

Opening
a
better
future



ANNEX 2021
INTEGRATED
ANNUAL
REPORT



2021 INTEGRATED ANNUAL REPORT

ANNEX: ANNUAL PERFORMANCE
QUANTITATIVE DATA

STRATEGY AND RISK MANAGEMENT
TO SERVE THE CONSUMER
CARING FOR PLANET
TAKING CARE OF PEOPLE
CREATING SHARED VALUE
WITH ETHICS AND TRANSPARENCY

STRATEGY AND RISK MANAGEMENT

STRATEGY AND RISK MANAGEMENT

Sustainability

Among the main contributions given as part of the support and commitment of Arca Continental with the Sustainable Development of the Industry are the following:

Organization	Contribution in million MXN pesos 2021
ECOCE	.95
ICBA	5.00
ConMéxico	6.68

Below are the main philanthropic contributions aligned with our corporate principles, global sustainability strategy and resource allocation policies. To calculate management overheads, we consider costs associated with the amount of time our PACS team spends on community relations activities:

Contribution	Contribution in million MXN pesos 2021
Cash contributions	150.8
In-kind giving	11.2
Management costs (overheads)	57.2

Alliances by Country

México
Asociación de Embotelladoras Mexicanas de Coca-Cola (ASCOCA) MEXICO
Asociación Nacional de Productores de Refresco y Aguas Carbonatadas (ANPRAC)
Cámara de la Industria Alimenticia de Jalisco (CIAJ)
Cámara de la Industria de la Transformación Nuevo León (CAINTRA)
Comisión de Estudios del Sector Privado para el Desarrollo Sustentable (CESPEDES)
Confederación de Cámaras Industriales de los Estados Unidos Mexicanos (COCAMIN)
Confederación Patronal de la República Mexicana (COPARMEX)
Confederación Patronal de la República Mexicana en Nuevo León (COPARMEX NL)
Consejo Consultivo del Agua (CCA)
Consejo Coordinador Empresarial (CCE)
Consejo de Cuenca Baja California Sur
Consejo de Cuenca del Río Bravo
Consejo de Cuenca del Río Presidio al Río San Pedro
Consejo de Cuenca Nazas-Aguanaval
Consejo Mexicano de la Industria de Productos de Consumo (ConMéxico)
Consejo Mexicano de Negocios (CMN)
Consejo Nacional Agropecuario (CNA)
ECOCE, A.C.
Fondo Ambiental Metropolitano de Monterrey (FAMM)
Perú
ALOXI - Alianza Obras por Impuestos PERU
Asociación de Bebidas y Refrescos Sin Alcohol del Perú
Asociación de Bodegueros del Perú
Asociación de Buenos Empleadores
Asociación Peruana de Recursos Humanos
Banco de Alimentos
Cámara de Comercio Americana del Perú
Cámara de Comercio Peruano Mexicana
Instituto Peruano de Acción Empresarial - IPAE
Nexos + 1

Perú Sostenible
Sociedad Nacional de Industrias
Sociedad Peruana de Marketing
Soluciones Empresariales contra la Pobreza
Water Resources Group
Ecuador
Alianza para el Emprendimiento y la Innovación – AEI
Asociación de Bebidas No Alcohólicas del Ecuador - AIBE
Asociación de Fabricantes de Alimentos y Bebidas - ANFAB
Cámara de Industrias de Guayaquil - CIG
Cámara de Industrias y Producción - CIP
Cámara Ecuatoriano Americana - AMCHAM
Cámara Ecuatoriano Mexicana - COMECUAMEX
Centro de Industrias Lácteas - CIL
Argentina
Agencia para el Desarrollo Economico de Catamarca
Asociación Argentina de Fabricantes de Coca-Cola
Cámara de Bebidas sin alcohol Argentina
Cámara de Comercio Argentina Mexicana
Centro Azucarero Regional de Tucumán
Conscientes: promover recuperacion espacios verdes y cuidado ambiental (Tucumán)
Federación Económica de Tucumán
Foro de empresas sostenibles de Tucumán: promover ODS
International Council of Beverages Associations LATAM
Norte Sustentable: promover ODS
ONU Mujeres: Promover la Igualdad de Genero
Re-Circular: Promover educación ambiental y economía circular
United States
100 Black Men of Houston USA
8 million stories
French-American Chamber of Commerce
Mexican American Legislative Caucus
North Texas LGBT Chamber
Oklahoma Hispanic Chamber of Commerce
Pride Across Texas
She is a CEO
TABCCM - TX Assoc. of Black City Council Members
Texan French Alliance for the Arts
Texas Legislative Black Caucus
Texas LULAC
Texas NAACP
Texas Senate Hispanic Caucus
The Lawson Academy(Lawson Institute)
TSU FOUNDATION
US-MEXICO BORDER SUMMIT 2021

STRATEGY AND RISK MANAGEMENT

Risk management

(TCFD 1.a.)

The Audit and Corporate Practices Committee is the department responsible for managing risks in our Board, and it is exclusively composed of Independent Directors. It is worth mentioning that all of our Directors receive continuous training in risk management topics. The following table shows Director experience regarding Enterprise Risk Management (ERM) in operational positions.

Directors in Arca Continental with ERM experience	
Independent	5
Patrimonial	5
Total	10

(TCFD 1.b.) (TCFD 3.a.) (TCFD 3.b.)

The Board of Directors, the Audit and Corporate Practices Committee (composed only of Independent Board Members), the Senior Management and the Risk Committee Coordination supervise our risk management process. To guarantee an appropriate risk identification, evaluation, management and mitigation, we rely on experts that handle risk in each of our business areas and have specific responsibilities.

Risk management responsible associates in Arca Continental		
Area	Leaders	Participants
Public Affairs	11	27
Finance	9	56
Judicial / Ethics	9	38
Quality / Safety / Environment	6	24
Supply Chain	6	31
Human Capital	5	39
Logistics	1	23
IT	1	4
Operations / Commercial	1	36
Communications	1	53
Engineering	0	8
Sustainability	0	41
Audit	0	39
Total	50	419

(TCFD 3.a.) (TCFD 3.b.)

As part of our actions to transform the risk management process in our business, we developed an e-learning tool targeted at directors, managers and leaders with the intention of raising awareness of our exposure to internal and external risks and their early mitigation.

Since 2021, we have trained more than 1,700 associates, as the following table shows.

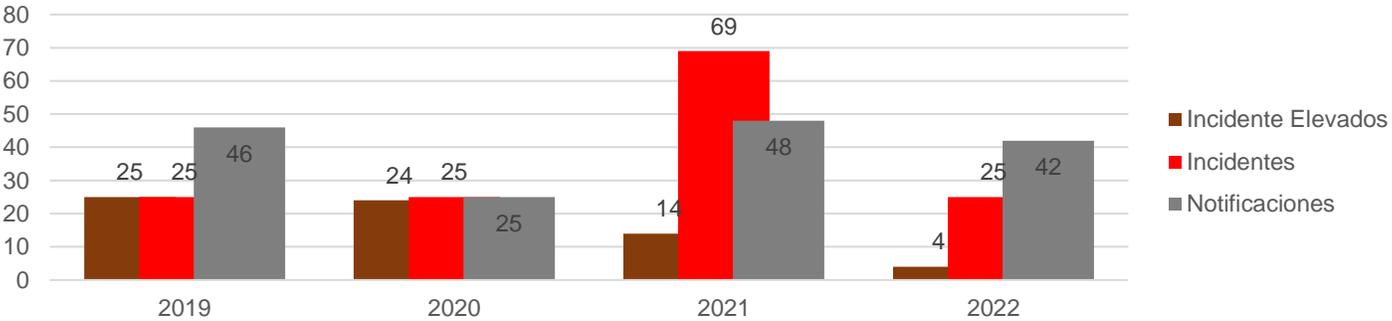
Arca Continental associates that received risk management e-learning

