

# Social impact and sustainable development Report

ANGIE

# 2024



Team

Sourcing

**Families** 

Community

# **About this Report We are Arcos Dorados Our team Responsible sourcing** Commitment Community to families

# Environment



In 2024, we hit 50% renewable energy in our operations! The breeze, the flow of water, and the rays of the sun keep us inspired to stay moving and take action. We're more driven than ever to continue living our purpose: making every day an opportunity to feed people and build dreams.

# **GRI & SASB Index**

Community

# Welcome message

Since its creation, Arcos Dorados has worked every day with the conviction that generating value for the company goes hand in hand with adopting practices that positively impact people, society, and the planet. We believe that modern business leadership means contributing to a more sustainable and equitable world through concrete actions and measurable results.

This report, the eleventh consecutive edition we have published, has precisely that purpose: to transparently communicate the progress we have made over the past year to protect the future of our planet, contribute to our communities and strengthen our business.

Among our many initiatives under the Recipe for the Future, the transition to renewable energy is a stand-out. In 2024, we reached a significant milestone: 50% of the energy powering our more than 2,400 restaurants across Latin America and the Caribbean now comes from clean, renewable and more economical sources such as solar, wind, and hydroelectric power.

We know that achieving a real, positive social and environmental impact is only possible through a comprehensive approach. That is why we are also making strides in promoting the circular economy, making more efficient use of resources, reducing waste, and supporting the development of local economies — thereby driving progress in the countries where we operate.

All of this is done without compromising one of the fundamental pillars of our business: the highest standards of quality, food safety, and hygiene, ensuring that more than four million customers enjoy our food every day with confidence.

I would like to take this opportunity to recognize the effort and talent of our more than 100,000 employees, the true driving force behind our company and the change we are promoting. At Arcos Dorados, we believe in their potential and are committed to providing an inclusive, diverse, and respectful environment where they can grow and achieve their goals. We are proud to know that, as one of the largest generators of formal employment in the region, we are opening doors to a future full of opportunities for all our collaborators.

Looking ahead, we are fully aware of the challenges on the path to sustainability, but also of the opportunities it offers us to continue innovating, improving and generating value for our company. With the experience we have gained and the human team that supports us, I am confident that we will continue moving forward, creating a positive impact on our business, our industry, and society as a whole.

It is with great pride that I invite you to explore our 11th Social Impact and Sustainable Development Report — a testament to our unwavering commitment to building a fairer and more equitable world for all.

# Enjoy the read!

**Executive Chairman** of the Board Woods Staton

Environment

**GRI & SASB** 

SOCIAL IMPACT AND SUSTAINABLE DEVELOPMENT REPORT

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#### **Report parameters**

This Social Impact and Sustainability Report follows the Global Reporting Initiative (GRI) Universal Standards 2021 and includes key industry indicators from the Sustainability Accounting Standard Board (SASB) Materiality Map for the restaurant sector.

The report covers activities from January 1 to December 31, 2024, and highlights our ongoing efforts to integrate sustainability into our operations. No major organizational changes impacted data comparability during this period. We publish this report annually, with the previous edition covering the twelve month period ended December 31, 2023. Selected indicators have been verified by Ernst & Young (EY) as indicated in their report included herein.

#### **Coverage area**

This report includes operations from our three geographic divisions. The entities included in the report are described in the GRI content index.

#### BRAZIL

SOUTH LATIN AMERICAN DIVISION (SLAD) Argentina, Aruba, Curaçao, Chile, Colombia, Ecuador, Peru, Trinidad & Tobago, Uruguay, Venezuela.

#### **NORTH LATIN AMERICAN DIVISION (NOLAD)**

Costa Rica, French Guiana, Guadeloupe, Martinique, Mexico, Panama, Puerto Rico, St. Croix, St. Thomas.

# **Stakeholders** engagement

Engaging with stakeholders is fundamental to our commitment to operating responsibly. Through transparent and open communication, we foster stronger relationships, enhance our social license to operate, and support the development of a sustainable and resilient business model.

By actively involving stakeholders in our decisionmaking processes, we gain critical insights, uncover potential risks and opportunities, and build mutual trust. This collaborative approach ensures that our actions remain aligned with the expectations of those directly or indirectly impacted by our activities.

We follow an internal process to identify and prioritize stakeholders based on their level of interaction and influence on our business. Additionally, we have established engagement mechanisms designed to encourage active participation from each stakeholder group.

O Stakeholder	O Engagement nurnese	<b>O</b> Engagement Mechan
Shareholders & financial entities	<b>Engagement purpose</b> Sharing clear results and gathering feedback on our performance.	<b>Engagement Mechan</b> Annual General Meeting, Fir Outreach & Events, Equity re Arcos Dorados website, Soc
Sub-franchisees	Working together to maintain service quality everywhere we operate.	Various committees, operat Dorados website, Recipe for
Guests	Providing the best menu and dining experience.	All sales channels, custome Customer Service Line, Arco Materiality Assessment, and
Arcos Dorados personnel	Offering a great workplace environment.	Work climate surveys, Local and Sustainable Developme Materiality Assessment.
Suppliers or distributors	Building a responsible value chain.	Audits, Supplier meetings, S Dorados website, Recipe for
<b>Community</b> Neighbor or NGO representative	Offering opportunities for development and growth.	"Tell us how we did" survey, ( website, Recipe for the Futu
Government entities	Establishing partnerships that support sustainable development.	Government Relations, Publ Arcos Dorados website, Soc

#### nisms

inancial Statements, Form 20-F Annual report, Form 6-K Quarterly reports, Investor research analyst outreach, Social Impact and Sustainable Development Report, pcial media channels, Recipe for the Future website, and Materiality Assessment.

ations meetings, Social Impact and Sustainable Development Report, Arcos or the Future website, Social media channels, and Materiality Assessment.

er surveys, Open Doors, Social Impact and Sustainable Development Report, cos Dorados website, Recipe for the Future website, Social media channels, nd Digital channels such as the App.

al Instagram channels, Corporate social network, Meetings, Mailings, Social Impact nent Report, Recipe for the Future website, Social media channels, and

Supplier Portal, Social Impact and Sustainable Development Report, Arcos or the Future website, and Materiality Assessment.

, Open Doors, Social Impact and Sustainable Development Report, Arcos Dorados ture website, Social media channels, and Materiality Assessment.

blic/Private partnerships, Social Impact and Sustainable Development Report, ocial media channels, and Materiality Assessment.

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**Arcos Dorados'** 11<sup>th</sup> Social Impact and Sustainability **Report reflects the** company's dedication to communicating transparently and operating responsibly.

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# **Double materiality** assessment

In 2024, we updated our materiality analysis in line with international standards. Following the Global Reporting Initiative (GRI) guidelines, we also aligned with emerging frameworks like the European Union's Corporate Sustainability Reporting Directive (CSRD).

We assessed materiality from two perspectives: 1) Financial Materiality, which assesses how environmental, social, and governance (ESG) factors influence our long-term financial value creation; and 2) Impact Materiality, which evaluates how our operations, products, and services affect social, environmental, and economic systems locally and globally.

**This update** underscores our commitment to evolving best practices and stakeholder expectations.

Our structured assessment process combined quantitative and qualitative data across four key steps:

#### Analyzing the context and mapping key topics

We began by assessing the broader context in which our company operates, considering our business model, value chain, and key stakeholder groups. This included reviewing international standards such as GRI, SASB, the SEC climate disclosure, and the list of nonfinancial risks reported on Form 20-F.

We complemented this with a qualitative study, incorporating an industry benchmark and our organization's sustainability strategy. From this analysis, we compiled a list of material topics relevant to our operations and sustainability challenges.

14 industry companies analyzed in the benchmark

16 material topics identified

#### Engaging stakeholders

To capture the views of our stakeholders, we We conducted a separate financial materiality conducted a comprehensive survey targeting survey, targeting shareholders and financial entities. customers, employees, community representatives, This survey assessed non-financial topics and franchisees, and suppliers. their potential impact on the company's financial performance. Participants also had the opportunity Participants were asked to rate the identified material to suggest additional sustainability topics topics based on their perceived level of impact on the for consideration.

environment, people, and the economy. They were also given an opportunity to share suggestions, concerns, priorities, and expectations. Assessing risks

3

12,400+responses were collected, providing valuable insights into stakeholder perspectives

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#### Prioritizing issues

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The findings from both surveys were integrated into a Materiality Matrix, which combines impact and financial risk perspectives. This allowed us to identify strategic, priority, and emerging sustainability topics. The results were subsequently validated by our Executive Leadership Team.



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# We are Arcos Dorados

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We are the Latin American and Caribbean leader in foodservice with over 2,400 restaurants across 20 countries and territories dedicated to feeding communities and generating a positive impact in the region.

# **Positive energy that** brings us together

The year 2024 began with a wave of positive energy driven by a clear purpose: to make every day an opportunity to feed people and build dreams.

With operations in over 20 countries and territories across Latin America and the Caribbean, we mana more than 2,400 restaurants, serving more than 4 million customers daily. Our commitment goes far beyond offering great food and service as a quick service restaurant operator; we aim to lead by exar adopting sustainable practices, promoting social inclusion, and empowering the people who are pa our value chain.

**Being Arcos Dorados is about** creating positive change, supporting our communities, and leading responsibly.

ду,	Guided by our values and fueled by the passion of our team, we work every day to turn this vision into
	reality. These efforts are reflected in the trust of our
	shareholders, who have supported us since 2011, when
S	we began trading on the New York Stock Exchange
age	(NYSE) under the ticker symbol ARCO.
r	At the end of 2024, we renewed our commitment
	to all our stakeholders by signing a new, 20-year
imple,	Master Franchise Agreement (MFA) with McDonald's,
	effective January 1, 2025, with an option to renew for an
art of	additional 20 years.

### The flow of our value chain

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Like energy, positive vibes flow through our value chain, from sourcing to communities, with a commitment to creating a positive impact at every link.

#### Food

The main ingredients in our menu: beef, chicken, potatoes, baked goods, coffee, dairy, and vegetables.

227 suppliers

#### 1 — Suppliers

We work hand in hand with our partners to ensure the best sourcing and distribution of products.

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#### **Paper and packaging**

We responsibly source materials used for delivering, transporting, and handling the food we serve our guests.

67 suppliers



Locations where our logistics partners store and from which they distribute supplies to our restaurants..



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#### **Restaurants**

Safe, modern and comfortable spaces where people can choose and enjoy their favorite meals.

**2,428** restaurants 67+ vs year-end 2023

71% companyoperated

29% sub-franchisee operated

#### **2**—**Operations**

The heart of our business is our menu, our locations, and the people who greet you with a smile.

Teams

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eople who make each day an opportunity to feed others and build dreams.

98,615 company employees

63.4% under 24 years old

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#### Menu

High-quality and iconic items: hamburgers, chicken sandwiches, Happy Meal, beverages, fries and sides, desserts, and McCafé.

#### USD

5.8 billions in Systemwide Sales

#### Guests

Individuals or families choosing our menu through any sales channel: in-store, drive-thru, delivery, or through our digital platforms.

4 M+ guest per day!

#### **3**— People

We don't just create an unforgettable experience for those who choose us, but also for the community around us.

#### Environment

**SASB** 

#### Community

Our commitment goes beyond our guests to include the people living near our restaurants.

#### 487.335 training opportunities and first time, formal jobs created in 2024

Learn more about our initiatives in chapter "Community"

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# We've got the recipe for the future

Our Recipe for the Future is our roadmap for creating a positive impact on the planet, empowering people, and delivering value for our stakeholders. Built on the principles of environmental stewardship, social inclusion, and ethical governance, this strategy defines how we operate today and how we're building a better tomorrow.

We're proud to lead the way in creating a sustainable and inclusive future. Through this special recipe, we aim to set an example for the industry and make a lasting impact on the communities we serve. This journey is driven by our people, our values, and our unwavering belief that business success and social responsibility go hand in hand.

**Together, we can shape** a tomorrow where everyone thrives because at Arcos Dorados, the future is always on the menu.

#### The six pillars of our strategy



#### **Climate change**

We promote the use of renewable energy and responsible resource consumption to minimize our carbon footprint.

#### **SDG CONTRIBUTION**



#### Youth opportunity

We provide great opportunities for training, education, and professional development, both within our operations and in partnership with local NGOs.

#### **SDG CONTRIBUTION**



#### Sustainable sourcing

We are committed to offering quality products while caring for the environment, animal welfare, and boosting local production.

#### **SDG CONTRIBUTION**



#### **Commitment to families**

We offer a top-tier experience for families with a delicious, safe and healthy menu, along with initiatives that promote reading, play, and overall well-being, as well as through our long-standing commitment to Ronald McDonald's House Charities.

#### **SDG CONTRIBUTION**







#### **Circular economy**



We reduce waste by encouraging recycling and reuse to benefit both the environment and our communities.

#### **SDG CONTRIBUTION**





#### **Diversity and inclusion**

We embrace diversity and foster inclusion by creating fair, respectful work environments, striving to offer equal opportunities for all.

#### **SDG CONTRIBUTION**



Community

#### **Our involvement in the industry**

- Vision 30/30 (ANDI), Colombia

#### **ESG ratings**

We monitor ESG ratings to stay updated on industry standards, assess the effectiveness of our programs, and take steps to improve them. Each agency evaluates our initiatives, risks, responses, and progress toward sustainability.



Measures a company's exposure to key ESG risks in its industry and how well it handles them.

#### Score

28.1



Measures how a company manages financially important ESG risks and opportunities.

#### Score





# **Corporate governance**

Arcos Dorados' corporate governance is guided by our Board of Directors and implemented by our Leadership Team. The Board, made up of 11 members—including seven independent directors—oversees the company's strategy and management, bringing diverse expertise from various industries.

Our Leadership Team consists of 17 experienced professionals managing key areas like operations, finance, sustainability, supply chain, marketing, HR, and more. Many have deep roots in the food industry, with long-standing ties to Arcos Dorados in Latin America and the Caribbean.

The Vice President of Social Impact and Sustainable Development leads environmental and social initiatives, including the preparation and approval of this report. The Board also relies on committees to support decision-making on financial, governance and social matters.

#### Audit Committee

Made up of three independent directors, the committee supports the Board with audits, internal control, financial reporting, and external communications.

#### **Compensation and Nomination Committee**

Made up of three directors, the committee reviews and approves corporate goals, executive performance, compensation, and long-term incentives.

#### **Finance Committee**

Made up of three directors, the committee helps the Board uphold best practices, policies, and financial strategies for shareholders.

#### **Board of Directors** composition



#### **DISTRIBUTION BY REGION**





#### **DISTRIBUTION BY GENDER**



**DISTRIBUTION BY AGE** 

**29% Between 31 and** 50 years old

71% + 51 years old

#### **DISTRIBUTION BY REGION**



#### **Business integrity**

We believe integrity, honesty, and fairness are key to building trust with our guests, employees, franchisees, and suppliers. These values strengthen our business and drive sustainable growth while supporting professional development and our company's purpose.

Our ethical management is based on the **Standards** of Business Conduct, approved by the Board of Directors. These standards apply to all employees, including temporary staff and directors, striving to ensure consistency in ethical and legal commitments across the company.

#### We believe that integrity, honesty, and fairness build trust and drive sustainable growth.

The Standards outline key principles for ethical decision-making and responsible actions toward our guests, suppliers, operators, and communities. They are supported by policies on **Safe and Respectful** Workplace, Information Security<sup>1</sup>, Safety and Health<sup>1</sup>, Social Media<sup>1</sup>, and Donations<sup>1</sup> which help guide behavior and prevent misconduct.

In addition, we adhere to several McDonald's Corporate policies that reinforce these principles, such as the **Supplier Code of Conduct**, the Deforestation-Free Beef Procurement Policy<sup>1</sup>, the **Global Statement of Principles Against Discrimination, Harassment,** and Retaliation, and the Global Statement of Principles on Workplace Violence Prevention.

The Ethics Committee oversees compliance with these standards, working with the Corporate Internal Audit and Legal teams to provide guidance and address concerns. Employees can reach out to these teams for support on ethical matters.

