



# SUSTAINABILITY REPORT

2022

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MESSAGE FROM  
OUR CEO



## Message from Our CEO

GRI 2-22

Making a difference requires perseverance, passion, and commitment. At Empacadora San Marcos we strive every day to bring the authentic flavor of Mexico to Mexican homes and to homes in more than 30 countries around the world, and we are proud to continue the process of consolidating a great dream, which is to have a positive impact on people and the planet by generating shared value.

We are aware of and recognize the global challenges that the world is currently facing and that we, as a society, live with daily, which is why we have been persevering in our commitment to be part of the solutions, through the integration of environmental, social and governance dimensions in our management.

We have very solid values that have allowed us to strengthen our organizational resilience, we have a firm commitment to move forward into the future, strengthening our value chain and focusing on our employees, customers, suppliers and the communities in which we operate. We will always be attentive to the implementation of strategies and concrete actions that allow us to grow as a company and contribute positively and integrally to society. This report outlines the criteria established in the Communication on Progress of

the United Nations Global Compact and provides information on the objectives and progress in each of our pillars.

We reaffirm our commitment to the global initiatives of the United Nations, which provide us with the opportunity to exchange knowledge, establish strategic alliances, undertake collective actions, promote innovation, acquire tools that lead us to implement innovative strategies in the objectives we wish to achieve in sustainability issues and thus accelerate the transformation that our world needs.

We are a company that has people at the heart of its management, and on this occasion, I would like to recognize our employees who demonstrate passion, talent, agility and commitment to the growth and sustainability agenda. I am inspired by their work as we present this report that highlights our commitment to being part of the solutions and the generation of our shared value.

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### Antonio Travieso

CEO San Marcos



Sustainability Report 2022



ABOUT US





## About Us

GRI 2-1, 2-6, 2-28

We are Empacadora San Marcos S.A. de C.V., a company dedicated to the production and sale of canned food, which has led us to be recognized mainly for our chili peppers and other foods of Latin American origin. Today we are the brand recognized for bringing the heritage and flavor of Mexico to the tables and kitchens around the world, to our Nostalgic Latin Market.

We are committed to the flavor that has led us to be well known and to the highest quality standards of the products we offer, which are made with 97% of Mexican products, purchased from local suppliers, where the chili peppers are hand selected.

We have a plant located at Carretera Puebla-Amozoc-Oriental Km. 54, 75120 Puebla, Puebla. During the year 2022, we had 23 production lines and 7 major categories: jalapeno peppers, chipotles, sauces, beans, vegetables, fruits and vinegar, producing more than 123 different products.

We have certifications that guarantee our quality and socio-environmental responsibility such as: HALAL, BSCI, CTPAT, FSCC 22000, KOSHER and CEMEFI's Socially Responsible Company Distinction.

### MISSION

To produce food products that allow us to maintain a sustained growth, offering our consumers high quality products, guaranteeing our collaborators the possibility to develop their work skills, contributing to improve our community and environment.

### VISION

To be the food company with the strongest and fastest growing brands in the country, bringing the heritage and flavor of Mexico to the world.

# Our values

GRI 2-23, 2-24

## I am the owner

### **SAN MARCOS IS OURS AND I STAND UP FOR IT**

We act with commitment and initiative, promoting the development of the business, efficiency in the use of resources, assuming full personal responsibility for our actions and for the resources achieved.

## I dream big

### **I SHINE IN WHAT I DO**

We dream big at every level of the company. We are only as big as our dreams, proving that we can achieve what we set out to do. Passion for our dreams opens opportunities and helps us cope with difficult circumstances. We take our dreams seriously.

## I'm passionate about what I do

### **I ENJOY WORKING WITH MY HEART**

I give my all every day with passion and joy, I give my best and enjoy what I do. I inspire our team, the client and the community with our values.

We humbly learn from setbacks and thrive to always persevere.

## I am honest

### **I ALWAYS DO THE RIGHT THING**

We live by ethical and moral standards. We are transparent, timely and honest. We do not take shortcuts and we speak up about problems in a timely manner to ensure the good reputation and integrity of the company.

## I have discipline

### **I BUILD TOMORROW**

We guarantee sustainable results through processes. We learn and seek new opportunities for continuous improvement. We measure our results and benchmark ourselves against the industry best practices.

## I am excellent

### **I SHINE IN WHAT I DO**

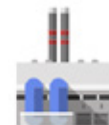
We attract and develop the best talent, fostering highly competitive teams, in search of the best processes and results, within a balance that combines excellence at work with quality of life.

# Our history



**1949**

Start of operations



**1950**

Packaging manufacturers



**1951**

Start of chili packaging, including our famous chipotle



**1957**

We standardize production processes



**1970**

Expansion to the United States begins. 10 years later, we have a presence in more than 34 countries



**2018**

Vinegar line is integrated



**2017**

Chipotle model line is integrated



**2013**

FSSC 22000 Food Safety System Certification



**2000**

San Marcos Consolidation and ISO 9001 Quality Certification



**2019**

Integration of San Marcos to Grupo Bia as part of the strategy to participate in culinary events in Mexico and the US



**2022**

11 years of being a socially responsible company



# Our products



# Worldwide presence

Our products are present in more than 34 countries.

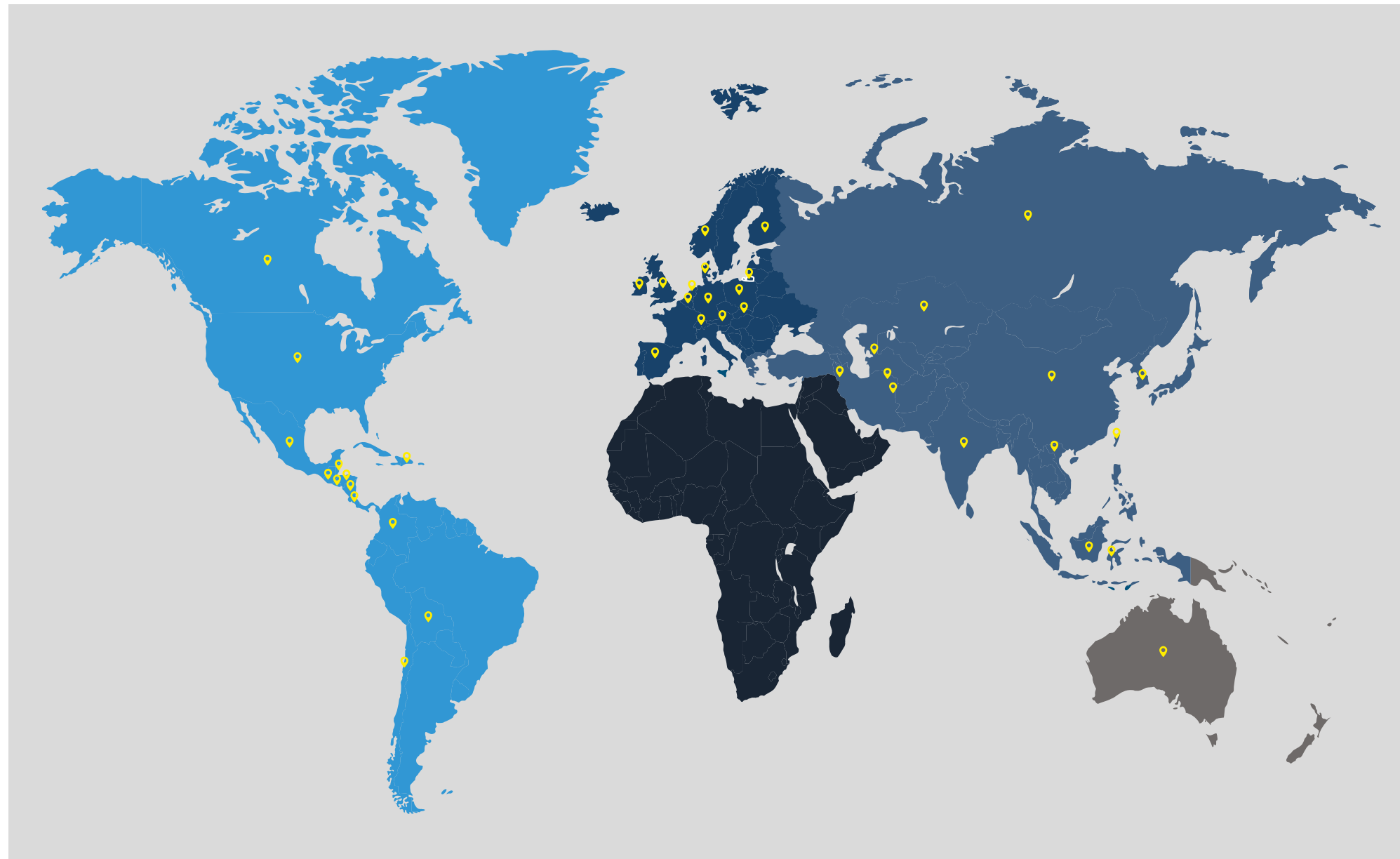
GRI 2-1,2-6

### America

- Belize
- Bolivia
- Canada
- Chile
- Costa Rica
- Colombia
- El Salvador
- United States of America
- Guatemala
- Honduras
- Mexico
- Nicaragua
- Puerto Rico

### Europe

- EUROPA
- Austria
- Germany
- Belgium
- Denmark
- Spain
- Slovakia
- Finland
- Netherlands
- Ireland
- Norway
- Poland
- United Kingdom
- Czech Republic
- Switzerland



### Asia


- Bahrain
- China
- South Korea
- United Arab Emirates
- Hong Kong
- India
- Indonesia
- Israel
- Kazakhstan
- Kuwait
- Russia
- Singapore
- Taiwan

### Oceania


- Australia

## Some operational data

GRI 2-1, 2-6



**+774**  
Domestic customers



**+66**  
Customers in the rest of the world



**34**  
Countries



**1**  
Plant in Puebla, Mexico



**13**  
Distribution Centers throughout the country



**59,182**  
Tons of production in 2022

# Value chain

GRI 2-6



\*There were no significant changes to the size, structure, ownership or supply chain of the organization.

