



# 2025 SUSTAINABILITY REPORT



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# Letter from the Chief Operating and Sustainability Officer

(2-22)

2025 was undoubtedly a year that challenged us to act with strategic vision, operational discipline, and a deep sense of responsibility. In a complex economic and geopolitical environment across Mexico and North America, we consolidated our market position and established a strong platform for sustainable growth—results reflected in this Sustainability Report. We reaffirm sustainability as a central pillar of our business, driving innovative and responsible solutions.

In a context where paper and packaging remain essential, we strengthened our value proposition and position our products as key allies in the transition to a more sustainable future. Throughout the year, we consolidated relevant investments in automation, modernization, and efficiency across our operations, strengthening our capabilities for the future. Achieving 100% operational capacity at our Dallas Plant marks a strategic milestone, distinguished by technological advancements and the adoption of best practices. Along with it, we continued to experience solid organic growth, remaining vigilant for opportunities that generate sustainable value.

In environmental matters, we made significant strides on our climate agenda by validating our emissions-reduction targets under the guidelines of the Science Based Targets Initiative (SBTi). This milestone reaffirms our commitment to managing greenhouse gas emissions based on science, ensuring that every action taken contributes tangibly to mitigating climate change.

Furthermore, we strengthened our circular economy model, Urban Forest®, as the cornerstone of our environmental initiatives. Within this framework, we recycled 1.93<sup>(1)</sup> million short ton of paper and cardboard, consolidating resource utilization and reducing pressure on primary raw materials. Simultaneously, we aligned ourselves with Mexico's new General Law on Circular Economy, which presents

<sup>(1)</sup> 1 Metric ton equals 1.1023 short ton.

a significant opportunity to bolster domestic raw material production and decrease our reliance on imports.

In terms of energy, we continued to expand our photovoltaic capacity and consolidate the Bio-ENERGY system, through which we generate 81.4% of the energy required for our operations internally, strengthening our self-sufficiency and competitiveness while reducing environmental impact.

In addition, we improved our water management through investments in infrastructure and technology, expanding our treatment and reuse capacity, which allowed us to recycle more than 31.6 million m³ of water.

Bio Pappel's strength lies in the talent, dedication, and vision of its people. For this reason, we continue to foster an environment that promotes the comprehensive development of all our staff. By 2025, 100% of our workplaces in Mexico had achieved NMX-R-025-SCFI-2015 certification in Labor Equality and Non-Discrimination, reinforcing a management model focused on safe, healthy, respectful, and people-centered environments.

Our connection with the communities where we operate translates into concrete actions and measurable results. Through partnerships with local stakeholders, we drive initiatives that promote economic, social, and environmental development. This year, our programs positively impacted more than 34,813 people, focusing on environmental protection, community strengthening, and education as a driver of development.

Through Bio Pappel Foundation, this year, we expanded the reach of our social commitment, promoting strategic alliances for the benefit of people's well-being, with organizations such as Best Buddies Mexico, the National Museum of Anthropology, SER

Schools, Kidzania, the Mexican Mathematics Olympiad, the Drawing a Better Tomorrow Foundation, Children in Joy A.C. and Chapultepec Forest Trust.

Our management is backed by a solid corporate governance that guides decision-making and ensures alignment with the company's strategic objectives, while responding responsibly to our stakeholders' expectations.

We recognize that collaboration is a key element in addressing the challenges of sustainable development, which is why at Bio Pappel, we promote strategic alliances that strengthen our capabilities and amplify the impact of our actions, contributing to the fulfillment of the 2030 Agenda.

2025 was a highly complex year, along with firm decisions and forward-thinking vision. We maintain a proactive approach to the environment—prepared to manage risks and capitalize on future opportunities.

I invite you to read this report carefully, as you'll find within its pages evidence of Bio Pappel's comprehensive commitment to sustainability, innovation, and the creation of shared value—principles that will continue to guide our course year after year.

Martín



Martín Rincón  
Chief Operating and Sustainability Officer, Bio Pappel



Environmental



We officially validated our emissions reduction goals with the SBTi

7.4 million trees saved through our stewardship

81.4% of the energy used corresponds to renewable generation from our Bio-ENERGY system

1.93<sup>(1)</sup> million short ton of recycled paper and cardboard

93.03% of the water used in our production processes is recycled

7.03 million tons of CO<sub>2</sub>e captured

<sup>(1)</sup> 1 Metric ton equals 1.1023 short ton.



Social

13,775 direct jobs      20,704 indirect jobs

103,039 employee training hours      2,722 volunteers



Economic

3.31<sup>(1)</sup> million short ton produced      Regional reach with operations in 17 states across Mexico, 6 in the United States, and 1 in Colombia      53 industrial plants, recycling centers and headquarters

\$1,998.6<sup>(2)</sup> million dollars direct economic value generated      +2,300 SMEs make up our value chain

<sup>(1)</sup> 1 Metric ton equals 1.1023 short ton. <sup>(2)</sup> Annual average exchange rate \$19,2175 MXN.

Corporate profile

At Bio Pappel, sustainability is the core of our strategy and daily operations. This focus has strengthened our organizational culture and solidified our position as one of the leading paper companies in North America.

We are the leading Mexican manufacturer of paper and paper products, ranked among the industry’s top ten companies in the United States. We also operate an integrated production and distribution platform with a presence in Mexico, the U.S., and Canada, as well as other Latin American markets.

Our business model is based on the circular economy, constant innovation and the generation of shared value with our customers, staff, communities and other stakeholders.

Vision

To be a leading enterprise in the creation of shared value based on a strong culture of learning, innovation, productivity, environmental protection, and social responsibility.

Mission

To competitively produce paper, paper-based products and packaging to effectively contribute to our clients' success, as well as to our own and to the environment.

Values

- Integrity:** Acting with ethics, transparency, and consistently in all our operations.
- Competitiveness:** Operating with excellence, efficiency, and a results-oriented approach.
- Innovation:** Continuously transforming our processes and products.
- Teamwork:** Collaborating with respect and a common focus toward our goals.
- Sustainability:** Balancing economic, social, and environmental performance in every decision.





# Business groups and products

(2-6 / GC 8 and 9)



At Bio Pappel, we specialize in manufacturing the highest-quality paper and paper-based products under a business model that integrates innovation and sustainability while meeting rigorous standards.

More than just manufacturing paper and paper-based products, we develop solutions help our clients improve their environmental performance in their production processes, providing efficiency, quality, and added value.

In a global environment that drives the uptake of more responsible materials, our products continue to establish themselves as a reliable and sustainable alternative, aligned with the principles of the circular economy.



We are certified by the Forest Stewardship Council® (FSC®), which supports our commitment to producing paper and paper products with 100% recycled fiber and ensure responsible practices throughout our supply chain



(2-6)

We have three strategic business units, which allow us to understand our markets and offer sustainable and innovative solutions, adapted to the specific needs of each client.



Leading company in Latin America in the production and distribution of brown paper and corrugated packaging.

Its product range includes paper in large rolls, linerboard and medium brown paper, corrugated and high-graphics packaging, sacks and paper bags.



Producer of white bond paper for writing and printing, along with school supplies.

Its portfolio includes notebooks, bond paper for writing and printing, bond paper in large rolls and sheets for converting and printing, as well as newsprint.

More than 60 years of experience support Scribe®'s presence as an emblematic brand in Latin America



Leading company in the US market for paper and packaging solutions.

Producers of paper rolls for packaging and containers, white and brown liner paper for packaging, paper for sacks, bags and wrappers, corrugated and high graphic packaging.

# Value chain

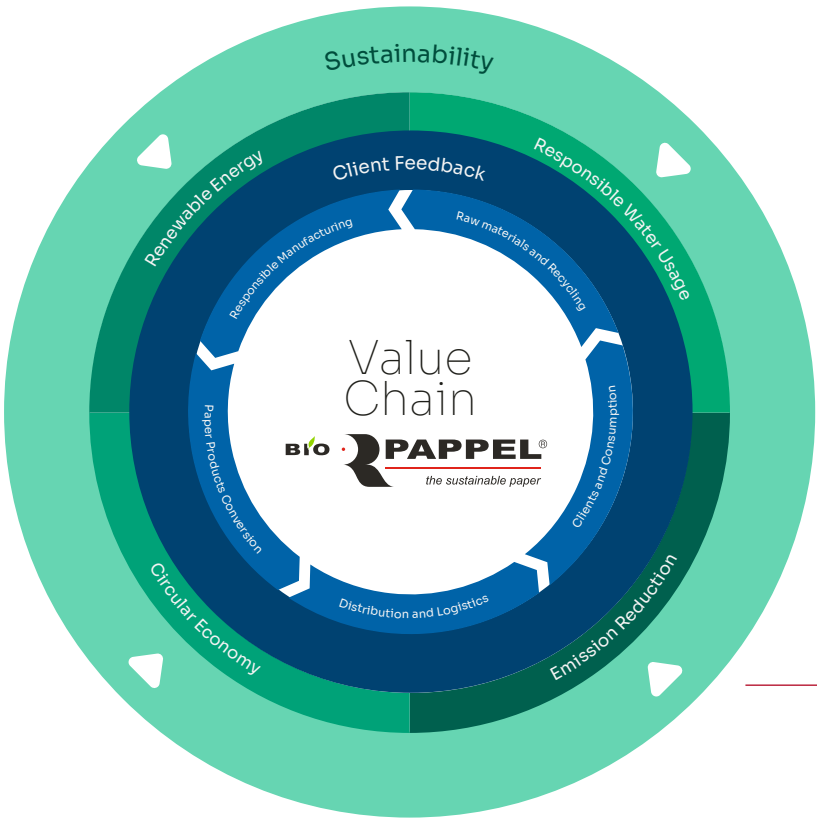
(2-6, 2-23, 2-24 / GC 1, 2, 4, 5 and 10)



Our value chain is built on collaboration with companies that share our commitment to sustainable development. We promote responsible practices throughout our production, strengthening ethical and transparent operations aligned with environmental, social, and governance criteria. The selection and evaluation of suppliers integrate ESG parameters and compliance with tax, labor, and legal obligations, ensuring consistency with our corporate principles. We strive to be the best choice for our customers, a

reliable partner for our suppliers, and an environment that supports employee development.

We have also strengthened our dialogue with various stakeholders, incorporating their feedback into the continuous improvement of our operations. As part of our commitment to regional economic development, we prioritize hiring local talent and promote the integration of small and medium-sized enterprises into our supply chain.



Bio Pappel's value chain is based on an ESG approach, integrating circular economy, efficient resource management, clean energy and emission reduction to generate sustainable value throughout its operation and supply chain

92.5% of our suppliers are local

More than 2,300 SMEs are part of our value chain

# Sustainability Strategy

(2-23, 3-3)

## Sustainability Model

At Bio Pappel, we understand sustainability as the core that guides our business model, enabling us to optimize resource use, continuously reduce our environmental footprint, and strengthen an increasingly responsible and efficient value chain.

This sustainability model integrates environmental, social, and governance criteria in a structured and strategic manner. It is embedded across the organization to generate sustainable benefits both internally and for our diverse stakeholder groups.



Identification and prioritization of stakeholders

Bio Pappel's sustainable development is possible due to the strong relationships we have built with the entities that influence our operations and those we impact through these activities. Therefore, maintaining a permanent, open, and transparent dialogue with the various stakeholders allows us to understand their expectations, identify opportunities for improvement, and anticipate risks.

Through various communication and participation channels, we collect constant feedback that we incorporate into our decision-making.

Ongoing dialogue with our stakeholders strengthens responsible decisions and our sustainable development

(2-29)



