when the beer and gastronomy experts of Beerporn.hu magazine created special beer-food pairings with the menus of the exhibiting restaurants and our beers. This gave festival visitors a unique gastronomic experience while discovering the exciting world of our Belgian beers.

Pride of Belgium Beer Dinner at the Jazz Club

In November, we once again focused on promoting our premium portfolio, with the Pride of Belgium range taking centre stage to raise awareness of the richness and diversity of our country's beer culture. We presented our beers at a special Beer Dinner. This gave the participants the opportunity to taste beers that perfectly matched each course, while gaining a deeper insight into the world of Belgian beers. The Beer Dinner was an exciting and unique experience for all those who attended and helped to spread interest and enthusiasm for Belgian beers.

Boiled Belle-Vue sour cherry beer at the Advent Feast at the Basilica

This year, we were represented at the Advent Feast at the Basilica with a truly special offer that not only attracted attention, but also brought real warmth and festive atmosphere to one of the country's most popular events on cold winter evenings. Our Sales team created two unique versions of mulled cherry beer, one with the classic winter combination of cloves and rosemary, while the other was dominated by chilli and chocolate. Both recipes were based on Belle-Vue Kriek sour cherry beer, guaranteeing a harmonious blend of flavours and a quality which we can be proud of. Visitors of the feast were open to the unique and creative flavours, and 4,000 glasses of mulled sour cherry beer were consumed during the event.

Borsodi Festivals

This year, Borsodi Brewery enriched the Szegedi Ifjúsági Napok and Strand Festival with unique sponsorships and colourful activities, strengthening the brand's presence and connection with the festival-attendees. Record attendance at the events opened up new opportunities for Borsodi, bringing the brand even closer to consumers.

Our Malt Bar, set up at Szegedi Ifjúsági Napok, created an exceptional platform for the public to enjoy high quality beer and a unique venue. And the Borsodi Stage, set up during the 4-day event, became a guarantee of stronger activation and greater visibility.

Participating in the Strand Festival was also a challenge, as the 2 festivals took place at the same time, but we only had one Malt Bar. Even so, Borsodi's creativity and commitment stood out, as we enriched our look with new and exciting elements – dedicated branded booths, fence molinos – that matched the energy of the festival. Borsodi Brewery is committed to supporting cultural and entertainment events, and the success of the Szegedi Ifjúsági Napok and the Strand Festival further reinforces our mission to bring the quality and fun of our brand to a wider audience.



Cooperation with DVTK

In 2023, we renewed our cooperation with DVTK, so one of the most popular beer brands in Hungary remains one of DVTK's main sponsors in the NB I. As part of the 10-year cooperation, the support was not limited to the football team, as in the past

years, since DVTK, as the largest rural multi-sport club in Hungary, also displays Borsodi on the jerseys of several team sports – basketball, ice hockey.



The Borsodi Brewery's 50th anniversary

Corporate conference:

celebrating an anniversary with colleagues is a truly special experience. We started the year 2023 with a collective celebration at our corporate conference. We also welcomed our jubilee colleagues, including those who have been working with us for almost 50 years.

Headstone ceremony:

On the occasion of the 50th anniversary, Deputy Minister Zsófia Koncz, Member of Parliament for the region, László Nagy, Mayor of Böcs, and Zsolt Vuleta, Country lead and Sales & Customer Experience Director of Borsodi Brewery, together unveiled the headstone commemorating the founding of the company in Böcs.

Borsodi 50 press event:

Borsodi Brewery started its activity in April 1973. Since then, Borsodi Világos has become an important part of the Hungarian beer culture and a constant companion of friendly gatherings in Hungary. We celebrated this important event with the representatives of the press as well.

Borsodi 50 – Celebrating together video:

we've created a [video](#) to show why colleagues from different areas love working at Borsodi.

Yammer proudness campaign:

for a whole month in June, as part of a playful challenge, more than a 100 of our employees shared their own story about their pride.

We raise a glass together:

As part of a big summer event, our colleagues across the country placed personal good wishes and messages in a time capsule locked until 2048.

Sports and Health Day:

as part of the 50th anniversary of the Health and Sports Day, colleagues were also able to send messages to future generations, which were placed in the time capsule.



Membership in professional chambers

Borsodi Brewery, as one of the most important brewery companies of Hungary, founded the Association of Hungarian Brewers ("Sörszövetség", AHB) together with four other brewers in 1992. The AHB is currently a social organization covering nearly 90% of the domestic beer market, representing the three largest Hungarian breweries, and while the three members compete fiercely on the domestic beer market, they cooperate to represent their common interests, to express their social responsibility and to promote beer culture. Borsodi Brewery, and so the AHB, are committed advocates of cultured and responsible drinking of alcohols. To this end, the cooperation of the brewers extends also to self-regulation of advertising and commercial communication. The AHB has been conducting several successful campaigns and organizing events in the light of social responsibility and to promote beer culture for years. For more information, please visit the AHB's website (www.sorszovetseg.hu).

The AHB was in close cooperation with Returpack Kft. until 1 July 2023, which, at the request of the AHB, has planned, set up and successfully operated an inverse logistics system designed with the aim of increasing the collection and recycling of aluminium beer cans and other aluminium cans. The cooperation has been discontinued in line with the legislative changes governing extended producer responsibility.

Borsodi Brewery is also a member of the Branded Goods Association for Branded Products ("Magyar Márkaszövetség") founded in 1995, which is the professional advocacy organization of the Hungarian FMCG sector. The ultimate goal of the Brand Association is to maintain a business and regulatory environment which is favourable for the manufacturers' brands and for brand-building. Although it is a professional organization representing the manufacturers, its mission is to contribute to ensure that its members provide maximum value for the consumers through innovation, sustainable production and strong, but fair competition.