Sustainability Report 2022



ABOUT THIS REPORT



## About this report



GRI 2-2, 2-3, 2-4, 2-5, 2-14, 2-29

This sustainability report has been prepared in accordance with the Global Reporting Initiative - GRI Standards and in compliance with the ten principles of the United Nations Global Compact. Our stakeholders are our main source of information to determine the material content to be used.

Our list of stakeholders includes customers, consumers collaborators, neighbors, investors, suppliers, non-governmental organizations, media, and federal, state and municipal governments.

This report corresponds to the year 2022. There is no restatement of information or report changes.

The scope of this report is the operations of Empacadora San Marcos SA de CV located in Puebla. It should be noted that this report has been verified by an external entity.

Contact Points: [asuntoscorporativos@alimentossanmarcos.com](mailto:asuntoscorporativos@alimentossanmarcos.com)  
Area: **Asuntos Corporativos**  
Our website: [alimentossanmarcos.com.mx](http://alimentossanmarcos.com.mx)

### STAKEHOLDERS

- Neighbors
- Customers
- Consumers
- Suppliers
- Government
- Environment
- Competition
- Rating Agencies and External Organizations
- Media

# Materiality matrix

GRI 3-1, 3-2

The steps recommended by the GRI to identify material or high impact issues are as follows:

1. Understand the context of the organization
2. Identify current and potential impacts
3. Assess the significance of the identified impacts
4. Prioritize the most significant impacts.

The first three steps take place in the company's day-to-day relationship with its stakeholders, identifying impacts, whether positive or negative, and their implications for the business. The fourth step is where the most significant impacts are prioritized.

In step 1, initial research was carried out to understand how the organization works. We used some globally recognized sectoral tools such as SASB, S&P's Sustainability Yearbook 2022, and benchmarked material issues of large companies in the food sector. In addition, we identified global trends through the latest World Economic Risks risk study. We also reviewed public documents through the San Marcos website and internal company documents.

Before proceeding to the next step, stakeholders were identified, classified and prioritized.

About step 2, identification of current and potential impacts, fieldwork was carried out, starting with an interview with the Corporate Affairs Manager of San Marcos and an on-site visit to the same product manufacturing, packaging and distribution plant located in Puebla, Mexico.

In addition, individual interviews were conducted with representatives from Quality, Logistics, Occupational Health

and Safety, Environment, Production and R&D. The latter focused on packaging.

Secondly, two group meetings were held, one with union representatives and the other with plant personnel belonging to neighboring communities.

In addition to sources from which the organization can gather this information: expert assessments, reports, systems, audits, OSH inspections, stakeholder reports, risks.

Understand stakeholder concerns and consult internal and external experts.

The degree of impact on stakeholders gives you the level of engagement. Prioritize the stakeholders that are most severely affected in relation to the commitments and review the sectors to which the organization belongs.

In relation to step 3, the identified material issues were assessed and grouped. This was followed by a survey targeted at employees, suppliers and customers. Finally, through a meeting with the Corporate Affairs Manager of San Marcos and his team, the issues of greatest impact were prioritized. The latter validated the prioritization done as step 4.

The following is a general list of the issues identified:



- |   |   |
|---|---|
| 1. Emissions and energy                               | 8. Traceability of the value chain - FSSC |
| 2. Water and effluents                                | 9. Decent work and environmental labor    |
| 3. Waste management and efficient resource management | 10. Employment and local development      |
| 4. Bottles and packaging                              | 11. Equal opportunities                   |
| 5. Quality, innocuousness, food safety, consumables   | 12. OSH                                   |
| 6. Health and nutrition                               | 13. Freedom of association                |
| 7. Labelling and marketing                            | 14. Training and development              |
|   | 15. Ethics and values                     |



SUSTAINABILITY  
AGENDA

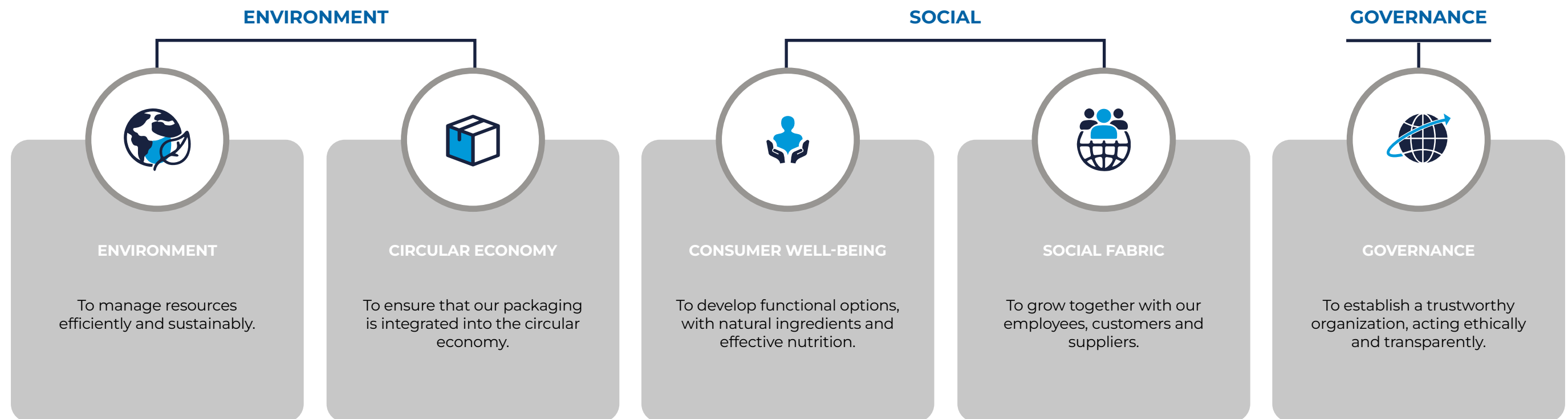




# Sustainability Agenda

GRI 2-23, 2-24

Our growth and value are maximized when we transform ourselves to grow and build a better world. We are part of the solutions, integrating social, environmental and governance dimensions as an engine of our strategy and creation of shared value.



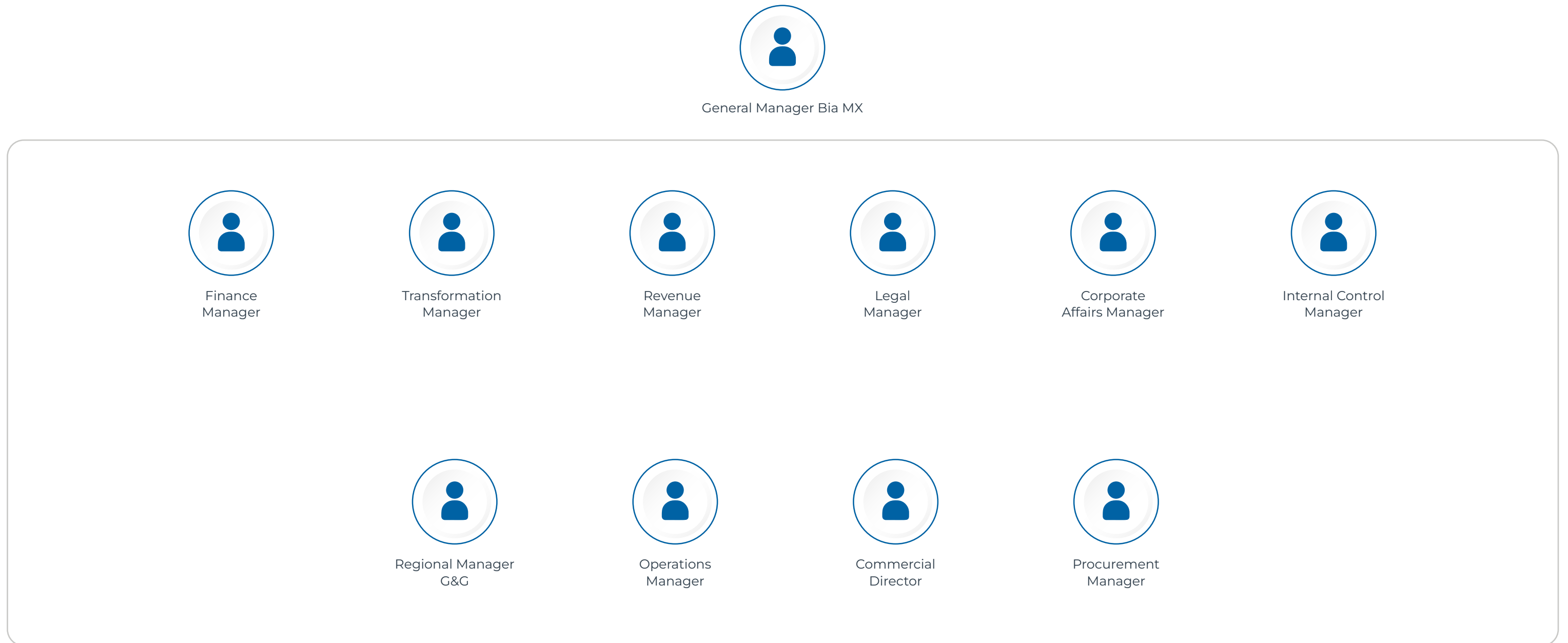


GOVERNANCE  
PRINCIPLES DIMENSION



# Structure

At San Marcos, the CEO and the managers mentioned below make up our highest governance body. All are dependent members; their positions are shown in the following chart.