|  | Stakeholder                                      | Expectations                                                                                                                                                                 | Responses /Actions completed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Communication channels                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Frequency of contact                                                                                                                              |
|--|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
|  | Customers                                        | Having responsible and innovative solutions that strengthen their competitiveness and contribute to mutual growth.                                                           | We guarantee adherence to standards and applicable certifications; we perform audits on quality, safety and sustainability; we promote our Code Ethics for Clients and we optimize the inventory management.                                                                                                                                                                                                                                                                                                                               | We conduct satisfaction surveys and evaluations to improve processes; we maintain permanent contact through the Ethics Line and the direct dialogue, in addition to participating in specialized events to understand their needs.                                                                                                                                                                                                                                                                                                     | Satisfaction Survey: Annual.<br>Audits: Annual.<br>Bio Pappel Ethics Line: Permanent.                                                             |
|  | Board of Directors and shareholders              | Driving profitable and sustainable growth based on innovation, environmental performance and social responsibility.                                                          | We aligned our sustainability strategy with the business; we designate an advisor as Sustainability Director. We created the Sustainability and Ethics Committees to guarantee a responsible management.                                                                                                                                                                                                                                                                                                                                   | Annual and quarterly sessions of the Council and Shareholders' Assembly. Annual Financial Report. Annual Sustainability Report. Executive Meetings.                                                                                                                                                                                                                                                                                                                                                                                    | Executive Meetings and Financial Reports: Annual.<br>Council and Assembly meeting, Financial Report, Sustainability Report: Quarterly and annual. |
|  | Our people                                       | Continue consolidating our position as an employer of reference, promoting professional development in fair conditions and guaranteeing a safe and healthy work environment. | <p>Through Bio Talent 2.0 we align Individual goals to the business, we provide ongoing training, recognition and ethics programs. We offer bonuses and promote ethics through our Code of Ethics.</p> <p>We implement security and health systems, as well as equality and non-discrimination policies, in addition to work environment assessments. Additionally, we participated in workplace climate rankings as a tool to evaluate internal experiences and identify opportunities for improvement in our organizational culture.</p> | <p>The Bio Talent 2.0 program allows us to obtain performance feedback, career plans, internal committees, climate surveys, ethics line, volunteering and internal newsletter.</p> <p>We established committees to listen to concerns and proposals from the staff, from which we promote new projects and initiatives. Additionally, we conduct surveys in terms of work environment, we reinforce the ethical culture and promote both volunteer programs and dissemination of information through the Bio Infórmate Newsletter.</p> | Bio Talent 2.0: Quarterly.<br>Committees: Quarterly.<br>Climate surveys: Annual.<br>Bio Pappel Ethics Line: Permanent.<br>Bio Infórmate: Monthly. |
|  | Suppliers                                        | Building long-term relationships within the value chain to favor mutual growth.                                                                                              | We have a certification process for suppliers and ensure the compliance with our policy and Code of Ethics. We organize the Annual Supply Congress to strengthen relations and improve our business practices with the suppliers.                                                                                                                                                                                                                                                                                                          | We also maintain a direct dialogue with strategic suppliers to identify opportunities for improvement and encourage an ethical business conduct through the Bio Pappel Ethics Line.                                                                                                                                                                                                                                                                                                                                                    | Bio Pappel Ethics Line: Permanent.                                                                                                                |
|  | Communities                                      | Promoting the development of nearby communities leveraging our abilities and talent.                                                                                         | We identify the needs of the communities where we operate and define an annual plan with measurable goals executed through the Social Responsibility strategy focused on environmental care and community development.                                                                                                                                                                                                                                                                                                                     | We maintain ongoing dialogue with community leaders to define actions; evaluate progress through periodic reports and surveys, in addition to reinforcing integrity through the Bio Pappel Ethics Line.                                                                                                                                                                                                                                                                                                                                | Community engagement strategy Social Responsibility: Monthly.                                                                                     |
|  | Government                                       | Ensure adherence to the applicable regulation in all our operations, acting with integrity and transparency.                                                                 | We work with chambers of commerce and business associations to promote environmental regulations; we promote collaboration with authorities and participate in tenders with transparency and adherence to requirements.                                                                                                                                                                                                                                                                                                                    | We have direct communication with authorities, participate in meetings with business organizations and share information through annual reports, seminars and various forums.                                                                                                                                                                                                                                                                                                                                                          | Monthly check in.                                                                                                                                 |
|  | Civil society institutions and public in general | Promote an open and responsible relation in terms of social and environmental impact of our activities.                                                                      | We create key alliances and participate in rankings that measure our environmental and social performance.                                                                                                                                                                                                                                                                                                                                                                                                                                 | We stay in direct contact to better understand the needs of civil society, we interact through networks and social media; we also participate in rankings that allow us to measure progress and identify opportunities for improvement.                                                                                                                                                                                                                                                                                                | Communities: Monthly.<br>Participation in rankings: Annual.                                                                                       |
|  | Bank Creditors                                   | We seek to create shared value with our allies and maintain solid and balanced financial relation based on trust and transparency.                                           | We identify the financial needs and develop customized financing schemes, striving for the best market conditions.                                                                                                                                                                                                                                                                                                                                                                                                                         | We maintain constant contact with financial institutions to detect financing opportunities and alternatives.                                                                                                                                                                                                                                                                                                                                                                                                                           | Quarterly and annual reports.                                                                                                                     |

At Bio Pappel, we integrate an ESG (environmental, social, and governance) approach that guides our strategic and operational decisions, ensuring responsible practices throughout the organization.

This approach allows us to manage risks, capitalize on sustainable opportunities, and strengthen our stakeholders' trust. In this way, we promote long-term value creation, generating sustainable benefits for the company, society, and the environment.



### Contribution to the Sustainable Development Goals (SDGs)

(2-28)



We reaffirm our commitment to the 2030 Agenda for Sustainable Development by aligning our operations and strategies with the Sustainable Development Goals established by the United Nations, integrating initiatives that promote social well-being, environmental protection,

and inclusive economic growth. Our initiatives directly impact various SDGs. This comprehensive contribution reflects our commitment to building a fairer, more equitable, and prosperous future.

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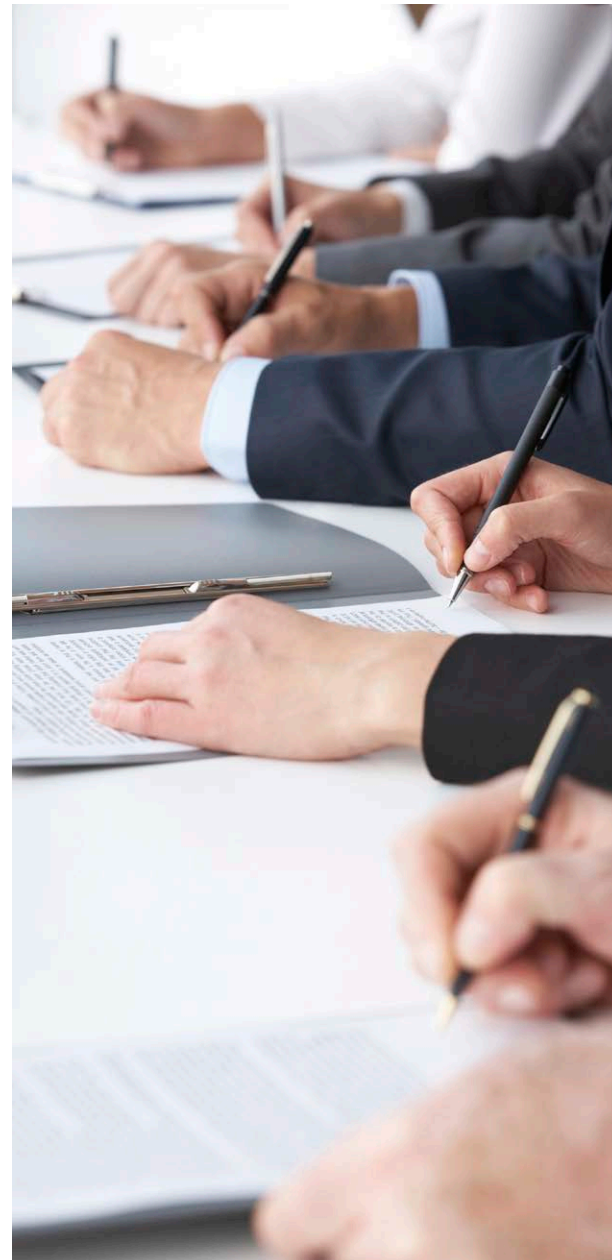
## Corporate governance

We have solid corporate governance based on principles that guide our decisions and strengthen the trust of our stakeholders; in this way, we manage and oversee operations, ensuring governance in line with the highest standards of transparency, integrity, and accountability.

This governance framework relies in a Board of Directors, committees, audits and internal controls that back our ethical actions within the organization. Its proper functioning is fundamental to streamlining decision-making and ensuring the creation of long-term sustainable value.

(2-9, 2-12)

At Bio Pappel we are moving towards a more comprehensive decision-making, incorporating economic, environmental, and social factors in a balanced way



## Composition and committees

### Board of Directors

(2-9, 2-12)

The Board of Directors sets the organization's strategic direction and oversees the organization's operations, ensuring they are conducted in accordance with the established guidelines and that management remains aligned with the principles of governance and sustainability.

Their work promotes a pluralistic and balanced decision-making process in which the perspectives of our different stakeholder groups are considered.

This council is made up of six members with extensive experience, who actively participate in monitoring strategic issues, performing their functions in accordance with the provisions of Mexico's General Law of Commercial Companies to ensure that their actions remain within the applicable legal framework.

### The Office of the CEO

(2-9, 2-12)

The Office of the CEO is the driving force behind our long-term vision, guiding all operations under an integrated and responsible approach. Its role is to oversee business activities and ensure that each area of the organization advances in alignment with the strategic plan defined by the Board of Directors, thereby ensuring consistency between strategy and execution.

In coordination with the Finance and Administration, Operations, and Sustainability divisions, as well as with the different business units, Executive Management promotes a comprehensive decision-making process that strengthens performance, ensures regulatory compliance, and fosters continuous improvement, reaffirming our commitment to a more sustainable future.

### Functions of the Board of Directors

- Internal control system management
- Validation of the company's general strategies
- Alignment with the social principles of the business



Code of Ethics

(2-23, 2-24, 3-3 / GC 1, 2, 4, 5, 6 and 10)

The Code of Ethics is the guiding framework that directs conduct and decision-making, strengthening an organizational culture based on responsibility, ethical business conduct, and accountability.

Through it, we ensure that every action and relationship with our staff, customers, suppliers, and communities is conducted under clear ethical principles.

We promote continuous training on our Code of Ethics so that all our employees know and apply the principles that guide their daily work; in this way, we uphold high standards of business ethics, quality, and sustainability throughout our operations.

92% of our employees completed the training on conduct and ethical principles

5,810 training hours dedicated to the Code of Ethics

In addition to our internal policies, we have guidelines for clients and suppliers that guide how we interact. These documents promote clear agreements, fair treatment, and collaboration based on integrity and mutual trust.

100% of our customers and suppliers are committed to the Code of Ethics

Bio Pappel Ethics Line

(2-24, 2-25, 2-26, 3-3 / GC 1, 2, 4, 5, 6 and 10)



We have an accessible, confidential, and secure reporting channel for reporting potential violations of our Code of Ethics, internal policies, and standards of conduct. Through this mechanism, we reinforce a culture based on integrity, respectful treatment, and responsible actions.

Our Ethics Line is managed by an independent third party, which ensures objectivity in the cases received

and protection of information. Each report is rigorously analyzed and monitored internally to provide fair and timely responses and determine appropriate actions, in accordance with the company's values and standards of conduct.



Website chat



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Complaints and reports filed against Bio Pappel and its business groups

(406-1/ GC 10)



|                                                                                                           | 2023 | 2024 | 2025 |
|-----------------------------------------------------------------------------------------------------------|------|------|------|
| Total number of complaints and claims                                                                     | 35   | 36   | 63   |
| Cases involving suggestions for improvements to processes, facilities, and working conditions.            | 14%  | 19%  | 17%  |
| Discrimination cases                                                                                      | 17%  | 28%  | 17%  |
| Cases that resulted in employment termination                                                             | 14%  | 19%  | 40%  |
| Cases that resulted in employee transfers, training, strengthening of controls and streamlining processes | 54%  | 33%  | 25%  |

Complaints and claims reported include working conditions, compliance with policies, conflicts of interest, and relationships with suppliers, clients, and employees, among others.

To learn more about this Code of Ethics, visit our official website:  
<https://biopappel.com/en/code-of-ethics/>

Cybersecurity

(3-3)



Cybersecurity is a key pillar of our digital transformation, conceived as a long-term process focused on efficiency and risk mitigation. Therefore, we are strengthening information protection through strict protocols to safeguard personal data and sensitive records.

Artificial Intelligence (AI) has become a strategic tool for optimizing business processes, improving decision-making,

and increasing operational efficiency. For this reason, in 2025, we have gradually and responsibly incorporated AI tools within the commercial, tax, operational, and administrative areas.





### Economic performance and growth

At Bio Pappel we maintain a proactive view of the economic environment, anticipating risks and preparing to leverage new opportunities.

In this context, we continue to consolidate our growth amid the increasing demand for sustainable paper and packaging products, which remain essential and have no real substitutes in the short and medium term, especially in e-commerce.

Our economic strategy focuses on optimizing resource use, protecting the natural environment, and generating tangible benefits for society, with innovation being the driver of process improvements and product development with lower environmental impact. As part of this vision, in 2025, we made significant investments in automation at our packaging plants, thereby boosting operational efficiency and business sustainability.

Likewise, we consolidated our value chain and strengthened the local productive fabric.

3.31<sup>(1)</sup> million short ton produced

<sup>(1)</sup> 1 Metric ton equals 1.1023 short ton.

92.5% of the suppliers that make up our value chain are from Mexico

Our financial reliability was further strengthened by the reaffirmation of our global scores by HR Ratings. This recognition reflects the strength of our financial fundamentals, our disciplined debt management, and the robustness of our operating model, as well as the market’s confidence in Bio Pappel’s ability to generate sustainable value and meet its economic obligations on time.

During the year, we fostered greater operational and strategic resilience, enabling us to expand our internal capabilities to continue solid growth through 2026.



Global 2025

AAA  
BBB+



# Development and operation in Mexico and the United States

(2-6, 3-3)



Although 2025 was marked by a complex economic and geopolitical environment across the financial, regulatory, and commercial spheres in Mexico and North America, Bio Pappel maintained a solid performance. We strengthened our presence in Mexico, the United States, and Latin America, increasing our market share and consolidating stronger strategic relationships with clients.

This year, we achieved full operational capacity at the Dallas Plant; this milestone, driven by our technology and best practices, strengthens our competitiveness and ensures efficient and sustainable growth.

This scenario has allowed us to expand our presence in North America, consolidate our market position, and move towards greater integration in a region characterized by economic dynamism and a growing focus on sustainability.

We are also firmly committed to developing our people, fostering their upskilling and knowledge throughout the organization. This directly contributes to the innovation and competitiveness of our production processes.



Dallas Plant

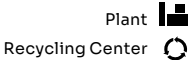
(2-6, 3-3)

Our operation in the United States consists of 7 plants and 3 recycling centers that support our production and logistics activities in the country



## United States of America

7 Plants  
3 Recycling Centers





## Environmental approach and management system

At Bio Pappel, we promote a culture of environmental care, impact mitigation, and adaptation to the changes caused by global warming, enabling us to anticipate risks, prepare, and contribute to the planet's sustainable development.

Environmental protection and climate action extend beyond our operational scope and are strategic priorities for business continuity. These priorities strengthen our competitive position and contribute to environmental stewardship. From technological modernization to the responsible management of our supply chain, we want every action to contribute to the industry's sustainable development and the creation of value for all our stakeholders.

We strengthen our environmental performance through the efficient use of resources, impact mitigation and operational resilience, promoting continuous improvement

(3-3)

(2-25, 3-3 / GC 7 y 9)

Environmental management is a strategic pillar of our operations, therefore, through various initiatives, we contribute to mitigating environmental impact across our 5 pillars of action:



### Urban Forest®

Own circular economy model based on paper and containerboard recycling to optimize resource use



### Bio-ENERGY

Harnessing clean energy from the value chain production



### Water recycling

Efficient use and repurposing of water in operational processes



### Biodiversity preservation

Measures to protect and conserve ecosystems



### Low-carbon economy

Reduction of GHG emissions aligned to the science-based targets (SBTi)





We have developed a circular economy model that efficiently uses 100% recycled fiber to create new products, thereby avoiding the extraction of virgin resources and reducing our operations' environmental footprint. This approach is strengthened by relevant collaborative projects that drive large-scale recovery and recycling.