Directors	80
Managers	400
Leaders	1300
Total	1780

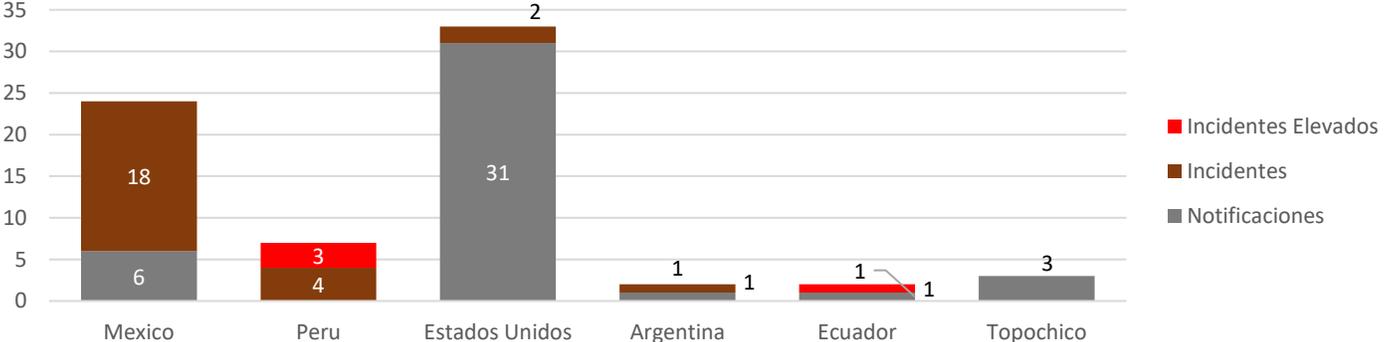
(GRI 2-25)

In order to strengthen our crisis management, we have deployed the IMCR SIGO platform in all our operational regions. The platform provides our associates with past crisis management based on incidents that have occurred in our operations. The next figures show SIGO’s identified and managed crisis.

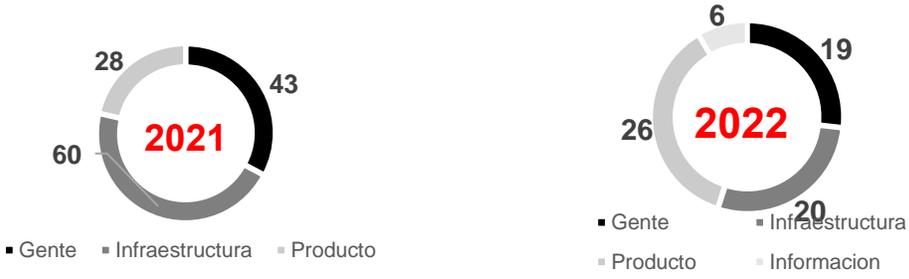
Number of incidents and detected crisis (2019-2022)



Crisis classification by country (2022)



Crisis classification by type



**TO SERVE
THE CONSUMER**

Suppliers

Suppliers evaluated with the EcoVadis platform.

	Total suppliers evaluated
Mexico	31
Peru	14
Ecuador	13
Argentina	3

We have the following certifications in force during 2021 in our production centers:

	ISO 9001 (QUALITY)	ISO 14001 (ENVIRONMENT)	FSSC/ISO 22000 (FOOD SAFETY)	ISO 45001 (SECURITY AND HEALTH)
Total Certifications	39	36	34	36
% of Operating Centers with certifications in force	87%	80%	76%	80%

100% of our Operating Centers have obtained an ISO 14001 certification, however, during 2021 only 80% of them had the current valid certification.

(GRI 204-1)

Out of all our suppliers, 97% of them are local. For our international suppliers, we keep track on the country of operation they belong to, as well as its category.

Country	Local	International
Mexico	7,256	87
Argentina	1,525	14
Peru	1,824	172
Ecuador	2,126	149

(TCFD 4.a.) (TCFD 4.c.)

Taking the supplier assessment into consideration, as well as our strategy as a sustainable business, we have established the following goals to satisfy our Sustainable Purchase Program:

	Objectives	Performance indicators	Progress by the end of 2021	Progress 2022	2025 goal
Program deployment	1. Perform a sustainability assessment on all our critical suppliers.	Critical suppliers evaluated	72	107	250
		% of critical suppliers evaluated	28%	43%	100%
Targets of improvement	2. 75% of our critical suppliers have a minimum EcoVadis global score of 45 and 40 as a partial score.	% of suppliers that satisfy the requirement	66%	68%	75%
		3. Adequate disclosure practices regarding ESG topics in our evaluated critical suppliers.	% of critical suppliers that report CO2 emissions	43%	49%
	% of critical suppliers that answer the CDP climate questionnaire		35%	40%	43%
	% of critical suppliers that report their energy consumption		54%	58%	62%
	% of critical suppliers that provide evidence of being unrelated to child labor, forced labor or human trafficking		36%	35%	28%
	% of critical suppliers that have and follow a sustainable purchase policy		43%	45%	51%
	% of critical suppliers that have and follow an anticorruption policy		72%	74%	80%
	% of critical suppliers that report their health and safety indicators		57%	59%	65%
	4. Continuous improvement measures regarding sustainable performance in our critical suppliers.	% of critical suppliers that continuously improve their practices over energy consumption	61%	60%	69%
		% of critical suppliers that use renewable energy in their operations	38%	43%	46%
		% of critical suppliers that take measures to reduce their water consumption	40%	40%	48%
		% of critical suppliers that have an ISO 14001 Certification (in at least one of their sites)	49%	44%	57%
	Adoption	5. Once every 2 years, reevaluate our critical suppliers	% of critical suppliers that went through a reevaluation process	-	60%

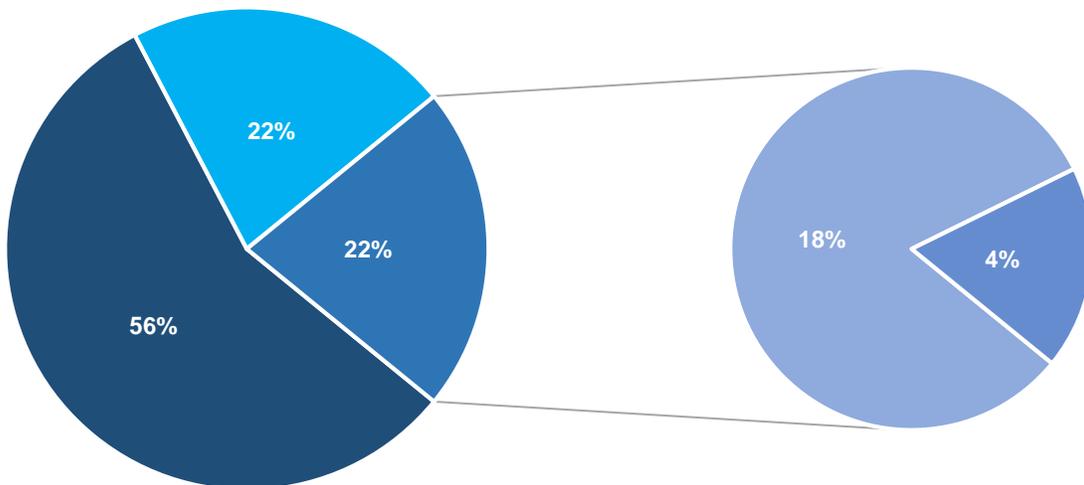
	whose global EcoVadis score is greater than 45 and once a year those whose score is 45 or lower.	% of critical suppliers that went through a reevaluation process and increased their global score	-	55%	50%
Individual performance	6. Continuous improvement plans for evaluated critical suppliers that indicate sustainability risks.	% of critical suppliers that have been requested to perform a corrective action plan, which is aligned to AC's sustainable priorities	-	69%	100%
	7. Map the sustainable risks in our supply chain, considering assessment validity.	% of critical suppliers with a 36-month or less valid evaluation	-	100%	75%

(GRI 308-1) (GRI 308-2) (GRI 414-1 GRI 414-2)

By the end of May 2022, 143 suppliers were evaluated. 63% of them have undergone a reevaluation, followed by a 3.7 point increase if compared to their previous year's score. The following graph shows the performance of critical suppliers that were reevaluated last year.

Reevaluated critical suppliers score trend

■ Improves ■ Remains ■ Decreases (remains >45) ■ Decreases (<45)



CARING FOR THE PLANET

CARING FOR THE PLANET

Environmental Management

Biodiversity

Before constructing an operational or distribution center, we conduct environmental impact assessments with biodiversity protection criteria. We ensure that operations are not built in UNESCO-listed or IUCN-listed protected natural areas or mega-diverse areas¹. In the last five years, we conducted an environmental impact assessment at the North Point operating center with a total area of 182,958 m², and at three operating centers in Mexico with an area of 38,487 m². These sites are located on properties with industrial land use.