## Global Policies

GRI 2-23, 2-24

The Board of Directors shall designate those responsible for defining and updating policies and procedures that are generally observable and applicable to the companies of the Group. The Board of Directors may also designate the areas responsible for defining and updating operating policies and procedures aimed at ensuring that the Company operates in a consistent and orderly manner.

It is the responsibility of vice presidents, heads, managers and directors to ensure that their teams know and understand their roles and responsibilities in accordance with the policies related to their position. Likewise, it is the responsibility of area heads and managers to ensure that all employees under their charge are trained at least annually on the policies and processes related to their positions.

## Compliance with global policies 2022

GRI 2-24, 205-2

The Board of Directors mandates global policies, including anti-fraud and anti-corruption policies, then are signed for compliance by the CEO and applied throughout the organization, including both bodies and committees. In 2022, San Marcos employees received training on the Global Policies through the e-Learning platform. The training included comprehension tests and 100% of employees were certified in these policies.



## Respect for Human Rights

All of San Marcos' activities, both business and professional, are carried out in strict compliance with the laws and regulations in force in each of the countries in which we operate. Likewise, we respect and promote respect for the Human Rights recognized and set out in the International Bill of Human Rights, in the American Convention on Human Rights, in the Fundamental Principles and Rights at Work, contained in the ILO Declaration on Fundamental Principles and Rights at Work and in the Fundamental Conventions of the International Labor Organization. Likewise, San Marcos embraces the United Nations "protect, respect and remedy" framework, as implemented by the United Nations Guiding Principles on Business and Human Rights. San Marcos supports the elimination of all forms of forced labor and supports the eradication of child labor.

This commitment to international human rights standards is reflected in the due diligence process carried out by San Marcos, materialized in documents such as the Code of Ethics, which is issued so that all our employees, collaborators, contractors and suppliers, always act in compliance with the Code and respect for the Human Rights.

San Marcos has a specific global policy of general application to all employees, officers, senior management, members of any administrative or supervisory body, including suppliers, business partners, its subsidiaries and related companies to promote respect for Human Rights in the Company and its suppliers.

The Human Rights Policy sets out in detail the specific steps for the implementation of the human rights due diligence process that the company will undertake to prevent, mitigate and/or remedy actual or potential human rights impacts, in accordance with the highest international standards, especially the Guiding Principles on Business and Human Rights.

During 2022, no human rights impacts were reported within the company's operations.



## Code of Ethics

GRI 3-3, 2-9, 2-10, 2-12, 2-23

The Ethics Committee is responsible to communicate and teach the Code of Ethics. It is also responsible for managing and ensuring the proper function of the channels that allow the submission of reports, queries or complaints related to non-compliance with the Code of Ethics by employees, collaborators or San Marcos suppliers; to facilitate investigations that allow to take appropriate actions and suggest to the respective areas the applicable sanctions and their recommendations, in compliance with local legislation. The Ethics Committee reports to the Board of Directors through the Audit Committee and is managed by the Compliance Director. This Committee also handles cases of violations of the Code and other internal policies, while taking the necessary measures to strengthen a culture of values, compliance and ethics.

The Ethics Committee is composed of five people from different departments of the Company, who have advisory and support functions for the dissemination and application of the Code of Ethics. The members of the Committee are appointed by the CEO and the Committee is coordinated by the Compliance Director.

The Committee defines the guidelines for the communication of the Code of Ethics and the corresponding training of all San Marcos employees and its direct suppliers. It is responsible for managing and ensuring the proper functioning of channels that allow employees or interested parties to make enquiries or complaints about non-compliance with the Code.

It reports to the Board of Directors through the Audit Committee. Its functions also include the evaluation of conflicts of interest, controversies and misconduct, and the establishment of action plans to prevent the occurrence

of violations of the Code of Ethics. It is also the Committee's responsibility to review and promote policies and procedures that strengthen transparency, anti-corruption and anti-fraud mechanisms.

The San Marcos Code of Ethics contains the principles and standards of conduct that govern the actions of all San Marcos employees, including the Board of Directors, shareholders and management.

All our business and professional activities are based on the principle of integrity, and our actions must be conducted with honesty and transparency. It specifies how each of our employees should conduct themselves in their actions and in their relationships with co-workers, suppliers, customers and communities in the countries in which San Marcos operates.

The San Marcos Code of Ethics provides our employees, suppliers and the general public with an official document that specifies our commitment to acting responsibly, ethically, transparently and respectfully.

All suppliers who provide services or goods to San Marcos are required to adhere to the Code of Ethics and its principles and standards of conduct.





## Ethical Standards

GRI 2-23, 2-24, 3-3  
Principio 7

The Code of Ethics includes the following standards, among others:

### **INTEGRITY AND STANDARDS OF CONDUCT**

All business and professional activities are based on the principle of integrity. We act with honesty and transparency.

### **INCLUSION AND NON-DISCRIMINATION**

We develop, without exception, inclusive business and employment practices that are free from discrimination of any kind.

### **EQUAL EMPLOYMENT OPPORTUNITY**

All our recruitment practices are based on equal opportunities. Our employees develop their career plans based on merit and objective evaluations. We implement training programs for our employees to acquire new skills to enhance their professional growth opportunities.

## Responsibilities

The Code specifies how each San Marcos employee should conduct themselves in their actions and relationships with co-workers, suppliers, customers and the communities in which we operate.

The People and Management and Compliance Departments, the management and leadership of each area are responsible for promoting awareness and dissemination of the Code, as well as responding to queries regarding its interpretation.

## Conflict of Interest

GRI 2-15

San Marcos is committed to conducting our business and activities in such a way that decision-making in all areas is objective and not influenced by personal interests. A conflict of interest is any situation where a person's private interests interfere, or may be perceived to interfere, with the performance of their job duties, as well as where such personal interests improperly influence their business judgement, decisions or actions in their role.

Making judgements, decisions or actions when faced with a conflict of interest can hinder the objective performance of work in the Company and may have legal and regulatory consequences.

It is the responsibility of all San Marcos employees to prevent conflicts of interest; that is, they must take steps to ensure that a conflict does not occur.

In addition, it is the responsibility of each San Marcos employee to assess whether any actual or potential conflict of interest exists in the performance of their duties.

In the event of a relationship that does not conform to the policy, the individual(s) must immediately report the situation to their supervisors and People and Management using the Conflict-of-Interest Disclosure and Consultation Form, so that appropriate assessments can be made in accordance with the Policy.







## Ethics Line

GRI 3-3, 2-16, 2-25, 2-26, 2-27

Any employee or external person who has knowledge or suspicions of a non-compliance case of the Code of Ethics must inform their line manager or report it directly to the Compliance area, who are responsible for guiding the employee to report it through the Company's Whistleblowing Channel.

Complaints may be submitted via email through the Whistleblowing Channel platform, or by using the telephone numbers provided for this purpose.

Anonymous whistleblowing will be allowed; however, dialogue and trust are encouraged so that the whistleblower can provide personal details. In any case, the necessary measures will be taken to avoid reprisals against the persons making the reports.

Likewise, while the respective investigation is being carried out, the confidentiality of the case will be maintained by the people assigned to the investigation.

San Marcos punishes false allegations that are proven to have been made with the intention of harming the person being reported. Any action by employees who have been investigated because of reports received, will be notified that the Company will not allow any form of retaliation against colleagues, subordinates, customers, suppliers or any other person whom the employee suspects of having made the report.

Attitudes that are proven to be retaliation for a report received will be

sanctioned with a serious offence according to local legislation.

The ethics channel is public and available through the San Marcos website so that any internal or external person who becomes aware of a violation of the Code of Ethics or any company policy can file a report.

In 2022, 8 complaints were received, and each of the complaints filed was duly followed up.

It is important to highlight that the company has not had any significant sanctions or fines in 2022.

GRI 3-3, 2-23, 2-24, 2-27  
Principio 10

## Compliance Policy

This policy is directed to all affiliated operations and subsidiaries where Empacadora San Marcos operates, as well as new operations or any expansion of the business, and related third parties, establishing the guidelines for compliance with internal and external rules that regulate the development of the operations of Empacadora San Marcos.

## Compliance Regulations

San Marcos respects and complies with the legislation of each country where it operates, complying with the regulations and therefore requiring its employees, suppliers and customers to comply with the external and internal rules that apply within the operation.

All internal standards are published on the intranet and updated once a year. External standards must be monitored by the areas related to compliance and communicated for enforcement and compliance. Relevant changes in laws and regulations affecting the Company's line of business must be monitored and published by the responsible areas.