We communicate our commitments and policies in different ways. Internally, we share them by email and reinforce them through training sessions to help employees better understand the policies. Externally, we publish key policies on our website. For suppliers, the Code of Conduct is included in the contracting process and must be signed prior to beginning operations with us.

#### **Conflict of interest**

Employees must avoid using company assets, information, or their position for personal gain. They are responsible for promptly disclosing any actual or potential conflicts of interest and following the necessary steps to manage or resolve them.

Our Ethics Line is available for reporting such issues. In some cases, resolving conflicts may require stepping back from certain decisions or ending external activities that create conflicts.

#### **Ethics Line**

The Ethics Line is a confidential and impartial way to report fraud or corruption. It allows employees to raise concerns while keeping information secure and complainants anonymous.

A third-party provider, Resguarda, manages the process, receiving and tracking reports through the company's website. The Corporate Internal Audit team investigates each case to ensure proper resolution, and the Ethics Committee is informed of all potential issues.

⊞ resguarda.com/arcosdorados



📎 0-800 free by country

@ country-customize

Community

#### **Strengthening ethics** and anti-corruption

During the reporting period, we assessed corruption risks across our operations. In 2024, no corruption incidents were recorded, reflecting our strong commitment to ethical business practices and stakeholder trust.

All Arcos Dorados office staff—considered to be most exposed to corruption risks—must complete the annual Course and Certification on Standards of Business Conduct. This mandatory training covers anti-corruption, anti-money laundering, and compliance with international laws such as the Foreign Corrupt Practices Act (FCPA) and the Office of Foreign Assets Control (OFAC).

We also enforce the Brand Standards Program, mandatory for all employees within their first three months. It covers creating a respectful, inclusive workplace, recognizing unconscious biases, and preventing workplace violence to ensure safety for employees, customers, and the McDonald's brand.

#### **Course and Certification of Standards** of Business Conduct

	CORPORATE		SLAD		NOLAD		BRAZIL	
	Q	%	Q	%	Q	%	Q	%
Board of Directors	11	100%	0	0	0	0	0	0
Senior Leadership Team	0	0	13	100%	10	100	6	100%
Staff	417	95%	869	77%	620	72%	765	95%
Crew Members								
Total	428	98%	882	77%	630	72%	771	95%

#### **Brand Standards Program**

	CORP	CORPORATE		SLAD		NOLAD		BRAZIL	
	Q	%	Q	%	Q	%	Q	%	
Board of Directors	13	81%	0	0	0	0	0	0	
Senior Leadership Team	0	0	13	100%	10	100%	5	83%	
Staff	424	96%	970	86%	758	88%	747	93%	
Crew Members	0	0	33048	93%	19958	93%	40933	87%	
Total	437	96%	34031	93%	20726	93%	41685	87%	

#### **Respect for human rights**

At Arcos Dorados, respecting human rights is fundamental to who we are and how we operate. It's not just a legal or ethical duty—it's essential to our identity and business success. Our Standards of Business Conduct guide our commitment to dignity, fairness, and respect for all.

For employees, we create a safe, inclusive workplace through mandatory training on harassment, discrimination, and violence. New employees complete an e-learning course with real-life scenarios and sign a certification upon completion.

For suppliers, we require adherence to our Supplier Code of Conduct, ensuring fair treatment, labor rights, and safe working conditions. We also conduct the Social Workplace Accountability (SWA) audit to prevent forced labor, child labor, and other violations by our strategic partners.

For communities, all NGO partnerships include a Human Rights clause, ensuring alignment with our values on equality and fair labor practices.

We are aligned with McDonald's Corporation's Human Rights Policy that follows global standards like the Universal Declaration of Human Rights and UN Guiding Principles on Business and Human Rights to uphold the highest ethical and labor standards.

Human rights are the foundation of a workplace and community where everyone feels valued, safe, and empowered.



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We're building bright, safe and inclusive **futures by** nurturing skills and accelerating equity in our team.

# **Energizing success** with purpose

Our people are the heart of our success. That's why we create a workplace where everyone feels valued, supported, and inspired to grow.

We believe in equal opportunities and a safe, inclusive environment where every team member can thrive. Our Safe and Respectful Workplace policy ensures a culture of fairness and respect, reinforcing our commitment to a positive work environment.

We're not just **building a business** -we're building opportunities, dreams, and a brighter future.

A strong internal culture keeps our team motivated and enhances customer experiences. When our employees feel empowered, they bring our brand to life with passion and dedication. Diversity and inclusion are also at the core of our identity. By embracing different perspectives, we foster innovation and strengthen our connection with the communities we serve.

To keep improving, we conduct an annual Employee Satisfaction Survey to measure team engagement and refine our workplace culture. Each country sets specific goals, and our leaders are committed to making Arcos Dorados a great place to work.

90.8% satisfaction rate **Employee Satisfaction Survey 2024** 





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**A service Coolture** 

We're building a culture that helps everyone grow, excel, and shine so our team members feel their best, perform at their peak, and create memorable experiences for our guests.

In 2024, this culture continued to evolve as we worked with team members across our restaurants to identify five core values that define and shape who we are: Humility, Generosity, Vocation for Service, Inclusion, and Agility. These values unite us as a company and reinforce our commitment to trust, transparency, and collaboration, while delivering a positive impact on our employees, guests, and communities.

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#### Humility

We embrace our strengths and weaknesses, understanding that growth comes from both success and failure.

#### Generosity

We share our time, attention, experience, and knowledge generously with others.

#### **Vocation for Service**

Regardless of our role, we are dedicated to meeting the needs of others and bringing happiness to those we serve.

#### Inclusion

Acting with integrity and transparency, we build trust and consider the impact of our actions on our communities.

#### Agility

We stay attuned to global changes, adapt quickly, and lead necessary transformations to achieve results and learn together.

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<b>Team</b> <b>figures</b>		Distribu	ution by region	۱		Distributio
		BRAZIL	40%	<b>40,915</b> employees	<b>17,620</b> men	37,187 full-time employees 3,728
					<b>23,295</b> women	part-time employees
98,6	15	SLAD	38%	<b>36,451</b> employees	<b>15,245</b> men	<b>13,458</b> full-time employees
employées					<b>21,206</b> women	22,993 part-time employees
		NOLAD	22%	<b>21,249</b> employees	<b>10,731</b> men	<b>13,512</b> full-time employees
				employees	<b>10,518</b> women	7,737 part-time employees

#### on by type of contract



#### **Talent and benefits**

We focus on improving our team's well-being and work-life balance, supporting families, and creating positive experiences. This is made possible by our strong company culture and ongoing professional development initiatives.

In 2024, we strengthened our talent management, improving the way we identify and develop internal talent. We successfully identified over 2,500 employees across the region and created succession plans for key positions, leading to the finalization of our regional Succession Plan.

To reduce turnover, we offer flexible work schedules and support personal growth. We also follow all legal requirements for labor negotiations, working closely with worker representatives in each country to align agreements with local labor laws.

Our comprehensive benefit packages align with regional best practices and are tailored to each local market. Examples of the benefits we offer our employees :

- Life Insurance
- Health Assistance
- Disability and Invalidity Coverage
- Wellness Programs
- Parental Leave
- Flexible Working Hours
- Reduced Working Hours
- Lunch Coverage
- Free Meals and Uniforms
- Motivation and Recognition Programs
- Special Occasion Recognition (e.g., birthdays, weddings)
- Training Opportunities, including Scholarships and Agreements with Educational Institutions
- Performance Bonuses
- Additional Vacation Days (in some markets)
- Language Programs (in some markets)
- On-site Gym (in some markets)

#### **Compensation policies**

As part of our value proposition to employees, we offer competitive compensation that rewards and recognizes performance. Our compensation structure is built on three key policies:

#### FIXED SALARY MANAGEMENT POLICY

Each country adheres to a salary structure based on market practices, ensuring internal salaries remain competitive and aligned with industry standards for each role. This policy is designed to maintain salary equity for similar positions across the organization, based on merit and promotions. Local and regional compensation managers oversee the process, which follows an approval matrix defined by the Audit team. The Compensation Committee leads and approves this policy.

#### SHORT-TERM BONUS POLICY

Our bonus structure is consistent across all countries. with clear and standardized rules for bonus calculation. This process is managed by local and regional compensation managers, with oversight from the Compensation Committee. Annually, our CEO reviews and approves the company's performance indicators to ensure alignment with strategic corporate goals.

#### LONG-TERM INCENTIVE POLICY

The Long-Term Incentive policy applies across all countries. The Compensation Committee defines this policy, and the Corporate Compensation team is responsible for its implementation.

#### **Performance evaluation**

In line with our business evolution and cultural transformation, we redesigned the Performance Management process to drive a mindset shift. The new approach assesses contribution level as a key accelerator, allowing us to evaluate both the achievement of results as well as their impact on strategic goals and how challenging they were to achieve. This change was applied to the company's Staff level.

#### 100% of our Staff had their 2024 performance evaluated



#### **Empowering growth**

We recognize that continuous skill development is essential for employee growth. In 2024, we improved our learning programs through Hamburger University, introducing new initiatives for restaurant employees. These programs focus on leadership, strategy, customer service, and leveraging data for improved learning outcomes, helping our teams thrive in a changing industry.

We integrated the five new principles of our "Coolture of Service" into all our learning programs. By embracing these values, we aim to create a safe, respectful, and inclusive environment for our employees and guests.

In 2024, we expanded training to include new programs for Restaurant Department Managers, addressing their unique challenges and equipping them with the skills needed for effective leadership. We also introduced a Digital Education program, offering 10 courses focused on using digital tools to boost sales.

Technology plays a vital role in our training and business. In 2024, we integrated SAP's employee database from 11 countries into our learning system, improving how we track employee progress. We also developed a real-time dashboard to help leaders manage course completion and ensure consistency in key programs like Brand Standards across the company.

**Over 300,000 certificates were** awarded to employees who completed courses on using digital channels to boost sales.

41.711 Staff **Total hours** 12.7 **Average hours**  2,360,613 Crew Total hours

22.7 **Average hours** 

597.236 **Operations-business/restaurant** manager & management team Total hours

29.5 **Average hours** 

#### Leadership development

Leadership is a key driver of our cultural evolution. To guide our growth, we've defined three cultural accelerators: Situational Leadership, Constructive Dissonance, and a Growth Mindset. These principles form the foundation of our leadership strategy and support our ongoing cultural development.

As part of the strategy, we established the Innovation Committee, a team of experts from various disciplines and markets. Their mission is to identify and adopt best practices in innovation models, ensuring we remain agile and forward thinking in an ever-evolving landscape. Additionally, our leadership team received training in exploring global trends, innovation, and strategies that help us anticipate future challenges.

In 2024, we also offered seven courses focused on leadership and strategy for restaurant and staff teams. We held in-person classes across multiple countries, including Argentina, Brazil, Colombia, Chile, Costa Rica, Mexico, Puerto Rico, Panama, and Venezuela. The feedback was overwhelmingly positive, with an overall satisfaction score of 9.94 out of 10.

1,300+ employees graduated from courses focused on leadership and strategic competencies

#### 50+ in person classes

99% of participants agreed that the content was useful and applicable to their roles

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# Ensuring health and safety for all

We believe that protecting the health and safety of our employees and guests is a shared responsibility. We're committed to creating safe workplaces and providing enjoyable experiences for our guests.

To reduce risks, we set goals for improvement and regularly review our health and safety programs. We follow the "Observe – Analyze – Design – Act" framework to prevent accidents, proactively identifying and addressing health risks. These efforts help reduce illnesses and workplace incidents, ultimately lowering turnover and absenteeism.

Preventing workplace accidents and occupational illnesses is a responsibility shared by all employees, including temporary workers. We actively foster a culture of safety that benefits everyone in the company.

From product development to equipment purchases and new restaurant construction, we make sure health and safety are considered at every stage.

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#### Health and safety management system

We're dedicated to protecting everyone who interacts with our organization, including corporate office employees, restaurant teams, and guests, by ensuring a safe and healthy environment for all.

Our health and safety management system complies with the local laws in each country where we operate, covering all employees. The People & Culture and Occupational Safety teams work together to manage programs that proactively monitor tasks and risks, conducting regular workplace audits.

We support this process with a risk matrix that helps us spot hazards, assess risks, and investigate incidents. Our monitoring tools also strengthen our management processes. We perform regular restaurant inspections to identify and address potential risks.

During this period, the most common workplace accidents recorded were falls, object collisions, and contact with hot surfaces. After identifying these incidents, we explore alternatives to reduce hazards and risks, conducting reviews and making necessary adjustments. Our technical team regularly checks that solutions are being properly implemented and continues to take steps to prevent and reduce health and safety impacts on our staff.

#### Safety and wellness together

We provide our employees with the guidance and resources they need to make informed decisions for their well-being. Each team member receives our Health and Safety Policy along with clear instructions to ensure they understand workplace safety protocols. Training is an important part of this journey, starting with an introduction to basic concepts and regulations for all new hires. From their first day, each team member participates in a comprehensive training cycle that integrates specific safety and health requirements into daily operations.

certification for Prevention of **Occupational Hazards** 

To reinforce awareness and preparedness, our Operational Training Guides cover essential safety and health content, ensuring our employees are up to date on best practices. The cycle also includes MCampus certification for preventing occupational hazards.

In 2024, we launched various programs and projects to support employee well-being. These efforts focused on areas like telemedicine services offering medical, nutritional, and psychological care; improving employee nutrition; supporting pregnant women and providing child care for the first year. We also introduced wellness platforms, gym memberships and enhanced access to mental health resources.









# **Embracing diversity, driving Inclusion**

We believe that an inclusive workplace makes us stronger, improves our decisions, and deepens our connection with the communities we serve. By welcoming diverse perspectives, we foster innovation and growth while ensuring every individual feels valued and empowered.

#### We thrive on the unique talents and perspectives of our diverse team.

Launched in 2018, the Diversity & Inclusion Committee has been at the forefront of promoting an inclusive work culture where everyone-regardless of gender, race, or age—has the opportunity to thrive. Led by Marlene Fernandez, VP of Government Relations, and sponsored by Woods Staton, our Executive Chairman of the Board, the committee brings together employees from various disciplines and hierarchy levels across our markets.

The Committee's work focuses on five key areas: Gender, Intergenerational Relationships, Sexual Diversity, Health & Well-being, and Persons with Disabilities. By building strong internal networks, the Committee ensures that Arcos Dorados amplifies diverse voices and creates spaces where inclusion is not just encouraged but actively practiced.

Our commitment to diversity and inclusion is reflected in tangible actions. From 2021 through 2024, three additional women joined our 17 member Senior Leadership Team and we promoted more women to managerial positions than ever before. We introduced a Code of Conduct for respectful interaction with the LGBTQI+ community and launched Blue Spaces in our restaurants across 12 countries for guests with Autism Spectrum Disorders. To further support employee well-being, we also implemented 24/7 online health services, providing them with direct access to doctors and psychologists whenever needed.



#### **Diversity of our team**

18% from 31 to 50 years old

29% from 31 to 50 years old

**68%** 

10% more than **51 years old** 

31% from 31 to 50 years old

2% more than **51 years old** 

20% from 25 and 30 years old

7% from 31 to 50 years old

1% more than 51 years old

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#### Pride in being visible

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Building on the success of the 2023 "McDonald's Saw in Me" campaign, in 2024 we introduced the theme: Pride in Being Visible. This new campaign reinforced Arcos Dorados' commitment to recognizing and respecting individuality as a core human value in life and the workplace.

In 2024, our focus was on sexual diversity and persons with disabilities, emphasizing the importance of visibility in breaking down prejudices and fostering an environment where everyone can freely express who they are. Why this concept? By making diversity more visible, we create a workplace that is inclusive, respectful, and free from discrimination, ensuring that all employees feel empowered to be their authentic selves.

**12** countries involved

**95,000** people reached

**50+** real testimonials



#### **People with disabilities**

In 2024, we advanced disability inclusion by removing workplace barriers, assessing needs through surveys, and training teams on respectful engagement. We introduced sign language training in multiple countries, developed accessible materials for hearing-impaired employees, and enhanced internal communications with subtitles.