Since 2019, Borsodi Brewery has been a member of the Hungarian Business Leaders Forum (HBLF), Hungary's prominent international CSR organisation. Its mission is to contribute to the socially, economically and environmentally sustainable development of Hungary with the contribution of its members. In 2022, the brewery signed the Diversity Charter again. Reaffirming our commitment to respect equality and taking concrete steps to create a diverse organisational culture. We confirmed this commitment in 2023.

In 2023 Borsodi Brewery became a member of the Hungarian Marketing Association (MMSZ). Being more than 30 years old, the MMSZ is committed to shaping and promoting the role and value of marketing. It unites and represents the profession through projects and programmes that reflect sectoral, educational, orientational, community and social goals. They form an active and profession-shaping professional community committed to value co-creation with the client and service side.

marketing.hu / Magyar Marketing Szövetség



Recognizing the importance of strong and credible self-regulation and of the proper coordination of the statutory regulation and self-regulation, Borsodi Brewery has been a member of the Hungarian Advertising Self-Regulatory Board ("Önszabályozó Reklám Testület", ÖRT) for years. The activities of ÖRT and our joint cooperation are further described in the next chapter "Responsible Marketing". The ÖRT website is available at: <http://www.ort.hu>



Responsible marketing

Irresponsible overconsumption of alcohol is dangerous for the whole of society and, as a significant producer, we are fully aware of the risks. For this reason, one of the priorities of the Our Imprint strategy continues to be maximum support for responsible and moderate consumption of our alcoholic products. We follow strict rules defined by the applicable legislation, self-regulatory standards and internal policies and our employees are regularly notified of the concerned requirements and the importance of responsible drinking (among others, in the form electronic trainings). The old brewhouse of the brewery in Böcs, operating today as our Visitor Centre, is an excellent venue for transferring knowledge concerning the above topics. In our Visitor Centre various meetings, trainings or other events take place with the participation of our customers, employees or even the representatives of the press.

In 2012, along with other global leading beer, wine and spirits producers, members of the International Alliance for Responsible Drinking (IARD), Molson Coors Beverage Company agreed to Global Commitments to Reduce Harmful Drinking. The Molson Coors Global Commercial Responsibility Policy, also applicable for Borsodi Brewery, reflects actions that we need to take to meet the Commitments. Digital Guiding Principles (DGPs) are an integral and important part of the above Commitments. The DGPs are aimed at strengthening and expanding marketing codes of practice on the digital platforms at global level. IARD members pledged to develop a set of global guiding principles for alcohol beverage marketing in digital media. The DGPs are composed, among others, of the following 5 safeguards:

1. An Age affirmation mechanism;
2. A Forward Advice Notice;
3. A Responsible Drinking Message;
4. A Transparency statement / providing an official profile;
5. Use of User Generated Content policy in social media.

In addition, Borsodi Brewery, as a member of the Hungarian Advertising Self-Regulatory Board (ÖRT), pays special attention to responsible marketing activities. ÖRT is responsible for, inter alia:

- preliminary norm control, i.e. to check whether the advertisement comply with the ethical and legal requirements;
- investigating and deciding on complaints if any, with the involvement of relevant experts where necessary;
- monitoring the entire advertising market;
- maintaining international relationships.

ÖRT is a member of the European Advertising Standards Alliance (EASA), so it can keep up to date with the European Union's resolutions and expectations regarding advertising. As a member of ÖRT, the Borsodi Brewery gives priority to the standards in the Hungarian Code of Advertising Ethics, which also addresses the rules on the advertising of alcoholic beverages in a separate article. In 2023, we requested a preliminary resolution from the Board in 23 cases. Starting in the autumn of 2021, along with other Molson Coors group companies, we as Borsodi Brewery, have committed to displaying icons, such as crossed-out car, pregnant lady and 18+ next to the "Drink responsibly" sign on all alcohol products and online ads promoting alcohol products, to raise awareness about responsible drinking. In addition, within the framework of the commitment made by the members of Brewers of Europe (of which Molson Coors Beverage Company has been a member since 26 May 2021), Borsodi Brewery will also indicate the ingredients and nutritional information on its products even in the absence of a legal obligation.

In July 2023 The Hungarian Code of Advertising Ethics was modified, in the revision of which Borsodi Brewery Ltd. also took an active role through the Beer Association. Among other things, Article 18 on alcoholic beverages was revised, and a special regulation on non-alcoholic beverages bearing the brand name of alcoholic beverage was added.



Alcohol commercial communication knowledge base

At Borsodi Brewery, we are constantly working on supporting our colleagues through the labyrinth of rules on commercial communication. Therefore, in 2023, we created an Alcohol commercial communication knowledge base, which we made available to all our employees. The knowledge kit helps our colleagues to

understand the key things to pay attention for and the essential things to follow in order to communicate our products properly. The knowledge kit aims to provide clear answers to all questions in the form of checklists, primers, FAQs, guides, summary tables, and all relevant legal sources can be found in the base as well.



Corporate Governance, ethics, anti-corruption measures

The Molson Coors Corporate Code of Conduct that applies to the operation of Borsodi Brewery and regulates values, objectives and basic principles of conduct and fair business, and which is binding for all employees of the Group worldwide. All employees are familiarized with the Corporate Code of Conduct, among others, in the form of electronic training – new employees are familiarized with it within the scope of entry training, and all other employees in a mandatory training once per year. We also endeavour to ensure that a corresponding ethical approach is not only maintained in relation to our partners but to our employees also. Employees have the possibility to give timely notice to their superiors, or even directly to the global ethics and compliance department. For these purposes, the special Ethics and Compliance Help Line was established. Employees can at any time submit any observations that, in their opinion, do not match compliance with the ethical codex rules. The [line](#) is operated for the entire Molson Coors group by a third party, the autonomous company EthicsPoint.

We have followed transparent and fair communication rules with our customers and business partners, which we also apply with regard to the requirements of all of our ethical rules. We perform a preliminary Anti-Bribery and Anti-Corruption Due Diligence: prior to start of cooperation, our suppliers are duly screened by using questionnaires that map all possible risks even before establishment of the business relationship. They are continuously informed about our rules and an anti-corruption clause is integral part of all agreements concluded with our suppliers. Our anti-bribery and anti-corruption programme is also communicated to employees on an annual basis in the form of electronic training.