1.93<sup>(1)</sup> million short ton of paper and recycled cardboard

<sup>(1)</sup> 1 Metric ton equals 1.1023 short ton.

For Bio Pappel, the circular economy is a cross-cutting pillar that articulates recycling strategies, collaboration agreements, and actions to reduce emissions, seeking sustainable solutions throughout the entire value chain.

Furthermore, the entry into force of the new General Law on Circular Economy in Mexico represents a significant step forward in strengthening the recovery of secondary raw materials, reducing dependence on imported inputs, and consolidating production models based on circularity. This regulatory environment reinforces the importance of initiatives that promote efficient resource use, in line with our business model focused on the recovery and transformation of recycled fibers.

### Urban Forest®: The Circular Economy

We designed and implemented a unique, comprehensive model aligned with the principles of the circular economy: Urban Forest®, through which we transform recovered paper and containerboard into new, high-quality products made from 100% recycled fiber. Through this model, we reincorporate materials into the production process and promote large-scale recycling and more efficient resource use. With Urban Forest®, we are moving towards a more sustainable future, generating value from the transformation of waste into new resources, and contributing to the construction of a more efficient and responsible industry.

We are the leading paper recycling company in Latin America, transforming waste into value for the region



89% of the recovered material is used to manufacture packaging

11% of the remaining is used in the production of writing and printing paper

To strengthen our paper and cardboard recovery infrastructure, we are fostering strategic collaborations with key stakeholders across the value chain, along with state and municipal authorities, expanding the reach and efficiency of our collection programs. According to information from the National Chamber of the Pulp and Paper Industry, this circular economy approach has significantly contributed to the increase in Mexico's national paper collection rate, which in 2025 reached 54.4%.

In addition, we collaborate closely with our clients to help them achieve their environmental goals, offering paper products and packaging solutions designed around circularity and sustainability principles. Through these initiatives, we help reduce the environmental impact of their operations and accelerate the transition to more responsible production models within the business ecosystem.



With our emissions-reduction targets validated by the Science Based Targets initiative (SBTi) guidelines, we reaffirm our commitment to reducing Greenhouse Gas (GHG) Emissions. This process ensures that our actions are supported by sound science, contributing effectively to climate change mitigation and aligning with international climate goals, including the Paris Agreement’s objective of keeping global warming well below 2°C while pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.



SBTi

The international SBTi standard allows us to align our actions with the level of urgency demanded by climate science. This step demonstrates our commitment to emissions reduction, operational resilience, and proactive adaptation.

In line with Mexico's recent ratification of its Nationally Determined Contribution (NDC), we seek to reduce our emissions through the following concrete actions:

- 1. Quantification of corporate carbon footprint (scope 1, 2 and 3) and reduction commitment to the SBTi
- 2. Route optimization, supplier/customer transport (Clean transport)
- 3. Urban Forest® Circular Economy Program
- 4. Sustainable forest management projects, ecosystem services, carbon sequestration and biodiversity conservation

We systematically monitor and ensure transparency regarding our carbon footprint by reporting emissions to the GHG Mexico Program, an initiative promoted by the Mexican Department of Environment and Natural Resources (SEMARNAT), the Private Sector Studies Commission for Sustainable Development (CESPEDES), and the international non-profit organization Carbon Disclosure Project (CDP). Additionally, we collaborated with The Carbon Trust to assess our carbon footprint and establish science-based reduction targets aligned with the Paris Agreement.

These efforts strengthen our climate management by allowing us to assess our environmental performance and identify opportunities to reduce emissions.

CO<sub>2</sub>e emissions and Capture (thousands of tons)

| Indicator                     | 2023  | 2024  | 2025  | Target 2026 |
|-------------------------------|-------|-------|-------|-------------|
| *CO <sub>2</sub> e emissions  | 1,465 | 1,444 | 1,396 | 1,438       |
| CO <sub>2</sub> e capture     | 7,485 | 7,029 | 7,030 | 7,242       |
| Net CO <sub>2</sub> e capture | 6,020 | 5,585 | 5,634 | 5,804       |

\* GHG Direct or Scope 1 Emissions from fossil fuels.

Gas emissions (thousands of tons)

| Indicator              | 2023  | 2024  | 2025  |
|------------------------|-------|-------|-------|
| NOx                    | 0.848 | 0.821 | 0.832 |
| SOx (SO <sub>2</sub> ) | 0.219 | 0.211 | 0.187 |
| Particles              | 0.075 | 0.073 | 0.073 |
| Methane                | 0.037 | 0.036 | 0.035 |

Point measurement through isokinetic studies based on NOM085 SEMARNAT published by the Mexican Department of Environment and Natural Resources (SEMARNAT), and emissions calculations using AP-42 factors.



7.03 million tons of CO<sub>2</sub>e captured

At Bio Pappel, Scope 3 emissions account for a significant share of our total carbon footprint, underscoring the importance of strengthening collaboration with suppliers and other key stakeholders across our value chain. Therefore, we foster partnerships to reduce indirect emissions by

promoting joint solutions grounded in responsible practices and environmental efficiency. This approach aligns with Sustainable Development Goal 17, which recognizes collaboration as a key enabler for achieving shared sustainability goals.



We view energy management as a strategic factor for strengthening our operational efficiency and reducing our environmental footprint. Through the **Bio-ENERGY** System, we optimize the use of steam generated in our industrial processes to produce usable energy, integrating this model into a structured vision of continuous improvement.

These actions align with the principles of the ISO 50001 Energy Management System standard, by optimizing the use of resources and reducing emissions associated with energy consumption.

Currently, several of our operating units are certified under this standard, and others are progressing with their implementation. Upgrading our equipment has been another key component of this transformation. For instance, compared to combustion-powered equipment, the adoption of electric forklifts has improved operational energy efficiency and reduced air-pollutant emissions, thereby contributing to cleaner, more efficient operations.

Additionally, electrification improves working conditions in our facilities by eliminating emissions in enclosed spaces and creating cleaner, safer environments for operators.



Queretaro Plant

In terms of renewable energy, we continue to expand our solar infrastructure as part of a strategy to reduce the environmental impact of our operations. The installation of photovoltaic systems at various facilities reflects our priority of transitioning to cleaner energy sources and is accompanied by ongoing efforts to extend this model across our operations, gradually strengthening our renewable generation capacity. As a result, investments

in clean energy have helped reduce our electricity consumption from the national grid, while strengthening our environmental and economic performance through a comprehensive approach grounded in efficiency, technological innovation, and operational discipline, thereby consolidating our competitiveness and reaffirming our commitment to a responsible and sustainable energy transition.



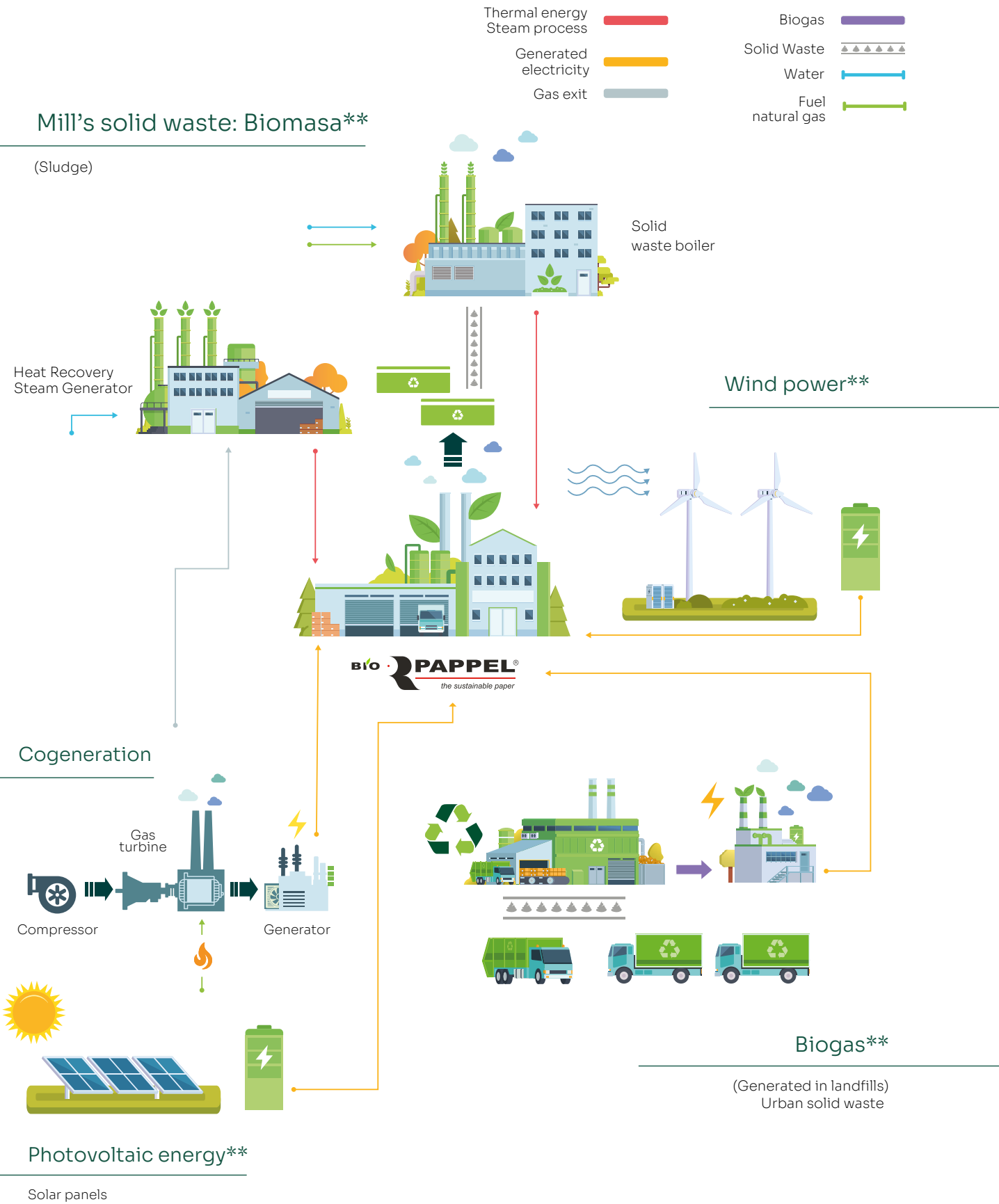
Guadalajara Plant



Bajio Plant



Monterrey Plant



(3-3, 302-1)

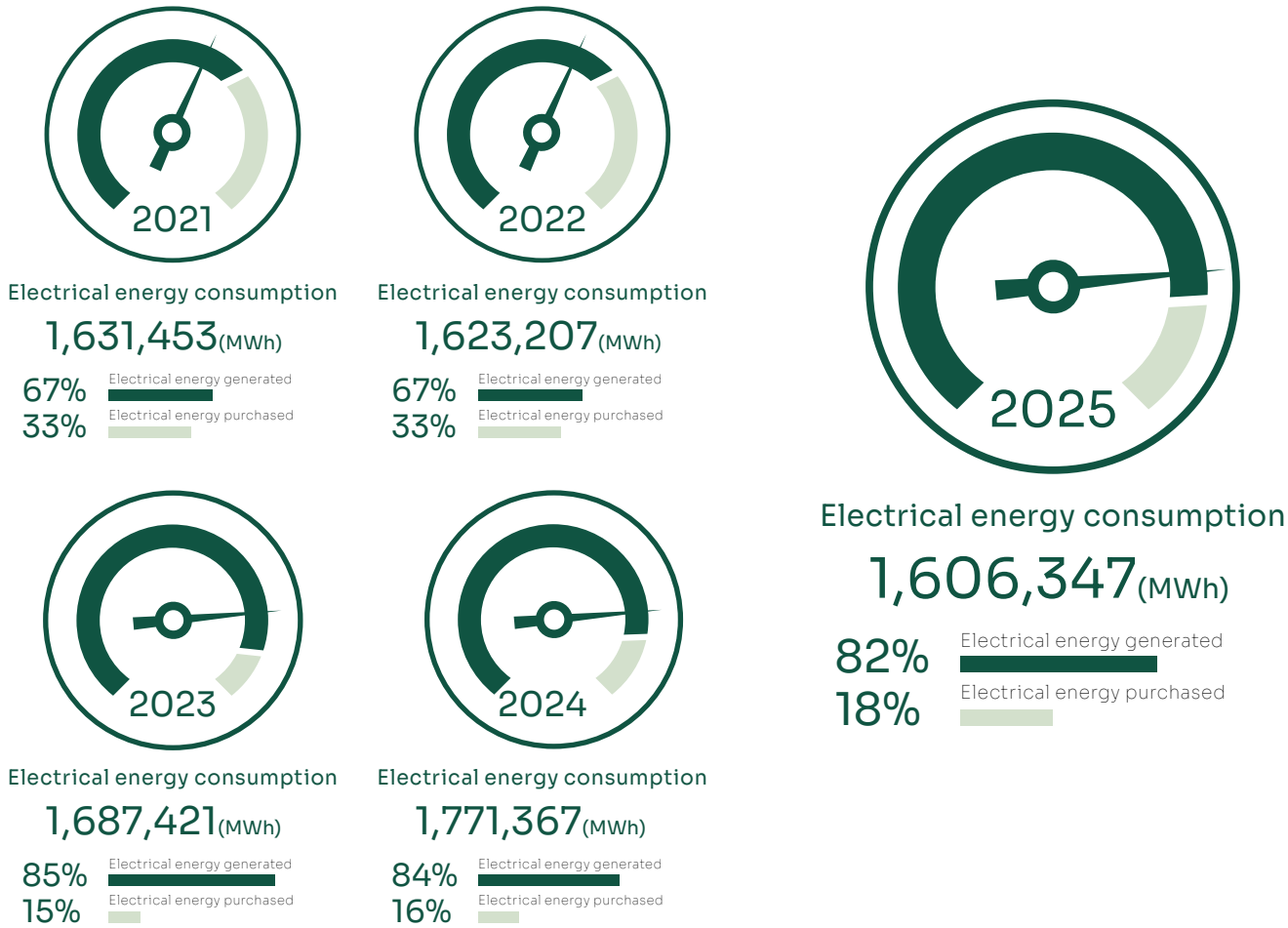
Energy

| Indicator                  | 2023      | 2024      | 2025      |
|----------------------------|-----------|-----------|-----------|
| Electricity* (MWh)         | 1,877,523 | 1,972,487 | 1,772,939 |
| Renewable Energy** (MWh)   | 794.5     | 28,885    | 7,938     |
| Fuel oil (m³)              | 3,359     | 3,297     | 3,388     |
| Natural Gas (Gigacalories) | 6,235,881 | 6,122,322 | 5,933,353 |
| Gasoline (Liters)          | 850,086   | 941,600   | 802,867   |
| Diesel (Liters)            | 6,963,329 | 7,542,752 | 6,122,906 |

2026 target

|                          |           |                            |           |
|--------------------------|-----------|----------------------------|-----------|
| Electricity* (MWh)       | 1,826,127 | Natural Gas (Gigacalories) | 6,111,811 |
| Renewable Energy** (MWh) | 8,176     | Gasoline (Liters)          | 826,953   |
| Fuel oil (m³)            | 3,489     | Diesel (Liters)            | 6,306,593 |

\*81.4% of the energy used is efficient.  
\*\*Renewable energies are grouped under this division.