Water Footprint

Making Water Use Efficient

Historical water consumption index² (Liters of water / Liter of beverage produced)

	2019	2020	2021
Mexico	1.51	1.48	1.46
United States	1.59	1.50	1.45
Peru	1.91	1.76	1.69
Ecuador beverages	1.80	1.72	1.70
Argentina	1.80	1.70	1.63

Water withdrawal by source³ (thousands of m³) - Beverages

(GRI 303-3) (SASB - FB-NB-140a.1; FB-MP-140a.1; FB-PF-140a.1)

Water withdrawal by source	Municipal network	Own wells	Not attributable	Surface water bodies	Recovered from the rain	Total
México	1,581.69	8,568.47	56.60	-	-	10,093.56
Estados Unidos	2,775.15	-	-	-	-	2,775.15
Perú	169.65	2,517.58	0.09	-	-	2,687.15
Ecuador bebidas	566.85	774.45	20.66	-	-	1,320.64
Argentina	271.16	932.38	17.71	-	-	1,185.83

Water withdrawal by source (thousands of m³) - Snacks

(GRI 303-3) (SASB - FB-PF-140a.1)

	Municipal network	Own wells	Surface water
Mexico	37.29	-	-
United States	16.50	542.27	-
Ecuador	51.96	-	-

Water withdrawal by source⁴ (thousands of m³) –Tonicorp/IPASA/Famaillá

(GRI 303-3) (SASB - FB-MP-140a.1; FB-PF-140a.1)

	Municipal network	Own wells	Surface water bodies
Famaillá	-	3,041.28	4,149.60
IPASA	2.45	-	-
Tonicorp	247.47	-	-

¹ International Union for Conservation of the Environment

² The calculation of these indicators consolidates information from our beverage businesses in all countries where we operate, except for the plant located in Famaillá, Argentina.

³ The calculation of this indicator consolidates the information from all our beverage businesses in the countries where we operate, except for the plant located in Famaillá, Argentina.

⁴ Information about our operations at Tonicorp, IPASA and the plant located in Famaillá, Argentina.

Reuse and Water Treatment

Volume of water reused (thousands of m³) - Beverages

	Recycled and/or reused water	Wastewater delivered to a third party for reuse	Reused/recycled treated wastewater
Mexico	792.92	65.05	444.91
United States	-	-	-
Peru	112.53	-	172.51
Ecuador	96.20	-	55.87
Argentina	181.15	-	40.83

Volume of water reused ⁵ (thousands of m³) – Tonicorp/IPASA/Famaillá

	Recycled and/or reused water	Wastewater delivered to a third party for reuse	Reused/recycled treated wastewater
Famaillá	1,530.13	-	-
Tonicorp	-	-	202.73

Wastewater discharge by type of treatment (thousands of m³) - Snacks

(GRI 303-3)

Water discharge		Municipal network				Surface water bodies				Delivered to third party
Treatment type		No Treatment ⁶	Primary	Secondary	Tertiary	No Treatment	Primary	Secondary	Tertiary	Primary treatment
Mexico	2021	43.03	-	-	-	-	-	-	-	0.66
United States	2021	-	-	-	148.96	-	-	316.05	-	-

Wastewater discharge by type of treatment⁷ (thousands of m³) - Other businesses

(GRI 303-3)

Discharges		Municipal network				Surface water bodies			
Treatment type		No Treatment ⁸	Primary	Secondary	Tertiary	No Treatment	Primary	Secondary	Tertiary
Famaillá	2021	-	-	-	-	10,063.68	-	-	-
Tonicorp	2021	-	-	-	79.98	-	-	-	-

⁵ Information on non-beverage businesses such as Tonicorp (dairy products), IPASA (plastics) and Ingenio Famaillá located in Argentina.

⁶ It is discharged to the municipal network for treatment.

⁷ Information about our operations of Tonicorp and the plant located in Famaillá, Argentina.

⁸ It is discharged to the municipal network for treatment.

Wastewater discharge by type of treatment (thousands of m³) - Beverages⁹

(GRI 303-3)

Source	Municipal network				Own wells				Surface water bodies		
	No Treatment ¹⁰	Primary	Secondary	Tertiary	No Treatment ¹¹	Primary	Secondary	Tertiary	No Treatment	Primary	Secondary
México	44.85	13.67	1,321.13	9.11	-	-	-	-	-	913.49	-
Estados Unidos	499.70	-	197.06	-	-	-	-	-	-	-	-
Perú	-	44.58	551.18	-	-	-	-	-	311.21 ¹²	196.20	0.88 ¹³
Ecuador	-	-	245.12	62.80	-	-	-	-	-	-	-
Argentina	-	-	95.22	-	-	-	-	-	-	212.93	-

Volume of treated water by type of treatment¹⁴ (thousands of m³) - Beverages

(GRI 303-3)

Treatment type	No Treatment	Primary	Secondary	Tertiary	
Mexico	2019	159	205	1,940	228
	2020	99.01	-	1,826.13	239.64
	2021	44.85	13.67	2,234.62	9.11
United States	2019	649	159	395	-
	2020	460.18	-	183.82	-
	2021	499.70	-	197.06	-
Peru	2019	48	47	910	426
	2020	-	-	278.98	-
	2021	311.21	44.58	747.38	0.88
Ecuador	2019	12	37	732	-
	2020	-	-	116.94	272.23
	2021	-	-	245.12	62.80
Argentina	2019	105	-	342	-
	2020	-	-	416.22	-
	2021	-	-	308.15	-

Volume of treated water by type of treatment¹⁵ (thousands of m³) - Snacks

(GRI 303-3)

Treatment type	No Treatment	Primary	Secondary	Tertiary
Mexico 2021	43.03	-	-	-
United States 2021	-	-	316.05	148.96
Ecuador 2021	-	-	-	-

Volume of treated water by type of treatment¹⁶ (thousands of m³) - Other businesses

(GRI 303-3)

Treatment type	No Treatment	Primary	Secondary	Tertiary
Famaillá 2021	10,063.68	-	-	-
Tonicorp 2021	-	-	-	79.98

⁹ Water discharge in Argentina, Peru (Zarate) and CCSWB(EI Paso and McAllen) are not directly quantified but rather estimated using the total volume of water extracted and liters of beverage produced.

¹⁰ It is discharged to the municipal network for treatment by the corresponding authorities.

¹¹ It is discharged to the municipal network for treatment by the corresponding authorities.

¹² Corresponds to clean water that goes directly into the sea.

¹³ 2021 was the first year in which Perú received tertiary treatment.

¹⁴ The data presented does not consider water delivered to a third party.

¹⁵ The data presented does not consider water delivered to a third party.

¹⁶ The data presented does not consider water delivered to a third party. Information about our operations of Tonicorp, IPASA and the plant located in Famaillá, Argentina.

CARING FOR THE PLANET

Carbon Footprint

Reducing GHG emissions¹⁷

Emissions per liter of beverage

(GRI 305-4; 305-5)

GHG emissions index (gr CO ₂ eq / Liter of Beverage)	2021
Mexico	26.17
United States	31.93
Peru	14.02
Ecuador	23.18
Argentina	22.58

Scope 1 Greenhouse Gas Emissions generated in 2021 - tCO₂e

(GRI 305-1)

	Beverages ¹⁸	Snacks ¹⁹	Other Businesses ²⁰
Mexico	108,138.30	5,499.96	113.63
United States	49,712.31	16,447.62	-
Peru	10,313.94	-	-
Ecuador	16,331.74	4,641.70	10,295.95
Argentina	8,326.07	-	68,768.43

Scope 2 Greenhouse Gas Emissions generated in 2021 - tCO₂e

(GRI 305-2)

	Beverages	Snacks ²¹	Other Businesses ²²
Mexico	72,983.04	2,572.88	3,248.43
United States	11,259.57	4,660.66	-
Peru	12,023.77	-	-
Ecuador	1,706.1	235.17	13,489.51
Argentina	8,097.57	-	4,346.43

Scope 1 Greenhouse Gas Emissions generated in 2021 – Distribution Centers²³

(GRI 305-1)

	AC total (tCO ₂ e)
Mexico	109,525.3
United States	24,405.8
Peru	3,809.58
Ecuador	7,786.7
Argentina	533

Scope 2 Greenhouse Gas Emissions generated in 2021 – Distribution Centers²⁴

(GRI 305-1)

	AC total (tCO ₂ e)
Mexico	7,743.2
United States	5,685.3
Peru	-
Ecuador	525.3
Argentina	804.7

¹⁷ Since 2021, emission factors generated by The Coca-Cola Company were used for the estimation of GHG emissions. This change could alter the historic tendency of Arca Continental's emissions reduction

¹⁸ It considers the electricity and heat generated and covers all the production centers of our beverage businesses in the countries where we operate, except for Ingenio Famaillá in Argentina. It excludes emissions caused by refrigerants.

