

BIODIVERSITY



Biodiversity at Arca Continental

Biodiversity conservation is a strategic priority for Arca Continental, as the continuity of its operations is directly linked to the proper functioning of ecosystems that provide essential natural resources and ecosystem services, particularly those associated with water availability and quality. The Company recognizes that healthy ecosystems contribute to aquifer recharge, the regulation of hydrological cycles, and the preservation of the environmental conditions necessary for its operations and the well-being of the communities where it operates. In this context, biodiversity protection and sustainable management are viewed as key factors in strengthening business resilience and supporting long-term value creation.

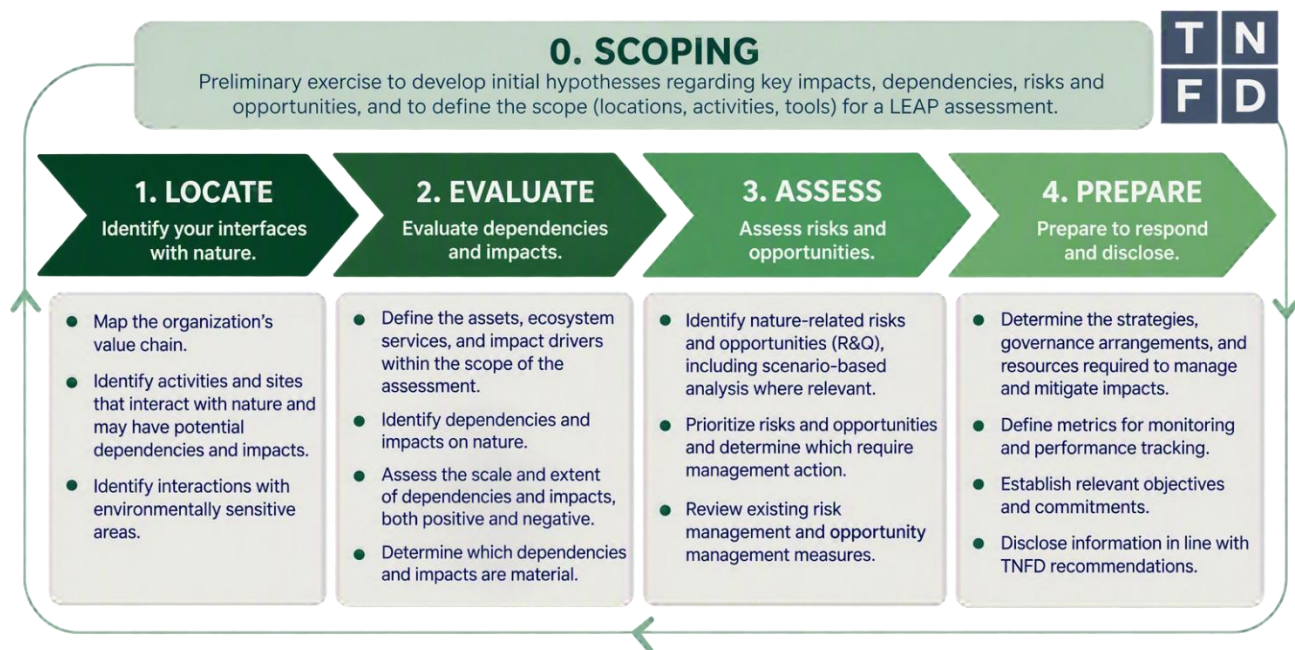
In line with this vision, Arca Continental has progressively begun integrating nature-related considerations into its sustainability and enterprise risk management processes. Following the development of an initial assessment of its relationship with nature in 2024 through the Locate phase of the Taskforce on Nature-related Financial Disclosures (TNFD) LEAP approach, the Company completed the assessment of its own operations in 2026, expanding the scope of the analysis in accordance with its previously established commitment. This assessment enabled the identification and prioritization of the Company's most significant nature-related dependencies and impacts across its operational activities, establishing the foundation for the evaluation of nature-related risks and opportunities, the definition of management actions, and the strengthening of future corporate disclosures aligned with TNFD recommendations.

Key Assessment Results



Biodiversity Risks and Opportunities Assessment

As part of its commitment to strengthening the management of nature-related risks and opportunities, Arca Continental conducted an assessment of its operations aligned with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), using the LEAP (Locate, Evaluate, Assess, Prepare) methodology as a reference framework. This methodology enables the company to identify and understand the relationship between its operations and nature, evaluate its dependencies and impacts, assess the resulting risks and opportunities, and determine whether any actions are needed to strengthen its management practices and future disclosures.