We manage water resources with a focus on efficiency and environmental responsibility, integrating solutions that prioritize reuse and internal utilization in our production processes. Through recirculation systems and operational controls, we systematically reduce withdrawals from external sources and strengthen a culture of responsible use across all our facilities.

During 2025, we made significant investments in infrastructure and technology for water treatment and reuse, ensuring strict regulatory compliance. We proactively allocated substantial resources to our treatment plants, anticipating the requirements established in NOM-001-2021 (Mexican water discharge regulation), which allowed us to strengthen our systems.

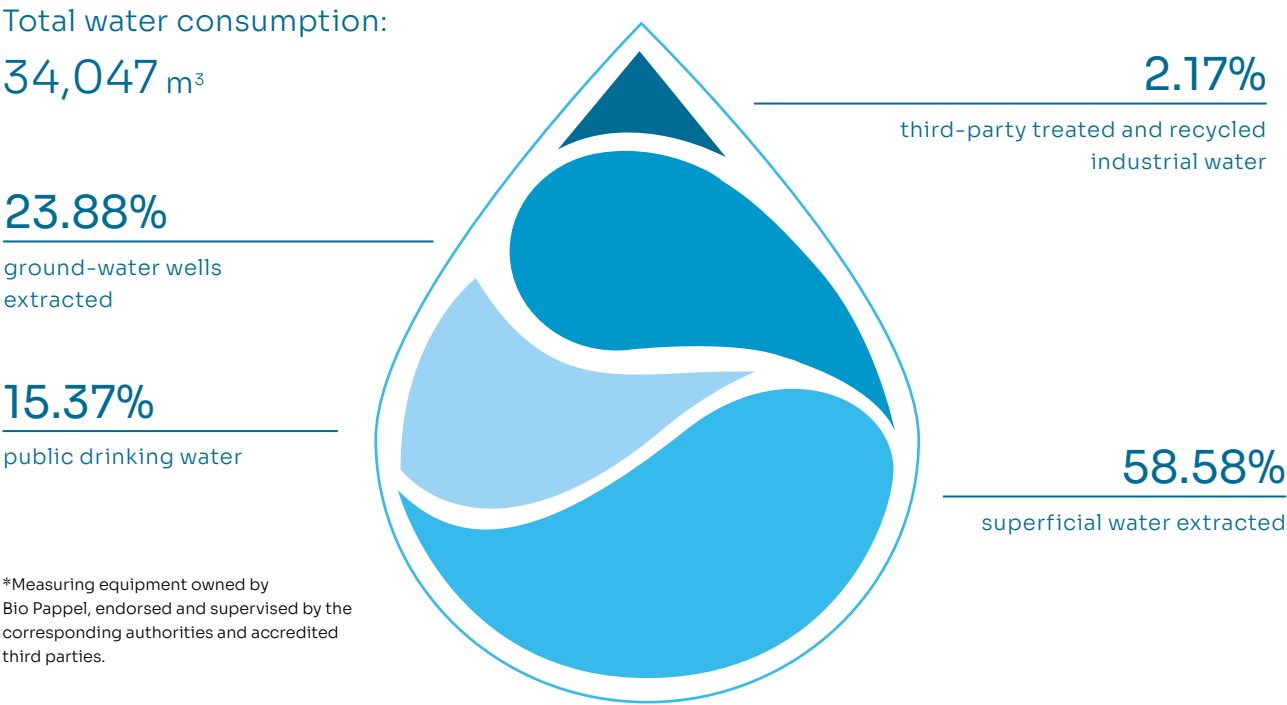
Thanks to these actions, water that is not recirculated undergoes advanced cleaning processes before its discharge, ensuring it meets applicable regulatory standards. This sustained effort, supported by technological innovation and operational discipline, reinforces our commitment to protecting natural resources and continuously improving the environmental performance of our operations.



Tizayuca Complex

31.6 million m³ of recycled water in 2025

Total extraction by water sources (Thousands of m³ / year)\*



Water use and discharge (Thousands of m³ / year)

| Indicator             | 2023   | Unitary 2023 (m³/ST) | 2024   | Unitary 2024 (m³/ST) | 2025   | Unitary 2025 (m³/ST) |
|-----------------------|--------|----------------------|--------|----------------------|--------|----------------------|
| Water consumption     | 34,515 | 8.52 <sup>(1)</sup>  | 34,704 | 8.56 <sup>(1)</sup>  | 34,047 | 8.40 <sup>(1)</sup>  |
| Wastewater discharge  | 22,978 | 5.67 <sup>(1)</sup>  | 22,357 | 5.52 <sup>(1)</sup>  | 21,990 | 5.43 <sup>(1)</sup>  |
| Net water consumption | 11,537 | 2.85 <sup>(1)</sup>  | 12,346 | 3.05 <sup>(1)</sup>  | 12,057 | 2.97 <sup>(1)</sup>  |

| 2026 target           |        | Unitary 2026 (m³/ST) |
|-----------------------|--------|----------------------|
| Water consumption     | 35,069 | 8.65 <sup>(1)</sup>  |
| Wastewater discharge  | 22,650 | 5.59 <sup>(1)</sup>  |
| Net water consumption | 12,418 | 3.06 <sup>(1)</sup>  |

<sup>(1)</sup> Metric ton equals 1.1023 short ton

# Biodiversity

(2-25, 3-3 / GC 7 and 8)



At Bio Pappel, we consider forest conservation a strategic long-term priority, essential for maintaining ecological balance and preserving natural resources. Our vision goes beyond a mere compensation approach, as we understand forest restoration and care as an ongoing responsibility that contributes to the well-being of ecosystems.

## 5,392 trees planted through our reforestation campaigns

We focus on ecosystem restoration and the strengthening of green spaces through our own reforestation programs and responsible land management. These initiatives aim to increase vegetation cover, improve soil quality, and promote species preservation, integrating technical and environmental criteria to ensure sustainable results over time.

A prime example of this commitment is the Scribe® San Rafael Plant, which protects over 5,930.53<sup>(1)</sup> acres and has become one of the most important conservation areas in the Mexico City Metropolitan Area. This space helps mitigate the effects of urbanization and reaffirms our commitment to the active protection of forests.

(1)1 Hectare equals 2.47105 acres



San Rafael Natural Reserve

# Clean transportation

(2-25, 3-3 / GC 7 and 9)



We have integrated sustainability as a core principle in the planning and execution of our logistics operations. Therefore, we have redesigned processes and integrated tools that allow us to improve the efficiency of transporting raw materials and finished products, reducing fuel consumption and emissions related to it.

Among the implemented actions, the following stand out: strengthening reverse logistics schemes to take advantage of return routes and optimize distribution time; likewise, we use rail transport as a lower-impact alternative to traditional road transport and modernize our fleet with units that comply with EURO V technological standards,

which limit the amount of polluting gases, increasing load capacity and decreasing CO<sub>2</sub> emissions per ton transported.

This approach is complemented by our voluntary participation for more than 12 years in the Clean Transport program of the Mexican Department of Environment and Natural Resources (SEMARNAT), reaffirming our ongoing commitment to the adoption of better environmental practices in the transportation sector and to the continuous improvement of our environmental performance.





Our people

(2-7 / GC 3, 4 and 6)

Bio Pappel's strength lies in the people who bring each operation, project, and result to life. Therefore, in 2025, we reaffirm our commitment to fostering an inclusive environment where talent, experience, and different perspectives come together to generate sustainable value. We foster a culture of collaboration, respect, and professional development that empowers each member to bring their best, enhance their capabilities, and actively build innovative solutions that strengthen the performance and the competitiveness of the organization.

13,775 people in total make up our workforce



Workforce by gender and employment contract\*

| Indicator            | 2023  |       |        | 2024  |       |        | 2025  |       |        |
|----------------------|-------|-------|--------|-------|-------|--------|-------|-------|--------|
|                      | Men   | Women | Total  | Men   | Women | Total  | Men   | Women | Total  |
| Full-time employment | 8,358 | 3,181 | 11,539 | 8,422 | 3,315 | 11,737 | 9,117 | 3,661 | 12,778 |
| Temporary employment | 1,380 | 525   | 1,905  | 1,262 | 497   | 1,759  | 712   | 285   | 997    |
| Total                | 9,738 | 3,706 | 13,444 | 9,684 | 3,812 | 13,496 | 9,829 | 3,946 | 13,775 |

\*57% of our personnel are included in collective bargaining agreements. Remuneration, adjustments, and changes in employee benefits are determined through union representatives.

Workforce by gender and region

| Indicator | 2023  |       |        | 2024  |       |        | 2025  |       |        |
|-----------|-------|-------|--------|-------|-------|--------|-------|-------|--------|
|           | Men   | Women | Total  | Men   | Women | Total  | Men   | Women | Total  |
| Mexico    | 8,725 | 3,458 | 12,183 | 8,760 | 3,558 | 12,318 | 8,903 | 3,694 | 12,597 |
| USA       | 939   | 185   | 1,124  | 848   | 181   | 1,029  | 854   | 167   | 1,021  |
| Colombia  | 74    | 63    | 137    | 76    | 73    | 149    | 72    | 85    | 157    |
| Total     | 9,738 | 3,706 | 13,444 | 9,684 | 3,812 | 13,496 | 9,829 | 3,946 | 13,775 |

Workforce by gender and working hours

| Indicator | 2024  |       |        | 2025  |       |        |
|-----------|-------|-------|--------|-------|-------|--------|
|           | Men   | Women | Total  | Men   | Women | Total  |
| Full-time | 9,423 | 3,709 | 13,132 | 9,632 | 3,867 | 13,499 |
| Part-time | 261   | 103   | 364    | 197   | 79    | 276    |
| Total     | 9,684 | 3,812 | 13,496 | 9,829 | 3,946 | 13,775 |

\*The information in the previous tables is obtained from the Personnel Balance, fed by each work center.



In recent years, we have implemented initiatives to improve our employee experience—always aligned with our values. Through agile and effective recruitment processes, we attract talent and solidify our position as a leading employer in the industry.

This approach is supported by management practices aligned with social responsibility standards—a model focused on the continuous improvement of human capital, and workplace stability

946 participants in the performance review process

99% of our employees participated in three mid-year performance reviews

In parallel, organizational culture is strategically managed to preserve and strengthen Bio Pappel's corporate DNA amid international expansion. Through formal mechanisms for cultural integration, continuous institutional communication, and leadership models aligned with corporate values, we promote consistency in decision-making and operational practices across the various markets where we operate. This model allows us to scale organizational growth while maintaining cultural coherence, homogeneity in management standards, and alignment with the principles that guide our operations.

The bolstering of the organizational climate across our operations in Mexico, the United States, and Colombia is reflected in consistent indicators of satisfaction and sense of belonging among the workforce, demonstrating the effectiveness of the policies and practices implemented in organizational culture, professional development, and employee well-being.



Throughout 2025, we strengthened our training ecosystem with programs focused on technical, professional, and leadership development. These initiatives prepare our teams for a dynamic environment, foster internal talent, and align their growth with the company's strategic goals, consolidating a culture of excellence and continuous improvement.

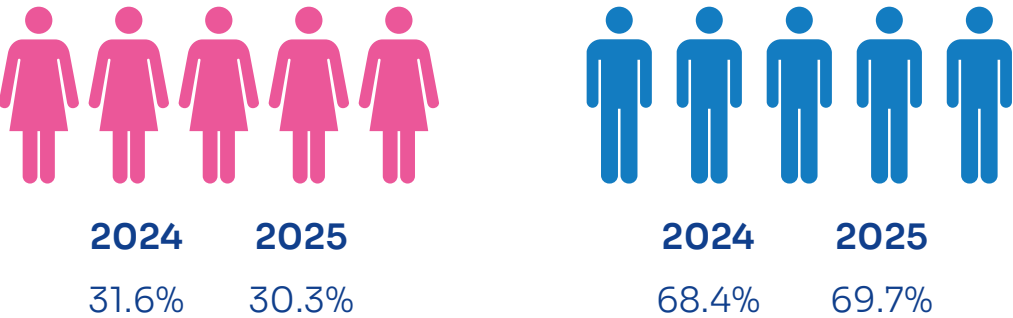
Main topics of our training:

- Respectful and inclusive leadership
- Code of Ethics
- Security for Information Technology
- NOM-001-STPS-2008 and NOM-026-STPS-2008
- NOM-005-STPS-1998 and NOM-018-STPS-2015
- GRIMSA training for brigade members
- Building evacuation for brigade members
- Evacuation and communication protocol NOM-019-STPS-2011, Mexican Commissions of Safety and Hygiene
- Dissemination of Policies and Procedures
- English language course
- 15th Safety and Environment Congress
- Emergency preparedness and response
- Basic evacuation course
- Fire extinguisher handling training
- Time management
- Leadership skills
- Assertive communication
- Human Development Management
- Document drafting
- 360° Leadership

| Indicator                               | 2024    | 2025    |
|-----------------------------------------|---------|---------|
| Number of attendees to training courses | 15,878  | 11,795  |
| Total training hours                    | 156,367 | 103,039 |



Percentage of trained people



Diversity, equity and inclusion

(2-25, 3-3 / GC 1,2, and 6)



Building an equitable and respectful work environment is an essential part of our vision.