All San Marcos employees are obliged to comply with the parameters established in the Code of Ethics, as well as internal and external regulations, therefore, in no case can non-compliance with these guidelines or regulations be justified. San Marcos suppliers must comply with the Code of Ethics, whose compliance must be monitored by the Purchasing Area.

## Free Competition and Antitrust

San Marcos is committed to upholding the compliance with the laws and regulations governing free competition and antitrust, and is expressly prohibited from entering into any agreement with our competitors that is outside the law.

## We do not accept Corrupt Practices

Any corrupt practice by our partners, collaborators, suppliers or clients in the development of our working and/or commercial relationship will not be tolerated and will therefore be denounced.

## Environmental Legislation

San Marcos complies with environmental legislation, and it is the obligation of each of the operations to design policies and procedures that enable compliance with these regulations, including updates to processes or controls for compliance when environmental regulations change.

In 2022, the Company received no significant fines or non-monetary sanctions for non-compliance with environmental laws or regulations.

## Anti-fraud and Corruption Policy

At San Marcos, we aspire to be leaders in our sector regarding the ethical performance with which we conduct our business. Therefore, we believe that ethics and success are complementary to achieve our vision of contributing to a better world, we base our performance on our corporate values: dream big, we are owners, excellent people, integrity, sustainable management, and we are passionate about what we do.

Our Anti-Fraud and Anti-Corruption Policy seeks to provide for our employees. This policy seeks to provide our employees, suppliers and the public with a document that specifies our commitment to transparency, the fight against corruption in all its forms, including extortion and bribery, through responsible, ethical, transparent and respectful behavior.

The Anti-Fraud and Anti-Corruption Policy promotes a culture of ethics and values that helps to prevent, detect, investigate and remedy fraud and corruption events, and ensures transparency in the management of the administration through the Board of Directors and collaborators.

The Policy defines the limits within which San Marcos employees must act in accordance with laws and internal policies. This Policy is illustrative and not limiting, as it does not mention all circumstances that employees may face, however, employees must always act in accordance with the principles and values of San Marcos.

In 2019 we formally created the Compliance area, which will be responsible for the design and implementation of the Company's Compliance Program.



## Disclosure and Public Commitment

GRI 2-25, 2-26

San Marcos makes public its commitment against corruption in its Code of Ethics, in its Anti-Fraud and Anti-Corruption Policy and in the channels of consultation and denunciation, disseminating it by means of training to all personnel, suppliers and the public through the web page: <https://www.alimentossanmarcos.com>

## Financial Reporting

The financial information and results of operations comply with international accounting standards and local legislation requirements.



## Fight Against Corruption

GRI 205-3

It is important for San Marcos to inform our stakeholders that there have been no legal cases related to corruption. To publishing this sustainability report, we use the requirements of the Global Reporting Initiative (GRI), declaring the following:

During the year 2022, there are no confirmed cases of corruption; therefore, no employee has been dismissed for corruption, no disciplinary measures have been taken in this regard, no contracts have been terminated and there are no legal cases in this regard.



GRI 2-26, 3-3

The Compliance Channel is a tool to verify compliance with the requirements for granting donations, gifts and courtesies, and where all employees can clarify doubts and make queries related to the Code of Ethics and the Anti-Corruption Policy.

The Compliance Channel is implemented as one of the controls that allow for timely knowledge and prevention of risks that could arise from transactions and activities, such as gifts, donations, conflicts of interest, contracts with public officials and entities, etc. This channel must have the appropriate back-up and follow-up documentation.

The Compliance Channel procedure is aimed at confirming that requests are properly documented and comply with the Anti-Fraud and Anti-Corruption Policy to prevent the occurrence of possible fraud, bribery or corruption.

Anyone requesting and authorizing donations, gifts or hospitality is obliged to use the Compliance Channel.



PLANET:  
ENVIRONMENTAL  
DIMENSION



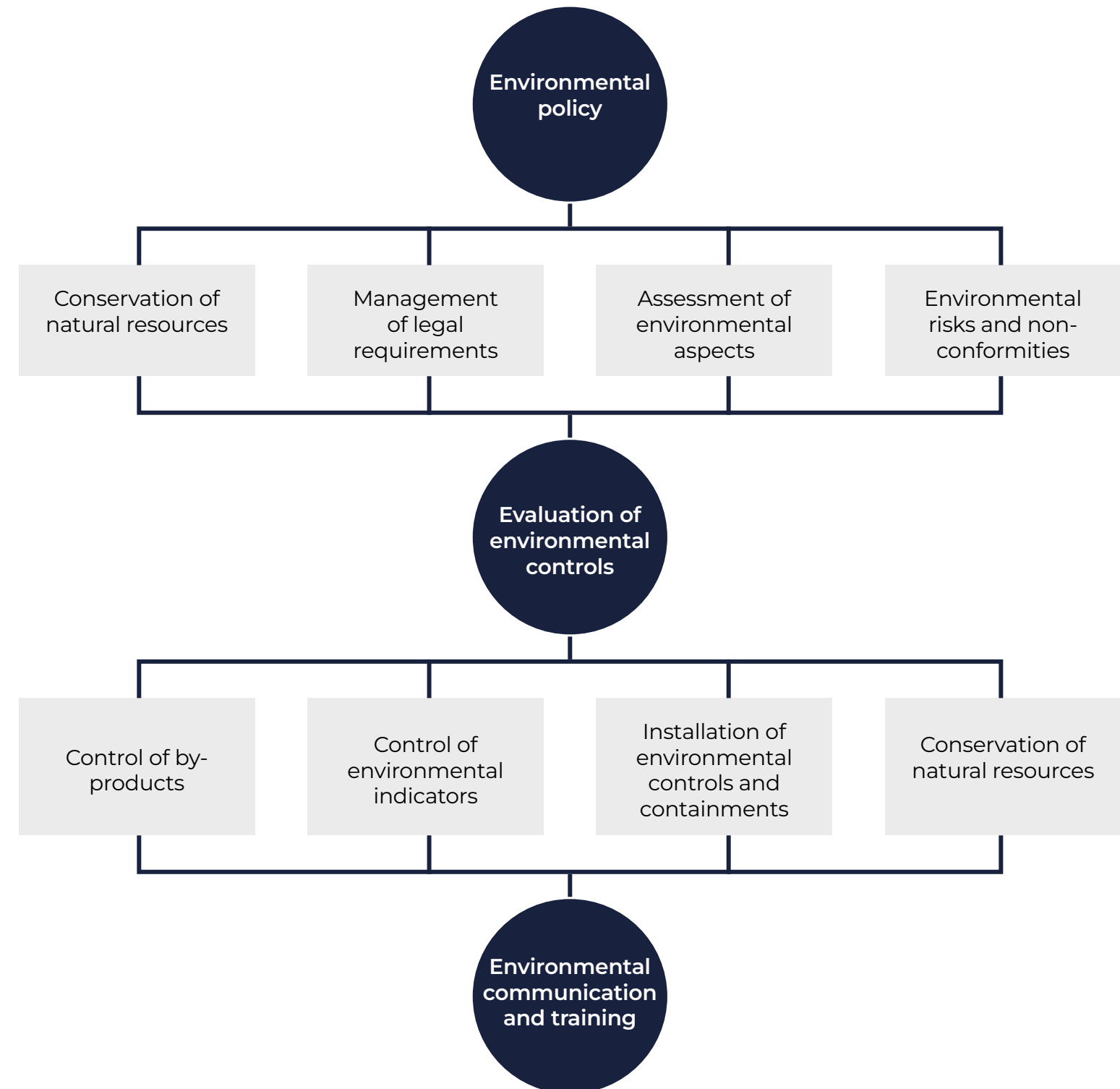
# Environmental Management

GRI 3-3, 2-27

At San Marcos we are focused on the prevention, minimization and compensation of our environmental impacts, from a life cycle perspective to guarantee the continuity of our business and, for this reason, we have an environmental policy that commits us to the following main objectives:

- To meet or exceed all legal requirements in the countries where we operate.
- To protect the environment and prevent pollution.
- To produce and distribute our products in an environmentally responsible manner, maintaining our commitment to the quality of our products, minimizing the consumption of water, energy, fuel and other high-value raw materials in our processes.
- Reduce, reuse and recycle in all industrial, distribution, marketing and administrative processes. Integrate environmental considerations into the company's strategic planning, decision-making processes and routine activities.
- Deploy environmental objectives and targets in the performance evaluations of all members, without exception.
- Evaluate our performance in an open and transparent manner, developing continuous improvement projects that allow us to maintain industry leadership, with environmental sustainability as a strategic pillar.

Empacadora San Marcos evaluates and generates information on its production processes with the aim of minimizing its environmental impacts and making efficient use of all resources. The environmental management processes are oriented towards compliance with laws and regulations and continuous improvement.





## Carbon Footprint

GRI 3-3, 305-1, 305-2, 305-5  
Principios 7, 8 y 9

Empacadora San Marcos, S.A. de C.V. uses the GEI-Mexico platform to calculate greenhouse gas emissions.

The GEI-Mexico program began with the technical support of the World Resources Institute and the World Business Council for Sustainable Development, of which CESPEDES (Comisión de Estudios del Sector Privado para el Desarrollo Sustentable) is a member, in alliance with SEMARNAT, to develop the capacities of Mexican companies with regard to the appraisal, accounting and reporting of their carbon emissions. All this based on the international "GHG" protocol.