¹⁹ It considers both the electricity and heat generated and covers all the production centers of our snacks businesses.

²⁰ It covers the operations of Tonicorp's production centers, IPASA and the plant located in Famaillá, Argentina.

²¹ Electricity and heat generated of all the production centers of our snacks businesses in the countries where we operate

²² It covers the operations of Tonicorp's production centers, IPASA and the plant located in Famaillá, Argentina

²³ The verification process performed by an individual third party did not cover this indicator

²⁴ The verification process performed by an individual third party did not cover this indicator

Consuming energy from renewable sources

Electric power consumption 2021 – MJ (Mega Joules)

(GRI 302-1) (SASB - FB-NB-130a.1)

	Beverages	Snacks	Other Businesses ²⁵
Mexico	512,866,869	21,896,834	27,646,218
United States	105,558,496	43,693,650	-
Peru	214,284,952	-	-
Ecuador	-	-	-
Argentina	101,219,727	-	5,173,984

Renewable electric power consumption 2021 – MJ (Mega Joules)

(GRI 302-1) (SASB - FB-NB-130a.1)

	Beverages	Snacks	IPASA and Famaillá ²⁶
Mexico	225,390,200	-	-
United States	200,431,187	-	-
Peru	-	-	-
Ecuador	99,542,955	13,721,348	87,800,088
Argentina	-	-	42,900,120

Renewable and non-renewable electricity consumption 2021 - MWh (Megawatts - hour)

(GRI 302-1) (SASB - FB-MP-130a.1)

Electric power consumption	2019	2020	2021
Non-renewable electric power	317,616	345,788	286,761
Renewable electric power	138,963	131,360	186,051

Renewable and non-renewable 2021 electrical energy consumption in MWh (Megawatts-hour) – Distribution Centers²⁷

(GRI 302-1) (SASB - FB-MP-130a.1)

	Renewable energy	Non-renewable energy
Mexico	7.33	417,102.86
United States	9,623.51	130,859.10
Peru	2,580.04	16,379.91
Ecuador	-	34,393.42
Argentina	-	4,410.33

Fuel consumption (stationary sources)²⁸ – MJ (Mega Joules)

(GRI 302-1) (SASB - FB-NB-110a.1)

	Beverages	Snacks	Other Businesses ²⁹
Mexico	569,539,196	105,791,291	427,945-
United States	237,046,144	258,164,751	-
Peru	139,220,294	-	-
Ecuador	117,099,762	71,880,797	136,557,737
Argentina	110,363,645	-	1,262,692,195

Fuel consumption (mobile sources) – MJ (Mega Joules)

(GRI 302-1) (SASB - FB-NB-110a.1)

	Beverages	Snacks	Other Businesses ³⁰
Mexico	992,883,657	2,147,306	1,522,011
United States	366,657,950	47,672,397	-
Peru	47,256,189	-	-
Ecuador	97,361,778	-	25,589
Argentina	25,676,654	-	44,111,175

²⁵ The information covers the operations of IPASA's production centers and the Famaillá sugar mill in Argentina.

²⁶ The information covers the operations of Tonicorp's production centers and the Famaillá sugar mill in Argentina.

²⁷ The verification process performed by an individual third party did not cover this indicator

²⁸ Considers all production centers of our businesses in the countries where we operate.

²⁹ The information covers the operations of IPASA, Tonicorp's production centers and the Famaillá sugar mill in Argentina.

³⁰ The information covers the operations of IPASA, Tonicorp's production centers and the Famaillá sugar mill in Argentina.

Packaging and Waste

Designing sustainable packaging

Use of total packaging materials (non-plastic)

(GRI 301-1) (SASB - FB-NB-410a.1; FB-NB-410a.2; FB-PF-410a.1; FB-PF-410a.2)

2021	Total weight (metric tons)	Recycled and/or certified material (% of total weight)
Fiberboard/paper packaging ³¹ 2021	59,372.07	50%
Glass containers 2021	312,973.24	30.1%
Fiberboard/paper packaging 2020	56,452	63%
Glass containers 2020	373,494	0.2%

Use of total packaging materials (plastic)³²

(GRI 301-1) (SASB - FB-NB-410a.1; FB-NB-410a.2; FB-PF-410a.1; FB-PF-410a.2)

Packaging (Plastics)	2019	2020	2021
Total weight (Tons) of plastic containers	256,347	250,108	255,672
Percentage of recyclable plastic containers	99.90%	99.90%	99.90%
Percentage of recycled content in plastic containers	15%	13%	14%

Increasing recycling

Total percentage of rPET used as an input

Country	%rPET
Mexico	20.43%
United States ³³	45.87%
Peru	31.69%
Ecuador	21.78%
Argentina	8.36%

Use of PCR PET and Bio PET to replace virgin material³⁴

(GRI 301-1) (SASB - FB-NB-410a.1; FB-NB-410a.2; FB-PF-410a.1; FB-PF-410a.2)

		% de PET PCR and Bio PET	PET PCR (tons)	Bio PET (tons)
Mexico	2019	29.30	24,810	-
	2020	24.40	19,787	-
	2021	20.40	17,792	-
United States	2019	14.60	416	4,301
	2020	34.70	6,897	4,795
	2021	53.10	14,212	2,254
Peru	2019	27.50	7,988	-
	2020	32.10	7,981	-
	2021	31.70	9,693	-
Ecuador	2019	23.10	4,040	-
	2020	22.30	3,180	-
	2021	21.80	3,274	-
Argentina	2019	10.10	777	-
	2020	10.10	686	-
	2021	8.40	764	-

³¹ Contemplates corrugated and paperboard only

³² Includes primary and secondary packaging, from bottle, cap and label to shrink and pallet.

³³ Only rPET, 53.15% recycling if rPET and BioPET are considered.

³⁴ Data for 2021 are reported as of November 2021

Industrial waste management

Waste management percentage

(GRI 306-4) (GRI 306-5)

	2021
Recycling	84.54%
Hazardous waste	0.81%
Landfill	30.95%
Non-hazardous waste	99.19%

Amount of waste generated and recycled³⁵

(GRI 306-4)

	Waste generated (thousands of tons)	Recycled waste (thousands of tons)	Percentage of recycled waste (%)
México	61.99	60.85	98.17%
Estados Unidos	17.13	15.25	89.02%
Perú	11.76	11.18	95.01%
Ecuador	10.04	7.26	72.28%
Argentina	48.62	31.89	65.58%

³⁵ The values reported in this table consider the sum of waste generated and recycled from all our businesses (beverages, snacks, Tonicorp and IPASA) in their respective countries of operation.

Generated and recycled waste management (ton) - Beverages

(GRI 306-3)

Category	Waste generated	Recycling percentage
Aluminum	572.70	100%
Debris	3,484.24	99.98%
Tires	219.42	99.10%
PTAR Sludge	8,210.66	76.33%
Reactor Sludge	5.46	-
Wood	10,046.87	99.99%
Ferrous metal	2,914.26	100%
Non-Ferrous metal	128.85	99.99%
Paper and cardboard	9,662.69	99.26%
PET	7,474.91	100%
HDPE	1,840.02	99.29%
LDPE	932.47	100%
Tetrapack	18.73	100%
Hazardous waste	1,175.02	100%
Polypropylene and BOPP	821.72	100%
Plastic (others) (PS,PVC,PC)	4,720.42	100%
Electronic waste	15.54	99.23%
Urban Solid Waste	5,144.25	63.67%
Glass	35,132.62	100%
Others	1047.49	77.04%
Batteries	4.47	100%
Organic waste	200.53	100%
Total	93,773.34	95.79%

Generated and recycled waste management (ton) - Snacks
(GRI 306-3)