Economic competition rules are also an important part of the observance of business ethics values and legal requirements. As a dominant company in the Hungarian brewing industry, we have to behave in the market in such a manner that the economic competition rules are strictly observed in our conduct toward competitors, customers and business partners. Employees are also notified of the requirements for observance of economic competition rules in the form electronic trainings at least once per year and further on-site trainings conducted for targeted groups of employees. These training sessions include presentations and conversations to discuss situations that employees may encounter in their daily work. Once per year, all employees are informed about the rules of conduct for negotiation with business partners and customers. It covers, amongst others, receiving or providing gifts, sponsorships, etc., especially with regard to situations in which the participants are state or local government bodies, authorities. Its objective is to prevent any risk of association of such conduct with any business advantages or an assumption could arise on the potential influencing of processes running in our company within the framework of the business activities of our company. This issue is also a component of the mandatory training package.

Our sustainability strategy



The Our Imprint strategy sets out our ambitions up to 2030, based on two main pillars: people and our planet. Our business success is closely linked to the health of our planet. We want to leave a positive legacy and we know that in order to do this, we need to put the protection of our environment at the heart of our strategy. That's why we have identified three key priorities within our Planet Pillar – water, climate and packaging – to support our long-term sustainable ambitions.

PEOPLE

Our people are the heart and soul of our company, and our success is built on our collective efforts. That's why our company is committed to building a culture where our people can be themselves and reach their full potential. They help build a more just society that treats everyone as equals: from the growers of raw materials to the consumers, and from the homes to the workplace communities.

WATER

Water is the most important raw material for beer and an important environmental indicator that illustrates the environmental impact of our activities. Therefore, we seek to save as much water as possible and reuse it in further processes whenever it is possible.

CLIMATE

Preventing the irreversible effects of climate change requires bold and immediate action. Rising global temperatures will have a significant impact on our business and on our supply chain as a whole, including the operations of the farmers who produce our ingredients.

PACKAGING

We believe that waste is a resource. Today, global resources play an increasingly important role in the development of packaging solutions. With this in mind, we strive to design our packaging with sustainability in mind and make every effort to recycle waste. By closing the range of packaging routes and their manufacturing, we can do what's best for our consumers and our planet.





People

Our people are at the heart of our company, and our success is based on their efforts. That’s why we’re committed to putting people first and creating a culture where they can be themselves and help them fulfil their potential. However, our value chain is managed by people from different backgrounds and perspectives. We want to contribute to building a more just society that provides opportunities for everyone – from the producers of our beverage ingredients, to consumers, to our communities at home and at work.



Our employees

Employee satisfaction is of utmost importance for Borsodi Brewery. We are aware that correctly motivated employees are the best team players and also dedicated ambassadors of our company and its brands.

RECRUITMENT AND LABOUR MOBILITY:

- In 2023, 84 new colleagues joined, of which 4 were employees taken over with continuity
- Staff turnover – 19,9% overall, of which 10,6% were voluntary and 9,3% involuntary terminations.
- Mothers on maternity leave: in 2023, we had 23 employees on maternity leave.

EMPLOYEES ACCORDING TO THE NUMBER OF YEARS THEY HAVE WORKED FOR BORSODI BREWERY*

Years spent	Precentage	Persons	Woman	Man
less than 5 years	45,7%	219	74	145
6 to 10 years	16,3%	78	25	53
11 to 15 years	7,9%	38	10	28
16 to 20 years	11,5%	55	24	31
21 to 25 years	4,4%	21	2	19
26 to 30 years	4,2%	20	4	16
31 to 35 years	5,6%	27	4	23
36 to 40 years	2,9%	14	1	13
41 to 45 years	1,3%	6	1	5
46 years and longer	0,2%	1	0	1
Total	100%	479	145	334

* The figures given are for 31.12.2023 and exclusive of employees on maternity leave.

Employees engagement, support

We constantly work to better appraise the achievements of our employees. In 2020, we introduced the Bravo! recognition scheme, which we have maintained ever since, and our colleagues are increasingly recognising each other’s work through this opportunity. In this system our colleagues can share their stories of how we live our values, and what we are proud of, in order to make our company a better place to work. Within the framework of the program, our colleagues can nominate each other based on the company values, and we will recognize and celebrate outstanding results. In 2023, 44 nominations were submitted by our colleagues, of which 17 were recognized at the Central and Eastern European level within Molson Coors and 2 were recognized locally.

We constantly encourage our employees to show their appreciation for each other, creating a supportive and trusting working environment. In addition to regularly reminding them of the importance of verbal and written thank-you notes, we have created thank-you card templates that allow them to thank each other in writing and in confidence. In our HR IT system, employees can give each other feedback publicly through badges. In the event that an employee makes a significant effort that requires an extra investment of time over

several weeks, their manager can even recognize this extra effort with material gifts.

In 2023, employees completed an engagement survey, where colleagues in different categories answered questions in areas such as managerial efficiency, business confidence, and representation of our corporate values. Based on the results of the surveys, we have developed an action plan to increase employee satisfaction with the involvement of each function and department, and we are currently actively working on the issues identified in the plan to achieve even higher levels of satisfaction rates in the future. Without wishing to be exhaustive, we pay special attention to working conditions, including the development of the office environment or the trim level of company vehicles used for work. Training and development is also an important area so that we are able to keep our knowledge of our teams and people up to date. In addition to general development, career planning and related succession Years spent Precentage Persons Woman Man management are also a priority area.



Work environment and workers' rights

In 2023, we introduced a new online employee platform. Our employees already had access to an employee website, hosted by our partner Nexon, where they could fill in their monthly payroll and their annual single cafeteria declaration. From October 2023, new modules were added to this platform and a mobile application is also available. In addition to the usual functions and the cafeteria declaration, colleagues have the possibility to use this platform:

- to view their schedule;
- viewing the attendance sheets, end-of-month sightings;
- to edit absence plans, request leave and work from home;
- to check the schedules and absences of colleagues working in the same team.