The program is sponsored and coordinated by CESPEDES and SEMARNAT's Subsecretaría de Fomento y Normatividad Ambiental, and involves more than 120 industrial, commercial and service companies in the food, chemical, cement, mining, steel, beverage, transport, tourism, paper, energy and automotive sectors, among others.

In the GEI-Mexico platform, the company Empacadora San Marcos, states that it generates Greenhouse Gases from the following equipment: Boilers (2), Oil Heaters (2), Gasoline vehicles (various), Diesel vehicles (various), LP Gas vehicles (forklifts), emergency plants (diesel), water treatment plant and

biogas from the WWTP. All these equipment are considered in the generation of greenhouse gases within scope 1, direct emissions, as emissions from stationary sources and emissions from mobile sources.

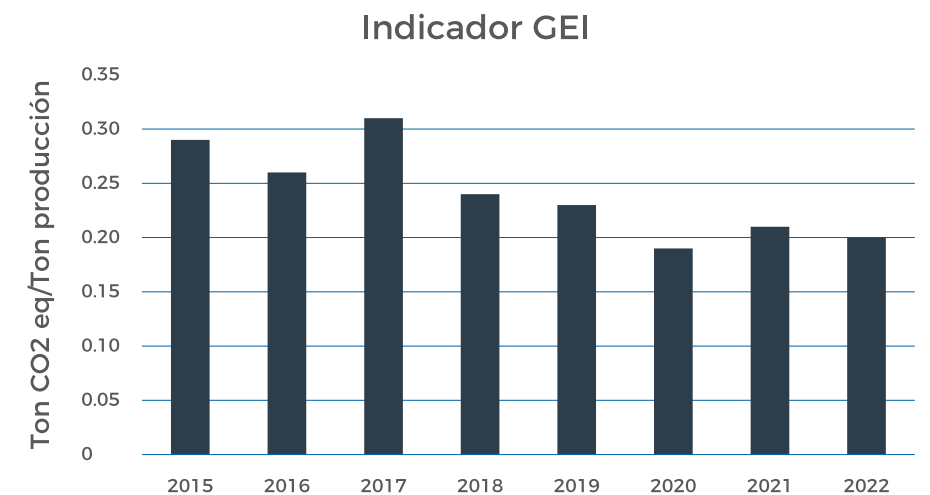
For greenhouse gases in scope 2, indirect emissions, the external consumption of electrical energy of the CFE is taken into account.

For GEIs within scope 1, stationary sources reported an emission of approximately 89%, the rest is for mobile sources. Within the stationary equipment with GEI emissions, boilers report 89% of the total.

From this last set of data we can conclude that the two boilers are responsible for the largest amount of GEIs generated, so any activity or project carried out around this equipment will have a greater effect on the reduction of the company's GEIs.

At the end of 2021 and in the course of 2022, we began to implement an internal carbon footprint measurement calculator that would allow us to measure and manage our emissions and determine reduction targets.

	2020	2021	2022
<b>TCO2</b>	<b>14,360</b>	<b>14,266</b>	<b>12,021</b>





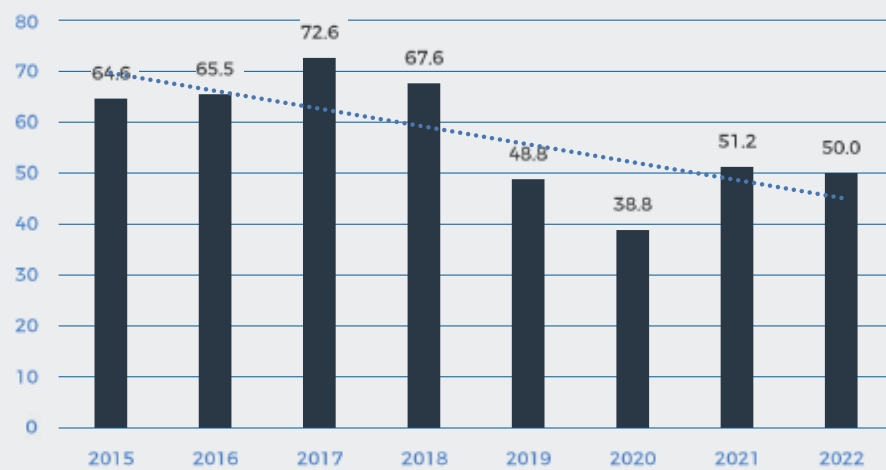
# Environmental Sustainability

GRI 302-3, 302-1, 3-3  
Principios 7, 8 y 9

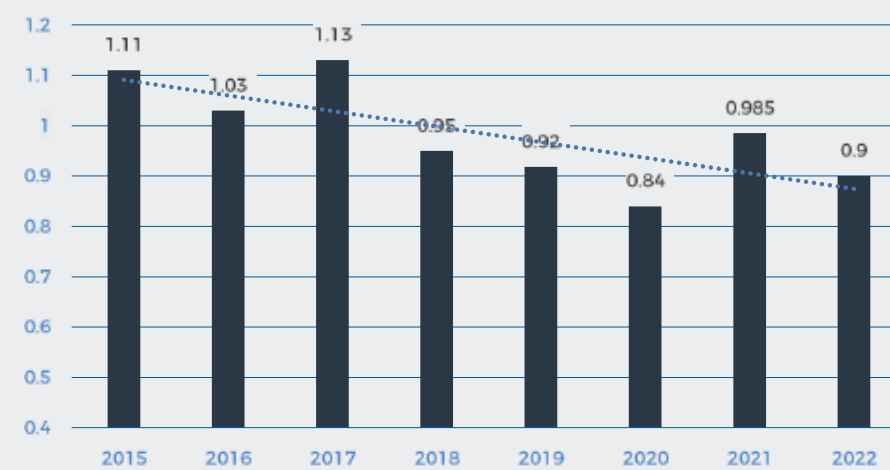
- To achieve an efficient use of water, steam, natural gas and energy, the necessary measurements have been generated in recent years to ensure that each ton of production is obtained with the minimum consumption of resources.
- Thanks to process improvements, performance and resource efficiency have improved significantly. The following information is from the last six years.



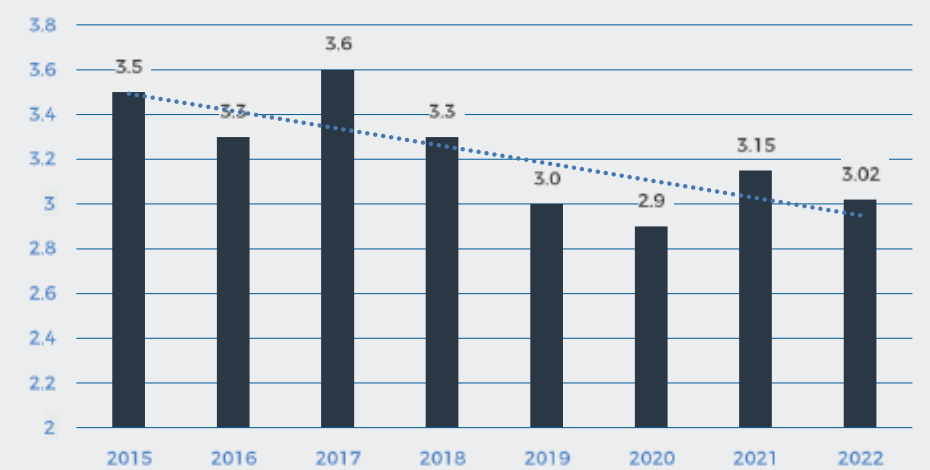
**ENERGY CONSUMPTION**  
Electrical Energy kWh/Tons



**YIELD TON/TON VALUE**



**NATURAL GAS GJ/TON**



# Water

GRI 3-3, 303-1, 303-2, 303-5  
Principios 7, 8 y 9



Empacadora San Marcos, S.A. de C.V., aware of the importance of caring for and preserving resources, has implemented campaigns and resources aimed at caring for them. One of the most important and relevant in the company is WATER.

Water is a very important resource for the food industry, since without it, it would be impossible to achieve a product with the appropriate safety and quality for customers. Therefore, it is necessary to plan and schedule activities that can lead us to a minimum use of water.

In Empacadora San Marcos, S.A. de C.V. water is used for its consumption in the products, heating and cooling of raw materials, cleaning of raw materials, cleaning of equipment and facilities, steam generation, irrigation of green areas, bathrooms and showers.

## WATER FOR PACKER SAN MARCOS

Water for the company comes from two wells, granted through a concession with the National Water Commission for a total consumption of 450,000 m<sup>3</sup> per year. Consumption in 2022 was 313,774.77 m<sup>3</sup>.

Year after year, training talks about the efficient use of resources are held to raise awareness among the company's employees: water, steam, fuels and electricity. All this is supported by modifications and new installations that also support the objective of minimizing the use of resources.

reducing the consumption of gas for heating in boilers, which is reflected in the respective water and energy consumption indicators.

In 2021, a project was carried out to install thermal insulation on 580 meters of piping in the plant's steam system. This project had a total investment of \$532,257.38. With this project, savings of 5,650 GJ/year are achieved, equivalent to \$565,557.00 of Natural Gas consumption per year. Therefore, a return on investment is achieved within the same year when the investment was made.

During the year 2022, the Cogeneration project will start operating, thus reducing the consumption of gas for heating in boilers, which is reflected in the respective water and energy consumption indicators.