Industrial waste category	Mexico		United States		Ecuador	
	Waste generated	Recycling percentage	Waste generated	Recycling percentage	Waste generated	Recycling percentage
Aluminum	1.23	100%	-	-	-	-
Debris	-	-	-	-	13.24	0
Tires	-	-	-	-	14.97	0
PTAR Sludge	-	-	415.72	100%	-	-
Reactor Sludge	-	-	-	-	-	-
Wood	58.74	100%	0.74	-	-	-
Ferrous metal	46.94	100%	-	-	-	-
Non-Ferrous metal	1.72	100%	-	-	-	-
Paper and cardboard	827.5	100%	814.92	90.69%	225.63	100%
PET	0.04	100%	-	-	-	-
HDPE	5.74	114%	-	-	18.31	0
LDPE	28.68	97.07%	-	-	19.50	0
Polypropylene and BOPP	-	-	111.57	0	-	-
BOPP Plastics	35.85	81.37%	-	-	19.64	-
Plastic (others) (PS,PVC,PC)	0.68	-	-	-	-	-
PC	-	-	-	-	13.83	0
Electronic waste	-	-	-	-	9.68	0
Batteries	-	-	-	-	31.18	0
Organic waste	1,563.65	99.62%	3,498.65	99.04%	1,833.48	13.29%
Urban Solid Waste	1,087.01	0	1.49	0	834.46	100%
Hazardous Waste	1.72	0.92%	-	-	-	-
Tetrapack	-	-	-	-	-	-
Glass	-	-	-	-	-	-
Vegetable Oil	39.30	98.19%	1,138.90	100%	214.26	100%
Others	-	-	-	-	22.89	-
Metal	-	-	-	-	-	-

Generated and recycled waste management ³⁶ - Other Businesses

(GRI 306-3)

Industrial waste category	TONICORP		IPASA		FAMAILLA	
	Amount of waste generated (Ton)	Recycling percentage (%)	Amount of waste generated (Ton)	Recycling percentage (%)	Amount of waste generated (Ton)	Recycling percentage (%)
Aluminum	6.84	100%	-	-	-	-
Debris	-	-	-	-	-	-
Tires	-	-	-	-	-	-
PTAR Sludge	-	-	-	-	-	-
Reactor Sludge	-	-	-	-	-	-
Wood	41.09	100%	-	-	33.20	100%
Ferrous metal	9.00	100%	-	-	53.62	100%
Non-Ferrous metal	-	-	-	-	-	-
Paper and cardboard	696.34	100%	-	-	-	-
PET	15.20	100%	-	-	-	-
HDPE	-	-	2,293.44	100%	-	-
LDPE	-	-	-	-	-	-
Polypropylene and BOPP	-	-	-	-	-	-
BOPP Plastics	-	-	-	-	-	-
Plastic (others) (PS,PVC,PC)	266.10	100%	-	-	-	-
PC	-	-	-	-	-	-
PP	-	-	-	-	59.25	100%
Electronic waste	-	-	-	-	-	-
Batteries	-	-	-	-	-	-
Organic waste	533.63	100%	-	-	-	-
Urban Solid Waste	581.70	-	13.21	-	143.93	-
Hazardous Waste	9.39	12.23%	-	-	26.96	-
Tetrapack	42.80	100%	-	-	-	-
Glass	62.31	100%	-	-	-	-
Vegetable Oil	-	-	-	-	-	-
Others	-	-	-	-	37,920	59.62%
Metal	-	-	-	-	-	-

³⁶ The information reported in this indicator covers the operations of Tonicorp, IPASA and the plant located in Famaillá, Argentina.

TAKING CARE OF PEOPLE

TAKING CARE OF PEOPLE

Associates

Creating a Safe Working Environment

Deaths and injuries due to occupational accidents, by operation

(GRI 403-9)

Operation	Deaths resulting from occupational injuries		Lost-time work-related injuries (includes high and low severity)	
	Associates	External collaborators	Associates	External collaborators
Mexico ³⁷	1	0	226	1
Argentina	0	0	12	20
Peru ³⁸	0	0	13	0
Ecuador ³⁹	1	0	21	0
United States ⁴⁰	0	-	11	-

Hours of operation lost due to associate accidents⁴¹ - Beverages

Country	LTIR	Lost time incident
Mexico	0.385	181
United States	0.141	11
Peru	0.155	13
Ecuador	0.246	21
Argentina	0.447	12
TOTAL	0.363	238

Hours of operation lost due to associate accidents⁴² - Complementary businesses

Business	LTIR	Lost time incident
Topochico	0.680	4
Bokados	1.469	45
IPASA	-	-
BBOX	0.743	6
Procesa	0.773	21
Wise	0.390	3
VendSac	0.516	3
VendTech	1.275	3
Tonicorp	0.110	5
Inalecsa	0.087	2

³⁷ Bebidas Mundiales y Distribuidora, Bokados and Topo Chico³⁸ Peru's indicator considers associates, in house contractors and casual contractors³⁹ Beverages, Tonicorp and Inalecsa⁴⁰ Only includes CCSWB⁴¹ The information presented covers exclusively the operations of our beverage businesses in their respective countries of operation.⁴² The information presented covers the operations of our complementary businesses in their respective countries of operation

Injury caused by occupational accident

(GRI 403-9)

Operation	Main types of injuries	Major occupational hazards that may pose a risk of injury	Measures taken to eliminate hazards and minimize risks
Mexico	Sprains, overexertion, slips, trips, falls, blows, lacerations, burns, falls from materials of this or different levels	Old machinery, unsuitable floors, process equipment surfaces, road behavior, noise greater than 85 dB, slippery or uneven floors, manual handling of loads, entanglements, burns, harmful chemicals by inhalation, objects that can fall from heights, inadequate postures or movements.	Implementation of controls, preventive observations on unsafe acts, recognition of safe acts or success stories, maintenance programs, signage, training in safe procedures, correct use of PPE, training, control programs, 5-minute safety talks.
Argentina	Lacerations or punctures, blows, slips, trips or falls, hearing loss, etc.	Bottle explosions, slippery surfaces, exposure to loud noises, chemical exposure, repetitive movements.	In the case of repetitive motions, one of the sources is being attacked, which is the <i>picking</i> . In places with high noise, we are working on insulation engineering, in order to generate an EPC.
Peru	Sprains or overexertion, trips or falls	Lack of attention to work	Occupational health and safety training, action plans, prevention programs, etc.
Ecuador	Shock, laceration or puncture, tripping or falling, twisting or straining, vehicle handling	Manual handling of loads, falls to different levels, collisions with forklifts or vehicles.	a14 lsr program, safe driving, safety rating, audit and inspection program, iso 45001 certifications, safety investments (sci and facility improvements), hop, sif-sifp program. Active breaks, AC+ movement, preventive health program, improvement of working conditions, ergonomic evaluations, etc.
United States	Shock, laceration or puncture, tripping or falling, twisting or straining, vehicle handling	Vehicle handling, slippery surfaces, entrapment.	Daily general safety messages by e-mail, mandatory review of the Job Hazard Analysis protocol for workers exposed to hazardous activities at the time of hiring, weekly incident review meetings, monthly on-site Safety Committee meetings.

Occupational diseases and illnesses, by operation

(GRI 403-10)

Operation	Associates			External collaborators (third parties)		
	Deaths resulting from occupational illness or disease	Cases of occupational disease or illness	Main types of occupational disease or illness	Deaths resulting from occupational illness or disease	Cases of occupational disease or illness	Main types of occupational disease or illness
Mexico ⁴³ - BM, D - Bokados - Topochico	0 0 0	4 1 0	Musculoskeletal Low back pain	- 0 0	- 0 0	-
Argentina	0	0	-	_ ⁴⁴	*	-
Peru	0	0	-	0	0	-
Ecuador	0	0	-	0	0	-
USA ⁴⁵	0	0	-	0	0	-

⁴³ BM, D: *Bebidas Mundiales* and Supplier;

⁴⁴ No follow-up

⁴⁵ Only includes CCSWB

Hours of operation lost due to contractor accidents

(GRI 403-9)

The lost-time incident rate (LTIR) of contractors was 1.001. This value considers SMI, Envases Universales, ALPLA, INPET and Mega Empak. This indicator was not included in the independent third party verification process.