As a reflection of this commitment, **during 2025, 100% of our workplaces in Mexico were recertified under the Mexican Standard for Labor Equality and Non-Discrimination (NMX-R-025-SCFI-2015).** This ensures that policies, practices, and processes are in line with the highest standards of equity, respect, and fair treatment.

Building diverse leadership is a key part of our governance and strategic approach in talent management. Incorporating individuals with different backgrounds, skills, and perspectives improves the quality of decision-making, mitigates risks associated with homogeneous viewpoints, and strengthens executive oversight in a multinational environment.

From the social and governance perspective (ESG), we promote management structures that are more representative and aligned with the company’s values, fostering an inclusive organizational culture that encourages innovation, sustainability, and long-term value creation.

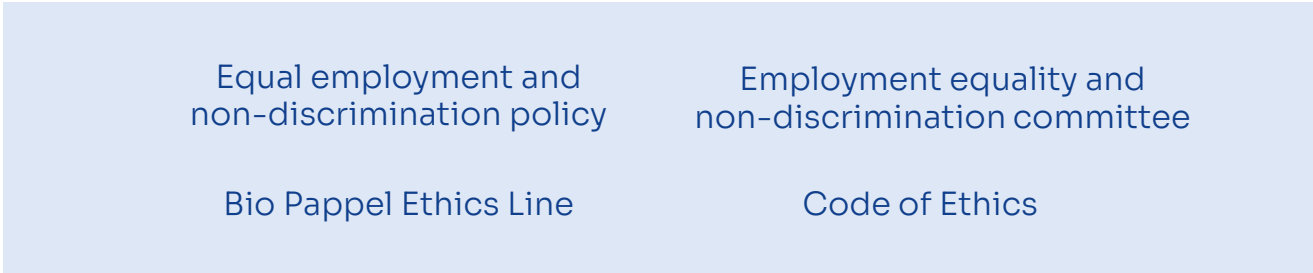
Strategic axes

- Equal distribution of responsibilities without gender distinction
- Elimination of gender roles and stereotypes
- Inclusion of people with disabilities in our workplaces
- Strengthening the accessibility culture



(2-25, 3-3)

Our management mechanisms



26.7% of our operational staff are women

16.8% increase in women’s participation and hiring in the last 5 years

33.2% of our administrative staff are women

33.3% of our Board of Directors are women



Our contributions to global initiatives in 2025:

UN Women

Aiming to promote the empowerment of women in the professional environment

CONAPRED and CNDH

(Mexico’s National Council to Prevent Discrimination and National Council for Human Rights)

We offer training materials on inclusion, human rights and non-discrimination through access to the online platforms of CONAPRED and CNDH



At Bio Pappel, operational excellence starts by caring for people. That's why we continue to promote a management model that prioritizes safe, healthy, and humane work environments, integrating regulatory compliance with a proactive approach that drives continuous improvement, manages risk, and strengthens the physical and emotional well-being of our teams. We are convinced that protecting and developing our staff is essential for sustainable performance.

Strengthening a preventive culture is part of our approach in environmental, social, and governance (ESG) management. Within this framework, we have strengthened the application of the hierarchy of controls, prioritizing hazard elimination and substitution, the implementation of controls, and the standardization of personal protective equipment (PPE) across all our operations, ensuring quality through consistent criteria for its use and monitoring. This measure not only reinforces occupational health and safety but also guarantees regulatory compliance in the various countries where we operate, including OSHA guidelines in the United States.

From a governance perspective, the standardization of PPE has strengthened internal controls and operational management across plants by establishing unified corporate standards that improve oversight, optimize inventory management, and promote a consistent and measurable safety culture across all work sites. As part of our continuous improvement model,



we maintain an ongoing cycle of risk identification, standardization of preventive measures, periodic audits, and specialized training. In 2025, this framework evolved into an occupational well-being approach that integrates safety and employee care into a single management model, addressing both accident prevention and the protection of our employees' physical well-being.

Additionally, during the year we strengthened these actions by expanding training programs and specialized technical certifications, reflected in a greater number of training hours provided.

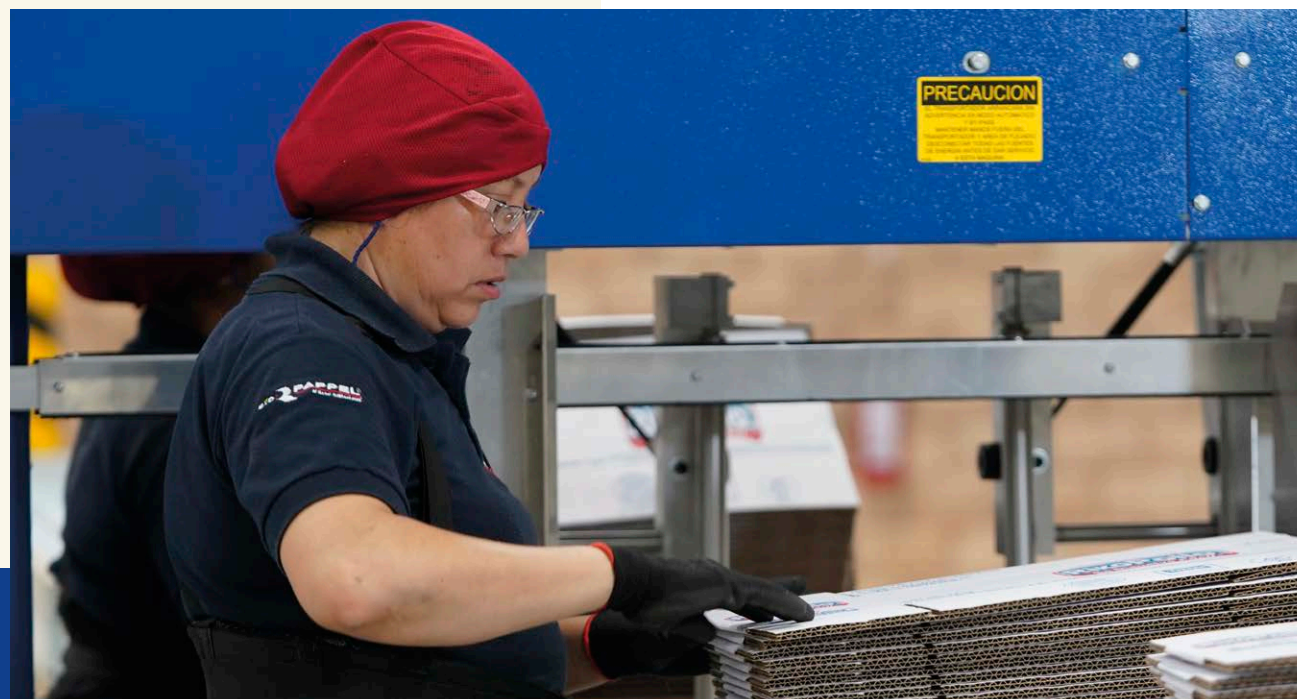
In parallel, our workplaces participated in Mexico's National Day of Preparation and Response to Chemical Emergencies (DINAPREQ), as well as in the Safe and Healthy Work Environments initiative, thereby consolidating a structured preventive approach aligned with best practices in occupational risk management.

These actions are part of a strategy to strengthen the culture of prevention and reinforce our work environments to make them increasingly safe, consistent, and sustainable.

## 172,516 training hours in occupational safety, health and well-being

## \$4.42<sup>(1)</sup> million dollars allocated to strengthening the security of our systems and facilities

<sup>(1)</sup> Year-end rate \$17.98 MXN.



### Our workplace safety awards:

- **Safe and Healthy Work Environments Distinction (ELSSA)** awarded by the Mexican Social Security Institute (IMSS).
- **Safe company** by the Self-Management Program in Occupational Safety and Health (PASST) of the Mexican Ministry of Labor and Social Welfare (STPS).
- **ISO 45001:2018** – Occupational Health and Safety Management Systems.

## Security Strategy 2025–2026

### 1 People Safety and Social Environment

Reduce risks to employees within and outside the workplace

- Key Actions:**
- Occupational Health and Safety diagnosis.
  - Occupational Health and Safety plan .
  - Post-incident response: emotional support and reintegration after accidents.
  - Continuous training programs.
  - Emergency drills: chemical incidents, fire response, evacuation, and earthquakes.
  - Emergency and contingency plans and protocols.
  - Integration and site inspections by the Health and Safety Commission at each business site.

### 2 Prevention of Internal Risks

Reduce hazards and eliminate risks

- Key Actions:**
- Risk analysis based on ISO 31000.
  - Accident and incident investigation.
  - Monitoring and follow-up of critical tasks.
  - Occupational Health and Safety Management System.
  - Environmental Management Systems.
  - FSSC 22000:2020 V5.1 certification.
  - Safe and Healthy Work Environments (ELSSA).
  - Self-Management Program for Occupational Health and Safety (PASST).
  - Voluntary Labor verification.
  - Company-wide communication on health and safety topics.
  - Zero-accident campaign.

### 3 Compliance to Bio Pappel's legal requirements

Ensure compliance with the laws and regulations adopted by the organization

- Key Actions:**
- Compliance requirements matrix.
  - Communication of accidents, incidents, and emergencies.
  - Follow-up on first, second, and third-party audits.
  - Compliance with client requirements.

### 4 Corporate Governance

Ensure effective resource management for continuous improvement of the safety system

- Key Actions:**
- Monitoring of indicators and metrics.
  - Annual review of indicators and metrics.
  - Occupational Health and Safety Policy.

## Psychosocial risk management

(2-25, 3-3 / GC 4 and 6)



Mental health and emotional well-being are also essential parts of our management model. Aware of the impact of factors such as stress, work overload, and interpersonal conflicts, we have established a structured approach to prevent and address psychosocial risks, promoting respectful, collaborative, and healthy work environments.

In this sense, we fully comply with the guidelines established in NOM-035-STPS-2018, a Mexican Standard, ensuring the proper identification, evaluation, and management of psychosocial risk factors. This regulatory compliance is complemented by close monitoring of the action plan designed to address the identified areas for improvement, ensuring concrete, measurable actions in each workplace.

We also maintain a clear and consistent communication strategy, providing detailed information on the prevention and control measures implemented. Through various internal channels, our staff is familiar with the operating protocols, available tools, and reporting mechanisms, strengthening trust and transparency in the process.

As an integral part of the control framework, during 2025, we consolidated the internal psychological support service that provides professional guidance to both cases identified in formal evaluations and to any employee who requires emotional counseling; in this way, we not only address regulatory compliance, but also consolidate a preventive culture focused on the comprehensive well-being of our personnel.





Social investment

At Bio Pappel, we recognize that our sustainable growth is closely linked to the comprehensive development of the communities where we operate. Using an ESG approach, we manage our relationship with the environment through dialogue and collaboration mechanisms that promote structured, transparent, and long-term interaction with local stakeholders.

During 2025, we strengthened our partnerships and community engagement based on active listening, shared responsibility, and multi-stakeholder collaboration. This approach allowed us to identify social risks, anticipate expectations, and develop initiatives with measurable positive impact that align with our strategic priorities and the **Sustainable Development Goals (SDGs)**.

Through the Social Responsibility strategy, we not only seek to mitigate our impact on the planet, but we also work to generate shared and sustainable value. In this way, we strengthen the commitment to operating and building trust in the communities where we have a presence, through initiatives focused on environmental protection and education, and social development. Furthermore, implement a community-investment model that contributes holistically to the economic, social, and environmental well-being of each community.

Community strategy



Environmental care and education

Community development

Education for development

Our 2025 results at a glance

| SDG                                                                                                                                                                                                      | Axes                             | Program                          | Indicator                | 2023  | 2024   | 2025   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|--------------------------|-------|--------|--------|
| <div><div>4</div><div>QUALITY EDUCATION</div><div></div></div> <div><div>5</div><div>GENDER EQUALITY</div><div></div></div> <div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div> | Environmental care and education | Bio Pappel Green Schools         | Participating schools    | 24    | 16     | 24     |
|                                                                                                                                                                                                          |                                  |                                  | Beneficiaries            | 4,884 | 3,837  | 5,685  |
|                                                                                                                                                                                                          |                                  | Hug a tree                       | Short ton <sup>(1)</sup> | 282.2 | 252.4  | 299.8  |
|                                                                                                                                                                                                          |                                  |                                  | Beneficiary institutions | 73    | 40     | 105    |
|                                                                                                                                                                                                          |                                  | Reforestation: Our greatest role | Trees planted            | 6,659 | 5,920  | 5,392  |
|                                                                                                                                                                                                          |                                  |                                  |                          |       |        |        |
| <div><div>10</div><div>REDUCED INEQUALITIES</div><div></div></div> <div><div>11</div><div>SUSTAINABLE CITIES AND COMMUNITIES</div><div></div></div>                                                      | Community development            | Bio Pappel Green Summer          | Beneficiaries            | 1,277 | 1,186  | 1,177  |
|                                                                                                                                                                                                          |                                  | Taking care of my community      | Beneficiaries            | 6,565 | 12,248 | 22,980 |
| <div><div>13</div><div>CLIMATE ACTION</div><div></div></div> <div><div>15</div><div>LIFE ON LAND</div><div></div></div>                                                                                  | Education for development        | Productive workshops             | Women benefited          | 194   | 222    | 260    |
|                                                                                                                                                                                                          |                                  |                                  | Training hours           | 950   | 1,585  | 1,144  |
|                                                                                                                                                                                                          |                                  | School Visits                    | Visitors                 | 2,331 | 1,726  | 2,160  |
| <div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div><div></div></div>                                                                                                                                 | Bio Pappel's volunteering        |                                  | Corporate volunteers     | 2,280 | 1,748  | 2,722  |
|                                                                                                                                                                                                          |                                  |                                  | Volunteering hours       | 4,104 | 3,671  | 1,021  |

<sup>(1)</sup> 1 Metric ton equals 1.1023 short ton.