# Water

GRI 302-4, 303-1, 303-2, 303-4 303-5,  
Principios 7, 8 y 9

## WASTEWATER MANAGEMENT AT EMPACADORA SAN MARCOS

In the company, the initial objective of wastewater treatment is to comply with the regulations established by the authorities, both federal and local, as the treated wastewater is discharged partly to the municipal drainage system and partly for the irrigation of green areas. The company has a municipal permit for discharge into the sewage system and an authorization from the National Water Commission for irrigation of the treated water in the green areas of the facilities. Both permits require compliance with NOM-001- SEMARNAT-1996. To demonstrate compliance with this standard, two analyses are carried out, one for each semester, with laboratories accredited by CONAGUA and EMA. Due to full compliance with the parameters in the standard, no payments were made in 2022 for either of the two aforementioned discharges.

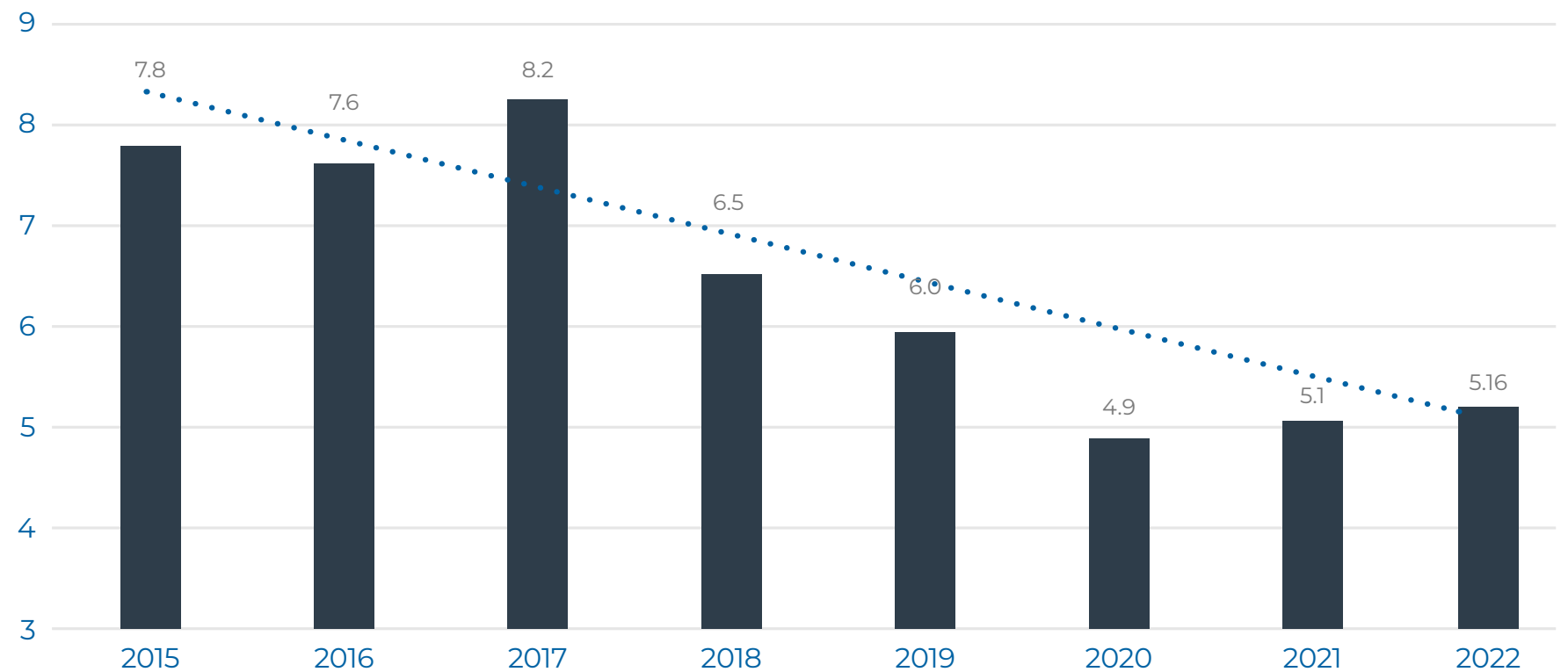
The wastewater treatment plant treated a volume of 204,732.00 m<sup>3</sup> during 2022. Of this volume, 10,657.8 m<sup>3</sup> was used for irrigation of green areas in the same period, the rest of the treated wastewater was sent to the municipal sewer.

In addition to compliance with the regulations on the discharge of the treatment plant, the operation of the plant, since it has an anaerobic treatment part, generates “biogas” which is used to operate a generator and thus obtain electrical energy for the company.

During the year 2022, the generation of “biogas” was 532,527.00 m<sup>3</sup> that were sent to the generator system to obtain electricity. This results in a decrease in the consumption of electricity from the external network and a decrease in the consumption of natural gas.

## WATER CONSUMPTION

Water yield m<sup>3</sup>/ton



## Waste Management

GRI 3-3, 306-1, 306-2, 306-3, 306-4, 306-5  
Principios 7, 8 y 9.

Empacadora San Marcos, S.A. de C.V., aware of the importance of caring for and preserving the environment, as well as ensuring that its production systems reduce or even eliminate negative impacts on the environment, is working to achieve solid and systematic growth in this area.

It is in compliance with this policy that Empacadora San Marcos, S.A. de C.V. carries out its activities, firstly by complying with all applicable legal requirements and secondly by preventing environmental pollution, with a permanent focus on continuous improvement.

In Empacadora San Marcos, S.A. de C.V., the concepts of reduction, prevention or minimization are a task for each and every one of its employees. In every activity, a focus is maintained so that the environmental impacts can be foreseen and minimized as much as possible. Therefore, each activity involves a complete examination of the operations or processes in place, with the aim of minimizing all types of waste generated by it.

Empacadora San Marcos, S.A. de C.V. works with the support of its management system, which has been gradually integrating quality

management, safety management, good manufacturing practices management and is now working on the integration of environmental care and workers' health and safety. For the case in point, which has to do with waste management, the company has implemented a waste management procedure called "Storage, disposal and collection of waste".

This procedure is reviewed on a regular basis. This procedure clearly explains the types of waste held in the company and how it is handled internally and externally. This procedure starts with the evaluation of the activities that generate waste, non-hazardous and hazardous waste, followed by an analysis of the legal aspects involved in their management, to finally control them.

Collected data in each of the records of the waste management procedure, help us take administrative decisions to achieve, as time goes by, a reduction in waste generation, a better separation of waste and to obtain an efficient value chain for most of the waste generated.

Empacadora San Marcos, S.A. de C.V. is a generator of special handling waste as detailed below.

Total non-hazardous waste generation for the year 2022 was 9,740.14 tons (12396.58 TON in 2021), of which organic waste represents approximately 84.3%, recyclable materials 14.5% and municipal solid waste 1.2%. The latter is the only waste sent to landfill. Hazardous waste is separated and managed by an authorized third-party company.

The organic waste (mainly vegetable and fruit waste) is undergoing a composting process, so that it can later be used as compost for planting land.

As a result of the options generated in the company's internal waste management, a project is being developed so that part of the organic waste currently sent for composting can be sent to the anaerobic digester of the wastewater treatment plant. The approach described in the previous paragraph has some advantages. The first is that the organic waste provides a greater flow of "biogas" that would be used in the motor-generators that currently produce electricity for Empacadora San Marcos, S.A. de C.V. This reduces the use of natural gas, replacing it with the "biogas" from the WWTP.

# Waste Management

GRI3-3, 306-1, 306-2  
Principios 7, 8 y 9.

A further advantage of using organic waste in the biodigester of the WWTP is that it reduces the number of trips that are currently made to the composting plant, where the waste also requires more handling time to be useful for crops.

With regard to the latter, by passing the organic waste to the biodigester, the treatment is carried out in a shorter time and finally a “digested” sludge is obtained, ready to be used in the soils of the crop fields. From the first tests that have been carried out in the biodigester of the WWTP, we can expect that at least 5-10% of the organic waste can be treated. This will also make full use of the installed capacity of the WWTP biodigester.

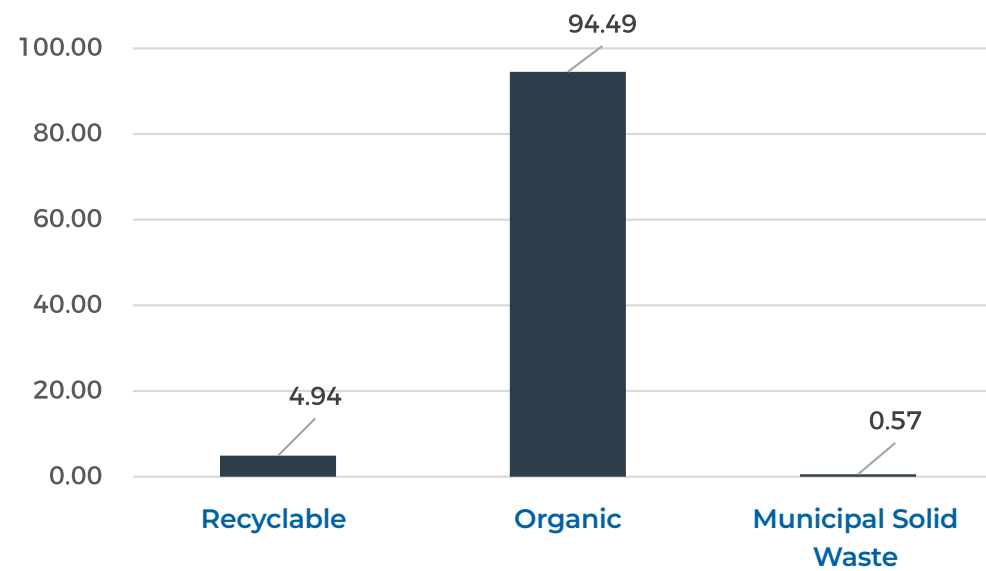
The possibility of increasing the biodigestion capacity and giving a higher value to the organic waste materials generated in the company will be evaluated at a later stage. Another of the schemes that have been developed to make the most of organic waste is to use pineapple waste, which was also used in the composting process, to be used by the livestock activity in the area to feed various species, mainly cattle and pigs.