Fatalities⁴⁶

(GRI 403-9)

The fatalities reported in Arca Continental were **5 related to vehicular incidents, 4 of them outside our facilities** (3 were of General Public and 1 was an Associate). The main reasons for this events were reverse maneuvers, lack of visibility, and driver fatigue. **1 of them was inside the facilities and happened to an Associate** while reverse maneuvering. Committed to associate and contractor health and safety, Arca Continental implemented the following safety measures:

- “Manual de Patios Seguros y Maniobras de Reversa” was implemented (mentions rules, risks, blind spots, communication signals, visual contact, safe unit parking and transit inside the facilities) in order to upgrade safety and efficiency in our delivery operations.
- The inside facility and outside facility reverse maneuver policy was strengthened, defining responsibility and departure supervision and execution in commercial routes and reducing vehicle-related incidents.
- A managerial routine was designed and executed to control operational compliance with the maximum daily routine, reducing associate fatigue.
- A commercial route telemetry management process was designed and implemented, allowing a significant increase in the organization’s route prevention culture.

In Arca Continental we reassure our commitment with the Occupational Health and Safety with all our associates, visits and contractors. We will continue monitoring, learning from operations and developing safety measures to lead in this aspect.

⁴⁶ The number of fatalities outside our facilities were not part of the independent third party data verification

Attracting, developing, and retaining top talent.

Number of associates at the end of 2021, by working time and country.

(GRI 2-7-a, 2-7-b, 2-7-c, 2-7-d, 2-7-e)

Country	Full Time			Part-Time		
	Women	Men	Total	Women	Men	Total
Mexico	3,074	33,882	36,956	-	-	-
United States	1,126	7,239	8,365	97	330	427
Peru	813	4,034	4,847	-	-	-
Ecuador	977	8,553	9,530	-	-	-
Argentina	101	1,888	1,989	7	397	404
Total	6,091	55,596	61,687	104	727	831

Workforce breakdown by gender 2021

Diversity indicator	Percentage
Share of women in total workforce	9.94%
Share of women in all management positions, including junior, middle and top management positions	14.61%
Share of women in junior management positions	21.40%
Share of women in top management positions (maximum two levels away from CEO or comparable)	8.89%
Share of women in management positions in revenue-generating functions	13.90%
Share of women in STEM-related positions	17.35%

Workforce breakdown by nationality 2021

Country of nationality	Percentage
Mexico	59.67%
United States	14.94%
Peru	8.90%
Ecuador	6.83%
Argentina	3.89%
Others	5.77%

New associate hires at year-end 2021, by country and gender

(GRI 401-1)

Country	Determined			Undetermined		
	Women	Men	Total	Women	Men	Total
Mexico	222	1,423	1,645	6	3	9
United States	0	1	1	11	69	80
Peru	454	1,488	1,942	-	-	-
Ecuador	4	19	23	-	-	-
Argentina	5	494	499	-	-	-
Total	685	3,425	4,110	17	72	89

New determined associate hires at year-end 2021, by age and gender

Age Range	Determined			Undetermined		
	Women	Men	Total	Women	Men	Total
Under 30 years old	359	2,047	2,406	13	37	50
Between 30 and 50 years old	319	1,286	1,605	3	27	30
Over 50 years old	7	90	97	1	8	9
Total	685	3,423	4,108	17	72	89

Turnover at year-end 2021, by country and gender⁴⁷

Country	Women	Men	Total	Rate, Women	Rate, Men	Rate, Total
Mexico	828	4,451	5,279	26.9 %	13.1 %	14.3 %
United States	311	2,047	2,358	25.4 %	27.0 %	26.8 %
Peru	111	517	628	14.2 %	12.9 %	13.1 %
Ecuador	106	656	762	10.8 %	7.7 %	8.0 %
Argentina	2	24	26	1.9 %	1.1 %	1.1 %
Total	1,358	7,695	9,053	22.0 %	13.7 %	14.5 %

Turnover at year-end 2021, by age range and gender⁴⁸

Age Range	Women	Men	Total	Rate, Women	Rate, Men	Rate, Total
Under 30 years old	689	4,391	5,080	32.3 %	24.2 %	25.0 %
Between 30 and 50 years old	610	2,965	3,575	18.0 %	9.5 %	10.4 %
Over 50 years old	59	339	398	9.3 %	4.9 %	5.2 %
Total	1,358	7,695	9,053	22.0 %	13.7 %	14.5 %

Associate engagement tendency by age group

Age group	Favorability	Engagement
Between 30 and 40	82.6%	87.4%
Between 20 and 30	84.7%	89.3%
Between 40 and 50	83.9%	89.1%
Between 50 and 60	84.4%	89.5%
>60	79.5%	85.1%

Associate engagement tendency by gender

Gender	Favorability	Engagement
Male	83.7%	88.6%
Female	83.9%	88.6%
Undefined	75.7%	82.3%

⁴⁷ Only considers voluntary resignations

⁴⁸ Only considers voluntary resignations

Associate engagement tendency by country

Country of operation	Favorability	Engagement
Mexico	84.8%	89.5%
USA CCSWB	73.5%	79%
USA WISE	57.8%	66.4%
Peru	83.9%	90%
Ecuador	89.3%	92.3%
Argentina	77.6%	87.9%

Total training hours in the year 2021, by gender and country

(GRI 404-1)

Country	Women	Men
Mexico	30,000.02	340,921.47
Argentina	641.25	2,325.35
Peru	8,974.7	54,890
Ecuador	7,615.27	69,520.28
Total	47,231.24	467,657.10

Average number of training hours per associate in 2021, by gender⁴⁹ 46 47

Gender	2021 Average
Women	11.7
Men	9.9
Total	10.6

Associates evaluated on their performance and professional development in the year 2021, by gender⁵⁰

(GRI 404-1)

Country	Percentage of total female associates in the country (%)	Percentage of total male associates in the country (%)
Mexico	7.22	2.57
Argentina	7.48	3.15
Peru	38.11	19.87
Ecuador	8.19	2.30

Ratios of annual compensation increases, by country (in USD)

Country	Annual increase, highest paid person ⁵¹	Average annual increase, all associates ⁵²	Ratio
Mexico	3.6	3.6	1.0
United States	3.0	2.4	1.3
Peru	3.0	3.0	1.0
Ecuador	-	-	-
Argentina	51.1	51.1	1.0

⁴⁹ The average number of training hours is estimated with the total training hours divided by the annual average of associates by the end of each month. This number is different from the number of total associates by the end of 2021 reported in page 57 of the Integrated Annual Report

⁵⁰ The information presented in this indicator does not include associates evaluated in CCSWB's performance and professional development for reasons of compliance with current national regulations related to the protection of associates' personal data and the prevention of discrimination.

⁵¹ Average data

⁵² Excludes the increase of the highest paid person.

Annual compensation, by country (in USD)

(GRI 2-21-a, 2-21-b, 2-21-c)

Country	Annual compensation ⁵³ , highest paid person ⁵⁴	Average annual compensation, all associates ⁵⁵	Ratio
Mexico	1,250,703	17,125	73.0
United States		50,244	24.9
Peru		20,903	59.8
Ecuador		37,920	33.0
Argentina		33,176	37.7

Average Annual Compensation by Gender and Ratio of Women to Men by Country and Job Category (in US dollars)

(GRI 405-2)

Operation	Work Category	Average compensation		Ratio
		Women	Men	
Mexico	Coordinator	18,597	19,311	0.96
	Chief	31,559	33,255	0.95
	Manager	74,913	82,905	0.90
	Director	113,791	177,288	0.64
	Business director	-	270,140	-
United States	Coordinator	74,164	74,792	0.99
	Chief	104,692	112,989	0.93
	Manager	136,902	151,440	0.90
	Director	172,057	169,729	1.01
	Business director	247,238	268,572	0.92
Peru	Coordinator	23,696	22,453	1.06
	Chief	41,169	45,017	0.91
	Manager	87,820	108,325	0.81
	Director	178,281	232,162	0.77
	Business director	-	474,341	-
Ecuador	Coordinator	16,606	17,821	0.93
	Chief	32,902	33,076	0.99
	Manager	81,849	87,925	0.93
	Director	155,781	163,939	0.95
	Business director	-	273,670	-
Argentina	Coordinator	20,256	23,104	0.88
	Boss	27,049	28,494	0.95
	Manager	54,614	54,935	0.99
	Director	112,591	106,524	1.06
	Business director	-	162,395	-
Total AC	Coordinator	30,664	31,496	0.97
	Chief	47,474	50,566	0.94
	Manager	87,220	97,106	0.90
	Director	146,500	169,928	0.86
	Business director	247,238	289,823	0.85

⁵³ Annual compensation includes salary, bonuses, stock, awards and other compensation. Figures do not include corporate operations.

⁵⁴ Average data.