#### **2,493** people with disabilities on our team

#### Gender

The Women's Network at Arcos Dorados is committed to increasing female participation in leadership roles. Today, wWomen make up 57% of our workforce, with a fourfold increase in the representation of women on our Senior Leadership Team. Additionally, 57% of our restaurant managers are women.

In 2024, the network held sessions on gender-based violence, workplace harassment, and unconscious biases, earned certifications like Great Place to Work for Women, and expanded internal training to foster change agents.

#### Female participation by job category

#### POSITION





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#### **Sexual diversity**

The Pride Network strives to create a safe, inclusive space for the LGBTQI+ community. Since its launch, we have introduced a Sexual Diversity Guide, established local LGBTQI+ partnerships across several Latin American countries, and implemented genderneutral uniforms and restrooms.



The Well-being Network at Arcos Dorados designs and promotes programs that foster a culture of care and mutual support among employees.

To provide accessible care, we have implemented a 24-hour medical consultation service via WhatsApp in several markets, offering mental and physical health support. In 2024, the network organized regional meetings and on-site well-being activations, along with healthcare campaigns. Additionally, the team negotiated discounts for health services to further support employees' well-being.



#### **Health and Well-being**



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# Responsible Sourcing

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GRI & SASB

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# The energy behind our food

Our commitment to quality starts long before the food reaches our guests' tables—it begins at the source. We prioritize local supply chains, ensuring our main ingredients are sourced freshly and locally where possible. This approach not only guarantees safe, highquality food but also supports local economies and reduces our environmental impact.

We go beyond international best practices by working with suppliers, markets, and global teams to drive sustainability in key categories like beef, chicken, coffee, and fiber. Our partnerships promote regenerative farming and circular practices, aligning with our values at every step.

#### It's all about positively influencing how food is sourced and produced in our region.

We also prioritize local supply chains to support regional development. By working with local suppliers, we create employment opportunities, encourage innovation, and improve agricultural and manufacturing practices. This strengthens industries, boosts economies, and enhances sustainability.

#### Number of suppliers/facilities



#### Percentage of the procurement budget spent on local suppliers



1 local: products that are produced and consumed in the same country or territory. Imported products include products sourced from suppliers in other Arcos Dorados markets.



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# **Supplier Code of Conduct** and compliance

To ensure our suppliers uphold our values and standards, we ask them to renew their commitment by signing the Supplier Code of Conduct (CoC) every year, in partnership with McDonald's Corporation. Managed through a platform provided by McDonald's, the CoC covers four key areas:

#### **Human Rights**

Based on the UN Declaration of Human Rights, addressing freedom of association, fair treatment, and anti-discrimination.

#### Workplace environment

Requires that supplier personnel are trained on emergency procedures and safe work practices.

#### **Environmental management**

Holds suppliers responsible for reducing the environmental impact of their facilities.

#### **Business integrity**

Includes performance reviews, anti-bribery policies, and confidentiality.



We follow McDonald's standards, focusing on quality and food safety. We comply with ISO, BRC and local regulations. As part of the Global Food Safety Initiative (GFSI), we encourage our suppliers to adhere to global best practices. Suppliers are audited by third parties to ensure they meet these standards, and we use monthly Scorecards to help them improve performance in key areas.



"Our commitment to sustainable development is reflected in the integration of environmental, social, and management aspects in all our actions, aligning with high standards like SWA. Animal Welfare. GMP. and BRC.

We continuously innovate by incorporating technologies that optimize processes and reduce environmental impact, from energy efficiency initiatives to circular economy projects, such as biodigesters and waste management, minimizing our footprint and maximizing waste reuse.

Focusing on long-term sustainability, we promote responsible practices within our industry and in surrounding communities. Our production process combines environmentally responsible management with technology and rigorous standards aimed at reducing externalities."





**General Manager Procarne, Frima and Mafrisur** 

#### **Required audits for our suppliers**

#### **Social Workplace Accountability** (SWA)

This applies to our food, packaging, distribution centers, marketing, and uniform suppliers. They are required to complete an online self-assessment each year. Based on the results, McDonald's Corporation determines which suppliers must undergo third-party audits. The assessment covers business integrity, human rights, labor standards, workplace safety, and environmental management. No major human rights issues have been reported in the past three years. This applies to all Arcos Dorados countries except Venezuela.

#### Supplier Quality Management System (SQMS)

This annual audit evaluates food safety and quality compliance, ensuring suppliers meet McDonald's requirements and maintain proper documentation. It applies to all food suppliers.

#### **Good Manufacturing Practices audit** (GMP)

This audit ensures high-risk suppliers follow good manufacturing practices. It checks food production, processing, and storage to make sure conditions are safe and sanitary. The audit is unannounced and conducted annually by external firms.

#### Global Quality & Safety Requirements for disposable packaging (GQSR)

The purpose of this program is to identify McDonald's expectations for packaging supplier quality management systems (including food safety) based on the BRC/IoP standard. In addition, this program covers all areas of product quality and safety, as it encompasses the facility and its personnel, looking at how they manage the quality system. It is addressed to packaging suppliers, with annual frequency.

#### **Distribution Quality Management Program (DQMP)**

This annual audit, performed by external firms, verifies that distribution centers comply with all legal and regulatory storage requirements and maintain proper inventory management practices.

Facilities Assessed	
	ass

	Facilities Assessed	New facilities assessed	Facilities with a negative impact as a result of the assessment	Facilities with negative impacts with which improvements were agreed	Facilities with negative impacts with which relationships were terminated
SWA	368	25	30 <sup>1</sup>	2	0
SQMS	262	21	0	0	0
GMP	104	0	0	0	0
Global Quality & Safety Requirements for Disposable Packaging (GQSR)	54	0	0	0	0
DQMP	27	0	0	0	0

1 In 2024, McDonald's migrated its systems to a single platform called OnPoint. Because of this, the platform was closed before re-audits could be completed, leaving 28 suppliers unable to undergo audits. However, all audits are scheduled for Q1 2025, and the suppliers have already worked on their CAPA.



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## **Supporting nature, communities** and animal welfare

We take a holistic approach to protecting natural resources, supporting the communities that depend on them, and securing the future of our business. We work with suppliers and farmers to preserve ecosystems, enhance biodiversity, and promote animal welfare

Animal welfare is a fundamental part of ethical and sustainable food sourcing. By prioritizing it, we not only meet our ethical responsibilities but also strengthen our supply chain. As consumers become increasingly conscious about where their food comes from, our commitment to transparency builds trust, enhances our reputation, and fosters customer loyalty.



This ties directly to our efforts on climate action, responsible sourcing, and human rights. Healthy soils, grasslands, and forests are essential to the farming systems that supply our menu.

"At Cabrales, we believe that sustainability is built as a team and one cup at a time. Since 2018, our **Rainforest Alliance certification** reflects our commitment to responsible coffee production, ensuring that every roasted and ground coffee bean we produce for Arcos **Dorados contributes to the well-being** of communities and the preservation of the environment. As strategic allies, we continue to think together and work as a team to promote more sustainable practices. Over the past year, we have achieved this by delivering positive impact, quality, and flavor in more than 25 million cups of coffee across multiple countries in the region."



**Manuel Cabrales Operations Manager** 

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#### **Responsible commodities**

Sustainability is at the core of how we source key commodities, ensuring raw materials meet the highest standards for traceability, responsible production, and socio-environmental management. We work with recognized certifications and closely collaborate with suppliers to meet rigorous standards.

Strategic Suppliers must trace their raw material sources and sign affidavits for key items like chicken and beef. Palm oil used by our suppliers must be RSPO-certified, and we require 100% certified sustainable coffee for our drinks. We ensure soy embedded in chicken feed is sustainable for priority regions and support deforestation free beef sourcing in Argentina and Brazil. Fish must meet sustainable standards or be MSC-certified.

Beyond certification, we drive industry sustainability through initiatives like promoting regenerative agriculture with McCain and promoting livestock farming sustainability with Fundación Vida Silvestre and Marfrig in Argentina.

#### 100% of beef

purchased in Argentina and Brazil from direct supplies is monitored, including via satellite, to ensure compliance with McDonald's Deforestation-Free Beef Procurement Policy (DFBPP) and McDonald's Commitment on Forests.

High-deforestation priority regions for beef are in Argentina (Chaco), Brazil (Amazon and Cerrado), and Paraguay (Chaco).

#### 100% of coffee

is certified under the Rainforest Alliance certification. the Fair Trade USA certification, or the Fair Trade International Certification.

Includes all coffee, both ground and whole beans, including decaffeinated.

#### 90% of soy

included in chicken feed, whose origin is declared to be outside the USA, is in scope with the Round Table on Responsible Soy Credits (RTRS) requirement.

High-deforestation priority regions for soy are in Argentina (Chaco), Brazil (Amazon and Cerrado), and Paraguay (Chaco).

#### 100% of fish

sourced from sustainably raised fish stocks. Fish suppliers are responsible for responsibly managing fish stocks, minimizing the impact of fishing and conserving the environment.

#### 99.5% of palm oil

used as an ingredient by suppliers is certified under the Roundtable on Sustainable Palm Oil (RSPO) standards.

We don't use palm oil for frying in our restaurants. We ensure that if our suppliers use palm oil as an ingredient in main products, it's RSPO certified. This does not include palm oil or its derivatives used as secondary ingredients in McDonald's products. Except in Venezuela.

#### 99% of suppliers of fiber used in primary guest packaging

carry Forest Stewardship Council ® (FSC) certification or PEFC certification.

Primary fiber-based packaging is used to package food at McDonald's restaurants. When raw fiber comes from countries with high deforestation risk (Argentina, Cambodia, China, Indonesia, Laos, Malaysia, Russia, and Vietnam), it must be FSC certified. In Argentina, it must either be FSC certified or come from FSC-controlled wood sources with full chain of custody certification.
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## **Raising the bar for animal care**

We are committed to sourcing food from healthy animals raised under the highest care standards. Responsible sourcing and ethical treatment go hand in hand, which is why we work closely with suppliers to ensure best practices in animal welfare.

We monitor animal welfare through performance metrics, third-party audits, and key indicators. Our approach follows the five freedoms of animal welfare set by the World Organization for Animal Health (OIE) and focuses on improving handling at every stage. Our supplier sponsorship program and compliance with McDonald's Approved Supply List (ASL) ensure we source only from verified facilities.

All our animal protein suppliers-beef, pork, and chicken-must meet strict requirements for humane treatment, responsible antibiotic use, and industryleading standards set by the Professional Animal Auditor Certification Organization (PAACO). Annual third-party audits assess compliance with Good Manufacturing Practices (GMP), HACCP standards, traceability, and specific animal welfare protocols. Beef slaughterhouses must also meet BSE Firewall requirements.

But compliance is only the starting point. We strive to drive meaningful change through education and collaboration. In June 2024, we partnered with McDonald's Corporation to host a major animal welfare event in Argentina featuring Dr. Temple Grandin, a renowned expert in humane livestock handling. She provided hands-on training to 120 participants, including beef and chicken suppliers, reinforcing best practices and strengthening industry-wide knowledge.

**Through continuous** improvement, strict oversight, and collaboration with industry leaders, we remain at the forefront of animal welfare.

## 100% **Suppliers audited with** animal welfare practices

100% **Beef suppliers who have** signed the commitment to the Responsible Use of **Antibiotics Policy** 

## 100%

Pork suppliers who have signed the commitment to the Responsible Use of **Antibiotics Policy** 

## 100%

**Chicken suppliers who have** signed the commitment to the Responsible Use of **Antibiotics Policy** 

## **Better eggs, better welfare**

As part of our Recipe for the Future, we pledged to source 100% cage-free fresh eggs by the end of 2025. As of December 31, 2024, 35.3% of the fresh eggs served in McDonald's restaurants across Latin America came from cage-free hens, reflecting our commitment to sustainable sourcing and animal welfare.

We have successfully transitioned to cage-free fresh eggs in Costa Rica, Puerto Rico, Ecuador, Perú, Uruguay and Brasil. This shift is about more than achieving a target—it's about improving the welfare of laying hens. Cage-free systems give hens more space to move freely and express natural behaviors, ensuring better living conditions.

By prioritizing cage-free fresh fresh eggs, we not only establish higher ethical standards but also contribute to a more sustainable food system that values animal welfare. Our progress has been recognized by MICA, a Mercy for Animals transparency tool that ranks companies according to their animal welfare performance, placing us in the "Moderate Progress" category, as we continue to work towards our 2025 goal of reaching the gold category (100% cage-free). We also responded to the Cage-Free Tracker, being positioned as Level B in the 2024 report.

35.3% of fresh eggs originated in a cage-free environment

## **Protecting forests, respecting** communities

We are leading the way in responsible beef sourcing, taking on the responsibility to help lead the industry toward more sustainable production practices. As a key ingredient on our menu, beef requires rigorous environmental and social oversight, and we are committed to setting the standard for sustainable sourcing.

McDonald's is the only company in our industry with a Deforestation-Free Beef procurement Policy (DFBPP), which monitors deforestation, protects Indigenous lands, enforces environmental regulations, and upholds human rights. This policy is applicable to highrisk areas like Argentina and Brazil, where we work closely with suppliers to ensure full compliance.

We monitor 100% of the beef sourced from direct suppliers in these countries, using satellite technology and remote monitoring with partners like Proforest and Agrotools. Through Agrotools, we track key environmental and social criteria, ensuring our suppliers meet strict standards. We conduct detailed mapping to detect and address deforestation, farms linked to forced labor or embargoes, and agricultural expansion into protected areas.

With these insights, we train suppliers and encourage responsible, data-driven sourcing decisions. Reinforcing this commitment, in March, we hosted the McDonald's Global Supply Chain and Impact team in Argentina. They participated in meetings on our deforestation policy and visited one of our supplier's plants, gaining firsthand insights into our sustainable sourcing practices.

By working in tandem with our suppliers, we continue to protect forests, respect communities, and drive positive change in the beef industry.

### Leading the way

We believe in driving industry-wide change and encouraging collective action through strategic partnerships. That's why we actively participate in global and local roundtables that promote sustainable beef productions.

In Argentina, we are active members of the Steering Committee of the Argentine Roundtable For Sustainable Beef (MACS). In Brazil, we are part of the Council of the Brazilian Roundtable for Sustainable Beef (MBPS), and in Uruguay, we joined the Uruguayan Sustainable Beef Roundtable (MUCS). These strategic actions align with and strengthen the mission of the Global Roundtable for Sustainable Beef (GRSB).

In 2024, we took part in the GRSB Summit in Punta del Este, Uruguay, where industry leaders and experts from over 24 countries gathered to promote sustainability in the beef sector.

Our Vice President of Social Impact and Sustainable Development, Gabriel Serber, joined other industry leaders on the panel "Building Better Beef Supply Chains," sharing insights into the key steps Arcos Dorados is taking to implement deforestation-free policies—an essential part of our Recipe for the Future ESG strategy. His presentation reinforced our commitment to responsible sourcing, forest protection, and high-quality production, resonating strongly with attendees and industry stakeholders.





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## Deforestation-Free Beef Procurement Policy figures

### AMAZONAS

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## 99.6%

beef sourced from Argentina and Brazil complied with McDonald's Deforestation-Free Beef Procurement Policy **3.67 M** Ha/Month monitored

**17,899** farms monitored

Tean

**5.1 M** animals monitored Environment

### **GRI & SASB**

**CERRADO** 

BRAZIL

8,244

farms monitored

**99.9%** following the policy

**2.2 M** Ha/month monitored +16% compared to 2023

ARGENTINA

**99%** following the policy

**1.47 M** Ha/month monitored +5% compared to 2023







# 

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## We're committed to supporting families through innovation, better food and responsible operations.

## **Innovation** at full charge

For us, innovation is about staying connected with customers, driving growth, and leading the quickservice restaurant industry. With every improvement made to our menu, we are continuously creating new and better experiences that keep families coming back.