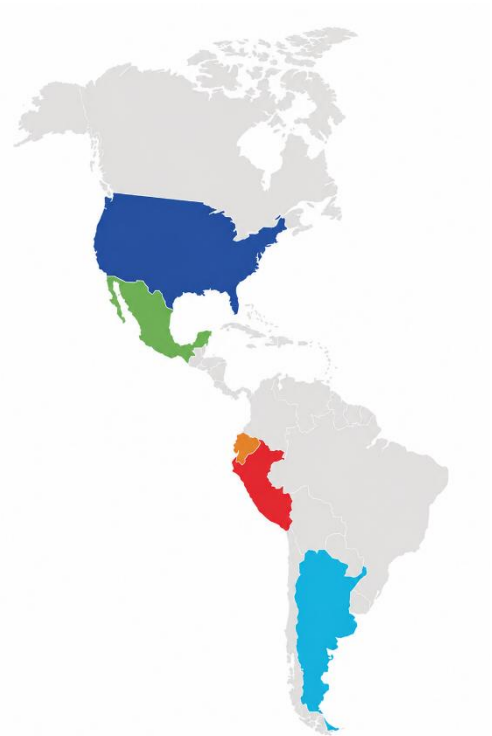
For the evaluation phase, internationally recognized tools were used, including ENCORE, the WWF Biodiversity Risk Filter, and WRI Aqueduct, complemented by an analysis of the proximity of operations to biodiversity-important areas as defined by national legislation and the official conservation systems of each country assessed. The integration of these sources enabled the identification of the principal nature-related dependencies and impacts associated with each activity type, which were subsequently prioritized based on their level of significance.

The results obtained provide the foundation for identifying and assessing the nature-related risks and opportunities faced by Arca Continental, helping to guide the development of current and future management and mitigation measures. As of the date of this publication, the project is

progressing through the Prepare phase of the LEAP approach, which focuses on consolidating management actions, defining strategic priorities, and establishing the basis for the future disclosure of nature-related information in the Company's corporate reports, in alignment with the recommendations of the TNFD.

Scope of the Assessment

The assessment is being conducted at the site level across Arca Continental's principal operations in Mexico, Ecuador, Peru, Argentina, and the United States, taking into account the range of activities that make up its business model, including beverage production plants, distribution centers, snack manufacturing operations, dairy facilities, sugar product operations, and plastic packaging manufacturing plants. This approach enables the incorporation of the environmental and ecological characteristics specific to each location, recognizing that nature-related dependencies, impacts, risks, and opportunities may vary significantly depending on the geographical context and type of operation. The assessment also considers the interaction between operational activities and the surrounding ecosystems, enabling the identification of the ecosystem services upon which operations depend, as well as the potential impacts those activities may have on biodiversity.