Currently, 6% of organic waste is derived from this activity. The procedure for waste management is also useful for the detection of opportunities in the reduction of other waste that could have the possibility of being reduced. One such waste is municipal solid waste.

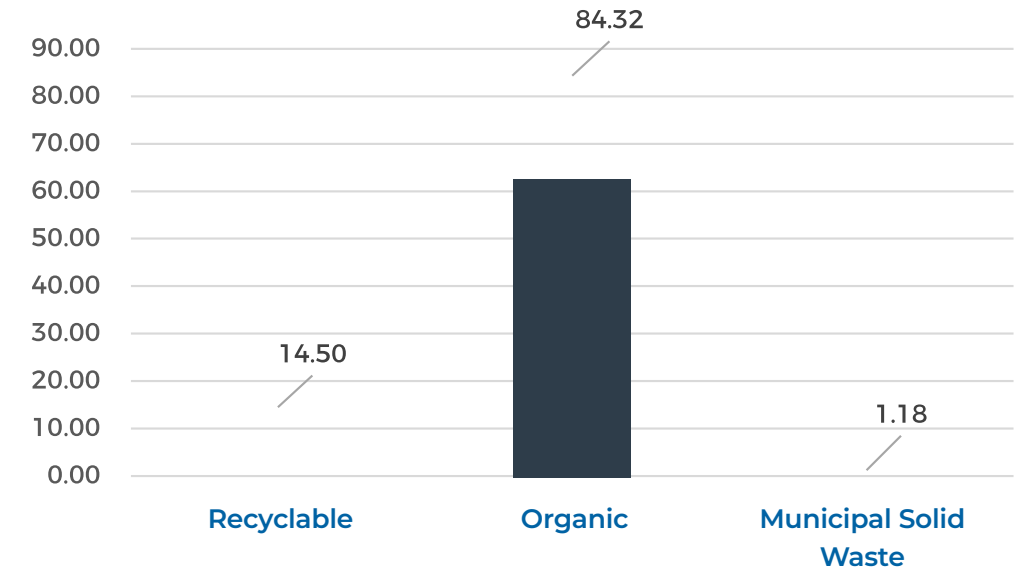
The so-called “municipal waste stream” often contains waste that can still be separated and thus reused or recycled with the company’s existing suppliers and given a value that is lost once it is mixed with municipal solid waste. This is why we will also be working on the better separation of municipal solid waste, so that, over time, less waste will be sent to the landfills authorized to receive it. The indicators developed will be used to monitor progress in achieving this reduction.

It should be noted that the unit of measurement is different to that requested by the GRI because this is our first Sustainability Report. This is the company’s own indicator. From the next report onwards, the unit of measurement requested by the GRI will be used.

**% NON-HAZARDOUS WASTE GENERATION (2021)**



**% NON-HAZARDOUS WASTE GENERATION (2022)**



## Awareness Campaigns

To reinforce our environmental culture at San Marcos, we continuously develop environmental campaigns with communications and activities for our team.

Campaign for water conservation in our operations, where we ensure good practices and controls, raising awareness of individual responsibility in the care of water resources. The water conservation campaign was implemented in all factories and work centers of San Marcos.





PEOPLE AND  
PROSPERITY: SOCIAL  
DIMENSION



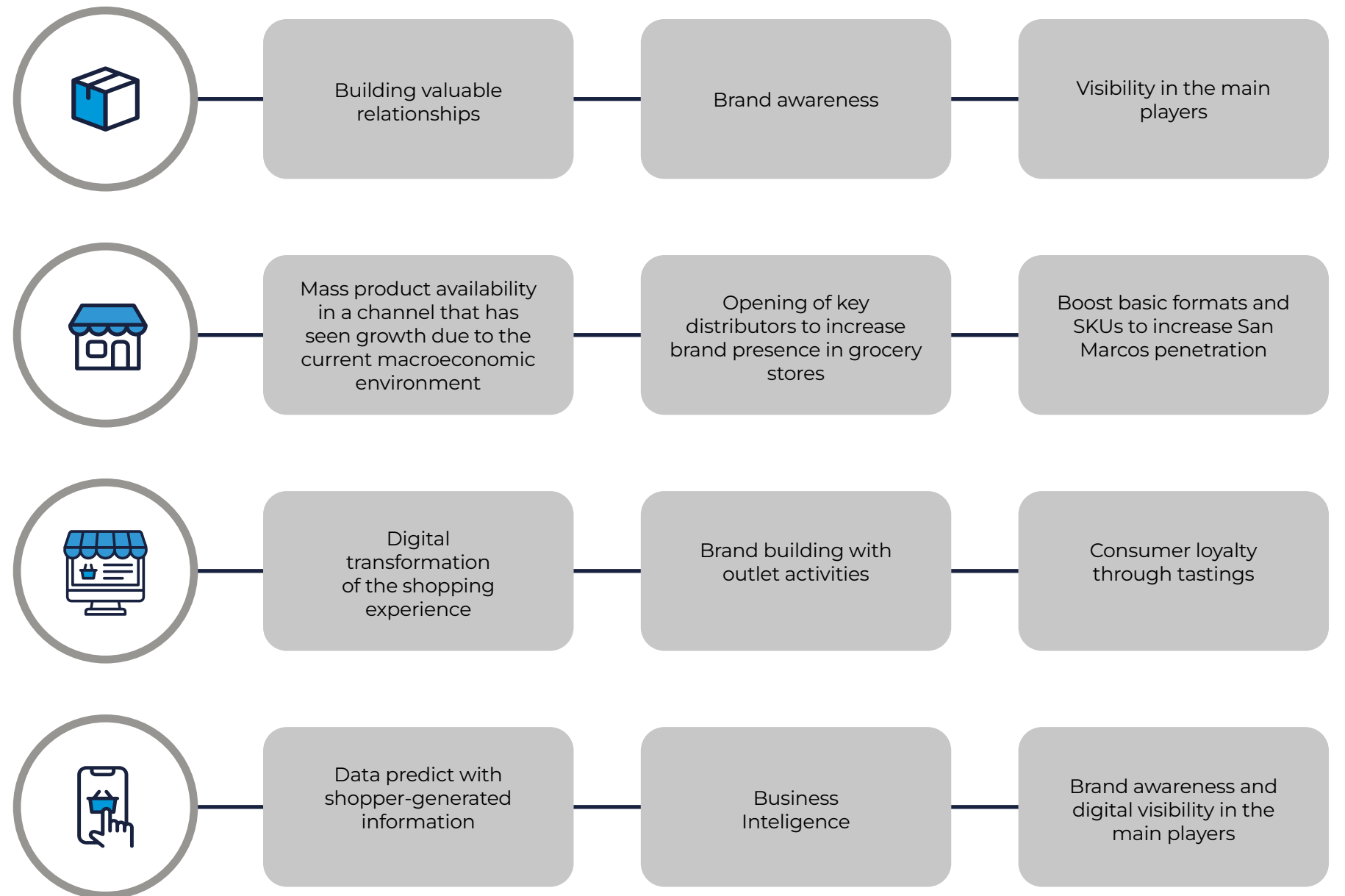
# Customers and Consumers

GRI 3-3



Our Consumer Centric approach: meeting the needs of consumers and customers. In line with this, every year we develop different studies to understand the lifestyles, needs and motivations of our consumers as well as the different occasions and new consumption trends. All this information

is analyzed and used to develop innovative initiatives through processes focused on the expectations of our consumers and in compliance with the nutritional guidelines of the countries in which we operate.





## Customers and Consumers

To guarantee the safety and innocuousness of the products we offer, in San Marcos we maintain the highest quality standards in the production and distribution process, always following the Quality and Innocuousness Policy which allows us to have a Quality and Innocuousness Management System based on the FSSC 22000 scheme (Food Safety System Certification), which provides a scheme to effectively manage the responsibilities of the companies in relation to food innocuousness. 100% of our products are evaluated to ensure the safety and quality of our products.

Currently, FSSC 22000 is a scheme recognized by the Global Food Safety Initiative (GFSI), internationally accepted and based on existing ISO standards. Receiving certification under this standard demonstrates that a company has a robust food safety management system in place and that it meets the requirements of customers and consumers. San Marcos is FSSC 22000 V5 certified.

San Marcos complies with and respects the labeling laws and regulations of the country in which it operates, Mexico, and the countries to which it exports. Our labels provide clear information about the ingredients of each product, so that our consumers and their families can make informed decisions.

During 2022, we have not had any incidents related to customer health and safety. Nor any related to labeling or marketing communications.