For over six years, we've used the Stage and Gate methodology, a structured process to ensure every product is well thought out and impactful. Led by our Food Strategy Team, experts from various areas across the company collaborate to promote smart innovation and optimize resources.

To make sure every innovation adds value, Arcos Dorados uses key performance metrics like ROI, Contribution Margin, HOT (Hours of Training), and UDR (Units per Day per Restaurant). These KPIs help us track the impact of each initiative, refine our strategies, and achieve the best results.

## five-stage process:

analyses.

### CATEGORIZATION

These ideas are funneled into three levels—Global, Regional, and Local allowing for innovations tailored to specific markets while leveraging the global strength of the McDonald's brand.

### VALIDATION

Once an idea is validated with consumers, it moves into detailed planning. This includes creating business cases and briefs, which outline recipes, cost projections, expected volumes, and required investments.

### 

Cross-functional teams, including Marketing, Supply, Quality, Operations, and Training, collaborate to ensure smooth product launches.

**POST-ANALYSIS** 

After launch, markets analyze the results, measuring success through defined KPIs and sharing best practices across regions.

## Menu innovation at Arcos Dorados follows a structured

### **EXPLORATION OF IDEAS**

Ideas are sourced from consumer studies, industry benchmarks, and trend

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## **Success stories**

In 2024, our focus on innovation continued to strengthen our bond with families, delivering delicious products and exceptional experiences while showcasing the power of collaboration and creativity across our organization. This disciplined approach yielded remarkable innovations at every level.

### **Global Success**

The Best Burger initiative—which originated as a global project—was tailored to fit the unique tastes of each Arcos Dorados market.

### **Regional Hits**

Campaigns such as Formula One, Minions Vertigration, McCrispy Legend, and BT21 resonated strongly with guests across multiple countries.

### **Local Favorites**

Unique creations like the *McCrispy Cajun* (Brazil and Panama), Festival Crotantella (Panama), McFlurry Jumbo (Colombia), Bacon Cheddar McMelt (Uruguay), and McLeyenda (Argentina) became standout successes, showcasing our ability to adapt to local tastes.

## **Simplifying ingredients**

We are committed to making delicious, feel-good moments easy for everyone. Our guests are at the heart of everything we do, and our food is a reflection of who we are. That's why we are always listening, evolving, and striving to improve every day.

We follow McDonald's Global Food Charter, which sets clear ingredient standards. These guidelines help our teams and suppliers create better products while staying true to our food philosophy.



### **Ingredients we avoid**

Artificial colors	Artificial flavors	Artificial preservatives
Synthetic substances used to add or restore color, with no natural equivalent.	Substances that add taste but don't come from natural sources like plants, meat, dairy, or fermentation.	Synthetic preservatives and antioxidants that help prevent spoilage and maintain food safety, quality, and shelf life.
	Alternatives	
Remove color with no replacement.	No artificial flavors are needed in Big Mac and cheddar cheese.	Packaging/Equipment.
Remove artificial color and replace		Naturally derived preservatives.
it with naturally derived color.	Natural flavor alternatives.	Freezing/Refrigeration.

### **Ingredients to reduce**

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## **Building trust,** connecting responsibly

We understand that marketing is about building trust and fostering meaningful connections with our customers. Engaging in responsible marketing is essential because it reflects our values and reinforces our commitment to acting with integrity in everything we do.

We take this responsibility seriously, ensuring that our campaigns and communications align with ethical standards and respect the diverse communities we serve. By prioritizing transparency, inclusivity, and authenticity, we aim to create messages that resonate with our guests while reinforcing our dedication to social and environmental responsibility.

Our focus on families reflects our belief that this is where we can make the most meaningful impact. Parents have told us they want menu options they can feel confident about feeding to their children. We've embraced this feedback, crafting balanced meals that include recommended food groups such as fruits, vegetables, and low-fat dairy, ensuring they meet national and international dietary guidelines and standards.

Marketing responsibly is at the core of our strategy. All Happy Meal bundles meet strict nutritional standards and comply with regional advertising pledges. Additionally, we are driving commercial innovation by creating new digital channels to connect with the public, safeguarding their data, and staying open to feedback-acting on it responsibly.

**Our goal is to make** it easier for families to make nutritious choices, even when dining out.

### **Nutritional calculator**

We believe clear nutritional information helps our customers make better choices. To support this, we've created tools like our Nutritional Calculator, which are available on our websites and mobile apps in 100% of our markets

This tool lets customers check local menus. see the nutritional value of meals, and compare them to their daily needs based on World Health Organization standards. It provides details on calories, carbohydrates, and other key nutrients, helping customers make informed choices based on their health goals.



## **The Happy Meal Goals**

In 2018, McDonald's introduced the Happy Meal Goals to help families incorporate more fruits, vegetables, and low-fat dairy in their diets, promoting healthier choices. Since then, we've worked hard to improve the Happy Meal's nutritional content, aligning it with World Health Organization standards.

In partnership with the Alliance for a Healthier Generation, we track and report our progress every two years in Argentina, Brazil, and Mexico, ensuring transparency and accountability in our commitment to better nutrition.

### **Offer balanced meals**

50% or more of Happy Meal bundle offerings on restaurant menus meet McDonald's global Happy Meal nutrition criteria.

### Achieved

### **Simplify ingredients**

Artificial flavors and added colors from artificial sources were removed from all Happy Meal offerings, without sacrificing the safety, taste, quality, or value of the food.

### Achieved

## Be transparent with Happy Meal nutrition information

Nutrition information available for all Happy Meal offerings on McDonald's websites and mobile apps.

### Achieved

### **Market responsibly**

All Happy Meal bundles advertised to children met McDonald's global Happy Meal nutrition criteria and will continue to meet existing applicable local/regional advertising pledges with respect to marketing to children.

### Achieved

### **Increase purchase of items** containing recommended food groups

Leverage innovative marketing to help increase the purchase of foods and beverages that contain recommended food groups in Happy Meals.

### In progress.

### Environment

### **GRI & SASB**

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## **Digital innovation driving growth**

Digital innovation is central to our strategy at Arcos Dorados, helping us build stronger connections with families and the next generation of guests. By using advanced technologies, we offer personalized experiences, convenience, and great value.

Data is key in this transformation, allowing us to tailor interactions, boost brand loyalty, and encourage more frequent visits from our digital audience. This positions us as industry leaders in customer engagement and innovation.

Innovation helps us stay ahead in a competitive market by improving customer experiences, streamlining operations, and meeting changing needs. It also supports our sustainability efforts by optimizing resources and reducing environmental impact.

A key component of our digital strategy is our Loyalty Program, which allows us to better understand customer preferences while strengthening relationships through personalized rewards and benefits. By enhancing the customer experience and fostering long-term engagement, the program not only adds value for our guests but also supports our continued growth and market leadership, demonstrating the vital role of digital innovation in our success.

In 2024, we achieved significant milestones that solidified our leadership position in the industry across Latin America:

### **INDUSTRY-LEADING APP**

Our McDonald's app has become the most preferred mobile app in the industry, particularly among Generation Z, reflecting its appeal to younger, techsavvy audiences.

147 M app downloads

20.5 M monthly active users

### ENHANCED CUSTOMER ENGAGEMENT

We strengthened our connection with guests, successfully increasing their visit frequency and fostering deeper brand loyalty.

20% increase in digital customer purchase frequency



### TRANSFORMATIVE LOYALTY PROGRAM

Our Loyalty Program continues to redefine the customer experience, offering personalized benefits that resonate with our audience and enhance their journey with us.

**16 M Loyalty program** members

### **AI-DRIVEN VALUE CREATION**

Artificial intelligence has revolutionized our approach to value generation, enabling smarter decision-making and more impactful customer interactions.







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### Cybersecurity and data privacy

Enforcing cybersecurity and data privacy is key to our success and long-term sustainability. As we strengthen our relationships with guests and employees, safeguarding their data is vital to earning their trust and loyalty. Our robust cybersecurity measures keep this information safe, reinforcing the confidence our stakeholders place in us.

Effective cybersecurity and data privacy management not only prevents disruptions to our business, it also protects the broader community. By upholding the highest standards in data protection, we demonstrate our commitment to transparency, accountability, and good governance.

Cybersecurity and data privacy are part of our overall risk management strategy, supported by strong oversight. Our Board of Directors oversees risk management, while the Audit Committee is specifically responsible for assessing cybersecurity risks, ensuring we have processes in place to manage risks, with regular reporting to the Board.

Our management team, led by the Chief Technology Officer (CTO), is responsible for monitoring and mitigating cybersecurity risks. The cybersecurity team works to detect and prevent threats on an ongoing basis.

In 2024, we appointed a Corporate Data Protection Officer (DPO) to lead our Privacy Program. This initiative includes establishing clear policies and strategies for managing data risks. The DPO also oversees our data governance framework, ensuring proper management and protection of data across all regions.

To support data privacy, we've launched an Awareness Program to educate employees on the importance of data protection. This fosters a culture of responsibility, helping us safeguard sensitive data and uphold the trust placed in us by our guests and other stakeholders.

**Cybersecurity** and data privacy remain top priorities, enabling us to operate securely and sustainably in an increasingly digital world.

## **Customer Care:** strengthening connections

In 2024, we launched Customer Care as a strategic area to reinforce our commitment to putting families at the heart of everything we do. This initiative helps us better understand and respond to customer needs, improving their experience and building long-term loyalty.

The Customer Care team listens to customers at every touchpoint, addressing concerns, resolving issues, and enhancing satisfactionespecially in an increasingly digital world. Customers can reach us through multiple channels across key markets, where cases are handled systematically. In 2024, we did not register any critical cases of non-compliance concerning marketing communications or product and service information and labeling.

Beyond solving complaints, the team gathers valuable insights through sentiment analysis, feedback reviews, and satisfaction metrics. Every resolved issue is an opportunity to establish trust and strengthen relationships. By listening and acting with care, we turn challenges into lasting loyalty.



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## How we listen and respond to our customers

### **Contact points**

- In-App Chat
- Web Forms
- Social Media Platforms
- Phone
- Email
- App Store Reviews
- Google Maps Reviews
- Regulatory or Non-Regulatory Entities

### **Resolution process**

To ensure every customer concern is handled promptly and effectively, we follow a clear and structured resolution process.

### **INITIAL REVIEW**

Cases are handled initially by a Level 1 support team or virtual assistant.

### **ESCALATION**

Critical cases, such as those involving food quality or safety concerns, hygiene issues, discrimination or mistreatment, or foreign objects in food, are escalated to local Level 2 experts.

### **DEFINED PROCEDURES**

Both levels adhere to standardized procedures and receive comprehensive training through written materials and in-person sessions.

### **RESOLUTION TIMING**

Each case has specific Service Level Agreements (SLAs) and resolution timelines, which vary based on the issue's urgency.

Critical complaints are tracked through a centralized tool that monitors case details across all markets. This tool keeps track of case volume, resolution progress, and reasons for escalation. While each market adapts to local needs, they follow the same general guidelines. Level 2 teams handle all critical cases, ensuring that departments like Legal, Quality, and Communications are involved when necessary.





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## **Food** and restaurant safety

Serving safe, high-quality food every day is our top priority.

We follow strict food safety standards at every stagefrom sourcing ingredients to preparing and serving meals. By using technology and working closely with suppliers and relevant experts, we improve efficiency and reduce risks.

Food safety is a team effort. As part of McDonald's Food Safety Risk Management Team, we assess risks across the supply chain and gather input from staff and suppliers to improve our processes. Regular meetings with global food safety leaders keep us aligned with best practices, while ongoing communication with McDonald's Corporation ensures we stay ahead of food safety challenges.

In our restaurants, we apply strict controls, procedures and protocols to ensure food safety at every stage, from receiving and storing ingredients to cooking and handling them. We monitor key factors such as temperatures, refrigeration, and secondary shelf-life, reinforcing our commitment to high standards.

To further strengthen food safety, we conduct an annual 3rd party-Food Safety Verification (3P-FSV), performed by external auditors. Our annual work plan outlines updates to audit programs and operational guidelines, ensuring continuous improvement.

As industry leaders in food safety, we provide training for suppliers and auditing companies. Each market is accountable for compliance, monitoring the audit program's progress monthly.

## 2.388 **Restaurant Food Safety Audits**

## 100% of eligible restaurants were audited

incidents of foodborne illness outbreaks associated with our restaurants



**Food Safety Day!** 

In 2024, we celebrated our first Food Safety Day, bringing together suppliers and our Supply Chain and Operations teams from across Latin America. The event focused on enhancing food safety practices through talks and training sessions where we shared best practices and new strategies to minimize risks.

This initiative strengthened our commitment to food safety and fostered a culture of continuous improvement. Food Safety Day marked an important milestone in our efforts to ensure the highest standards of safety and quality of the food we serve to our customers.

## Implementing HACCP for food safety

HACCP—a food safety system developed by NASA and Pillsbury in the 1960s that became part of the Codex Alimentarius in 1993—has been adopted by leading food companies worldwide.

At Arcos Dorados, we are committed to ensuring food safety and consumer health by implementing the HACCP system across our restaurants. While several markets have already adopted this measure, the full implementation will continue throughout 2025, with the goal of having all markets fully integrated by the end of that year.

HACCP helps us improve our existing food safety practices by focusing on risk analysis and identifying potential hazards that could affect product safety. Our goal is to reduce or eliminate the probability of safety issues. To achieve this, we rely on a strong prerequisite program, which provides clear guidelines of what to do and what to avoid during food processing to guarantee safe conditions.

Our prerequisite program covers maintenance, cleaning, good manufacturing practices, training, water control, supplier management, and pest control. While these practices are already in place, we continue to update and make them accessible to everyone involved in the operation. Regular team meetings help us track our progress.

### **Open Doors**

behind every bite!



### Community

### Environment

**GRI & SASB** 

Get ready for an exclusive behind-the-scenes experience like no other-it's Open Doors season at Arcos Dorados! We're inviting everyone to explore our kitchens and see firsthand the care and effort that goes into making the world's most famous menu. Open Doors is all about transparency—showcasing the quality of our ingredients, where they come from, and how our team ensures everything is safe, clean, and top-notch. It's your chance to discover the magic

completed the satisfaction survey





### Environment

We are

Team

Sourcing

## **Powering connections**

Our impact goes beyond serving meals—we create opportunities that fuel dreams and drive growth. Our success comes from the communities around us, so we're committed to returning that support. We understand that when our communities thrive, our business thrives, which is why we think regionally and act locally, stepping in to help feed and support people when and where they need it most.

Our social impact programs are designed to power connections, offering young people the chance to grow through first formal job opportunities and training, while providing families in need with support. By strengthening these connections, we contribute to building more resilient and inclusive communities, anchored in the belief that shared success is the foundation of long-term progress. We power connections by giving back to the communities that support us, creating opportunities for growth, and fostering stronger, more inclusive futures.



We are

Team

Sourcing

Families

Community

## Young energy

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Youth employment remains one of the biggest labor market challenges in Latin America and the Caribbean. The youth unemployment rate stood at 13.8%, according to the 2024 Labor Overview for Latin America and the Caribbean report by the International Labour Organization (ILO).

At Arcos Dorados, we see this as a powerful opportunity to make a difference. As a leading firsttime employer for youth in the region, we're driving social mobility. In 2024, over 63% of our workforce was under 24 and 79.8% of new hires were young adults.

We empower the next generations not only by employing them but also by equipping them with the tools to grow. We do this through formal employment, skills training, and partnerships with NGOs, creating lasting impact and paving the way for brighter futures. **487,375** opportunities created for young people in 2024 **68,288** hires

**9,892** employees trained in soft skills

391,077

people reached through inclusion and training opportunities by Arcos Dorados and supported organizations

**18,118** completed trainings through MCampus Comunidad



### **GRI & SASB**

## **Connecting young people to opportunities**

We recognize that young people not in education, employment, or training (NEET) face significant barriers to entering the workforce. To address this, we launched a project in Brazil in 2023, which continued into 2024 in partnership with Centro de Promoção da Saúde (CEDAPS) and supported by YouthBuild International under the "Jovens Construtores" program. This program helps young people reintegrate into education or employment, offering empowerment, educational opportunities, economic skills, and stronger community connections.