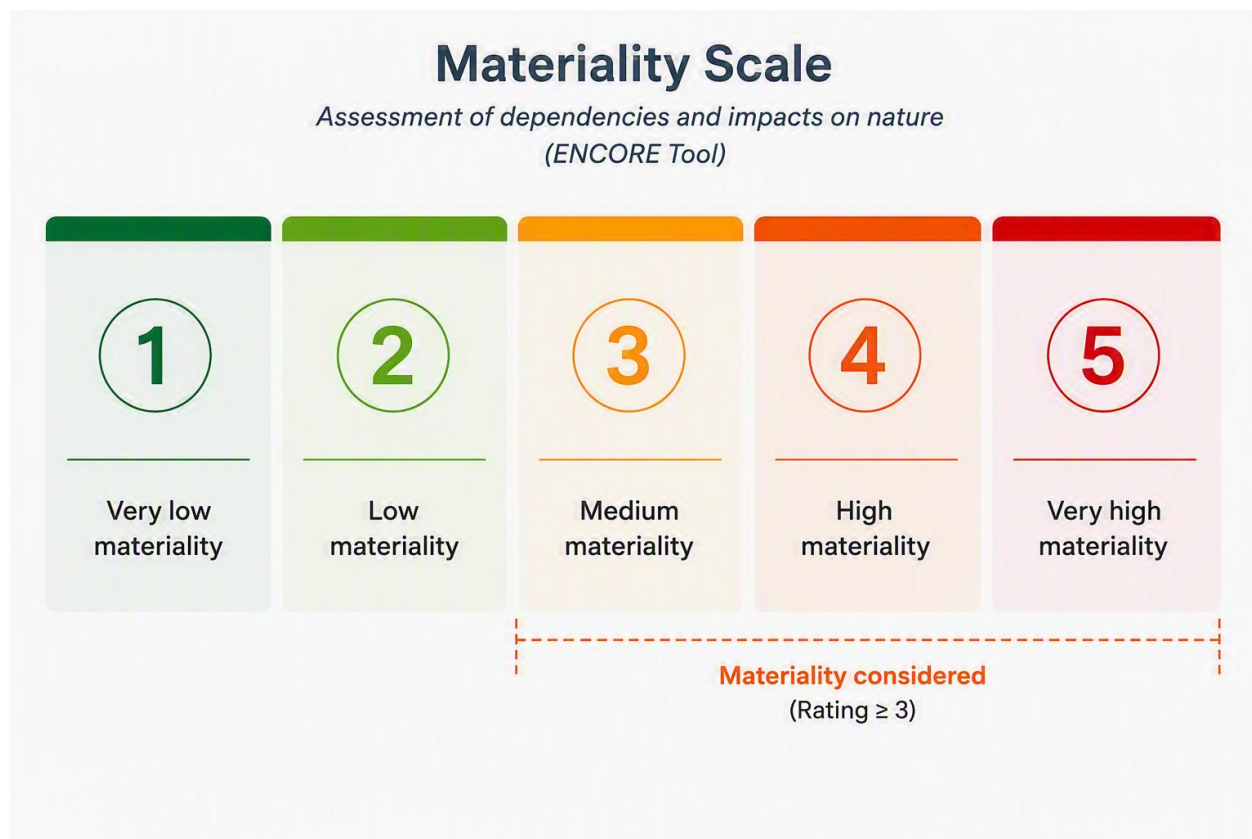
To strengthen biodiversity and water resource management, Arca Continental assessed the interaction of its 45 operational sites, covering a total area of 224.3 hectares, with nature-priority areas. For this analysis, facilities located within 5 km of protected areas or other biodiversity-relevant zones were considered, as well as those situated in areas classified as having very high or extremely high water stress.

Based on this assessment, 20 sites, representing 53.72 hectares, were identified as interacting with nature-priority areas. This identification enables the company to focus management, conservation, and resilience efforts on the locations where they can generate the greatest environmental value and strengthen business resilience. In itself, this identification does not imply the existence of negative impacts, regulatory non-compliance, or operational constraints.

Of the identified sites, 13, covering a combined area of 38.05 hectares, have action plans aimed at strengthening environmental management, improving water efficiency, and optimizing water use. These measures are particularly relevant for operations located in areas facing greater water

stress and contribute to preventing and mitigating potential impacts on the surrounding environment and local biodiversity. In addition, all Arca Continental plants have plans in place to improve water-use efficiency and optimize the management of this resource.

Key Dependencies and Impacts



As part of the biodiversity assessment conducted by Arca Continental, an evaluation of the nature-related dependencies and impacts associated with each of the Company's activities was performed using the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool. This tool enables the identification and prioritization of interactions between economic activities and ecosystem services by assigning a potential importance rating on a scale from 1 to 5, where 1 represents very low materiality and 5 represents very high materiality.

The results were calibrated and validated in collaboration with multiple departments to incorporate the Company's operational expertise and ensure that the assessment accurately reflected the realities of its operations. As a result of this process, only those dependencies and impacts with a

potential rating of 3 or higher were considered for each activity, corresponding to a medium, high, or very high level of materiality. These dependencies and impacts formed the basis for the subsequent stages of identifying and assessing nature-related risks and opportunities.

Note: The ENCORE methodology uses the concept of “materiality” to identify dependencies and impacts that are significant or important for decision-making. In this context, the term does not refer to financial materiality, nor does it necessarily imply financial effects for the Company.

The table below presents the identified potential dependencies and impacts for each activity type:

Activity	Dependencies		Impacts	
	Type	Rating	Tipo	Type
Beverage Production	Water purification services		Water consumption	
	Water supply		Nutrient pollutant emission into water and soil	
	Water flow regulation services		Toxic pollutant emissions into water and soil	
	Rainfall pattern regulation services		Solid waste generation and release	
	Solid waste remediation services		Disturbances (noise and light)	
	Flood mitigation services		Land use	
	Storm mitigation services			
Snack Manufacturing	Water purification services		Disturbances (noise and light)	
	Water supply		GHG emissions	
	Water flow regulation services		Land use	