34,813 people benefited in 2025

# Environmental care and education

(3-3)



We promote actions to protect natural resources and foster strong environmental awareness in the communities where we have a presence, thereby strengthening local development and promoting sustainable habits.



## Bio Pappel Green Schools

(203-1 / GC 8)

One of the core pillars of our long-term vision is protecting the environment. Therefore, we promote initiatives that strengthen environmental awareness and encourage responsible practices both within and outside our operations. In this way, we actively contribute to the preservation of ecosystems and the well-being of communities, generating long-term positive impacts.

Through the Bio Pappel Green Schools program, we foster education for boys and girls on sustainability, circular economy, and care of natural resources, developing skills that allow them to participate consciously and responsibly in their environment. It is thanks to this that we inspire new generations to take an active role in addressing sustainability challenges and, in the future, to lead initiatives aligned with the Sustainable Development Goals.

We also establish partnerships with institutions specializing in providing technical support to teachers and students, strengthening the reach and quality of our actions. These collaborations allow us to consolidate a comprehensive environmental culture within school communities, promoting sustainable habits and a shared vision of social and environmental responsibility.



(203-1, 3-3)

We granted the Bio Pappel Green Schools certification to the participating schools responsible for the following actions:

- Establishment of collection centers within their facilities to manage recyclable materials and recover their value.
- Promotion of environmental and social projects that contribute to conservation of natural resources, biodiversity protection and the implementation of productive workshops for the benefit of the school and local community.
- Creation of Environmental Clubs made up of students, parents and guardians, with the support of a leader in social and ecological issues.



“Thanks to the **Green Schools** program, our students have strengthened their knowledge, skills, and environmental habits through actions such as recycling, the creation of pollinator gardens at school, reforestation days and productive workshops. These initiatives promote water conservation, waste reduction and value formation, generating a positive, measurable and sustainable impact in the educational community and their surroundings.”

**Professor Martha Patricia Martínez Francisco**  
José María Martínez Rodríguez Elementary School Principal  
Scribe® - Veracruz Plant

**24 schools** across Durango, Queretaro, Jalisco, Oaxaca, Veracruz, Nuevo Leon, and the State of Mexico participated

## Hug a tree

(3-3, 203-1 / GC 8)



Our circularity strategy is embodied in the Urban Forest® model, which promotes the systematic recovery of paper and cardboard for reuse in the manufacture of new products. Our social program stems from this, by fostering a culture of responsible waste separation and facilitating collection through community campaigns. The recovered materials are sent to our recycling centers, where they are sorted and prepared for transformation within our own value chain, thus strengthening the circular economy cycle. This effort is enhanced through partnerships with schools, organizations, and other local institutions, which we support in implementing appropriate collection practices. As part of this collaborative framework, we recognize their

participation with in-kind support that contributes to their development and infrastructure improvements, generating a shared value model that benefits both the participating communities and their surrounding areas.



“Collaboration between the public sector and private initiative has shown that the sum of efforts is key to generating sustainable environmental and social impact for the future. This alliance has enabled the implementation of a monthly paper and cardboard collection drive, along with other waste within the community, consolidating a continuous work model with tangible results in circular economy and responsible management of waste.”

**Engineer Cesar Oliver Monsiváis Pérez**  
Environmental Coordinator for the  
"Recycling with You" Campaign  
Apodaca Municipal Department of Ecology  
Titán Papel – Monterrey Recycling Center

**299.8<sup>(1)</sup> short ton of paper and cardboard** were collected through this program

<sup>(1)</sup> 1 Metric ton equals 1.1023 short ton.

## Reforestation: Our greatest role

(3-3, 203-1 / GC 8)



Restoring and expanding green spaces implies a strategic action to strengthen environmental resilience, preserve biodiversity, and mitigate the impacts of climate change. In this sense, we promote reforestation efforts that actively involve our staff and their families in restoring natural areas, fostering a culture of shared environmental responsibility.

These initiatives not only generate environmental benefits but also strengthen internal cohesion, promote environmental awareness beyond the workplace, and consolidate a shared commitment to sustainability. Through this participatory model, we join forces to regenerate local ecosystems and build a more balanced and sustainable future for our communities.

In addition, we carry out tree and plant adoption initiatives that allow each member of our organization to be directly involved in the care and development of new species.



**5,392 trees reforested and plants adopted** in the states of Nuevo Leon, Sinaloa, Chihuahua, Durango, Jalisco, Queretaro, Baja California, State of Mexico, Hidalgo, Guanajuato, Oaxaca and Veracruz



“As a resident of San Juan del Rio, it fills me with pride to contribute to the reforestation of our municipality participating in the planting of thousands of trees along with my family. In Bio Pappel, we demonstrate that sustainable development is a reality when we work with a common purpose and encourage employee participation to build a greener and more responsible future for our community.”

**Miguel Ángel Vega López**  
Head of General Services  
Scribe®-Queretaro Plant

**45 reforestation campaigns**

## Community development

(3-3)

We design and implement projects that directly impact the communities near our operations, with a focus on local development and sustainability. Through various initiatives, we promote environmental education, responsible resource management, and social responsibility, contributing to building more resilient surroundings and generating shared value that strengthens long-term social, economic, and environmental well-being.



### Bio Pappel Green Summer

(3-3, 203-1 / GC 5 and 8)



During the summer, we open spaces designed for our employee's children, where we combine educational, sports, and recreational activities in a safe and enriching setting. This program strengthens social interaction and fosters social skills, while also promoting sustainability awareness through workshops and hands-on exercises that encourage reflection on the importance of caring for nature and our responsibility to protect the environment.

**1,177 girls and boys participated**



"My experience supporting the activities for the staff's children has been very enriching. I have been able to observe how many children are actively engaged in environmental and cultural initiatives, acquiring new knowledge that strengthens their development and later share at home, expanding the positive impact on their families."

**Engineer Irene Melo Pineda**  
Head of Industrial Safety  
Titán Empaques - Tultitlán Plant

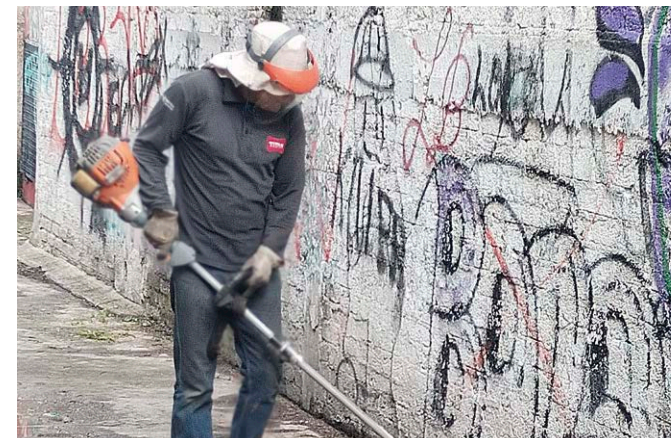
### Taking care of my community

(3-3, 203-1)



We promote social initiatives aligned with the specific priorities and needs of each community where we operate, built on ongoing dialogue and a deep understanding of their social and environmental challenges. These actions are developed under an approach of co-responsibility and shared value, strengthened by the voluntary participation of our staff, who, with commitment and a sense of belonging, actively contribute to improving well-being, social cohesion,

and sustainable development in the communities where we have a presence.



"Participating as a volunteer allows me to genuinely contribute to my community, without expecting anything in return, and collaborating directly enriches me, by learning from them while I contribute with actions that generate a positive impact."

**Engineer Josafhat Omar Vargas Castillo**  
Head of Health, Safety and Environment  
Titán Empaques - Mexico Plant

**62 communities benefited** in the State of Mexico, Mexico City, Queretaro, Nuevo Leon, Durango, Baja California, Jalisco, Oaxaca, Veracruz, Puebla and Chiapas

## Education for development

(3-3)

We recognize that academic training is an essential pillar for driving social progress, promoting equal opportunities, and fostering lasting transformations. Therefore, we focus our efforts on strengthening women's economic autonomy and awakening an active commitment to sustainable development in new generations, helping build a more equitable and environmentally responsible society.



### Productive workshops for women's empowerment

(3-3, 203-1)



We promote productive capacity-building programs for women, in partnership with institutions specialized in technical training, trades, and entrepreneurship. These initiatives are designed to generate real opportunities for economic education, providing practical training, technical tools, and ongoing support that strengthen their financial autonomy and expand their leadership skills. Through this, we reduce inequalities, foster economic inclusion, and build more resilient and equitable communities in the areas where we operate.



**260 women from 14 communities** in Jalisco, Queretaro, State of Mexico, Oaxaca and Veracruz were trained



"The workshop allowed me to develop manual and creative skills I didn't have before. I learned about the process of making plaster flower pots for succulents and I understood how this activity can become an entrepreneurial opportunity, representing a real alternative to strengthen the family economy."

#### Ms. Alondra Moreno Arias

Participating mother in the plaster flowerpot workshop  
Ramón Corona Elementary School  
Titán Empaques - Zapotlan Plant

### School visits

(3-3, 203-1)



This initiative aims to introduce young people to more sustainable production models by sharing knowledge about our industrial processes and the technologies we use, broadening their understanding of the circular economy and strengthening their professional development. We offer in-person tours of our facilities so they can experience the papermaking process firsthand, as well as virtual sessions led

by technical staff, ensuring that students of all educational levels can access this learning experience.



"I am motivated to share the importance of recycling paper and how this contributes to the conservation of forests, the conservation of natural resources and the reduction of emissions. Through the **School Visits program**, I've had the opportunity to guide 15 plant tours, bringing students closer to the notebook manufacturing process and promoting greater awareness of the circular economy and responsible consumption."

#### Engineer José Rodolfo Velázquez Ramírez

Senior materials planner  
Scribe®-Queretaro Plant

**2,160 students from 69 educational institutions**  
participated in this initiative



At Bio Pappel, we promote initiatives that strengthen our relationship with the communities where we operate and contribute to the sustainable development of these areas. Through the Social Responsibility strategy, we channel our ESG commitment into actions that encourage our employees' participation and collaboration with local stakeholders to address targeted social and environmental challenges, generating shared value and a positive long-term impact.



Volunteering not only amplifies the company's impact, but also consolidates an organizational culture based on co-responsibility, shared purpose, and the creation of long-term sustainable value.



"It gives me great satisfaction to be able to share my knowledge and skills with the students. Through these activities we contribute to strengthening the culture of environmental responsibility, promoting social integration and reinforcing values in new generations, fostering a more responsible and committed awareness of their environment."

**Engineer Jose Andres Zuñiga Escobar**  
Head of Industrial Safety  
Titan Empaques - Zapotlan Plant

We developed an initiative to strengthen ties with the university community and actively contribute to the United Nations Sustainable Development Goals (SDGs). In collaboration with higher education institutions, we promote projects and activities that have a positive environmental impact and reinforce awareness of sustainability.

These partnerships also provide students with applied experiences that enrich their academic training and facilitate their transition to the professional field.



**In 2025, we collaborated  
with 7 new universities**



"Through our collaboration with Bio Pappel, we promote workshops and presentations focused on the staff's well-being, with an emphasis on performance and concentration, extending these initiatives to the **Bio Pappel Green Schools program** through entrepreneurship sessions that strengthen productive skills within the educational community. We also promote linking students and graduates with the company, facilitating job opportunities and contributing to their employability and professional development."

**Engineer Rafael Martinez Salinas**  
Market Promoter  
Inter-American University for Development  
Tuxtepec Campus  
In collaboration with Scribe®-Veracruz Plant  
and Titan Papel - Oaxaca Plant

#### Program lines of action:

- Promotion of the active participation of students in outreach and volunteering projects that add value to their educational community.
- Sharing specialized knowledge through talks and workshops hosted by Bio Pappel professionals.
- Facilitation of opportunities for practical experience (such as social service, internships and professional placements) that allow them to apply and strengthen their skills in a real work environment.

# Bio Pappel Foundation

(3-3, 203-1 / GC 6 and 8)



The Bio Pappel Foundation expands our social commitment by enhancing the reach and depth of the impactful actions we implement. Through environmental projects and social development programs, and in collaboration with various partner institutions, we strengthen initiatives that generate sustainable benefits and contribute to the well-being of the communities where we operate.



(203-1, 3-3)

## Best Buddies Mexico

Together we raise awareness among our team about the importance of creating spaces and employment opportunities for people with intellectual disabilities, promoting work environments grounded in respect, equity and diversity.

## National Museum of Anthropology

We participate in the preservation and safeguarding of the pre-Hispanic cultural legacy housed in Mexico's National Museum of Anthropology, contributing to the conservation of this historical heritage.

## Children in Joy A.C.

With the purpose of strengthening the learning conditions of girls and boys, as well as providing them with greater opportunities for the full development of their academic capacities, we support the rehabilitation and improvement of elementary schools that serve communities in vulnerable situations in the state of Guerrero.

## Chapultepec Forest Trust

We promote actions aimed at the protection and preservation of the Chapultepec Forest, one of the most emblematic natural and cultural spaces in Mexico City.