Based on the same training methodology—focused on socio-emotional and technical skills, along with job placement support—similar programs were implemented in Mexico and Colombia. In Mexico, "Jóvenes con Rumbo" was developed with Servicios a la Juventud (SERAJ), a nonprofit focused on youth development. In Colombia, "Tejiendo Oportunidades" was carried out in partnership with the Mi Sangre Foundation, reaching NEET (not in education, training or employed) youth in Medellín and the Metropolitan Area, providing training in socio-emotional skills, workforce readiness, and personal finance.

Additionally, we implemented a program in Peru in partnership with the Ministry of Labor and Employment Promotion for young people aged 16 to 24 who are

neither studying nor working. This program, codesigned by Arcos Dorados, provides two months of training, and we successfully employed 14 young individuals.

These programs prove that investing in NEET youth can lead to lasting change. By offering education, training, and job opportunities, we're not only transforming individual lives but also strengthening families, communities, and local economies. Our goal is to expand these initiatives across the region, ensuring that more young people have the resources they need to succeed.

26 participants hired

"Working with Arcos Dorados was a valuable experience, marked by strong commitment and close collaboration. From the start, they actively participated in the project, contributing their expertise to strengthen its impact.

Their deep understanding of local needs and respect for the community helped shape effective, long-term solutions. By building a strong partnership with CEDAPS, this collaboration became a model of mutual learning and shared positive impact."

Youth Front



Melissa Abla Coordinator of the CEDAPS





Sourcing

Families

## **MCampus Comunidad**

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Education opens doors to new opportunities, and at Arcos Dorados, we are committed to making free, high-quality training accessible to more people.

In partnership with Hamburger University, MCampus Communidad offers 45+ online courses in communication, digital marketing, customer service, entrepreneurship, and technology—all available in Spanish and Portuguese.

Supported by partners like Cisco Networking Academy, Fundação Wadhwani, UOL EdTech, and PDA International, this program extends beyond our workforce, creating a broader social impact.

With thousands of young people enrolled, we're creating a real impact by helping them develop skills, explore career paths, and access job opportunities.

**160,000** registrations in the platform

**100%** free remote learning **3** M hours of training

### Our new podcast!

We're excited to launch Expande tu Potencial, MCampus Comunidad's new podcast series! Since May 2024, this initiative's engaging episodes with expert insights have been helping young people navigate the job market.

## We're reaching out to young people in a way that speaks to them directly.

One highlight is Presentación Personal: Dale Play a Tu Futuro, launched for Youth Month. In this episode, experts like Ariel Díaz, Cristina Autorino, and Horacio Llovet share tips on creating strong résumés, acing jok interviews, and developing essential soft skills to stand out in recruitment processes.

**290,000** listeners across major platforms like Spotify and YouTube Music

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### Environment

### **GRI & SASB**

## Community support

Supporting our communities is at the heart of who we are. Events like Gran Día, where we raise funds to support young people and families, and our volunteer programs, where we dedicate time to those in need and the planet, show our deep commitment to making a difference.

## By standing with our communities, we're building connections, spreading hope, and reinforcing the values that drive us forward.

"At the Local Store Marketing team, we inspire restaurant teams to actively engage with their local communities throughout the year. By positioning each restaurant as a 'good neighbor,' we foster goodwill, loyalty, and brand trust. At least once a year, we match our teams' skills with community needswhether through cleanups, parades, sports or arts events, or initiatives that promote reading, the environment, and well-being. It's truly moving and a source of pride to see how each team member donates their time, skills, and knowledge to support the local organizations, community projects, and social causes that surround every restaurant."

## Noelia Junco

LSM Consultant for Argentina







Community

## Such a great day!

Once a year, the golden arches shine even brighter as communities across Latin America and the Caribbean unite for a day of giving. Known as McDía Feliz in Brazil, Gracias de Corazón in Venezuela, and Gran Día in other markets, this annual event brings people together to make a real difference.

On this special day, the Big Mac becomes more than just the most famous hamburger in the world—it becomes a symbol of hope. Every Big Mac purchase helps fund life-changing programs, from education and job training for young people to the Ronald McDonald House Charities, which provides housing and support for families with hospitalized children.

Beyond raising funds, the *Gran Día* inspires collective action, reminding us of the impact we can create together. It's a moment of pride for our teams, customers, and value chain as we join forces to see our communities thrive.

2,234,916 **Big Macs sold** 

USD 8,680,722 raised and donated

100% of our operations reached by our campaigns

### **NGOs alliances**

We've teamed up with trusted NGOs that work with youth in our markets, promoting responsible citizenship and teaching job skills to thousands of young people aged 16 to 24. We support these organizations mainly through donations from our Gran Día initiative and by investing in specific social projects.























### **Ronald McDonald Houses**

For families with children receiving medical treatment far from home, Ronald McDonald Houses offer a comforting, supportive space. We are proud to partner with Ronald McDonald House Charities (RMHC) in our region to help families stay close to their loved ones during difficult times.

## 32 houses in the region

36 family rooms

2 **Ronald McDonald Care Mobile programs** 

268,096 family room visits

201,006 families served Team

### Sourcing

Families

### Commun

## The power of collective action

We believe in the power of collective action to create a lasting impact in society and on the environment. By mobilizing our teams to volunteer, we support various social and environmental causes throughout the region that align with our Recipe for the Future.

These efforts not only benefit the communities we serve but also inspire our teams to take an active role in driving social impact and creating a better future. Volunteering connects our employees with local organizations, boosting the impact of their work and strengthening a shared sense of purpose.

By partnering with local groups, we leverage our resources and expertise to improve the quality of life in our communities, amplifying the effectiveness of our initiatives.

Every September, we join McDonald's Corporation in celebrating Global Volunteer Month, where our teams work with local organizations, including community groups, nursing homes and schools, to organize activities such as beach cleanups, meal distributions, youth training, and school renovations. 1,045 volunteers

**5,421** hours of volunteering

80 volunteering initiatives

12 countries reached



57

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**GRI & SASB** 



We are

We're taking action to achieve our climate goals, protect natural resources, reduce waste, and transition to more sustainable packaging.

## We've got the energy!

Our teams are driven by their determination to make a positive impact on the planet. Together, we're committed to building a resilient, sustainable future while minimizing the environmental footprint of our operations.

Our focus is on reducing carbon emissions, improving efficiency, and using sustainable materials in our packaging. We're also making it easier for our guests to recycle and reduce waste, transitioning to cleaner energy sources, and integrating sustainability across our supply chain.

Addressing climate change presents challenges but our proactive approach ensures these efforts create long-term business value while mitigating environmental risks. Every team-from Maintenance to ESG and beyond—plays a part in reducing our environmental footprint.

Sourcing

**Families** 

Community

We've got the energy to generate positive change-benefiting the planet, our business, and our communities. Now that's power!



## **Our carbon** footprint

We're committed to tracking and reducing our environmental impact by measuring, analyzing, and reporting greenhouse gas (GHG) emissions across our operations. In 2024, we completed our fourth carbon footprint assessment, covering all 20 countries and covering scope 1, 2 and 3.

Our GHG emissions reporting follows the "Corporate Accounting and Reporting Standard - Revised Edition" and the "Value Chain Accounting and Reporting Standard (Scope 3)" under the GHG Protocol. The emissions inventory, conducted by an international consultant, includes all gases listed under the Kyoto Protocol. We apply the operational control approach for emissions consolidation. For further assurance, we have also sent the inventory for external verification.

We've set environmental targets in Latin America's first sustainability-linked bond for the quick-service industry.

To strengthen our commitment, we linked environmental goals to a sustainability-linked bond issued in April 2022. This bond set the following goals for 2025 (compared to our 2021 adjusted rebaseline): 15% absolute reduction in GHG emissions across our operations (Scopes 1 and 2) and a 10% relative reduction in GHG intensity across our supply chain (Scope 3).

We met our Scope 1 and 2 GHG reduction targets in 2024. We reached this goal by ensuring that 50% of the energy used across all operations comes from renewable sources, marking a significant step forward in our sustainability journey, in addition to other concrete actions such as holistic process for managing fugitive emissions from our refrigeration systems or switching the fuel used by our company vehicle fleet in Brazil. In 2024, our GHG emissions intensity was 1.35 tCO\_e/thousands USD.

1,186.87 Ton CO,e **Biogenic Emissions** 



**111,175** tCO,e **Scope 1 106,507** tCO,e Scope 2 5,779,927 tCO,e Scope 3





## **Scope 1: Direct emissions reduction**

In 2024, we focused on key areas of emissions related to refrigerant gases and fixed and mobile combustion. By implementing targeted initiatives in these areas, we aim to reduce our carbon footprint, improve operational efficiency, and support sustainability efforts across our company.

### **Refrigerant gases**

Refrigerant gas emissions account for 70.4% of our Scope 1 emissions, making this a top priority for reduction. In 2024, we collaborated closely with our Maintenance team, focusing on two main approaches:

### **OPERATIONAL EFFICIENCY**

We recovered and responsibly redistributed refrigerant gas from air conditioning, freezers, and refrigerators, particularly in our restaurants in the NOLAD and SLAD regions. Gas from old equipment was captured, cleaned for cost-effective reuse, or responsibly destroyed, minimizing environmental impact and reducing the need to purchase new refrigerant, delivering environmental benefits and avoiding unnecessary costs.

### **ENVIRONMENTAL EFFICIENCY**

We phased out high-impact refrigerants by replacing older equipment with systems that use gases with lower global warming potential. Brazil led the charge with significant reductions, setting a strong example for sustainability efforts. Costa Rica also adopted similar measures.

### **Fixed combustion**

Fixed combustion accounts for 25.3% of our Scope 1. Our strategy centers on replacing gas-powered equipment with cleaner alternatives. In Costa Rica, we inaugurated our first "Restaurants 2.0," where all new locations are 100% electric, replacing gaspowered kitchen equipment for electric equipment, and therefore leveraging the country's clean energy matrix. Similarly, in Argentina, we replaced gas heating systems with electric heat pumps in one of the cities where gas heating was traditionally used.



### **Mobile combustion**

Mobile combustion represents 4.3% of our Scope 1 emissions. Our primary initiative has been transitioning to biodiesel-powered vehicles, which emit only a guarter of the emissions of conventional diesel. In Brazil, more than 99% of our fleet vehicles now run on biodiesel, while employees with company cars are encouraged to use it as well.

### +99% of company vehicles in Brazil used as operational tools transitioned to biodiesel

### **FUEL CONSUMPTION**



2023 **2024** 

262,314,551 MJ

"In 2024, the Maintenance teams across all countries in the NOLAD **Division achieved an outstanding** 57% reduction in net refrigerant gas consumption per restaurant compared to 2023. This milestone was not only reached at the divisional level, but every country in NOLAD performed below the target. The main actions taken throughout the year to achieve this included:

- 1. A shift in the Maintenance team's mindset regarding the critical importance of eliminating leaks;
- 2. Increasing the monitoring frequency from monthly to weekly;
- 3. Centralizing the control of gas purchases;
- 4. Implementing a Gas Recovery Process.

**Regarding the transition to renewable** energy, progress was made with the installation of solar panels on the rooftops of several restaurants. **Projects were mainly implemented in** Mexico, Costa Rica, and Puerto Rico."

## Facundo Zamarripa

Sr. Maintenance Manager NOLAD

## Scope 2: Transition to renewable energy

We are proud to report that 50% of the energy used across our operations now comes from renewable sources. This achievement represents a major milestone in our climate strategy and contributes to a cleaner, more sustainable future. Our progress has been driven by three key approaches: Dedicated renewable energy projects, Renewable energy purchase agreements, Energy management system.

### **Dedicated renewable energy projects**

In 2024, we took a major step in adopting renewable energy sources, particularly through the installation of solar panels in more than 50 restaurants across multiple countries. Mexico has led the way, with six restaurants already equipped with solar panels. Puerto Rico and Costa Rica have also joined this initiative as part of their sustainability strategies.

Currently, restaurants in Brazil, Colombia, Chile, Costa Rica, Guadalupe, Mexico, and Puerto Rico have been equipped with solar panels. These projects enable some restaurants to generate between 10% and 35% of their own energy needs, significantly reducing their carbon footprint.

Off-site, we have a small solar farm in Chile that supplies energy to one of our restaurants, with plans to expand. In Brazil, multiple solar farms are dedicated to powering several of our restaurants, further advancing our commitment to renewable energy and reducing our environmental impact.

### **Renewable energy** purchase agreements

Arcos Dorados has signed renewable energy agreements across multiple markets, securing energy from wind and hydroelectric power. In Brazil and Argentina, we have worked through the wholesale electricity market to ensure that the restaurants currently under these agreements are supplied with 100% renewable energy. A move that not only reduces emissions but also lowers energy costs compared to fossil fuel-based alternatives.

In Brazil, we conducted a study to determine whether the 232 restaurants located in shopping malls and commercial centers were powered by renewable energy. Mall administrations confirmed that 211 of these restaurants-90%-are now running on renewable energy from the free market.

Additionally, in Uruguay and Costa Rica, where the energy matrix is already nearly all renewable, we have worked to obtain renewable energy certification for the commercial electricity grid, further solidifying our commitment to sustainability and clean energy.



### Environment

2,171,978,935



### **Energy Management System**

In 2024, we launched the Energy Management System (EMS) to improve energy efficiency in all new restaurants. The EMS monitors energy usage, tracks high-consumption components, and controls their operation. For example, it regulates the temperature of air conditioning units.

In certain markets, they also measure water and gas consumption, allowing us to adjust and optimize equipment performance for enhanced operational efficiency and a reduced environmental impact.

obremese

### BRAZIL'S ENERGY CASE: INNOVATION, ACTION, RESULTS

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In 2024, Brazil achieved an impressive milestone: 95.6% of the energy powering our restaurants came from renewable sources. This result is the outcome of a comprehensive strategy that showcases innovation, collaboration, and bold action:

- Free energy market: 68% of our electricity came through direct purchases from renewable generators in Brazil's Mercado Livre, allowing us to secure clean energy at scale.
- Solar farms: We powered 28 restaurants with energy from three dedicated solar farms—two in Minas Gerais and one in São Paulo—covering 3.4% of our needs.
- Shopping centers: One of the biggest leaps in 2024 came from extensive work with shopping malls across the country. After investigating the energy sources of all malls hosting our restaurants, we confirmed that 211 already used renewable energy. By purchasing I-REC certificates, we were able to integrate this clean energy into our own matrix—representing 24.1% of our energy use.
- Franchise-led innovation: A solar energy consortium was created by 38 franchisees to build a solar plant that now powers 156 restaurants in southern Brazil with 100% renewable energy.

Thanks to Brazil's strong performance and commitment, Arcos Dorados took a major step forward in its clean energy journey proving that bold, local action powers regional transformation.

### Environment

GRI & SASB

## Scope 3: A less carbon-intensive supply chain

To reduce our Scope 3 carbon footprint, we reinforced our commitment to lowering greenhouse gas (GHG) emissions by implementing key initiatives across our supply chain. We know this is a challenging goal-tools evolve, innovation moves at its own pace, and the path forward is not always clear. Yet, we remain committed to progress, continuously adapting our strategies to stay aligned with science and impact.

Our efforts focused on sustainable livestock practices, product mix diversification, sub-franchisee support, and logistics efficiency. Recognizing that beef production is a primary source of emissions, we worked closely with direct suppliers committed to concrete reduction targets.

In Brazil, we partnered with Marfrig to enhance emission reduction efforts. In 2024, 100% of our beef supply from Marfrig Brazil came from the Marfrig Club, a program promoting best practices in sustainable cattle farming. Additionally, we hosted an inperson training session to strengthen emissions knowledge and strategies.