The Nexon mobile app, which has also been newly launched, provides many of the same functions, allowing colleagues to request time-offs from their mobile phones at any time and from anywhere in just a few seconds. Thanks to the introduction of Nexon, colleagues can now have more transparency and access to their schedules and changes to them. The planning of leave has become more predictable, as the absence plans of direct colleagues are also visible, making the planning of annual leave more ideal. We have replaced the paper-based timesheet documentation.

We support a positive working environment in which only legal, ethical and responsible behavior that complies with corporate values and our Corporate Code of Conduct is acceptable. We are proud of the fact that as a member of the Molson Coors group, we are member of an international company in which employees from all over the world are working. We appreciate the diversity

and inclusion and commit ourselves to ensure a workplace where our employees are also treated with such respect. We make an effort to become a place where everyone feels comfortable and confident and can change things for the better. We have always been committed to putting people first. The Employee Assistance Programme (EAP) aims to make it easier for our employees to manage and experience personal and professional challenges that impact their health and well-being. This service is a permanently accessible, confidential support network, providing expert advice and support in a range of areas. It aims to help our employees and their families with financial, legal, mental health and well-being issues.



Trade union and works council

Trade union and works council At Borsodi Brewery, the Food Industry Employees' Trade Union ("Élelmiszeripari Dolgozók Szakszervezete", ÉDSZ) and its Borsodi Brewery organization is represented. Borsodi Sörgyár, as an employer, also concluded a collective agreement with the trade union. The agreement includes that the Borsodi Brewery will initiate negotiations with the trade union when planning wages

and other benefits. Moreover, a 7-member Works Council operates at the company and exercises its rights as defined in the Labour Code and in the works agreement. These include the right of the Works Council to request information from the employer, the right to express opinions and to consult, and the right to inform employees.

Benefits



Annual gross cafeteria allowance of 300.000 HUF (after the first 3 months of employment)



Private pension fund contribution (after the probationary period (6 months), 4% gross of monthly salary)



Life and accident insurance



Discounts on beer purchases (up to 50 litres per month)



2-2 gift trays of beer at Easter and Christmas



10% discount in Praktiker stores



All you can move sports card



Employee Assistance Programme (EAP)



Discounted tickets for sport events and festivals



20% discount on tickets to Lupa Beach



15% discount at Danubius Hotels



40% discount at Philips webshop (seasonal)



Telenor "Friends and Family" fleet discount



Anniversary gift

Diversity and equal opportunities

All economically active age categories are naturally represented in the work teams of the company. We utilize the synergies of mixed teams comprising men, women, professionally experienced colleagues, but also new entrants and trainees.

Employee structure, including management (as of 31 December 2023):

	2022	2023
All employees	total of 481 employees	total of 479 employees
	of which 33% are women, 67% are men	of which 30% are women, 70% are men
	for management, 31% are women, 69% are men	for management, 34% are women, 66% are men
	average age of employees - 42.3 years	average age of employees - 42.6 years
	average employment with the company - 11 years	average employment with the company - 11 years

to set the wages for individual positions. We exclusively use data from remuneration surveys, which are provided by verified and internationally established companies. The wage of a specific employee within the wage span depends on their current experience, readiness to cope with the tasks in the given position, and also their performance. During determination of the wages, requirements of equal treatment are always taken into account: gender, nationality or sexual orientation are not considered. The remuneration system is set in such a manner that employees get a comparable wage for comparable work, while each further wage increment depends directly on the performance of the employee and also on the location of their wages in the wage band corresponding to the given

The remuneration strategy at Borsodi Brewery is based on the corporate culture of the parent company Molson Coors. It aims to provide equal remuneration opportunities, which are directly linked to the performance of the company and wage level on the labour market. The strategy is also designed to appreciate and reward the conduct of the employee and their results, which are necessary for achievement of the company goals. We use local market data

position. The annual remuneration system of employees is tied to the annual cycle of performance assessments. The remuneration system is based on fulfilment of specific KPIs. The personal assessment meeting between superiors and subordinates takes place twice per year and, during the meeting, both sides not only evaluate the achieved goals, but also the method applied to their achievement.



A diverse and inclusive working environment

Today, diversity and inclusion are essential requirements for a company that puts people first and wants to succeed in business. Borsodi Brewery believes in creating and maintaining a working environment where all employees can be confident that they will be listened to and respected. Where everyone is valued, everyone is appreciated and everyone feels safe, regardless of who they are. To make our company the first choice for our employees, customers and partners, we are working to build a more inclusive culture that encourages and supports diversity in our workforce. Diversity is a very important value, understanding it allows us to better understand each other, and an inclusive culture can accelerate this process. In the spirit of diversity and inclusion, the brewery takes responsibility for encouraging inclusion, recognizing and valuing the individualities present in the company and facilitating positive changes. For the path to success, we have set the following directions for the Diversity and Inclusion Programme launched in 2021, and we followed these also in 2022 and 2023:

- Inclusion for ALL
- Diverse Teams
- Respect at work
- Age Balance
- Gender Equality
- Inclusive Leaders

Our company has always placed great emphasis on building and fostering a diverse and inclusive culture. As a result, the brewery joined the European Diversity Charter in 2021 and renewed its membership in 2022 and also in 2023. As part of this, European Diversity Month was held by Hungarian Business Leaders Forum in May 2023. The initiative aimed to raise awareness of discrimination and inequality in the workplace. Our colleagues had the chance to participate in online programmes such as the #IamRemarkable workshop to support women and underrepresented groups, the roundtable discussion on the impact of diverse boards and decision-making bodies, or the exhibition called Perfectly Different, Differently Perfect featuring the work of young people with autism. In addition, as part of Molson Coors Girl Power series, we spotlighted great female leaders from our Central and Eastern European region who have all contributed to making their own departments – and our company as a whole – a more supportive, prosperous and equitable place to work. They told us through interviews about what inspires them, how a company could benefit from having more women in management positions, or what advice they would give to their younger selves and what they do for their well-being in their spare time.