⁵⁵ Excludes the compensation of the highest paid person.

Promoting diversity and equal opportunities.

Number of associates at year-end 2021, by age, unionization status and gender

(GRI 2-30-a, 2-30-b)

Age	Non-Unionized		Unionized		Total
	Female	Male	Female	Male	
Under 21 years old	25	279	48	921	1,273
Between 21 and 30 years old	1,748	8,258	315	8,720	19,040
Between 31 and 40 years old	1,936	11,072	313	7,207	20,528
Between 41 and 50 years old	931	7,722	211	5,122	13,987
Over 50 years old	483	4,501	154	2,482	7,620
Total	5,123	31,832	1,042	24,452	62,448
%	8.2%	51.0%	1.7%	39.2%	100%

Total number and percentage of collaborators 2019 - 2021, by gender

(GRI 405-1)

Gender	2019	2020	2021
Women	5,950 (9.4%)	5,772 (9.3%)	6,163 (9.9%)
Men	57,409 (90.6%)	56,423 (90.7%)	56,284 (90.1%)
Total	63,359	62,195	62,447

Total number and percentage of collaborators 2019 - 2021, by age group

Age group	2019	2020	2021
Under 30 years old	22,689 (35.8%)	20,524 (33.0%)	20,313 (32.5%)
Between 30 and 50 years old	33,240 (52.5%)	32,963 (53.0%)	34,515 (55.3%)
Over 50 years old	7,430 (11.7%)	8,707 (14.0%)	7,620 (12.2%)
Total	63,359	62,195	62,447

Number of associates at year-end 2021, by age, unionization status and gender

Age	Non-Unionized		Unionized		Total
	Female	Male	Female	Male	
Under 21 years old	25	279	48	921	1,273
Between 21 and 30 years old	1,748	8,258	315	8,720	19,040
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Between 41 and 50 years old	931	7,722	211	5,122	13,987
Over 50 years old	483	4,501	154	2,482	7,620
Total	5,123	31,832	1,042	24,452	62,448
%	8.2%	51.0%	1.7%	39.2%	100%

CREATING SHARED VALUE

CREATING SHARED VALUE**Paid taxes in each country of operation**

Country	Number of associates	Revenue (MXN)	Profits or losses (MXN)	Paid taxes (MXN)	Tax due (MXN)
Mexico	36,679	113,601,915,945	3,554,997,308	4,111,570,663	4,111,570,663
Argentina	2,349	5,788,541,731	321,667,114	150,876,567	150,876,567
United States	8,757	71,075,377,553	2,345,227,496	671,195,604	671,195,604
Ecuador	9,394	14,351,856,392	268,517,589	256,986,945	256,986,945
Peru	5,016	16,611,740,413	362,654,814	205,945,872	205,945,872
Total	62,195	221,429,432,034	6,853,064,321	5,396,575,651	5,396,575,651

**WITH ETHICS AND
TRANSPARENCY**

WITH ETHICS AND TRANSPARENCY

Ethics and Transparency

Anticorruption training

(GRI 205-2)

All members of the Board of Directors, as well as our associates, have been informed of our anti-corruption policies and procedures. As far as training on anti-corruption actions is concerned, the details are the following:

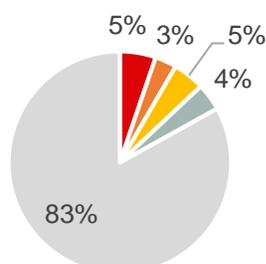
Country	Total associates	Trained members	% of the Total
Mexico	1,251	237	19%
Argentina	258	88	34%
Peru	249	235	94%
Ecuador	1,700	1,601	94%
United States	100	0	0%

(GRI 205-3) (Global Compact - Principle 10)

In 2021 we received 35 reports⁵⁶ of corruption cases, of which 18 were recorded in Mexico, 9 in the United States, 4 in Peru and 4 in Ecuador. Of the total number of reports, we recorded a confirmation of 6 cases of corruption: 1 in Mexico, 2 in the United States and 3 in Ecuador. Corrective actions taken included reprimands, suspensions and dismissals. In the case of business partners, the termination of the business relationship was also contemplated.

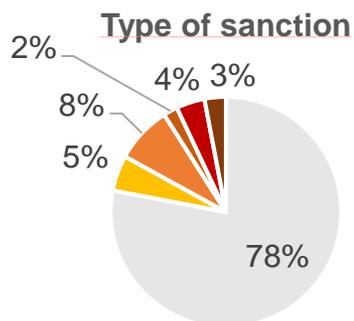
Country	Total reports	Applicable reports
Mexico	18	1
United States	9	2
Peru	4	0
Ecuador	4	3
Argentina	0	0
TOTAL	35	6

Cases by type of report



■ Corruption ■ Workplace harassment ■ Sexual harassment ■ Conflict of interest ■ Discrimination ■ Others

⁵⁶ The categories of complaints included conflict of interest, misappropriation of assets and public corruption.



■ Facts were not verified
 ■ Oral warning
 ■ Written warning or administrative record
 ■ Suspension
 ■ Decoupling
 ■ Other sanctions

(GRI 205-2)

On the following tables, we provide information about the associates that received training on the Code of Conduct at least once in the last 3 years. The total audience changes each year because it is updated depending on the associates that need to retake the training course.

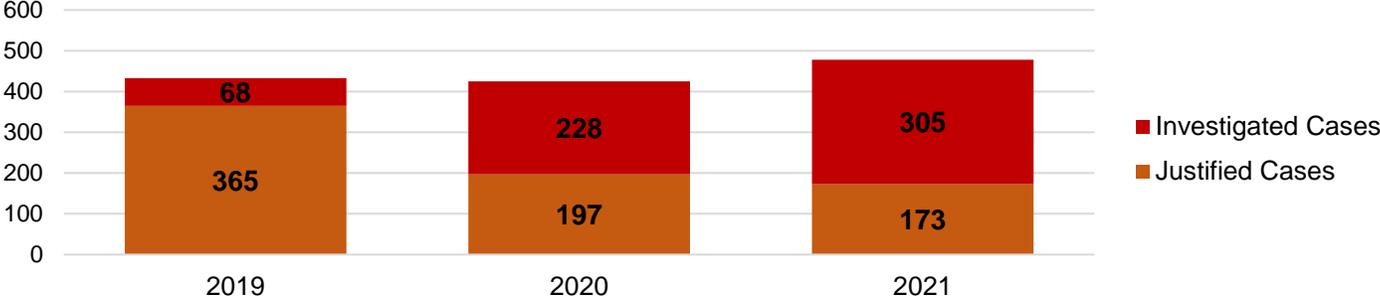
2019				
Country	Total Audience	Aproved	Unstarted	% Progress
Argentina	189	188	1	99%
Ecuador	1288	1214	74	94%
Mexico	62	50	12	81%
Peru	946	945	1	100%
Total	2485	2397	88	96%
2020				
Country	Total Audience	Aproved	Unstarted	% Progress
Argentina	1	1		100%
Ecuador	1	1		100%
Mexico	4443	3228	1215	73%
Peru	8	8		100%
Total	4453	3238	1215	73%
2021				
Country	Total Audience	Aproved	Unstarted	% Progress
Argentina	258	88	170	34%
Ecuador	1700	1601	99	94%
México	297	223	74	75%
Peru	249	235	14	94%
Total	2504	2147	357	87%

(GRI 2-27)

Next up, we provide data on investigated cases, violations of our Code of Ethics and Conduct and the actions taken in the matter.