### **Diversification of product mix**

To reduce reliance on high-carbon-intensity beef, we diversified our product offerings. After years off the menu, the McFish sandwich made a comeback in Brazil with a large-scale campaign highlighting fish as a lower-carbon alternative to beef. Additionally, we partnered with McCain to launch a project sourcing potatoes from suppliers that use regenerative farming practices, reinforcing our commitment to sustainable ingredients.

### Waste reduction through circular economy

In 2024, we strengthened circular economy practices by expanding material recovery initiatives. Through enhanced reverse logistics programs for materials such as cardboard and used cooking oil, we reduced overall waste and contributed to resource efficiency.

circular economy section.

### **Sub-Franchisee sustainability efforts**

As sub-franchisee emissions fall under Scope 3, we actively encouraged them to adopt best practices in refrigerant gas management and energy efficiency. In Argentina, Mexico, and Brazil, we provided support and guidance for sustainable operational practices. In Brazil, sub-franchisees signed a renewable energy agreement, marking a significant step toward decarbonization.

### **Mobility and logistics optimization**

Efficient logistics play a crucial role in reducing Scope 3 emissions. In 2024, our supply chain team focused on optimizing freight efficiency. Working with key logistics partners such as Axionlog and Martin Brower, we implemented efficiency KPIs to track emissions per ton moved. In Brazil, we launched specific initiatives to cut emissions from freight and logistics operations.



## **Our sustainable** initiatives

We continue to drive innovation through our Sustainable Development & Construction Program, which includes several initiatives designed for our restaurant openings and modernizations. Some are mandatory, while others are optional, but all contribute to efficient resource use. The projects focus on energy and water conservation, promoting a circular economy and benefiting the community.

### 0 Water saving

- Water tank: recovery of rainwater and condensation from air conditioning
- Faucets with reduced flow and automatic timer
- Toilets with differentiated flush
- Landscaping with low-water use native forestation

78.50

## 0 **Energy saving**

- High-efficiency air conditioners
- Low global warming potential refrigerants
- Variable extraction equipment in kitchen hoods
- UV filter on facades
- Programmable control of air conditioning
- Electric consumption meters
- Automatic signage and exterior lighting
- Solar water heaters
- Solar panels
- Behind the counter: LED lighting, open-door sensors in refrigerators, and motion sensors in storage areas and bathrooms

- Lobby: LED lighting and motion sensors in bathrooms
- LED lighting in parking lots
- Exterior lighting with unitary solar panel and application to parking lots

## 0

- the restaurants
- outside the restaurants
- recycling purposes

### **Circular economy**

- Trash bin with waste separation inside
- Dumpsters with waste separation
- Installation for separation of used oil
- Separation of construction waste for

## 0 **Community impact**

- Gender-neutral bathrooms in the Lobby and Crew Room
- Bike rack, pet area, and exercise area
- Chargers for electric vehicles



## Circular economy

We are committed to innovative solutions that reduce waste and maximize the reuse of valuable materials across our value chain.

To further encourage waste separation and recycling among our customers, we've introduced new waste containers in our restaurants. These containers feature separate compartments for liquids, paper, PET, organics, and non-recyclables, encouraging both guests and employees to take part in responsible waste disposal and recycling efforts.

Across all our markets, we continue to focus on reducing, reusing, and recycling packaging while promoting the use of recycled materials.



**"Through our strategic alliance** with Arcos Dorados, we drive the achievement of their sustainability goals and celebrate the positive environmental impact we are reaching together. Through initiatives such as on-site composting, we significantly contribute to reducing the carbon footprint and adding value to waste. This initiative not only fosters a circular economy but also promotes a culture of environmental care, where both McDonald's customers and team members can actively participate. Together, we are proving that integrating circular practices into the strategy of a major company is possible, necessary, and transformative in building a cleaner, healthier, and more sustainable Chile."



### Álvaro Lizana Commercial Manager at VOLTA

## Enhancing used cooking oil and grill grease

A key focus of our sustainability strategy is the collection, recycling, and repurposing of used cooking oil (UCO) and animal fat in our restaurants. We adhere to local regulations to ensure safe and efficient collection systems, with most of the recovered oil used for the production of biodiesel and cleaning products.

This prevents waste from entering landfills or water systems, whilegenerating additional revenue through the oil recovery market by turning waste into valuable new materials.

In 2024, Brazil saw a 23.2% increase in UCO Recycling compared to 2023. The SLAD and NOLAD regions experienced a 40.6% growth in UCO recovery. Additionally, grill grease recovery in these regions rose by 68.1%.

These efforts helped reduce emissions, preventing 4,327,165 kg of CO<sub>2</sub> equivalent emissions in SLAD and NOLAD. We also collaborate with local and regional partners to further reduce transportation-related carbon emissions through reverse logistics.

4,392,079 liters of used cooking oil recovered

1,179,234 liters of grill grease recovered

## **Cardboard and** material recycling

We efficiently collect and recycle cardboard from our restaurants, turning it into new packaging materials. In 2024, we recovered over 940 tons of cardboard, reinforcing our commitment to a circular economy. We've also made progress in recycling other materials, such as organic waste, scrap metal, electronics, and plastic.





## **Advancing organic waste** management through composting

As part of our ongoing commitment to responsible waste management, we have expanded our composting initiatives across multiple markets. These efforts allow us to reduce the amount of waste sent to landfills and give organic waste a better destination.

In Colombia, 21 restaurants have implemented composting practices, leading to the recovery of 6.3 tons of organic waste. In Chile, 12 restaurants participated in composting programs, processing a total of 40 tons of organic and compostable waste. In 2024, two of these restaurants completed their second year of in-situ composting, ensuring that 30% of their waste was converted into nutrient-rich soil improver. Meanwhile, 10 locations segregated waste for industrial composting.

In Brazil, 46 restaurants have integrated composting, leading to the processing of 93 tons of organic waste. Among them, three locations operate in-situ composting systems, using specialized machines or thermophilic composting methods. Organic waste is transformed into compost and fertilizers used in the restaurant's garden, where various vegetables are grown and shared with employees. Each month, children and young people from public schools visit us to learn about this circular food economy. In 2024 alone, more than 10 schools and nearly 400 students participated in the project.

139 tons of organic waste from our restaurants composted

restaurants with composting practices

### **Food donation impact**

We're tackling food waste by identifying high quality ingredients that have lost commercial value but are still safe for consumption. In Brazil, we partnered with the social startup 'Comida Invisível,' an online platform that ensures these items are donated to NGOs, helping feed people in need while reducing waste and maximizing resources.

In addition to tackling food waste in restaurants, we also work with our logistics operator Martin Brower, who donated 27 tons to food banks in 2024.

45 tons of food donated

**206,859** meals equivalent

236 **NGOs benefited** 



### Environment



We are

Team

Sourcing

Families

Community

## **Top best practices**

Across our operations, we are committed to extending the lifecycle of materials through reverse logistics and recycling initiatives. By transforming waste into valuable resources, we reinforce our dedication to a circular economy.

In Chile, we partnered with Ecocitex to recycle 722 kg of uniforms, repurposing them into new accessories. Similarly, in Brazil, over 516 kg of unusable uniforms were recycled in collaboration with Ideal Work, producing 720 McCafé aprons. Mexico has also made significant strides, recycling 13 tons of paper packaging collected in 12 restaurants, which was then transformed into new McDelivery paper bags.

Our Paper Cup Reverse Logistics Program continues to expand. In Brazil, we recovered 349,081 cups in 2024, contributing to a total of 584,399 cups since 2023. These cups, collected in 11 restaurants, are processed by IBEMA, which repurposes them into new packaging materials. Meanwhile, in Ecuador, we recycled 6.7 tons of poly-coated paper cups, equivalent to 603,810 units, further reinforcing our commitment to waste reduction.

During Brazil Lollapalooza 2024, we led sustainability efforts by composting over 500 kg of organic waste, donating surplus food, recycling over 1 ton of waste from the operation, and participating in the campaign to exchange packaging for coupons or gifts through Rock & Recycle. Beyond the festival, our commitment to circularity extends across the country. Our recycling campaign incentivizes customers with McDonald's coupons, promoting waste separation and responsible disposal.

Additionally, 202 restaurants operate as zero-landfill locations, ensuring that non-recyclable waste is sent for co-processing as fuel for cement kilns. To further raise awareness, our tray liners feature messaging on circular economy principles and proper waste disposal, reinforcing sustainable habits at every meal.



### Environment

**GRI & SASB** 

**1.2 t** of recycled unused uniforms recycled between Chile and Brazil

**13 tons** of paper packaging collected in Mexico

## +900,000

cups recovered between Brazil and Ecuador

Team

**INITIATIVE** 

**HEAT SEAL** 

**DELIVERY BEVERAGE** 

**REGULATED MARKETS** 

**WOODEN STIRRERS** 

**WOOD CUTLERY** 

Community

## **Moving toward** sustainable packaging

Packaging plays a crucial role in food safety and freshness. Managing it responsibly helps us improve customer experience while reducing our environmental impact.

We're committed to switching to renewable, recycled, or certified packaging by the end of 2025. This means reducing plastic, encouraging reuse, and boosting recycling efforts. We've already made big changes, like replacing single-use plastics with paper alternatives and removing plastic straws and lids for dine-in orders.

Since 2017, we've cut single-use plastic by 3,300 tons per year. Today, 91.6% of our packaging is renewable and certified<sup>1</sup> for responsible forest management, with 15% containing recycled materials (not in direct contact with food). We are moving forward with our plans to eliminate as much plastic as possible from our restaurants. We are moving forward with our plans to eliminate as much plastic as possible from our restaurants. A shift that reduces environmental impact and lowers material costs by decreasing our usage of single-use plastics. Our plastic reduction initiatives are detailed as follows.

## 15% recycled input materials used in our packaging

<sup>1</sup>99.1% of the certified fiber volume supplied by our providers is FSC certified. The remaining 0.9% is PEFC certified.



		all ma	
<b>45,395</b> tons	WRAPS WITH RENEWABLE BARRIER	Greas	
total	PAPER/PE LIDS	Plastic for Dri Costa	
<b>8.4%</b> Plastic material 3,831 tons	SUNDAE PAPER / PE CUPS WITH CARTON LID	Sunda with p replac	
<b>91.6%</b> Other renewable materials	PAPER DIPPERS	Plastic	
41,564 tons	PAPER / PLA CUPS	Plastic cups r	

### **Plastic reduction initiatives**

DESCRIPTION	AD MARKETS
Plastic paper lids for Delivery replaced by paper with pe coating seats in all markets	All markets
Plastic cutlery replaced by wooden items (spoon, fork, knife) in regulated markets	Chile, Puerto Rico, Uruguay, Chile, Costa Rica
Plastic Stirrers replaced by wooden stirrers in all markets	All Markets
Greaseproof resin based barriers replaced by renewable materials	Argentina, Costa Rica, Uruguay, Panama, Mexico, Chile
Plastic lids for Cold and hot beverage cups for Drive Thru replaced with paper/PE lids in Costa Rica	Costa Rica
Sundae plastic cups replaced by Paper cups with plastic coating. Sundae plastic lids replaced with cardboard lids	All Markets (Brasil, Peru, Uruguay in 2024)
Plastic containers replaced by paper cups	Brasil, Mexico, Puerto Rico, Costa Rica, Panama
Plastic coating of cold and hot beverage cups replaced by PLA coating in Chile	Chile







## **GRI Content Index**

### **STATEMENT OF USE**

Arcos Dorados has reported in accordance to the GRI Standards for the period January 1-December 31, 2024. **GRI1USED** GRI 1: Foundation 2021



GRI STANDARD	CONTENT	ANSWER	PAGE	
The organization a	and its reporting practices			
GRI 2: General	2-1 Organizational details	Our principal executive offices are located at Río Negro 1338, First Floor, Montevideo, Uruguay.	5	
Disclosures 2021			5 5 5	
	2-3 Reporting period, frequency and contact point	sustentabilidade@br.mcd.com	5	
	2-4 Restatements of information		5	
	2-5 External assurance		5	
Activities and wor			-	
GRI 2: General	2-6 Activities, value chain and		12, 13	
isclosures 2021	other business relationships			
	2-7 Employees	100% of permanent employees. No assumptions or estimates are made to compile employee data. There were no significant fluctuations in the number of employees.	22	0
	2-8 Workers who are not employees	During the reporting period, we did not measure this indicator.		

### **GRI & SASB**

GRI STANDARD	CONTENT	ANSWER	PAGE	
Governance				
GRI 2: General	2-9 Governance structure and		16	
Disclosures 2021	composition			
	2-10 Nomination and selection	20-F Form		
	of the highest governance			
	body			
	2-11 Chair of the highest	Woods Staton serves as the Executive Chairman of the Board of Directors and holds a position distinct from the organization's senior executive team.		
	governance body			
	2-12 Role of the highest		16	
	governance body in			
	overseeing the management			
	of impacts			
	2-13 Delegation of		16	
	responsibility for managing			
	impacts			
	2-14 Role of the highest		16	
	governance body in			
	sustainability reporting			
	2-15 Conflicts of interest		17	
	2-16 Communication of critical	The number of critical concerns formally reported to the highest governing body was not surveyed during the period.		
	concerns			
	2-17 Collective knowledge of		16	
	the highest governance body			
	2-18 Evaluation of the	20-F Form		
	performance of the highest			
	governance body			
	2-19 Remuneration policies	20-F Form		
	2-20 Process to determine	20-F Form	23	
	remuneration			
	2-21 Annual total	Annual compensation ratio is confidential competitive information that we do not disclose.		
	compensation ratio			
<b>GRI STANDARD</b>	CONTENT	ANSWER		PAGE
---------------------	-----------------------------	--	---	----------
Strategy, policies	and practices			
GRI 2: General	2-22 Statement on sustainab	le		3
Disclosures 2021	development strategy			
	2-23 Policy commitments			17, 18
	2-24 Embedding policy			17, 18
	commitments			
	2-25 Processes to remediate			17, 18
	negative impacts			
	2-26 Mechanisms for seeking	]		17
	advice and raising concerns			
		nd Compliance with laws and regulations is competiti	ve information that we do not disclose.	
	regulations			
	2-28 Membership association	าร		15
Stakeholder enga	_			
GRI 2: General	2-29 Approach to stakeholde	r		6
Disclosures 2021	engagement			<b>~</b>
	2-30 Collective bargaining	Employees covered	by collective bargaining agreements	
	agreements	Argentina	94%	
		Brazil	100%	
		Chile	0%	
		Colombia	93%	
		Costa Rica	0%	
		Ecuador	0%	
		Mexico	85%	
		Panama	96%	
		Peru	0%	
		Puerto Rico	0%	
		Uruguay	97%	
		Venezuela	73%	

GRI STANDARD	CONTENT	ANSWER	PAGE	
Material topics				
GRI 3: Material topics	3-1. Process to determine		8,9	
2021	material topics			
	3-2 List of material topics		9	>
Occupational health	n and safety		~	
GRI 3: Material topics	3-3 Management of material		25, 26	
2021	topic			
GRI 403:	403-1 Occupational health and		26	
Occupational health	safety management system			
and safety 2018	403-2: Hazard identification,		26	
	risk assessment, and incident			
	investigation			
	403-3: Occupational health		23, 26, 30	
	services			
	403-4: Worker participation,		25, 26	
	consultation, and			
	communication on			
	occupational health and safety			
	403-5: Worker training on		26, 30	
	occupational health and safety			
	403-6: Promotion of worker		26, 30	
	health			
	403-7: Prevention and		25, 26	
	mitigation of occupational			
	health and safety impacts			
	directly linked by business			
	relationships			
	403-8: Workers covered by an		26	
	occupational health and safety			
	management system			