Employee education and career development

In line with Molson Coors' training strategy, the tasks of Borsodi Brewery regarding the training of the colleagues are rather complex during the year. The diverse training calendar does not only cover the compulsory trainings required by law or the various online trainings offered by the Molson Coors group to companies worldwide, including Borsodi Brewery. The most important areas of development include the following professional trainings: sales skills, supply chain trainings, occupational safety, EHS trainings, knowledge of the beer market and the beer, beer tasting and drafting techniques, management programs. In 2023, 699 colleagues participated in some 75 trainings. The offered educational activities are always compliant with the company strategies. Employee involvement is based

on their work and plans for their personal growth in such a manner as for us to be able to support them in the achievement of their performance goals and career plans. In 2023, we organized five entry trainings for 69 new colleagues in the premises of Borsodi Brewery with the goal to support them in the process of adaptation and to ease their first steps in our company. They are guided through the training by individual representatives of the organization, who introduce their departments and their functions.

A popular part of the training is the Beer Champion training, which is presented to new employees by our Beer Ambassador. Here, participants learn about beer, beer production, beer tasting, our products.

Wellbeing

In 2023, we supported our employees to achieve and maintain well-being through a number of well-being programmes and actions. Creating the right working environment is one of the pillars of well-being, therefore we have made a number of improvements in our factory, in the office building in Böcs, we renovated the bathroom and replaced the floor carpet.

In front of the office building we created a summer terrace. In the factory area we replaced the bike storage, installed air conditioning in several units and replaced furniture. We provided all our colleagues with new ergonomic office chairs. In addition, Molson Coors shares its quarterly well-being newsletters with all employees, offering practical advice, health-related topics, and webinar opportunities where employees can get advice on work-life balance, time management or mental well-being. Our group company also joined the challenges of the Molson Coors "step

challenge" in the spring, with the mission to walk, run, cycle, swim or do any form of exercise together, not only to improve our physical and mental well-being, but also to discover the region's sites through an online route.

We also encourage our colleagues to maintain a healthy lifestyle. In September 2023, we organised a sports and health day, where, in addition to various team competitions, we had a health tent where our colleagues could participate in basic health screenings (blood pressure, blood sugar, BMI).

Like for all companies, employee health is a priority for us. The company doctor's visit is not just about physical examinations. We also help our colleagues in case of illness, for example with examinations and prescriptions. Or, they can contact us for a consultation on any special medical report. At the Borsodi Brewery Ltd. establishment, more than 50 people are

trained in first aid every year, so that they can provide professional first aid in case of an emergency. Two defibrillators are also available at the factory in Böcs. The first aid training includes the proper use of the defibrillator in addition to the treatment of various injuries and acute conditions.



University programs

We have taken our cooperation with the University of Miskolc to a new level. By signing a cooperation agreement in 2022, we have created the opportunity to work more closely together on specific research projects, from software development to laboratory experiments. In addition, in September 2022, we launched a dual training program, which welcomed 2 new students from the University's BSC Mechanical Engineering Department for the 2023/2024 academic year. The training focuses mainly on a comprehensive knowledge of production activities and the areas of technical maintenance and head departments, with the aim that graduates will be able to join our workforce immediately after completing their university studies.

In September 2023, as the university's dual partner organisation, we were invited and were delighted to participate in the „Intro day" event, which was organised in the main building of the University of Miskolc. The event offered first-year students a wide range of information about the most important aspects of university life, student services and the services offered by the university's corporate partners.



Internal communication

We consider internal communication to be an effective means of informing employees. The employees are usually informed of the changes and other important information about the company in the form of e-mail notifications, thus it continues to be the primary form of notification within the company. In addition, the company intranet interface has become increasingly important for internal communication. Of course, we also take advantage of personal communication and our employees have access to the company intranet.

In 2023 the brewery's internal newspaper, Beer minutes, was also published twice, which we shared with our colleagues in June and in December, and covered the most important events of the year, providing each function with the opportunity to report on the most important news and projects in its field. As a multinational company, Borsodi Brewery also ensures the use of various platforms that allow the employees to stay in touch with their colleagues from other countries in the group, report on the major local or joint projects, and share their successes. As a highlighted internal event, a corporate conference is held every year, to which all employees are invited. At this large-scale event, we evaluate the previous

year and discuss the main objectives for the year ahead.

We share online newsletters with our colleagues several times a month. We use the environmental newsletter to educate colleagues about environmental awareness, but we also send them our main press releases and organisational changes on a monthly basis. The close, direct working relationship between the employees and the senior executives and the continuous flow of information constitute integral parts of the corporate culture, not only for Borsodi Brewery but also for Molson Coors. That is why, several times a year, the colleagues have the opportunity to meet the European management of the Molson Coors group in addition to the local management of Borsodi Brewery (so-called townhall meeting) and ask questions, which in 2023 took place in a total of two occasions.

Borsodi Brewery considers as a priority task (and not just as a task of internal communication) to consistently follow its Employer Branding strategy in order to provide the current and future employees with the most attractive workplace possible. In 2023, the offices of our branches in Budapest and Böcs were also renovated. The meeting rooms in the Budapest

office have been given a unique design, displaying our brands in each meeting room and common area. In the Böcs office, the carpets in the common areas were renewed. In both locations, our colleagues received new office chairs.



I am a proud to work at Borsodi!