## SER Schools

Together with this institution dedicated to supporting girls, boys and adolescents from low-income communities and through in-kind support, we contribute to strengthening their academic programs and improving their learning opportunities.

## Kidzania

We developed an interactive activity aimed at girls and boys, linking recycling to the production of notebooks, so they understand concepts related to sustainability and the responsible use of resources in a practical way.

## Mexican Mathematics Olympiad

We promote the creative learning of mathematics, encouraging logical thinking and imagination in Mexican students, recognizing the most outstanding children and youth through national competitions held every year.

## Drawing a Better Tomorrow Foundation – Condolences with a cause

This program seeks to honor the memory of a loved one by promoting comprehensive and quality education for vulnerable children, teenagers, and young adults in Mexico, generating a positive and lasting impact on their development.



## Strategic alliances and collaboration

(2-25, 2-28, 3-3 / GC 4 and 6)

At Bio Pappel, we strengthen strategic alliances based on quality, service, trust, shared values, and sustainability. Therefore, we foster long-term relationships with our business partners, promote commitments that generate

sustainable value, strengthen the sector, and contribute to the advancement of the Sustainable Development Goals.

- Mexican Chamber of Pulp and Paper Industry
- Global Environmental Management Initiative (GEMI)
- Private Sector Studies Commission for Sustainable Development (CESPEDES)
- National Confederation of Industrial Chambers (CONCAMIN)
- United Nations Global Compact
- Mexican Center for Philanthropy (CEMEFI)
- Mexican Football Federation (FMF) —through our Scribe® brand.



(2-28)



Integrated Management System

- ISO 9001:2015 Quality Management Systems.
- ISO 14001:2015 Environmental Management Systems.
- ISO 45001:2018 Occupational Health and Safety Management Systems.
- ISO 50001:2018 Energy Management Systems.
- FSSC 22000 V6 Food Safety Management Systems.



Forest Management Merit National Award

Recognized for our manufacturing process of 100% recycled products, our sustainability model and the development of reforestation campaigns.



Programme for the Endorsement of Forest Certification®

Chain of Custody Certification in charge of guaranteeing the use of sustainable raw materials in our products.



Pulp & Paper International Awards

Global CEO of the year Award

Recognition to our CEO for his strong leadership and advancement of our sustainability model in our operations in Mexico, the United States and Latin America.

Water Efficiency Award

Thanks to our innovative water efficiency processes.

Environmental Leadership Award

Recognition of our constant efforts to mitigate our environmental footprint.

Industry Woman of the Year Award

Recognition awarded to our Director of Administration and Finance for her excellent leadership, motivation, and staff development boost in the paper industry.



Environmental Paper Company Index

We stand out for being the only Mexican-founded company within the group of 35 companies in our industry that make up this index.



Forest Stewardship Council®

Chain of Custody certification that guarantees the use of sustainable raw materials in our products. We are the first Mexican company certified under FSC® 100% Recycled, promoting a circular economy in paper production.



Sustainable Forestry Initiative®

This Chain of Custody Certification guarantees the use of sustainable raw materials in our products.

(2-28)



SEMARNAT and CESPEDS

Mexico GHG Program: For the 12<sup>th</sup> consecutive year, we voluntarily published our emissions inventory.



Carbon Disclosure Project

Voluntary disclosure of environmental data about the development of robust and positive action plans for the planet.



Made in Mexico brand emblem

Distinction mark for products made in Mexico.



PROFEPA

Clean Industry. Participation in the National Preparedness and Chemical Emergencies Response Day (DINAPREQ).



CLARES Anahuac University

CLARES Award to Corporate Social Responsibility.



NMX-N-107-SCFI-2010 Monarch Butterfly Eco Label

Mexican seal that guarantees that, paper for bags and wrappings, newspaper, for sacks and corrugated boxes are manufactured with recycled fiber.



Expansion and Top Companies

Super Companies. Super Company for Women.

NMX-AA-144-SCFI-2008

Mexican certification seal guaranteeing that printing and photocopy paper is produced from sustainable fibers and processed using elemental chlorine-free (ECF) bleaching methods.

NOM-035-STPS-2018

Psychosocial Risk Factors at Work.

SEMARNAT

Clean Transportation.



NMX-R-025-SCFI-2015

Mexican Labor Equality and Non-Discrimination Standard.



CEMEFI

Socially Responsible Company.



CONCAMIN

"Ethics and Values and Career Achievement" Award from the Mexican industry. "Outstanding Practice" award for our Urban Forest® circular economy model.



Global Compact

We support the United Nations Global Compact and are part of the Mexican Global Compact Network Council. We are part of The Science Based Targets initiative (SBTi). Water Action Hub, active participation in developing environmental footprints.



Pan-American Institute of Senior Business Management

Our sustainable business model positioned us as a success story at the prestigious business school.



Expansion

Leading company in its anti-corruption practices. Leading company in Corporate Social Responsibility.

Mexican Ministry of Security and Citizen Protection

Participation in National Earthquake Preparedness Drills.



IMSS

Safe and Healthy Work Environments Distinctive (ELSSA).

# About this report

(2-3, 2-5)

In this annual document, we present an overview of Bio Pappel S.A. de C.V.'s most relevant sustainability achievements for the year 2025.

“Bio Pappel S.A. de C.V. has prepared this report with reference to the GRI Standards for the period from January 1 to December 31, 2025.” The primary purpose is to present the main initiatives, progress, and results in the areas of sustainability: economic, social, environmental, and governance, as well as to facilitate the monitoring

of our performance and contribution to the UN Global Compact Principles and the United Nations Sustainable Development Goals.

To ensure the consistency and credibility of the information included, the content underwent external verification by Redes Sociales en Línea Timberlan, the company's supplier, with technical support from the consulting firm McBride Sustainability.

# Materiality

(3-1, 3-2)

At Bio Pappel, we understand materiality as a key tool for focusing our efforts on those issues that generate the greatest long-term impact and value for our organization and stakeholders. Through this process, we identify and prioritize the most relevant issues that guide our management in the economic, environmental, and social spheres, aligning our strategy accordingly.

To achieve this, we integrate diverse sources of analysis, including dialogue with our stakeholders, risk assessments, the regulatory environment, and sustainability trends in

the context in which we operate. This approach ensures a comprehensive and up-to-date view of the factors that influence long-term value creation. Furthermore, the information presented in this report adheres to rigorous and transparent criteria, striving to be complete, accurate, balanced, and comparable, to facilitate understanding and strengthen decision-making. The material issues that guide our strategy and actions are listed below.



|                          | Coverage |          |
|--------------------------|----------|----------|
| Material Theme           | Internal | External |
| Financial Results        | *        |          |
| Growth and Expansion     | *        | *        |
| Regulatory Changes       |          | *        |
| Competitiveness          |          | *        |
| Cybersecurity            | *        |          |
| Environmental Regulation | *        | *        |
| Circular Economy         | *        |          |
| Energy Efficiency        | *        | *        |
| Organizational Culture   | *        |          |
| Quality of life          | *        |          |
| Gender Equality          | *        | *        |
| Social License           | *        | *        |

Statement of Use: Bio Pappel S.A. de C.V. has reported the information cited in this GRI Content Index for the period from January 1 to December 31, 2025, with reference to the GRI Standards.

For the Content Index – Essentials With Reference option Service, GRI Services reviewed that the GRI Content Index has been presented in accordance with the requirements for reporting with reference to the GRI Standards, and that the information in the index is clearly presented and accessible to stakeholders. The service was performed on the Spanish version of the report.

|                                                 |                                                                  |                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------|------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 1 used: GRI 1: Foundation 2021              |                                                                  |                                                                                                                                                                                                                                                                                                                            |
| Universal Standards                             |                                                                  |                                                                                                                                                                                                                                                                                                                            |
| GRI 2: General Disclosures 2021                 |                                                                  |                                                                                                                                                                                                                                                                                                                            |
| 1. The organization and its reporting practices |                                                                  |                                                                                                                                                                                                                                                                                                                            |
| GRI Standard                                    | Disclosure                                                       | Page / Response / URL                                                                                                                                                                                                                                                                                                      |
| 2-1                                             | Organizational details                                           | 10<br>Torre Bio Pappel / Ejercito Nacional 1130, Col. Los Morales Polanco, C.P. 11510, Mexico City.                                                                                                                                                                                                                        |
| 2-2                                             | Entities included in the organization’s sustainability reporting | Bio Pappel S.A. de C.V. and its subsidiaries.                                                                                                                                                                                                                                                                              |
| 2-3                                             | Reporting period, frequency and contact point                    | 72, 83<br>The latest Sustainability Report was published in May 2025.                                                                                                                                                                                                                                                      |
| 2-4                                             | Restatements of information                                      | There was no restatement of the information.                                                                                                                                                                                                                                                                               |
| 2-5                                             | External assurance                                               | 72,82                                                                                                                                                                                                                                                                                                                      |
| 2. Activities and workers                       |                                                                  |                                                                                                                                                                                                                                                                                                                            |
| 2-6                                             | Activities, value chain and other business relationships         | 12-14,26,28-29<br>We market our products to durable goods and consumer goods manufacturers, distributors, and department stores across Mexico, the United States, and Colombia, including the maquiladora sector, exporters, and domestic consumers in Mexico.<br><br>Our supply chain includes more than 2,628 suppliers. |

|                                     |                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI Standard                        | Disclosure                                                                  | Page / Response / URL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                     |                                                                             | In 2025, the monetary value generated through the procurement of goods and services from these suppliers amounted to \$1,311.16 <sup>(1)</sup> million dollars. Approximately 80% of total procurement spending is concentrated in the following categories: fiber, pulp, natural gas, electricity, and chemicals.<br><br>In 2025, as part of our supplier certification process in tax compliance, 100% of our supplier base was verified, ensuring adherence to Mexican tax and labor regulations.<br><br>(1) Year end rate \$17.9528 MXN |
| 2-7                                 | Employees                                                                   | 7,44-45, 48-53<br>At Bio Pappel, we do not have employees hired on a non-guaranteed hourly basis.                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 2-8                                 | Workers who are not employees                                               | Bio Pappel does not have contractor staff.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 3. Governance                       |                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 2-9                                 | Governance structure and composition                                        | 20-21                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 2-12                                | Role of the highest governance body in overseeing the management of impacts | 20-21                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 4. Strategy, policies and practices |                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 2-22                                | Statement on sustainable development strategy                               | 4-5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 2-23                                | Policy commitments                                                          | 8-9,14-15,22                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 2-24                                | Embedding policy commitments                                                | 14,22-23                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 2-25                                | Processes to remediate negative impacts                                     | 23, 31, 34-37, 40-43, 48-49, 50-53, 65, 69                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 2-26                                | Mechanisms for seeking advice and raising concerns                          | 23                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 2-27                                | Compliance with laws and regulations                                        | No violations of environmental laws or regulations were identified.<br><br>No violations of social and economic laws or regulations were identified.                                                                                                                                                                                                                                                                                                                                                                                        |
| 2-28                                | Membership associations                                                     | 18-19, 69, 70-71                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 5. Stakeholder engagement           |                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 2-29                                | Approach to stakeholder engagement                                          | 17                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

| GRI Standard                       | Disclosure                                      | Page / Response / URL                                                                                                                                                                                                                                        |
|------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2-30                               | Collective bargaining agreements                | 45                                                                                                                                                                                                                                                           |
| GRI 3: Material Topics 2021        |                                                 |                                                                                                                                                                                                                                                              |
| 3-1                                | Process to determine material topics            | 73                                                                                                                                                                                                                                                           |
| 3-2                                | List of material topics                         | 73                                                                                                                                                                                                                                                           |
| Topic Standards                    |                                                 |                                                                                                                                                                                                                                                              |
| Financial results                  |                                                 |                                                                                                                                                                                                                                                              |
| GRI 3: Material Topics 2021        |                                                 |                                                                                                                                                                                                                                                              |
| 3-3                                | Management of material topics                   | 7, 26-29                                                                                                                                                                                                                                                     |
| GRI 201: Economic performance 2016 |                                                 |                                                                                                                                                                                                                                                              |
| 201-1                              | Direct economic value generated and distributed | 7<br>Direct economic value generated \$1,998.5950 <sup>(1)</sup> million dollars.<br>Direct economic value distributed \$2,009.7143 <sup>(2)</sup> million dollars.<br><br>(1) Annual average exchange rate \$19.2175 MXN<br>(2) Year-end rate \$17.9528 MXN |
| Growth and expansion               |                                                 |                                                                                                                                                                                                                                                              |
| GRI 3: Material Topics 2021        |                                                 |                                                                                                                                                                                                                                                              |
| 3-3                                | Management of material topics                   | 28-29                                                                                                                                                                                                                                                        |
| Cybersecurity                      |                                                 |                                                                                                                                                                                                                                                              |
| GRI 3: Material Topics 2021        |                                                 |                                                                                                                                                                                                                                                              |
| 3-3                                | Management of material topics                   | 25                                                                                                                                                                                                                                                           |
| Environmental regulation           |                                                 |                                                                                                                                                                                                                                                              |
| GRI 3: Material Topics 2021        |                                                 |                                                                                                                                                                                                                                                              |
| 3-3                                | Management of material topics                   | 30-31,34-36,40-43                                                                                                                                                                                                                                            |