//	CONTENT	ANSWER				PAGE
	403-9: Work-related injuries	For all employees				
			SLAD	NOLAD	BRAZIL	
		Fatalities as a result of work-related injury	0	0	0	
		High-consequence work-related injuries (excluding fatalities)	1,428	314	555	
		Recordable work-related injuries	1,485	368	555	
		We do not have sufficient information to report the rate of work-related injuries regar jobs or workplaces are controlled by the organization.	rding employees and	workers who are not	employees but wh	ose
	403-10: Work-related ill health	For all employees				
			SLAI	D NOLAD	BRAZIL	
		Fatalities resulting from an occupational illness or disease	(	0 0	0	
		Recordable occupational ailments and diseases.	1	1 0	153	
Youth employment	t promotion	or workplaces are controlled by the organization.				
	s 3-3 Management of material					53-55
GRI 3: Material topics 2021	s 3-3 Management of material topic					53-55
GRI 3: Material topics 2021 <b>Respect for human</b>	s 3-3 Management of material topic rights					
GRI 3: Material topics 2021 <b>Respect for human</b> GRI 3: Material topics	<ul> <li>S 3-3 Management of material topic</li> <li>rights</li> <li>s 3-3 Management of material</li> </ul>					53-55 18
GRI 3: Material topics 2021 <b>Respect for human</b> GRI 3: Material topics 2021	s 3-3 Management of material topic rights		40 were evaluated by	, the organization. By t	the end of the peri	18
GRI 3: Material topics 2021 <b>Respect for human</b> GRI 3: Material topics 2021 GRI 406: Non-	<ul> <li>S 3-3 Management of material topic</li> <li>rights</li> <li>s 3-3 Management of material topic</li> </ul>	In 2024, we recorded 340 incidents related to discrimination and diversity, of which 340 incidents related to discrimination and diversity.	-			18 od,
GRI 3: Material topics 2021 <b>Respect for human</b> GRI 3: Material topics 2021 GRI 406: Non-	<ul> <li>S 3-3 Management of material topic</li> <li>rights</li> <li>s 3-3 Management of material topic</li> <li>406-1: Incidents of</li> </ul>		-			18 od,
GRI 3: Material topics 2021 <b>Respect for human</b> GRI 3: Material topics 2021 GRI 406: Non- discrimination 2016	<ul> <li>3-3 Management of material topic</li> <li>rights</li> <li>3-3 Management of material topic</li> <li>406-1: Incidents of discrimination and corrective actions taken</li> </ul>	In 2024, we recorded 340 incidents related to discrimination and diversity, of which 3- 247 cases were no longer subject to action, and 15 remediation plans were ongoing.	-			18 od,
GRI 3: Material topics 2021 <b>Respect for human</b> GRI 3: Material topics 2021 GRI 406: Non- discrimination 2016 GRI 408 Child Labor	<ul> <li>S 3-3 Management of material topic</li> <li>rights</li> <li>s 3-3 Management of material topic</li> <li>406-1: Incidents of discrimination and corrective actions taken</li> </ul>	In 2024, we recorded 340 incidents related to discrimination and diversity, of which 3- 247 cases were no longer subject to action, and 15 remediation plans were ongoing.	-			18 od, Ø d as
GRI 3: Material topics 2021 Respect for human GRI 3: Material topics 2021 GRI 406: Non- discrimination 2016	<ul> <li>S 3-3 Management of material topic</li> <li>rights</li> <li>s 3-3 Management of material topic</li> <li>406-1: Incidents of discrimination and corrective actions taken</li> <li>408-1 Operations and suppliers</li> </ul>	In 2024, we recorded 340 incidents related to discrimination and diversity, of which 3- 247 cases were no longer subject to action, and 15 remediation plans were ongoing.	-			18 od, Ø d as
GRI 3: Material topics 021 Respect for human GRI 3: Material topics 021 GRI 406: Non- liscrimination 2016 GRI 408 Child Labor 016	<ul> <li>3-3 Management of material topic</li> <li>rights</li> <li>3-3 Management of material topic</li> <li>406-1: Incidents of discrimination and corrective actions taken</li> <li>408-1 Operations and suppliers at significant risk for incidents</li> </ul>	In 2024, we recorded 340 incidents related to discrimination and diversity, of which 3- 247 cases were no longer subject to action, and 15 remediation plans were ongoing.	-			18 od, Ø d as
GRI 3: Material topics 2021 <b>Respect for human</b> GRI 3: Material topics 2021 GRI 406: Non- discrimination 2016 GRI 408 Child Labor 2016	<ul> <li>S 3-3 Management of material topic</li> <li>rights</li> <li>s 3-3 Management of material topic</li> <li>406-1: Incidents of discrimination and corrective actions taken</li> <li>408-1 Operations and suppliers at significant risk for incidents of child labor</li> </ul>	In 2024, we recorded 340 incidents related to discrimination and diversity, of which 3- 247 cases were no longer subject to action, and 15 remediation plans were ongoing.	-			18 od, d as 33, 34
GRI 3: Material topics 2021 Respect for human GRI 3: Material topics 2021 GRI 406: Non- discrimination 2016 GRI 408 Child Labor 2016 GRI 409 Forced or Compulsory Labor	<ul> <li>3-3 Management of material topic</li> <li>rights</li> <li>3-3 Management of material topic</li> <li>406-1: Incidents of discrimination and corrective actions taken</li> <li>408-1 Operations and suppliers at significant risk for incidents of child labor</li> <li>409-1 Operations and suppliers</li> </ul>	In 2024, we recorded 340 incidents related to discrimination and diversity, of which 3- 247 cases were no longer subject to action, and 15 remediation plans were ongoing.	-			18 od, d as 33, 34
GRI 3: Material topics 2021 <b>Respect for human</b> GRI 3: Material topics 2021 GRI 406: Non- discrimination 2016 GRI 408 Child Labor 2016 GRI 409 Forced or Compulsory Labor 2016	<ul> <li>3-3 Management of material topic</li> <li>rights</li> <li>3-3 Management of material topic</li> <li>406-1: Incidents of discrimination and corrective actions taken</li> <li>408-1 Operations and suppliers at significant risk for incidents of child labor</li> <li>409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor</li> </ul>	In 2024, we recorded 340 incidents related to discrimination and diversity, of which 3- 247 cases were no longer subject to action, and 15 remediation plans were ongoing.	-			18 od, d as 33, 34
GRI 3: Material topics 2021 <b>Respect for human</b> GRI 3: Material topics 2021 GRI 406: Non- discrimination 2016 GRI 408 Child Labor 2016 GRI 409 Forced or Compulsory Labor 2016 <b>Diversity and inclu</b>	<ul> <li>3-3 Management of material topic</li> <li>rights</li> <li>3-3 Management of material topic</li> <li>406-1: Incidents of discrimination and corrective actions taken</li> <li>408-1 Operations and suppliers at significant risk for incidents of child labor</li> <li>409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor</li> </ul>	In 2024, we recorded 340 incidents related to discrimination and diversity, of which 3- 247 cases were no longer subject to action, and 15 remediation plans were ongoing.	-			18 od, d as 33, 34

<b>GRI STANDARD</b>	CONTENT	ANSWER	PAGE	
GRI 405 Diversity	405-1 Diversity of governance		27	
and Equal	bodies and employees			
Opportunity 2016	405-2 Ratio of basic salary and	This ratio is confidential competitive information that we do not disclose.		
	remuneration of women to			
	men			
Responsible sourci	ng			
GRI 3: Material topics	3-3 Management of material		32-39	
2021	topic			
GRI 204	204-1 Proportion of spending	Local products are produced and consumed in the same country or territory. Imported products include products sourced from suppliers in other	32	
Procurement	on local suppliers	Arcos Dorados markets. We consider "significant operations" to be the countries and territories where Arcos Dorados operates restaurants. This		
Practices 2016		includes the 20 countries where we operate, along with the territories where we also have a commercial presence.		
GRI 308 Supplier	308-1 New suppliers that were		34	
Environmental	screened using environmental			
Assessment 2016	criteria			
	308-2 Negative environmental		34	
	impacts in the supply chain			
	and actions taken			
GRI 414 Supplier	414-1 New suppliers that were		34	
Social Assessment	screened using social criteria			
2016	414-2 Negative social impacts		34	
	in the supply chain and actions			
	taken			
Community suppor	t			
GRI 3: Material topics	3-3 Management of material		55-57	
2021	topic			

GRI STANDARD	CONTENT	ANSWER				PAGE	
GRI 413: Local	413-1 Operations with local					56	
communities 2016	community engagement,						
	impact assessments, and						
	development programs						
	413-2 Operations with	During the reporting period, we did not assess t	hese impacts on the community.				
	significant actual and potential						
	negative impacts on local						
	communities						
Internal culture an							
	s 3-3 Management of material					20-24	
2021	topic						
GRI 401:	401-1 New employee hires and	New employees	SLAD	NOLAD	BRAZIL		
Employment 2016	employee turnover	2024	2024	2024			
		Less than 24 years old	15,762	12,383	26,32		
		Between 24 - 30 years old	1,927	1,78	6,317		
		More than 30 years old	688	992	2,119		
		TOTAL	18,377	15,155	34,756		
		Men	8,061	8,283	20,518		
		Women	10,316	6,872	14,238		
		TOTAL	18,377	15,155	34,756		
		Turnover rate					
		Less than 24 years old	47.2	79.1	68.0		
		between 24 and 30 years old	80.5	111.5	80.1		
		More than 30 years old	69.9	112.4	67.4		
		MEN	58.7	86.7	94.4		
		Women	59.2	88.4	89.2		
	401-2 Benefits provided to					23	
	full-time employees that are						
	not provided to temporary or						
	part-time employees						

GRI STANDARD	CONTENT	ANSWER						PAGE	
	401-3 Parental leave	SLAD		NO	LAD	BR	AZIL		
		M	W	М	W	м	W		
		Employees who were entitled to parental leave 100%	100%	100%	100%	100%	100%		
		Employees who took parental leave 105	517	49	316	202	1,063		
		Employees who returned to work in the reporting period after their 104	431	48	268	202	1,059		
		parental leave ended							
		employees who returned to work after ending parental leave and 93	378	31	177	125	744		
		who were still employed 12 months after their return to work.							
		Retention rates of employees who took parental leave 59%	75%	61%	74%	62%	68%		
RI 404: Training	404-1 Average hours of training	During the reporting period, we did not have sufficient information to disclose the avera	age numb	er of hours k	by gender.			24	
nd education 2016	per year per employee		0		5.0				
	404-2 Programs for upgrading							24	
	employee skills and transition								
	assistance programs								
	404-3 Percentage of							23	
	employees receiving regular								
	performance and career								
	development reviews								
limate action									
RI 3: Material topics	3-3 Management of material							59-64	
021	topic								
RI 305: Emissions	305-1 Direct (Scope 1) GHG	The information corresponding to the baseline year is not available. We invite you to cor	nsult the 2	2023 Social Ir	mpact and S	ustainable D	evelopment	60	
016	emissions	Report, where you can find the relevant data. The emission factors for Scope 1 are most	tly from th	ie Departme	ent for Busine	ess, Energy 8	& Industrial		
		Strategy and the Intergovernmental Panel on Climate Change.							
	305-2 Energy indirect (Scope	Information not available. Indirect GHG emissions are presented based solely on the ma	arket-base	ed approach	, as our redu	ction targets	s are based	60	
	2) GHG emissions	on this data. The information corresponding to the baseline year is not available. We invite	ite you to	consult the	2023 Social II	mpact and S	Sustainable		
		Development Report, where you can find the relevant data.							
		Confidentiality restrictions. Most of the emission factors for Scope 2 and 3 are privately	owned an	nd managed	by the const	ultant respor	nsible for		
		calculating the carbon footprint.							
	305-3 Other indirect (Scope 3)	Information not available. The information corresponding to the baseline year is not available.	able. We inv	vite you to co	onsult the 20	23 Social Imp	pact and	60	
			atriationa	Most of the	omiccion foo				
	GHG emissions	Sustainable Development Report, where you can find the relevant data. Confidentiality re	estrictions.	MOSCOLUE	eniissioniac	ctors for Scop	be z and 3		
		Sustainable Development Report, where you can find the relevant data. Confidentiality re are privately owned and managed by the consultant responsible for the carbon footprint of				1			
			calculatior	n. The categ	ories include	d in the calcu	ulation are:		
		are privately owned and managed by the consultant responsible for the carbon footprint of	calculatior m transpo	n. The categ ortation and c	ories include distribution, w	d in the calcu vaste genera	ulation are: ted in operations,		

Team

Community

GRI STANDARD	CONTENT	ANSWER	PAGE
	305-5 Reduction of GHG		60
	emissions		
	305-6 Emissions of ozone-		60
	depleting substances (ODS)		
	305-7 Nitrogen oxides (NOX),	Due to our type of operation, we do not produce this category of emissions.	
	sulfur oxides (SOX), and other		
	significant air emissions		
fficient resource m	nanagement		
	3-3 Management of material		65
)21	topic		
RI 302: Energy 2016	302-1 Energy consumption	The following consumptions are not part of the company's activities: heating, cooling, and steam. Electricity, heating, cooling, and steam are not	62
0,5	within the organization	marketed. Estimates were made for countries where information was scarce or inaccurate. Standard conversion factors were used.	¥
	302-2 Energy consumption	During the reporting period, we did not consume energy outside of the operation.	
	outside of the organization		
	302-3 Energy intensity	The type of energy considered in the intensity ratio is electricity. The ratio accounts for the energy consumption within the organization.	62
	302-4 Reduction of energy		62
	consumption		
	302-5 Reduction in energy		62
	requirements of products and		
	services		
RI 303: Water and	303-1: Interactions with water		65
fluents 2018	as a shared resource		
	303-2: Management of water		65
	discharge-related impacts		
	303-3: Water withdrawal	During the reporting period we did not have sufficient information to disclose this information. We are working to improve this report in future reporting periods.	]
	303-4: Water discharge	During the reporting period we did not have sufficient information to disclose this information. We are working to improve this report in future reporting periods.	]
	303-5: Water consumption	During the reporting period we did not have sufficient information to disclose this information. We are working to improve this report in future reporting periods.	]
afe and nutritious	food		
RI 3: Material topics	3-3 Management of material		48-49
	topic		

GRI STANDARD	CONTENT	ANSWER	PAGE
GRI 416 Customer	416-1 Assessment of the health		48
ealth and Safety	and safety impacts of product		
016	and service categories		
	416-2 Incidents of non-	Critical findings were identified in 69 restaurants and were corrected during 2024.	
	compliance concerning the		
	health and safety impacts of		
	products and services		
bersecurity and o			
-	3-3 Management of material		46
)21	topic		
RI 418: Customer	418-1: Substantiated		46
ivacy 2016	complaints concerning		
	breaches of customer privacy		
	and losses of customer data		
ustainable livesto	ck and animal welfare		
	3-3 Management of material		37-39
)21	topic		
ackaging and was	I		
	3-3 Management of material		65-69
)21	topic		
RI 301: Materials	301-1 Materials used by weight		69
)16	or volume		
	301-2 Recycled input materials		69
	used		
	301-3 Reclaimed products and		68
	their packaging materials		
RI 306: Waste 2020	306-1 Waste generation and		66, 67
	significant waste-related		
	impacts		
	306-2 Management of		66, 67
	significant waste-related		
	impacts		
	306-3 Waste generated	During the reporting period we did not have sufficient information to disclose this information. We are working to improve this report in future report periods.	ng

GRI STANDARD	CONTENT	ANSWER	PAGE
	306-4 Waste diverted from	During the reporting period we did not have sufficient information to disclose this information. We are working to improve this report in future reporting	]
	disposal	periods.	
	306-5 Waste directed to	During the reporting period we did not have sufficient information to disclose this information. We are working to improve this report in future reporting	]
	disposal	periods.	
Resposible marketi	ng		
GRI 3: Material topics	3-3 Management of material		43, 44, 46,
2021	topic		47
GRI 417: Marketing	417-1 Requirements for product		43
and labeling 2016	and service information and		
	labeling		
	417-2 Incidents of non-	In 2024, we received 10,933 cases of non-compliance with regulations or voluntary codes concerning product and service information and labeling	
	compliance concerning	through our contact points. These cases were managed according to the guidelines outlined in the Commitment to Families chapter.	
	product and service		
	information and labeling		
	417-3 Incidents of non-		46
	compliance concerning		
	marketing communications		
Business ethics			
GRI 3: Material topics	3-3 Management of material		17, 18
2021	topic		
GRI 205	205-1 Operations assessed for		18
Anticorruption 2016	risks related to corruption		
	205-2 Communication and		18
	training about anti-corruption		
	policies and procedures		
	205-3 Confirmed incidents of		18
	corruption and actions taken		
GRI 206 Anti-	206-1 Legal actions for anti-		18
competitive	competitive behavior, anti-		
Behavior 2016	trust, and monopoly practices		
Product and comme	ercial innovation		
GRI 3: Material topics	3-3 Management of material		41, 42, 45
2021	topic		