One of the key pillars of Borsodi Brewery's employer branding is the relationship and communication with our colleagues, which is organised around the sense of pride. Our goal is to make sure that our employees not only love working at Borsodi Brewery, but are proud of it. The year 2023 provided a special opportunity to celebrate the 50th anniversary of the brewery's existence with pride for the company as a whole. We supported this moment of pride and celebration with a series of activities through the #büszkeborsodis communication platform. For our press event in April, we produced a birthday video in which our colleagues tell others, through their own experiences, why they are proud to work for the company. In June, as part of a month-long playful challenge, more than 100 of our employees shared their own stories of pride. The activity was followed by a series of LinkedIn campaigns, where we featured

the stories of several colleagues. Finally, reviving our value of "We Celebrate Together", combined with our Pride campaign, we celebrated the 50th anniversary of the Brewery together across the country in July, focusing on one of the most important foundation of our company, our great community. As part of the refreshing summer event, our colleagues across the country placed personal good wishes and messages in a time capsule locked until 2048 – sending a message to the future Borsodi community!



Community and volunteering

In September 2023, Borsodi Brewery organised its Sustainability Month once again, where we organised our events in line with the pillars of our sustainability strategy. During the Our Imprint month, we pay special attention to responsible alcohol consumption, environmental protection and social responsibility.

Borsodi Brewery were able to raise funds for the organisations of their choice through a "step challenge" competition. During the initiative, employees registered in an app to keep track of their daily steps by indicating which organisation they support. The organisations that collected the most steps received the support offered by Borsodi Brewery.

The brewery's employees have helped organisations such as the PET Cup Association, who are trying to stop the recurring river pollution, the Mályi Nature Conservation Association, who are working to save birds, and the Bőcs Pensioners' Association, which helps local pensioners. Thanks to the efforts of the employees, Borsodi Brewery contributed a total of HUF 1.2 million to the work of the three organisations.

In addition, Borsodi Brewery has been cooperating with the Hungarian Food Bank Association for the fifth year. This year, the company's employees helped the Food Bank to label and package a total of 38,757 cans for distribution to people in need across the country through their partner organisations.

Based on our Putting people first-value, we organised a sports and health day in Bőcs on 22 September, where colleagues could try out a range of sports and take part in health screenings. In addition, we organised a blood donation in cooperation with the Hungarian Red Cross, with nearly 40 Borsodi employees helping out. In the spirit of the sustainability month, this year for the first time the colleagues of



Furthermore, in 2023, the company organised three blood donations with the Hungarian Red Cross, with the participation of 42 colleagues. Responsible drinking is a priority not only for our colleagues, but also at the festivals supported by the brewery. With a [video](#) called Borsodi Szitu, when you can not only drink, but also consume, we drew attention to what responsible consumption really means. We made this video available to festival-attendees on various platforms throughout the festivals.



Our Planet

Our business success is closely linked to the health of our planet. We want to leave a positive legacy and we know that in order to do this, we need to put the protection of the environment at the heart of our strategy. Addressing climate risks and identifying opportunities to reduce our environmental impact, from increasing water

efficiency to innovating sustainable packaging, can help us succeed as a company now and in the future. It is a challenge for us to use our resources efficiently. By working together with our suppliers and partners to reduce our collective footprint, we can help to make a positive impact on our planet and society.

Extended Producer Responsibility (EPR) and Deposit Return System (DRS)

Preparing for the mandatory deposit refund systems (DRS) was one of the most significant and organisationally complex projects for the company in 2023. Although the introduction of DRS is not mandatory in EU member states, Hungary decided to introduce DRS in order to ensure the mandatory redemption rate and launched the concession tender accordingly, which was won by MOL-MOHU for a period of 35 years. With this in mind, we started conscious preparations at the beginning of 2023, when, in the absence of adopted legislation, we held training sessions on EPR (Extended Producer Responsibility) and DRS (Deposit Refund System) for colleagues in various functions, with the involvement of an external expert.

With the help of IFUA-Horváth and Partners, we prepared a detailed project plan and schedule and formed a project team covering all functions. We were able to start the project work after the publication of the draft legislation in the spring, and the real substantive work started after the government decree on the redemption fee in October. To ensure that all areas and aspects of the project were covered, working groups were set up in sales, partner management, marketing, procurement, finance and supply chain to coordinate work in weekly and monthly project meetings.

By the end of 2023, the following project tasks have been successfully completed:

- Sales – DRS migration functional planning
- Partner management – Impact analysis – changes in the composition of packaging
- Marketing – Molson-Coors international benchmarking (Croatia, Slovakia, Romania)
- Marketing – Packaging change – creating brand design templates
- Finance – Risk management of DRS migration
- Supply chain – Design of the transfer roll mechanism
- Supply chain – Change of packaging – allocation of new DRS GTIN / EAN codes

In addition to the project led by IFUA-Horváth and Partners, we complemented our preparation through the following channels:

- Supply Chain – Meetings and briefings organised by MOL-MOHU
- Law and communication – through the Association of Hungarian Beer Producers
- Finance – Involving and support from Ernst & Young (EY)

Product safety and consumer health

Numerous inspections took place at the brewery during the year. Last year, 7 internal audits and two official inspections were carried out at the factory, during which no non-compliance was found. In addition, there were 7 official sampling by national authorities, and the quality of the products was adequate at all times. In 2023, Borsodi Brewery renewed the IFS International Food Standard Certificate, which the company received with a high rating of 97.3%. This warrants that the brewery operates in accordance with its quality management and food safety management systems. We also participated in a food safety legal compliance audit last year, which resulted in no non-compliance findings.

We are proud that the Molson Coors group of companies also appreciates the effectiveness of the Quality Department of Borsodi Brewery. Thanks to this, the laboratory in Bőcs, in addition to testing our own products, also carries out regular testing of more than 18 types of products from 18 foreign factories around the world, including world brands such as Staropramen, Miller Genuine Draft and Blue Moon Belgian White.



World Class Supply Chain (WCSC) 2.0

After the World Class Supply Chain Phase 0 certification in 2022, the focus areas for 2023 were:

1. Success of RTT implementation using own resources in the RGB area
2. Start of implementation of the RTT using own resources in the Brewing area
3. Development of a safety and quality culture
4. Stability of performance and KPIs
5. The factory's commitment to reducing losses
6. Management of the pillar activities

Our commitment to our people and to ensuring long-term stability and success in our operations is crucially important to us.