Code of Ethics and Conduct violations report			
Year	Identified Cases	Justified	Investigated Cases
2019	433	365	68
2020	425	197	228
2021	478	173	305

Code of Ethics and Conduct Violations



Corporate Governance

Arca Continental Board Structure

Board Member Name	Gender	Title	Condition	Industry experience			Committees			
				F & B ⁵⁷	Other	ERM ⁵⁸	C	E	P	A
Jorge Humberto Santos Reyna	Male	Chairman	Patrimonial	X			X	X	X	
Manuel L. Barragán Morales	Male	Honorary Life Chairman	-	X						
Luis Arizpe Jiménez	Male	Board Member	Patrimonial	X		X		X	X	
Alejandro José Arizpe Narro	Male	Board Member	Patrimonial	X		X			X	
Alfonso J. Barragán Rodríguez	Male	Board Member	Patrimonial	X		X	X			
Juan Carlos Correa Ballesteros	Male	Board Member	Independent	X		X	X			
Felipe Cortés Font	Male	Board Member	Independent	X		X			X	
Alejandro M. Elizondo Barragán	Male	Board Member	Patrimonial	X					X	
Francisco Rogelio Garza Eglóff	Male	Board Member	Patrimonial	X						
Roberto Garza Velázquez	Male	Board Member	Patrimonial		Finance & Automotive	X		X	X	
Rodrigo Alberto González Barragán	Male	Board Member	Patrimonial		Culture				X	
Cynthia H. Grossman	Female	Board Member	Patrimonial	X						
Johnny Robinson Lindley Suárez	Male	Board Member	Patrimonial	X						
Ernesto López de Nigris	Male	Board Member	Independent			X	X			X
Miguel Ángel Rábago Vite	Male	Board Member	Patrimonial	X			X	X	X	
Alberto Sánchez Palazuelos	Male	Board Member	Patrimonial	X						
Daniel H. Sayre	Male	Board Member	Independent	X		X				
Armando Solbes Simón	Male	Board Member	Independent	X		X				X
Bernardo González Barragán	Male	Board Member	Patrimonial	X			X			
Jesús Viejo González	Male	Board Member	Patrimonial		Finance & Public Policy	X			X	
Marcela Villareal Fernández	Female	Board Member	Patrimonial	X	Health		X			
Jaime Sánchez Fernández	Male	Non-Member Secretary	N/A		Legal					

Committees:

- C Human Capital and Sustainability Committee
- E Executive Committee
- P Planning and Finance Committee
- A Audit and Corporate Practices Committee

In 2021 we had a Board Meeting Attendance of 99%.

⁵⁷ Food and Beverages.

⁵⁸ Board members are considered to have experience in Enterprise Risk Management (ERM) when, prior to becoming a director, they:
1) Held positions as either CEO, CFO or CRO, 2) Held an upper management position in the financial sector.

Management Ownership and CEO Compensation

Currently only two Executive Directors own shares, which in multiples of their base salary represent 0.169 ownership. To calculate the base salary we use the following considerations:

- Total annual salary (excluding all bonuses, pension benefits and fringe benefits)
- C-suite Median Total Annual Compensation is the total average salary of our senior management team

For reasons of confidentiality and for the safety of our CEO and other CEOs, we decided to disclose our C-suite average total annual compensation through our response to the S&P Global CSA, rather than our CEO's total annual compensation. o Compensation of specific executive directors who owned shares in 2021.

We have a compensation ratio of our CEO of 40.7 compared to the average compensation of Arca Continental employees.

CEO Compensation Metrics (TCFD 1.a.) (GRI 2-19)

The Board of Directors has the authority to approve the proposals generated by the Human Capital and Sustainability Committee so that the Company has appropriate compensation and human resource policies. The functions related to human resources delegated to the Human Capital and Sustainability Committee are the following:

- i) Evaluate and submit to the Board of Directors the guidelines for the Company to have adequate compensation and human resources policies;
- ii) Propose to the Board the criteria for the selection of the General Director and the main officers of the Company;
- iii) Make recommendations to the Board of Directors on the criteria for evaluating the CEO and high-level officers of the Company;
- iv) Periodically review the compensation schemes for executives and make recommendations regarding the structure and amount of compensation for the main executives of the Company;
- v) Check that the hiring conditions of high-level executives and that the separation payments of the Company adhere to the guidelines of the Board.

The Company's remuneration criteria are based on the following principles:

- Focused on the execution of a business strategy with a long-term vision.
- Aligned between the interests of management and shareholders.
- Capable of permeating the management team and the organization to improve their performance.
- Challengers in the definition of the threshold of fulfillment of objectives.
- Adhered to the legal and regulatory framework, as well as best practices.

The following information shows a summary of the remuneration criteria and their application to our CEO and other Executive Directors

Key Principles	Policy Application	Actual Implementation
Focus on strategy execution	Annual bonus aligned to business KPI's	Annual Bonus metrics <ul style="list-style-type: none"> • EBITDA (20%) • Net Profit (7%) • Net Income (9%) • UAFIR / Operating Assets (14%) • Personal Business Goals (50%)
Alignment with management and shareholders interests	<ul style="list-style-type: none"> • Focus on payment by performance • Short-term Variable compensation • Long-term variable compensation⁵⁹ 	CEO Compensation Criteria  <p>■ Salario fijo ■ Bono anual ■ Bono de largo plazo</p>
Compensation Structure	CEO compensation structure is applied to the executive team.	Base Salary + Annual bonus + Long-Term Bonus
Variable Compensation Metrics	Performance metrics are ambitious and were established considering business plan and results forecasts.	<ul style="list-style-type: none"> • Performance metrics linked to the business plan • The maximum payout possible requires performance above established thresholds.

Sustainability Aligned Incentives

(TCFD 1.a) (TCFD 1.b)

More than 1,000 of our employees in positions ranging from coordination to executive management have variable compensation schemes aligned with sustainability. These schemes are 100% linked to our sustainable business strategy and the increase in variable compensation is calculated based on performance and the achievement of goals related to 5 priority initiatives:

1. Manage and mitigate transformational risks (water, waste, value chain and portfolio) through a comprehensive plan (operational, reputational and regulatory) in each of the territories we serve, as well as its proper management in the event of incidents or crisis (IMCR).
2. Improve our performance in sustainability through the deployment of a sustainability framework of operating committees by country, which allows us to execute priority projects detected in international certifications (GAP and materiality analysis) to improve our performance, promote community development and environmental Protection.
3. Mitigate the reputational and regulatory threats detected in the institutional water and waste platforms, through community projects in priority sites according to the risk matrix, as well as establishing alliances with priority interest groups and ensuring their positioning before key audiences.
4. Strengthen the corporate reputation strategy and framework with an emphasis on sustainability communication, both in the digital space and to specialized audiences, through an approved annual communication plan per country to address local priorities and overall positioning from AC
5. Protect the social license to operate and avoid discriminatory regulations by executing a comprehensive Public Affairs strategy (team tracker, objectives, relationships and metrics), in coordination with external organizations, community alliances and local plans, generating an open dialogue with different sectors of society. society and authorities.

Below, we present the number of employees with incentives aligned with sustainability.

Position	Number of associates with sustainability aligned incentives
Coordinator	429
Head of Department	472
Manager	97
Director	20
Executive Director	7

⁵⁹ Long-term variable compensation is an incentive directed at our CEO, Level 1 Executive Directors, and Country Directors. It consists of a compensation for three years worked consecutively that is paid the following three years, but on an annual basis. For example: For having worked in the 2017-2019 period, a compensation is given that is paid between 2020 and 2022.

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Sustainability

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THIS ANNUAL REPORT CONTAINS FORWARD-LOOKING STATEMENTS REGARDING ARCA CONTINENTAL AND ITS SUBSIDIARIES BASED ON MANAGEMENT'S EXPECTATIONS. THIS INFORMATION AS WELL AS STATEMENTS REGARDING FUTURE EVENTS AND EXPECTATIONS ARE SUBJECT TO RISKS AND UNCERTAINTIES, AS WELL AS FACTORS THAT COULD CAUSE THE RESULTS, PERFORMANCE AND ACHIEVEMENTS OF THE COMPANY TO COMPLETELY DIFFER AT ANY TIME. SUCH FACTORS INCLUDE CHANGES IN THE GENERAL ECONOMIC, POLITICAL, GOVERNMENTAL AND COMMERCIAL CONDITIONS AT THE NATIONAL AND GLOBAL LEVELS, AS WELL AS VARIATIONS IN INTEREST RATES, INFLATION RATES, EXCHANGE RATE VOLATILITY, TAX RATES, THE DEMAND FOR AND PRICE OF CARBONATED BEVERAGES AND WATER, TAXES AND THE PRICE OF SUGAR, THE PRICES OF RAW MATERIALS USED IN THE PRODUCTION OF SOFT DRINKS, WEATHER CONDITIONS AND VARIOUS OTHERS. AS A RESULT OF THESE RISKS AND FACTORS, ACTUAL RESULTS COULD BE MATERIALLY DIFFERENT FROM THE ESTIMATES DESCRIBED IN THIS DOCUMENT. THEREFORE, ARCA CONTINENTAL DOES NOT ACCEPT ANY RESPONSIBILITY FOR VARIATIONS ON THE INFORMATION PROVIDED BY OFFICIAL SOURCES.



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