(m)

Team

# **SASB Index**

STANDARD	CONTENT	ANSWER	PAGE
Energy Management			
FB-RN-130a.1	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable		62
Water Management			
FB-RN-140a.1	(1) Total water withdrawn (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	During the reporting period we did not have sufficient information to disclose this in- formation. We are working to improve this report in future reporting periods.	
Food & Packaging Waste Management		report in rutare reporting periods.	
FB-RN-150a.1	(1) Total amount of waste, (2) percentage food waste, (3) percentage diverted	During the reporting period we did not have sufficient information to disclose this in- formation. We are working to improve this report in future reporting periods. We are implementing a project in Brazil to recover and donate food suitable for consumption.	
FB-RN-150a.2	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, (3) percentage that is recyclable, reusable, and/or compostable		69
Food Safety			
FB-RN-250a.1	(1) Percentage of restaurants inspected by a food safety oversight body, (2) percentage recei- ving critical violations		48
FB-RN-250a.2	(1) Number of recalls, (2) total amount of food product recalled	In 2024 we had 26 stock recoveries. This happens when a problem with a product is identified that makes it necessary to be removed from the restaurants. We then work with the supplier on an action plan to prevent a recurrence.	
FB-RN-250a.3	Number of confirmed foodborne illness outbreaks, percentage resulting in U.S. Centers for Disease Control and Prevention (CDC) investigation 3		48

Team

Sourcing

Community

STANDARD	CONTENT	ANSWER	PAGE
Nutritional Content			
FB-RN-260a.1	(1) Percentage of meal options consistent with national dietary guidelines, (2) revenue from these options	Information about revenues from different menu offerings is sensitive competitive information that we do not disclose.	
FB-RN-260a.2	(1) Percentage of children's meal options consistent with national dietary guidelines for chil- dren, (2) revenue from these options	Information about revenues from different menu offerings is sensitive competitive in- formation that we choose not to disclose.	
FB-RN-260a.3	Number of advertising impressions made on children, percentage promoting products that meet national dietary guidelines for children	Our advertisements are always targeted towards family groups, not children. All our products align with the nutritional guideli- nes for children in the countries where we operate.	
Labor Practices			
FB-RN-310a.1	(1) Voluntary turnover rate for restaurant employees, (2) involuntary turnover rate for restaurant employees	This ratio is confidential competitive infor- mation that we do not disclose.	
FB-RN-310a.2	(1) Average hourly wage, by region, (2) percentage of restaurant employees earning minimum wage, by region	We comply with all legal regulations and requirements related to labor conditions and compensation in each country where we operate.	
FB-RN-310a.3	Total amount of monetary losses as a result of legal proceedings associated with (1) labor law violations and (2) employment discrimination	In this report, we disclose full information about discrimination cases. It is important to note that the financial information is com- petitive-sensitive.	)
Supply Chain Management & Food Sourcing			
FB-RN-430a.1	Percentage of food purchased that (1) meets environmental and social sourcing standards and (2) is certified to third-party environmental and/or social standards		34
FB-RN-430a.2	(1) Percentage of eggs that originated from a cage-free environment and (2) Percentage of pork that was produced without the use of gestation crates	During the reporting period, we did not have sufficient information to report the percen- tage of gestation crate-free pork purchased	
FB-RN-430a.3	Discussion of strategy to manage environmental and social risks within the supply chain, inclu- ding animal welfare		32-39



Pistrelli, Henry Martin y Asociados S.A. 25 de mayo 487 - C1002ABI Buenca Airea, Argentina

Tel: (54-11) 4318-1600/4311-6644 Fax: (54-11) 4318-1777/4510-2220 ey.com

REPORT OF INDEPENDENT ACCOUNTANTS ON SUSTAINABILITY INDICATORS

To the Directors of Arcos Dorados Holdings Inc.

1. Identification of the information related to the engagement

We have been engaged by Arcos Dorados Holdings Inc. (hereinafter referred to as "the Company") to perform a limited assurance engagement, as defined in Technical Resolution No. 37 of the Argentine Federation of Professional Councils of Economic Sciences (FACPCE) (hereinafter referred to as "the engagement"), on certain sustainability indicators (hereinafter referred to as "the Indicators") detailed in Annex 1 of this report and contained in the "Social Impact and Sustainable Development Report" for the fiscal year ending December 31, 2024 (hereinafter referred to as "the Report").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

2. Criteria applied by the Company

In the preparation and presentation of the Indicators detailed in Annex 1, the Company applied the GRI standards established by the Global Sustainability Standards Board (GSSB) (hereinafter referred to as "the Criteria"), as indicated on page 5 "Report Parameters" of the Report.

### 3. Responsibility of the Company's management in connection with the indicators

Management is responsible for selecting the Criteria and for presenting the indicators in conformity with those Criteria, in all their significant aspects. This responsibility includes the design, implementation, and maintenance of internal controls, the maintenance of adequate records, and the making of estimates that are relevant to the preparation of the Indicators, so that they are free from material misstatement, whether due to fraud or error.

4. Responsibilities of the independent public accountants in connection with the indicators

Our responsibility consists in expressing a conclusion on the Indicators based on the procedures we have performed and the evidence we have obtained.

We have carried out the limited assurance engagement in accordance with the standards of Technical Resolution No. 37 of the FACPCE contained in sections V.A. "Other Assurance Engagements in General" and V.F. "Social Balance Assurance Engagement" (as it pertains to the Report), and with the terms of reference for this engagement agreed upon with the Company on March 18, 2025. These standards require us to plan and perform our engagement to express a conclusion on whether we are aware of any significant modifications that need to be made to the Indicators in order for them to be in accordance with the Criteria, and to issue a report.

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However, the lack of a generally accepted practice or methodology to identify, assess and measure non-financial information may give rise to different assumptions and criteria, and therefore to values which are not necessarily comparable with those of other entities, which represent an inherent limitation

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The nature, timing of application and scope of the selected procedures depend on our judgment, including the assessment of material misstatements, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to sustain our limited assurance conclusion.

# 5. Our independence

We are independent from the entity, and we have complied with the other ethics responsibilities in accordance with the Code of Ethics issued by the Professional Council in Economic Sciences of Autonomous City of Buenos Aires City and FACPCE Technical Resolution No. 37, and we have the necessary competencies and experience to carry out this assurance review.

We have also designed and operated a quality management system that includes documented policies and procedures related to compliance with ethical requirements, professional standards, and applicable legal and regulatory provisions.

# 6. Description of procedures performed

In a limited assurance engagement in accordance with Technical Resolution No. 37 of the FACPCE, valid and sufficient evidence is obtained as part of a systematic process, which includes understanding the indicators of the engagement and other circumstances of the work, making inquiries primarily of the individuals responsible for preparing the presented information, and applying analytical procedures and other appropriate procedures. However, the procedures have a scope significantly less than that of a reasonable assurance engagement and, consequently, do not allow us to obtain reasonable assurance that we have become aware of all significant matters that could be identified, which is why we do not issue an opinion on the Indicators.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls, and our procedures did not include testing such controls.

# Our procedures mainly included:

- a) Conducting interviews with staff to understand the business and the report preparation process,
- reporting the subject matter during the reporting period,
- c) Checking that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria.

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b) Conducting interviews with key personnel to understand the process for collecting, collating and



d) Undertaking analytical procedures of the data and making inquiries of management to obtain explanations for any significant differences we identified.

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- e) Identifying and testing assumptions supporting calculations.
- f) Testing, on a sample basis, underlying source information to check the accuracy of the data.

We also perform other procedures that we deem necessary given the circumstances.

The limited assurance procedures applied do not relate to future periods and our conclusion on the Indicators is for the period described only.

7. Conclusion

Based on the procedures applied, the evidence obtained, and the judgment elements gathered, we have not become aware of any matters that lead us to believe that the indicators detailed in Annex 1 of this report, included in the Impact and Sustainable Development Report of the Society for the fiscal year ended December 31, 2024, have not been prepared, in all significant aspects, in accordance with the Criteria mentioned in the section 'Criteria applied by the Entity'.

Autonomous City of Buenos Aires

June 27, 2025

PISTRELLI, HENRY MARTIN Y ASOCIADOS S.A. C.P.C.E.C.A.B.A. T'1-F' 13

lille HERNAN HLEBOWICZ

Partner Public Accountant (U.B.A.) C.P.C.E.C.A.B.A. Tº 369 - Fº 190





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Annex 1

The Indicators

The information corresponding to the indicators included in the 2024 Social Impact and Sustainable Development Report of Arcos Dorados Holdings Inc., published on their websites, is presented in the following table:

	Standard	Indicator	Unit	
	GRI	2-6: Activities, value chain, and other business relationships	Qualitative indicator	1. 5
				2. (
				1
				l
				3. 1
				1
	GRI	2-7: Employees	Numbers	Per SLI NO Bra
				Ful SL NO Bra
				Pa SL N0 Bra
				Tot Per Ter No
)	GRI	2-23: Policy commitments	Qualitative indicator	The the Sta Sat

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Value

Suppliers Food: 227 suppliers Paper and packaging: 67 suppliers Distribution centers: 28 facilities

Operations Restaurants: 4.428, 67+ vs year-end 2023 71% company operated 29% sub-franchisee operated

Teams: 98.615 company employees, 63,4% under 24 years old. 58% women, 44% men.

Menu USD 5.8 billons in Systemwide Sales +3,3% vs 2023 People

Guests: 4m+ guests per day

Community: 487.335 training opportunities and first time, formal jobs created in 2024.

ermanent employees: LAD: 15.245 men, 21.206 women: total 36.451 OLAD: 10.731 men, 10.518 women, total: 21.249 razil: 17.620 men, 23.295 women, total: 40.915

ull-time employees: 64.157 LAD: 6.221 men, 7.237 women, total: 13.458 IOLAD: 7.133 men, 6.379 women, total: 13.512 Irazil: 16.076 men, 21.111 women, total: 37.187

rt-time employees: 34.458 AD: 9.024 men, 13.989 women, total: 22.993 OLAD: 3.596 men, 4.139 women, total: 7.737 azil: 1.544 men, 2.184 women, total: 3.728

tal employees in all regions: 98.615 rmanent employees: 100% emporary employees: 0 on-guaranteed hours employees: 0

e policy commitments can be found on page 17 of a Report. andards of Business Conduct

afe and Respectful Workplace Policy

			- 5					- 6		
	Buffding a better worlding world		- 5			Building a better working world		-0	-	
				Supplier Code of Conduct Global Statement of Principles Against Discrimination, Harassment, and Retaliation Global Statement of Principles on Workplace Violence Prevention		GRI	302-1: Energy consumption within the organization	MJ	Brazil: 7 Electrici Renewa Non-Re Total: 6	
	GRI	2-29: Approach to stakeholder engagement	Qualitative indicator	The approach to stakeholder engagement can be found in the chapter "Stakeholders engagement" on page 6 of the Report.					Biodiese Renews	
	GRI	3-2: List of material topics	Qualitative indicator	The material topics are included in the Materiality Matrix on page 9 of the Report, and they are as follows:					Gasolin Non-Re	
				Business Ethics     Safe and Nutritious Food     Packaging and Waste					LGP/Pro Non-Re	
				A. Respect for Human Rights     Occupational Health and Safety     Efficient Resource Management					Natural Non-Re	
				7. Responsible Sourcing 8. Community Support 9. Responsible Marketing		GRI	302-3: Energy intensity	MWh/Thousand USD	135,0. 1 ratio is e	
				10. Cybersecurity and Data Privacy 11. Youth Employment Promotion 12. Internal Culture and Development		GRI	305-1: Direct (Scope 1) GHG emissions)	tCO2e	111.175	
				13. Sustainable Livestock and Animal Welfare 14. Climate Action 15. Diversity and Inclusion 16. Product and Commercial Innovation		GRI	305-2: Energy indirect (Scope 2) GHG emissions	tCO2e	106.506	
	GRI	204-1: Proportion of spending on local suppliers	Percentages and definitions	Local products that are produced and consumed in the same country or territory.		GRI	305-3: Other indirect (Scope 3) GHG emissions	tCO2e	5.779.9	
				Local suppliers: 74% Brazil: 81% SLAD: 72% NOLAD: 64%		GRI	403-5: Worker training on occupational health and safety	Number	Worker found un page 26	
	GRI	205-2: Communication and training about	Numbers and porcentages	Information of chart "Course and Certification of Standards of Business Conduct", page 18.		GRI	403-6: Promotion of worker health	Qualitative indicator	The pro title "He	
		anti-corruption policies and procedures		Board of Directors Corporate: 11, 100%		GRI	405-1: Diversity of governance bodies and employees	Porcentage	Board o Less the Between More the	
				Senior Leadership Team: SLAD: 13, 100% NOLAD: 10, 100% Brazil: 6, 100%					Senior L Less the Between	
				Staff: Corporate: 417, 85% SLAD: 869, 77%					More the Operation	
				NOLAD: 620, 72% Brazil: 765, 95% Total:					More that	
Ç				Corporate: 428, 98% SLAD: 882, 77% NOLAD: 630, 72%	P				Staff: 45 Less the	
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zil: 771, 95%

etricity newable: 302.145.955 kWh / 1.087.725.438 MJ n-Renewable: 301.181.527 kWh / 1.084.253.497 MJ tal: 603.327.482 kWh / 2.171.978.935 MJ

diesel xewable: 780.834 L / 17.425.279 MJ

coline h-Renewable: 1.574.557 L / 54.372.760 MJ

/Propane -Renewable: 9.741.223 L / 262.314.551 MJ

ural gas -Renewable: 5.296.906 m3 / 206.532.721 MJ

0. The type of energy considered in the intensity is electricity within the organization.

175,45

506,93

9.927,09

ker training in health and safety at work can be ind under the title 'Safety and Wellness Together' on e 26 of the Report.

promotion of worker health can be found under the "Health and Well-being" on page 30 of the Report.

rd of Directors: 73% male, 27% female s than 30 years old: 0% ween 31 and 50 years old: 18% e than 50 years old: 82%

ior Leadership Team: 76% male, 24% female s than 30 years old: 0% ween 31 and 50 years old: 29% e than 50 years old: 71%

rations-Business/Restaurant manager and agement team: 45% male, 55% female, s than 30 years old: 67% ween 31 and 50 years old: 31% e than 50 years old: 2%

f: 45% male, 55% female s than 30 years old: 22%

EY	
Building a better working world	

development programs -7-

Between 31 and 50 years old: 68% More than 50 years old: 10%

Crew: 44% male, 56% female Less than 30 years old: 92% Between 31 and 50 years old: 7% More than 50 years old: 1%

Total number of cases of discrimination during the reporting period: 340 Number of cases evaluated by the organization: 340 Orgoing remediation plans: 15 Number of implemented remediation plans as part of GRI 406-1: Incidents of Qualitative discrimination and indicator corrective actions taken the routine internal review and management processes: 17 Number of cases not subject to action: 247 GRI 413-1: Operations with Number 2.234.916 Big Macs sold USD 8.880.722 raised and donated 100% of the operations achieved by campaigns to fund programs that benefit the community. local community engagement, impact assessments, and

<sup>1</sup>The maintenance and integrity of the Arcos Dorados websites (see web addresses) that serve as repositories for the Report is the responsibility of the Entity's Management. The work carried out by EY does not include consideration of these activities, and therefore, EY accepts no responsibility for any discrepancies between the information presented on that website and the Engagement contained in the Report on which the Commitment was made and the conclusion was issued.

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Coordinated by the Social Impact and Sustainable Development Team