Borsodi will continue to support the ongoing development of the World Class Supply Chain (WCSC) by delivering new levels of excellence, and will continue to help our company deliver exceptional products and transform our supply chain.



Supplier chain, raw materials

Our aim is to establish and maintain long-term relationships with suppliers of key raw materials and service providers, with a focus on high quality of raw materials and services, the possibility of long-term development, the reduction of ecological "beer footprint" and the use of different environmentally friendly solutions. In 2023, 85.22% of all products and services purchased were sourced from domestic companies*. Within the share of domestic companies, 28.7% of products and services are provided directly by partners in Borsod-Abaúj-Zemplén county.

Building a long-term partnership is particularly important in the case of suppliers of raw materials used in brewing process, in order to ensure smooth production at the expected quality level. We constantly buy raw materials from Hungarian producers and farmers, thus providing them with predictability. In 2023, we significantly increased the share of domestically sourced barley and malt, including various specialty malts, with more than 54% sourced from domestic suppliers. Corn continues to be 100% sourced

domestically. Strict specifications have been set for all of our raw materials, which we also analyze on a regular basis. These specifications are reviewed with suppliers on an annual basis and amended as needed. Water is one of the primary raw materials for the production of beer. About our water treatment and water consumption please see the following chapters.

Borsodi Brewery is constantly working to significantly reduce its waste production and find ways to recycle waste.

** I.e. companies with a registered address / subsidiary in Hungary.*



Our environmental goals

Name of the target	Achievement in 2019	Achievement in 2020	Achievement in 2021	Achievement in 2022	Achievement in 2023	Targets - 2025
decrease in water use	5.011 hl / 1hl produced beer	4.36 hl / 1hl produced beer	4.40 hl / 1hl produced beer	4.48 hl / 1hl produced beer	4.64 hl / 1hl produced beer	4.38 hl / 1hl produced beer
decrease in electricity use	7.32 kW / 1hl produced beer	7.40 kW / 1hl produced beer	7.26 kW / 1hl produced beer	7.62 kW / 1hl produced beer	9.11 kW / 1hl produced beer	9.06 kW / 1hl produced beer
decrease in heat use	72.09 MJ / 1hl produced beer	69.7 MJ / 1hl produced beer	67.93 MJ / 1hl produced beer	68.79 MJ / 1hl produced beer	74.32 MJ / 1hl produced beer	78.10 MJ / 1hl produced beer
decrease in waste volume sent to landfill	total zero ton waste to landfill	total zero ton waste to landfill	total zero ton waste to landfill	total zero ton waste to landfill	total zero ton waste to landfill	total zero ton waste to landfill

Zero landfilled waste

Our aim is in line with the EU's ambition to minimize the amount of waste going to landfill. We sell and transfer packaging waste from our manufacturing processes to our waste management partners as secondary raw materials or for energy recovery. In addition, Borsodi Brewery also recycles waste from beer filtration and wastewater treatment as compost on its agricultural land, in accordance with the permits in force, and sells the brewing wort and waste yeast to feed producers and livestock farmers.

Since 2018, no production waste has been landfilled. Our responsibility is to maintain this result in the long run. Our employees also directly contributed to maintaining the results of 2023 by applying the rules of waste separation.

Change in the waste volume sent to landfill:

Year	Change in the waste volume sent to landfill (t)
2023	0
2022	0
2021	0
2020	0
2019	0
2018	0
2017	183,77
2016	192,31
2015	214,19

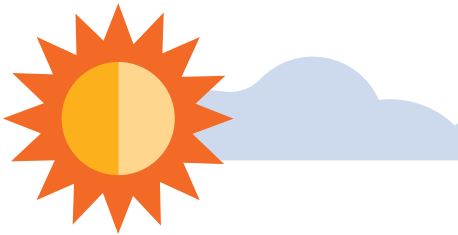


Energy

As a responsible company, we make an effort to ensure that the negative beer print and impact of our activities on the environment are as little as possible. One of the biggest factors that influence the impact of our operations is consumption of energies and their conversion to other (more sustainable) energies. For this reason, it is our main task to minimize this impact by making an effort to consume as little energy as possible and utilize it with as little loss as possible. In case of Borsodi Brewery, this applies to electricity, natural gas for steam generation, CO2, water and waste water as well.

For us to achieve energy reductions, we must be capable of measuring the energy and monitor the consumption trend long-term. To achieve the most efficient energy consumption, we use the Eurosense monitoring system. Not only does the system allow us to draw short- and long-term conclusions from the available data, but we are also able to determine optimal consumption. We are able to monitor energy consumption of individual installations and production plants. It offers the opportunity to identify sub-optimal consumption

and eliminate the cause of increased consumption. In the case of investments, it is particularly important that new equipment is fitted with a meter. We have set the main energy consumption goals up to 2025 and continuously seek opportunities for savings. These targets apply to the electricity, natural gas and hydropower consumption. We are committed to reducing our specific energy consumption by at least 30%, compared to 2016 data. In the context of responsible and efficient energy use, by December 2023, 497 kW of small solar power plants have been installed. From the second quarter of 2024, 1 292 solar panels of 460W will be installed on 15° tilted East-West oriented supports, thus making the daily production more balanced. The electricity produced by the system will be fully consumed, representing about 5% of the annual electricity demand of the site. The area of the flat roof used is 4 625 m², with an expected annual energy production of 523 824 kWh. For comparison, the annual electricity demand of an average Hungarian household is 2 523 kWh.





Water

A further important indicator in our brewery is water consumption. Water is one of the primary ingredients in brewing, essential for preparing our great drinks. At the same time, it is a very precious commodity, and, for this reason, it is necessary to handle it responsibly and avoid wasting it.

Borsodi Brewery extracts the water from its own 5 wells itself. The brewery produces the water used for the brewing using its own water treatment system; moreover, it also treats the wastewater itself. At the end of the process, the water returned to nature is perfectly clean.