	Solid waste remediation services		Nutrient pollutant emissions into water and soil	
	Flood mitigation services			
	Storm mitigation services			
Dependencias		Impactos		
	Tipo	Ev.	Tipo	Ev.
Dairy Production	Water purification services		Nutrient pollutant emissions into water and soil	
	Water supply		Water consumption	
	Water flow regulation services		Non-GHG air pollutant emissions	
	Solid waste remediation services		Solid waste generation and release	
	Flood mitigation services		Toxic pollutant emissions into water and soil	
	Storm mitigation services		Disturbances (noise and light)	
Plastic Manufacturing	Water purification services		Disturbances (noise and light)	
	Water flow regulation services		Solid waste generation and release	
	Flood mitigation services		Toxic pollutant emissions into water and soil	

	Storm mitigation services		Water consumption	
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Activity	Dependencies		Impacts	
	Type	Rating	Tipo	Type
Sugar Production	Water purification services		Disturbances (noise and light)	
	Water supply		Solid waste generation and release	
	Water flow regulation services		Emissions of toxic pollutants to water and soil	
	Biological control services		Water use by volume	
	Habitat maintenance services		Other biotic resource extraction, such as fish and timber	
	Solid waste remediation			
	Flood mitigation services			
	Storm mitigation services			
	Other regulation and maintenance services: dilution by the atmosphere and ecosystems			

Activity	Dependencies	Impacts
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	Type	Rating	Tipo	Type
Oficinas Corporativas	Water purification services		Toxic pollutant emissions into water and soil	
	Water flow regulation services		Disturbances (noise and light)	
	Solid waste remediation services		GHG emissions	
	Flood mitigation services		Non-GHG air pollutant emissions	
	Storm mitigation services		Solid waste generation and release	
Distribution and Logistics			GHG emissions	

Identified Risks

The nature-related dependencies and impacts identified and prioritized across Arca Continental's various activities provide the foundation for the identification of nature-related risks and opportunities, including both physical risks and transition risks.

Physical Risk:

A risk arising from the degradation of nature or changes in ecosystem condition that affect the availability, quality, or functioning of the ecosystem services upon which the organization depends. These risks may materialize through factors such as reduced water availability, loss of soil fertility, declines in pollination services, deterioration of water quality, or a diminished capacity of ecosystems to regulate climate conditions, thereby impacting operational continuity, supply chains, costs, and financial performance.

Transition Risk:

A risk associated with the transition toward an economy that conserves and restores nature. These risks arise from regulatory, market, technological, financial, or reputational changes driven by increasing expectations and requirements related to biodiversity and natural capital. They may result in additional costs, operational adjustments, restrictions on market access, or shifts in the expectations of investors, customers, and other stakeholders.

Based on these results, an assessment was conducted to determine how dependencies on ecosystem services and impacts on biodiversity could translate into risks to the Company's operational continuity, financial performance, regulatory compliance, and reputation, as well as into opportunities to strengthen business resilience and support long-term value creation.

The matrix below summarizes the key nature-related risks and opportunities identified for Arca Continental:

Physical Risks	n.º Related Dependency or Impact		Risk Description
	1	Water supply and water consumption	Reduced water availability, particularly in water-stressed regions, may affect the continuity of Arca Continental's operations due to the Company's reliance on this resource for its production processes. Lower availability or increased restrictions on access to water could result in operational disruptions, limit production capacity, and increase costs associated with water sourcing and efficient water resource management.
	2	Water purification services	The degradation of ecosystem services that contribute to the natural regulation and purification of water may reduce the quality of water available for Arca Continental's operations. This could increase treatment requirements and associated costs, affect the availability of water that meets the standards required for production processes, and place additional pressure on local water sources..

Transition Risks	n.º Related Dependency or Impact		Risk Description
	1	Nutrient pollutant emissions into water and soil	Increasingly stringent environmental regulations and standards related to effluent quality, soil protection, and water resource management may require enhanced measures for the prevention, treatment, and control of potential pollutants generated by operations. This could result in higher compliance and capital investment costs, as well as reputational and regulatory risks in the event of non-compliance or adverse impacts on surrounding ecosystems and local communities.

The main physical risks identified in the analysis relate to water availability and quality, given the operations' dependence on this resource and the associated ecosystem services. These results are consistent with Arca Continental's priority topics assessment, in which water is identified as a priority area for the company's management. While biodiversity is not currently among its priority

topics, the analysis helps identify and manage its connections with water, as well as the potential nature-related dependencies, impacts, and risks associated with ecosystem services.