| GRI Standard                | Disclosure                                       | Page / Response / URL                                                                                                                                                                                                                                                                 |
|-----------------------------|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Circular economy            |                                                  |                                                                                                                                                                                                                                                                                       |
| GRI 3: Material Topics 2021 |                                                  |                                                                                                                                                                                                                                                                                       |
| 3-3                         | Management of material topics                    | 6,30-33,58                                                                                                                                                                                                                                                                            |
| GRI 301: Materials 2016     |                                                  |                                                                                                                                                                                                                                                                                       |
| 301-1                       | Materials used by weight or volume               | 34,047,326 m³ of water.<br>2,229,112 <sup>(1)</sup> short ton of pulp and secondary fiber.<br><br>(1)Metric ton equals 1.1023 short ton.                                                                                                                                              |
| 301-2                       | Recycled input materials used                    | 32-33<br>100% of our recycled materials are paper.                                                                                                                                                                                                                                    |
| 301-3                       | Reclaimed products and their packaging materials | 32-33                                                                                                                                                                                                                                                                                 |
| Regulatory changes          |                                                  |                                                                                                                                                                                                                                                                                       |
| GRI 3: Material Topics 2021 |                                                  |                                                                                                                                                                                                                                                                                       |
| 3-3                         | Management of material topics                    | 36-37                                                                                                                                                                                                                                                                                 |
| Energy efficiency           |                                                  |                                                                                                                                                                                                                                                                                       |
| GRI 3: Material Topics 2021 |                                                  |                                                                                                                                                                                                                                                                                       |
| 3-3                         | Management of material topics                    | 38-39                                                                                                                                                                                                                                                                                 |
| GRI 302: Energy 2016        |                                                  |                                                                                                                                                                                                                                                                                       |
| 302-1                       | Energy consumption within the organization       | 39<br>*The Company does not calculate energy consumption or energy sales associated with heating, cooling, or steam. The methodology considers mass-energy conversion factors from the International System of Units and internal control reports.                                    |
| 302-3                       | Energy intensity                                 | a. 2.551 MWh / short ton <sup>(1)</sup><br>b. Short ton of paper and paper products.<br>c. Fuels (Natural Gas, Fuel Oil, Diesel, Gasoline, Black Liquor), Electricity, Steam.<br>d. Energy consumption covers within the organization.<br><br>(1) Metric ton equals 1.1023 short ton. |
| 302-4                       | Reduction of energy consumption                  | a. Increase in fuel oil consumption of +2.74 in 2025 compared to 2024.<br>b. Fuels for stationary sources (fuel oil).<br>c.Comparison period: 2024 versus 2025.<br>d. Fuel oil (m³).<br>Conversion factor: 41.2474 Gigajoules/l.                                                      |

| GRI Standard                         | Disclosure                                                                           | Page / Response / URL                                                                                                                                                                                                                                                                                                      |
|--------------------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 302-5                                | Reductions in energy requirements of products and services                           | a. -4.5% reduction in primary energy requirements for product generation, reaching 9.123 GJ / short ton <sup>(1)</sup> .<br>b. Year 2024 versus 2025.<br>c. Internal information control reports, proprietary methodologies, and international standard conversion factors.<br><br>(1) Metric ton equals 1.1023 short ton. |
| Quality of life                      |                                                                                      |                                                                                                                                                                                                                                                                                                                            |
| GRI 3: Material Topics 2021          |                                                                                      |                                                                                                                                                                                                                                                                                                                            |
| 3-3                                  | Management of material topics                                                        | 48-53                                                                                                                                                                                                                                                                                                                      |
| GRI 404: Training and education 2016 |                                                                                      |                                                                                                                                                                                                                                                                                                                            |
| 404-1                                | Average hours of training per employee                                               | 47<br>Employee personnel:<br>Men: 12.52 hours / Women: 28.88 hours<br><br>Unionized personnel:<br>Men: 18.8 hours / Women: 45.3 hours                                                                                                                                                                                      |
| 404-2                                | Programs for upgrading employee skills and transition assistance programs            | 47<br>The company does not have transition programs for retired or laid-off employees.                                                                                                                                                                                                                                     |
| 404-3                                | Percentage of employees receiving regular performance and career development reviews | 46<br>Of the 6.9% of employees who received their performance evaluation: 76.1% are men and 23.9% women.<br><br>According to their job category: 5.1% were directors, 1.3% deputy directors, 28.1% managers, 12.7% assistant managers, and 52.9% supervisors.                                                              |
| Organizational culture               |                                                                                      |                                                                                                                                                                                                                                                                                                                            |
| GRI 3: Material Topics 2021          |                                                                                      |                                                                                                                                                                                                                                                                                                                            |
| 3-3                                  | Management of material topics                                                        | 8,15,22-23,48-49                                                                                                                                                                                                                                                                                                           |
| Gender equality                      |                                                                                      |                                                                                                                                                                                                                                                                                                                            |
| GRI 3: Material Topics 2021          |                                                                                      |                                                                                                                                                                                                                                                                                                                            |
| 3-3                                  | Management of material topics                                                        | 48-49,62-63                                                                                                                                                                                                                                                                                                                |
| GRI 406: Non-discrimination 2016     |                                                                                      |                                                                                                                                                                                                                                                                                                                            |
| 406-1                                | Incidents of discrimination and corrective actions taken                             | 24<br>In 2025, 11 incidents of discrimination were identified.                                                                                                                                                                                                                                                             |

| GRI Standard                                  | Disclosure                                                                     | Page / Response / URL                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 405: Diversity and equal opportunity 2016 |                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 405-1                                         | Diversity of governance bodies and employees                                   | a. Diversity of governance bodies<br>Under 30: Men 0% / Women 0%, 30 to 50: Men 0% / Women 16.66%, Over 50: Men 66.67% / Women 16.67%.<br>b. Work place diversity<br>Employed personnel:<br>Under 30: Men 12.69% / Women 8.32%, 30 to 50: Men 35.53% / Women 19.26%, Over 50: Men 18.6% / Women 5.6%.<br>Unionized personnel:<br>Under 30: Men 19.79% / Women 6.50%, 30 to 50: Men 34.63% / Women 14.93%, Over 50: Men 18.93% / Women 5.22%. |
| Social license                                |                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| GRI 3: Material Topics 2021                   |                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 3-3                                           | Management of material topics                                                  | 7,54-67                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| GRI 203: Indirect economic impacts 2016       |                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 203-1                                         | Infrastructure investments and services supported                              | 56-67<br>No negative impacts—real or potential—were identified from community programs implemented in 2025.<br>Investment in social projects during 2024 amounted to \$733,030.3351 <sup>(1)</sup> dollars, including monetary and in-kind resources.<br><br>(1)Year-end rate \$17.9528 MXN                                                                                                                                                  |
| GRI 413: Local communities 2016               |                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 413-2                                         | Operations with significant –actual and potential–impacts on local communities | No operations were identified with significant negative impacts —actual or potential— on local communities.                                                                                                                                                                                                                                                                                                                                  |
| Competitiveness                               |                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| GRI 3: Material Topics 2021                   |                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 3-3                                           | Management of material topics                                                  | 69                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| GRI 206: Anti-competitive behavior 2016       |                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 206-1                                         | Legal actions for anti-competitive behavior, anti-trust and monopoly practices | No legal actions related to unfair competition, monopolistic practices, or antitrust were identified.                                                                                                                                                                                                                                                                                                                                        |

| Areas        | Principles of the UN Global Compact |                                                                                                                          | Page consulted                           |
|--------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| Human Rights | 1                                   | Businesses should support and respect the protection of internationally proclaimed human rights.                         | 8-9, 14, 22-23, 48-49,50-51, 69          |
|              | 2                                   | Make sure that they are not complicit in human rights abuses.                                                            |                                          |
| Labor        | 3                                   | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; | 44-45                                    |
|              | 4                                   | The elimination of all forms of forced & compulsory labor.                                                               | 14, 22-23, 44-45, 48-49, 53,60,64-67, 69 |
|              | 5                                   | The effective abolition of child labor.                                                                                  |                                          |
|              | 6                                   | The elimination of discrimination in respect of employment and occupation.                                               |                                          |



| Areas           | Principles of the UN Global Compact |                                                                                              | Page consulted                     |
|-----------------|-------------------------------------|----------------------------------------------------------------------------------------------|------------------------------------|
| Environment     | 7                                   | Businesses should support a precautionary approach to environmental challenges.              | 12,31-37,40, 42-43,56-61,64-67, 69 |
|                 | 8                                   | Undertake initiatives to promote greater environmental responsibility.                       |                                    |
|                 | 9                                   | Encourage the development and diffusion of environmentally friendly technologies.            | 12,31,38,40,43                     |
| Anti-corruption | 10                                  | Businesses should work against corruption in all its forms, including extortion and bribery. | 8,22-23                            |



Verification letter

(2-5)



Verification Letter for the 2025 Sustainability Report

To the Board of Directors of Bio Pappel S.A. de C.V.:

We hereby inform that Redes Sociales en Línea Timberlan was engaged to perform a limited and independent verification of a sample of indicators disclosed in the Bio Pappel S.A. de C.V. 2025 Sustainability Report. The scope of our verification covered the results of Bio Pappel's operations in the United States, Mexico, and Colombia for the period from January 1<sup>st</sup> to December 31<sup>st</sup>, 2025.

Bio Pappel's Management is responsible for the preparation and publication of the information contained in the 2025 Sustainability Report and that presented in the verification process, which involves, but is not limited to, the identification of material topics, the selection and publication of the **GRI Disclosures**, as well as providing true and sufficient documentary and/or visual evidence to carry out the limited verification of the selected GRI Disclosures sample.

Our responsibility is to provide impartial and objective opinions regarding the quality of the data included in the selected sample, validating its accuracy, traceability, and reliability. The criteria considered in performing our work were:

- The **International Standard on Assurance Engagements** (ISAE) 3000, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).
- The methodological requirements established by the **GRI Standards**.

The activities carried out during the verification process included:

- Interviews with the Social Responsibility team and information owners to understand the information collection, management, and control processes used in the preparation of the 2025 Sustainability Report.
- Review and understanding of internal management systems (policies, processes, tools, source documents, and other supporting records).
- Verification of qualitative and quantitative information through visual, documentary, and publicly available evidence related to the selected sample.
- Comparison with data from the previous year to assess reasonableness.
- Validation of compliance with the methodological requirements of the aforementioned criteria.

**Conclusions:** Based on the procedures performed and the evidence obtained, we have not identified any matters that would lead us to believe that the information corresponding to the selected sample of indicators:

- Did not comply with the principles of accuracy, traceability, and reasonableness.
- Contains material misstatements or significant errors.
- Does not comply with the methodological requirements of the aforementioned criteria.

A separate report has been issued exclusively to the client, outlining opportunities for improvement to be considered in future Sustainability Reports.

| GRI Content |                                                                                      | KPI verified 2025                                                                                                                                                                                                                |
|-------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2-1         | Organizational details                                                               | Bio Pappel S.A. de C.V.<br>Torre Bio Pappel / Ejército Nacional 1130 Col. Los Morales Polanco C.P. 11510, Ciudad de México.<br>Present in: United States, Mexico, and Colombia                                                   |
| 2-2         | Entities included in the organization's sustainability reporting                     | Bio Pappel S.A. de C.V. and its subsidiaries.                                                                                                                                                                                    |
| 2-3         | Reporting period, frequency and contact point                                        | 1 <sup>st</sup> de January to 31 <sup>st</sup> de December, 2025<br>Annual report<br>Social Responsibility <a href="mailto:responsabilidadsocial@biopappel.com">responsabilidadsocial@biopappel.com</a>                          |
| 2-4         | Restatements of information                                                          | Bio Pappel reported no changes in the methodology used to disclose and present information.                                                                                                                                      |
| 3-2         | List of material topics                                                              | List of material topics (See page 73)                                                                                                                                                                                            |
| 2-28        | Membership associations                                                              | List of Bio Pappel association affiliations (See pages 17 and 69 - 71)                                                                                                                                                           |
| Environment |                                                                                      |                                                                                                                                                                                                                                  |
| 301-2       | Recycled input materials used                                                        | <b>100%</b> of raw materials are recycled<br><b>89%</b> of the recovered material is used to manufacture packaging products<br><b>11%</b> is used in the production of writing and printing paper                                |
| 302-1       | Energy consumption within the organization                                           | Electricity <b>1,772,939 MWh</b><br>Renewable energy <b>7,938 MWh</b>                                                                                                                                                            |
| Social      |                                                                                      |                                                                                                                                                                                                                                  |
| 2-6         | Activities, value chain and other business relationships                             | Value chain management (See pages 12, 13, 26, and 29)<br>The total number and percentage of suppliers, as well as investment in suppliers, are excluded from the scope of verification.                                          |
| 2-7         | Employees                                                                            | 13,775 collaborators in Bio Pappel<br><b>6.9%</b> of employees who received their performance evaluation:                                                                                                                        |
| 404-3       | Percentage of employees receiving regular performance and career development reviews | <b>76.1%</b> are men and <b>23.9%</b> women.<br>According to their job category: <b>5.1%</b> were directors, <b>1.2%</b> deputy directors, <b>28.1%</b> managers, <b>12.7%</b> assistant managers, and <b>52.9%</b> supervisors. |
| 203-1       | Infrastructure investments and services supported                                    | Investment in social projects during 2025 amounted to MXN 13,159,947. This investment includes both monetary and in-kind contributions.                                                                                          |
| Governance  |                                                                                      |                                                                                                                                                                                                                                  |
| 2-26        | Mechanisms for seeking advice and raising concerns                                   | Existence of an ethics hotline and communication channels for contact (See page 23)                                                                                                                                              |
| 2-27        | Compliance with laws and regulations                                                 | No non-compliance with environmental, social, or economic laws and regulations was reported.                                                                                                                                     |
| 206-1       | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices      | No legal actions related to unfair competition, monopolistic practices, or antitrust were identified.                                                                                                                            |

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Statement of Independence and Competence of Redes Sociales en Línea Timberlan.

The collaborators of Redes Sociales en Línea Timberlan possess the necessary level of competence to verify compliance with the standards used in the preparation of Sustainability Reports, enabling them to issue a professional opinion on non-financial information reports while adhering to the principles of independence, integrity, objectivity, competence and professional diligence, confidentiality, and professional behavior. Under no circumstances should our verification statement be construed as an audit report, and therefore no responsibility is assumed for the management systems and internal control processes from which the information is obtained. This Verification Letter is issued on July 30<sup>th</sup>, 2026, and remains valid provided no subsequent and substantial modifications are made to the 2025 Sustainability Report of Bio Pappel S.A. de C. V.

Contact

(3-1, 3-2)

Vianney Cabildo Soto

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