A mixture of sewage sludge from wastewater treatment and silica sludge from beer filtration will be disposed of after 6 months of dewatering and accredited

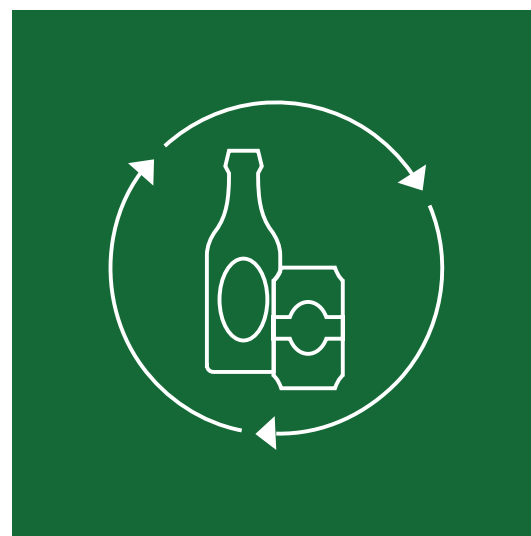
laboratory testing prior to disposal, as required by the relevant official permits. In 2023, the water consumption rate was 4.64 liters of water per liter of beer. In order to keep water consumption to a minimum, we strive to seize every opportunity, for example, to optimize use during water-intensive processes.

Our plans for 2024 and 2025 include upgrading the entire water treatment system to make our water use more efficient.

Packaging materials

Since 2010, as a member of the AHB, the Borsodi Brewery had also been closely cooperating with Returpack Ltd., which operated its vending machines for the return of aluminium beer cans and other aluminium cans at more than 120 locations until 30 June 2023. Thanks to the scheme, more than 100 million aluminium cans (1700 tons) are recycled every year.

In the first half of last year, tens of thousands of people have used the opportunities offered by the approx. 200 automatic reverse vending machines placed in busy shopping malls and supermarkets and returned the used aluminium cans, thereby they actively participated in the protection of the environment.



Emissions from beer production

From 14.09.2022, Borsodi Brewery has been exempted from the decree to carry out activities involving the emission of carbon dioxide greenhouse gases, as we have successfully reduced the number and input power of our combustion plants below the limit.

We are therefore no longer required to report CO2 emissions to the authorities. However, we consider it important to continue to monitor our gas emissions from an energy and environmental perspective, which we will continue to report in our annual environmental report.

Waste management

In 2023, the Borsodi Brewery generated 17.407 tons of waste. The amount of waste used as secondary raw material is 331 tons and the amount of waste recycled as energy recovery is 67 tonnes. In 2023, the Borsodi Brewery generated 17 407 tonnes of waste. The amount of waste used as secondary raw material is 331 tons, and the amount of waste used for energy recovery is 67 tons. From 1.07.2023, as a concession company, MOHU will be responsible for the reception, collection, transport and pre-treatment of municipal waste from households and businesses and waste from products covered by the extended producer responsibility scheme, its trading and transfer for treatment, as well as the maintenance, operation and development of the waste management facilities concerned.

Our long-term goal is to maintain the zero waste management results of 2018. Related to this topic is the treatment of brewers grains and waste yeast. These are by-products of brewing that are highly sought after by feed manufacturers and livestock keepers.

In 2023, the Borsodi Brewery sold 14.562 tons of brewers grains and 1.810 tons of waste yeast. Until 2023, the sludge from beer filtration and wastewater treatment was used as compost and disposed of on land. In 2023, our permit was not renewed by the environmental authority, so the disposal of the sludge generated is still being addressed.

Workplace safety, accident prevention

Our company is committed to ensuring health and safety at work in accordance with the legal requirements of Hungary and the European Union. Molson Coors has established its own set of criteria for the maintenance and regular internal control of the operation in accordance with the law, and also regularly audits the compliance of the brewery. Measured as a percentage, the result of the 2023 regional audit was 11% better than the 2022 audit, which we think is a very good result. Within the World Class Supply Chain 2.0 corporate governance system, we place emphasis on risk prevention, ensuring safe conditions both for our employees, and our suppliers, as well as for visitors to our brewery. We have set strict goals in the area of accidents and injuries up to 2025 with the ambition to achieve zero working day loss and/or injuries that require treatment by a physician.

Unfortunately, in 2023 we had two accidents that resulted in two working

days losses. In one case, our own employee was injured and in the other, an external service worker was injured. In 2024, we are working towards a zero number of accidents in the next sustainability report. In order to achieve these goals, we continuously improve our equipment and processes: with these innovations and modern corporate management methods, we want to provide a safe working environment.

In October 2023, the now traditional Work Safety Day took place again, this time organised and executed with the help of an external partner company, Promix Ltd. Based on the positive feedback from our colleagues, we were able to highlight the most important hazards and accident prevention strategies on the site.

Logistics

In connection with customer service, we optimise the running of trucks, constantly increasing the outreach of trucks. In 2023, we have increased our utilisation rate by 2% and the share of one-way transport by 2.6% compared to the previous year, which has led to a significant reduction in the amount of fuel used.

One of the main objectives of the optimisation project we have launched in domestic and international transport is transport operators providing us with the latest EURO 6 vehicles. In 2023, 85% of the cars we move were of this standard.

We will continue to optimise the delivery of imported products, delivering goods directly from the exporting party's factory to a number of customers in the Central Hungarian region, reducing the number of trucks running during the supply process.



Reporting period:

This report covers the period from
1 January to 31 December 2023.

BORSODI SÖRGYÁR KFT.

Place of incorporation and brewery: 3574 Böcs, Rákóczi utca 81.

Budapest HQ: 1138 Budapest, Váci út 189-191., 2nd floor

Central e-mail: borsodisorgyar@molsoncoors.com

Press contact: FleishmanHillard Café, Péter Szatmári, szatmari.peter@fhcafe.hu

Visitor center pre-registration: latogatokozpont@borsodi.hu