Related Opportunities

Based on the biodiversity-related risks identified for Arca Continental, several opportunities have also been recognized to strengthen their prevention, mitigation, and management. These opportunities are directly linked to the dependencies and impacts that give rise to the identified risks, particularly those associated with water availability and consumption, water purification ecosystem services, and potential impacts on water and soil resources.

The implementation of these opportunities may help reduce operational exposure to such risks, strengthen the resilience of facilities, and simultaneously lessen pressures on the ecosystems upon which the Company depends. In this way, the management of biodiversity-related risks can create opportunities to enhance environmental performance and proactively address potential physical, regulatory, and stakeholder expectation-related changes.

Opportunities:

- Strengthen water-use efficiency and operational resilience through the implementation and expansion of water reduction, recirculation, and reuse initiatives, particularly at facilities located in water-stressed areas. These actions can reduce dependence on local water sources, lower operating costs, and strengthen business continuity under scenarios of reduced water availability.
- Promote the protection and restoration of ecosystems associated with water sources, helping to maintain the water regulation and purification ecosystem services upon which operations depend. These initiatives can complement internal water management measures, enhance watershed resilience, and strengthen Arca Continental's relationships with local communities and other stakeholders.
- Strengthen the prevention and management of potential impacts on water and soil resources through improvements in effluent and waste treatment, control, and monitoring systems. This can help anticipate more stringent regulatory requirements, reduce potential impacts on ecosystems, and generate efficiencies through enhanced management practices and resource optimization.

Biodiversity Management and Mitigation Initiatives

To manage its nature-related dependencies, impacts, risks, and opportunities, Arca Continental implements a range of initiatives aligned with the mitigation hierarchy, encompassing actions to avoid, reduce, regenerate, restore, and transform its relationship with biodiversity and natural resources.



These initiatives encompass both the Company's own operations and its value chain, combining operational improvements, nature-based solutions, conservation and restoration programs, circular economy practices, and sustainable sourcing models. Collectively, this approach helps reduce pressures on ecosystems, strengthen the ecosystem services upon which the business depends, and advance toward a more resilient and nature-positive operating model.

The table below summarizes the principal biodiversity initiatives implemented by Arca Continental, organized according to the Mitigation Hierarchy to illustrate their contribution to the avoidance, reduction, restoration, regeneration, and transformation of nature-related impacts.

Pillar	Objective	Key Initiatives
Avoid	Prevent impacts before they occur through proactive environmental risk management.	• Source Vulnerability Assessments and Facility Water Vulnerability Assessments.
		• Source Water Protection Plans.
		• Monitoring of 100% of plants located in water-stressed areas to ensure water withdrawals remain within authorized volumes.
		• Application of corporate criteria to avoid activities that may affect ecosystems of high ecological value.
Reduce	Minimize pressure on natural resources through operational improvements and greater resource efficiency..	• Water and energy efficiency improvements across production processes (1.53 L of water per liter of beverage produced).
		• Increase in recycled PET content to 36.6%.
		• Lightweighting of packaging, avoiding the use of more than 2,300 tons of virgin plastic.
		• Deployment of more efficient production lines and increased use of renewable energy.
Regenerate	Enhance the regenerative capacity of production systems and conserve natural capital across the value chain.	• Tonicorp's Sustainable Livestock Program, engaging more than 3,000 producers.
		• Sustainable agricultural practices, sustainable pasture management, and natural resource conservation initiatives.
		• Certification of Hacienda Monte Carmelo as Ecuador's first Grass-Fed and Carbon Neutral farm.
		• Training and technical assistance for agricultural suppliers.
Restore	Recover degraded ecosystems and restore	• Restoration of 150 hectares of degraded ecosystems in Coahuila through revegetation with 60,000 Agave asperima.

	strategic ecosystem services.	• Nature-based infrastructure, including infiltration trenches and terraces, contributing to an estimated groundwater recharge of more than 330 million liters of water annually.
		• Construction of artificial wetlands in Jalisco and Mexicali for the natural treatment of wastewater and the restoration of aquatic ecosystems.
Transform	Fundamentally reshape processes and value chains toward models compatible with nature conservation.	• Leadership in PetStar, the world's largest food-grade PET recycling facility.
		• Expansion of returnable packaging, representing 22.47% of the beverage portfolio.
		• DAR Program to integrate grassroots recyclers and strengthen the circular economy in Ecuador.
		• PetStar Inclusive Collection Model (MAIP), designed to strengthen the recycling value chain through the inclusion and social development of urban waste collectors and their families.
		• Integration of biodiversity, water security, and responsible sourcing considerations into corporate strategy, risk management, and decision-making processes.