As San Marcos is a company with markets all over the world, we respect the diversity of cultures. In this line, we have certifications such as Kosher and Halal. The word kosher means “pure” or “suitable” and describes all those foods that are considered “appropriate” to be consumed according to what is established in the Torah. On the other hand, ethical and health issues are the main characteristics of Halal certification, which guarantees that everything related to the elaboration of the food and beverage segment complies with the practices permitted by the Sharia or Islamic Law, and is therefore lawful, ethical and healthy.

It should be noted that to obtain these certifications, we must emphasize the transparency of our company, since there are multiple audits that must be carried out by personnel specialized in these certifications, who in addition to verifying the characteristics of the products.

GRI 2-28, 416-1, 3-3



## KOSHER Certification

For the 20th consecutive year, San Marcos achieved Kosher certification! Allowing us to meet the needs of the national and international market due to the cultural diversity that exists worldwide. Kosher certification guarantees that a product is “fit” for consumption. In some cases, the consumption of Kosher products is due to religious convictions.

But the Kosher status practically fulfils to the letter the requirements of those who for various reasons require a vegetarian or very strict diet for health reasons. “Text taken from the website of the kosher quality supervisors”.




## Halal Certification

San Marcos has maintained the Halal certification for 5 consecutive years despite the situation due to the Covid-19 pandemic, we once again received Halal auditors in person with all the sanitary measures.

This certification opens up the foreign market for us, as it allows us to offer our customers products that, at every stage of processing and distribution, comply with the requirements of Islamic law.



The FSSC 22000 scheme keeps looking out for changes for the continuous improvement of the food safety management system; offering the food industry standards that will allow it to provide the world’s population with safe and quality food.

Aligned to these needs, to our day to day during the second quarter of 2022, we pushed to implement this standard to our processes, we know it is not an easy task however by having a previous established standard in the procedures we will seek to work on the creation of some processes.



# Suppliers

GRI 3-3 , 204-1, 205-2  
Principios 1, 2, 4 y 10



San Marcos, through its purchasing policy and processes, establishes the guidelines for the acquisition of goods and services. A management based on the basic principles of transparency, equal opportunities, integrity, professional ethics and confidentiality. The objective is to ensure a long-term relationship with suppliers and with a view to generating shared value. We work with our suppliers to reduce the environmental and social impacts generated by our commercial interaction and thus improve the conditions of the supply chain.

92% of San Marcos' inputs come from local suppliers and 8% come from imports.

## ETHICAL PURCHASING MANAGEMENT

All persons that perform purchasing and procurement functions for the Organization's affiliated and subsidiary operations, whether they belong to the Purchasing area or to a different area, must always act in accordance with the provisions of the Purchasing Policy, the Code of Ethics and the Anti-Corruption Policy. The purchasing processes are carried out through methodologies defined for each case, to ensure the expected quality and timely supply of goods or services within a framework of respect for the commercial commitments made with suppliers, who are also required to comply with the Anti-Bribery Management System, Purchasing Policy and Confidentiality Agreements, as appropriate.

## COMPLIANCE WITH THE CODE OF ETHICS

All suppliers are required to adhere to the San Marcos Code of Ethics and/or have their own, aligned with the vision of complying with the principles contained therein. These include the following: respect for human rights, rejection of child labor and forced labor, making sure not to hire minors and ensuring compliance with the law. "To hire the necessary and sufficient labor for the performance of the services, whose personnel depends directly on the supplier, making sure not to hire minors; to comply with the norms and requirements of safety, health and occupational hygiene as well as those of the environment and innocuousness in the provision of its services, within the facilities of San Marcos; to comply with all the provisions of the Code of Ethics of San Marcos, which it declares to have in its possession and to know". As part of the requirements for the registration of a supplier code, suppliers are requested to sign the code of ethics and anti-corruption declaration. This ensures that 100% of our new suppliers are informed about the initiatives and standards that San Marcos must have to combat improper practices far from work ethics.

# Our People

GRI 2-7

## COLLABORATORS

In 2022, we added 1,309 employees to our workforce, 54.54% of whom are from the region around San Marcos.

The following table shows by position the number of men and women who are part of the company.



JOB CATEGORY	2020			2021			2022		
	WOMEN	MEN	TOTAL GENERAL	WOMEN	MEN	TOTAL GENERAL	WOMEN	MEN	TOTAL GENERAL
Analyst	39	23	62	14	8	22	25	20	45
Supervisors	18	44	62	16	36	52	15	51	66
Coordinators	16	43	59	28	55	83	25	30	55
Specialists	3	1	4	8	8	16	9	7	16
Leader	14	25	39	17	20	37	19	25	44
Managers	5	27	32	5	30	35	11	35	46
Directors	1	3	4	1	4	5	1	4	5
Technical	13	52	65	30	70	100	33	53	86
Unionized	582	417	999	655	517	1172	557	370	927
<b>M&amp;F Total</b>	<b>691</b>	<b>635</b>	<b>1326</b>	<b>774</b>	<b>748</b>	<b>1522</b>	<b>698</b>	<b>611</b>	<b>1309</b>

# Our People

GRI 3-3, 405-1

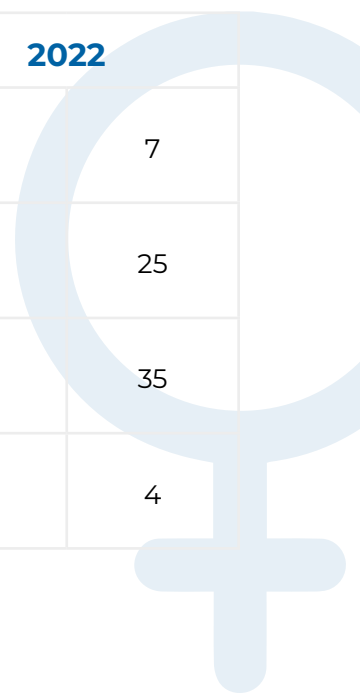


## GENDER

In the year 2022, there are 53.32% female employees vs. 50.75% of the previous year; likewise, the number of women has increased in leadership positions, especially in managers and chief roles.

### WOMEN WITH DECISION-MAKING POWER

	2021		2022	
<b>Specialists</b>	8	8	9	7
<b>Bosses</b>	17	20	19	25
<b>Managers</b>	5	30	11	35
<b>Directors</b>	1	4	1	4

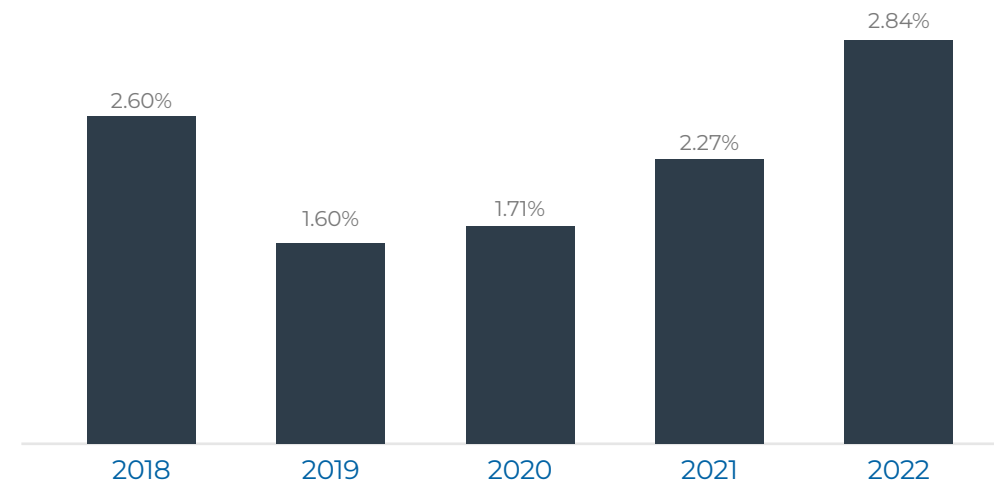


# Turnover

GRI 3-3, 401-1

- Staff turnover is the number of employees who leave the company versus the total number of employees the company has for a given period.
- To understand the causes of retirement, whether voluntary or not, San Marcos analyses the turnover in the operations of the different countries and in each of the areas.
- It also conducts exit surveys and consults with the leaders of the areas in which a worker is leaving in order to, objectively, understand the causes of the departure. All the information gathered through the interviews, together with the complementary information that the Company has based on satisfaction surveys and adherence to the culture, makes it possible to take the necessary measures to strengthen talent retention strategies and improve recruitment and selection processes, if necessary.

## TURNOVER



Age ranges	Women	Men
Under 30	29	57
Between 30 and 50	6	9
Over 50	6	9
<b>Total</b>	<b>71</b>	<b>111</b>

# New Recruitments

GRI 401-1

- The new recruitments that took place in 2020 and 2021 are as follows.

2020		2021		2022	
Age	No.	Age	No.	Age	No.
Between 30 and 50	9	Between 30 and 50	14	Between 30 and 50	112
Under 30	18	Under 30	35	Under 30	64
Between 30 and 50	43	Between 30 and 50	28	Between 30 and 50	147
Under 30	36	Under 30	70	Under 30	92



# Training and Development

GRI 404-1, 3-3

Universidad Corporativa is a corporate academic institution, through which the organizational development of all San Marcos employees is managed, aligned with the strategy and business objectives, in order to develop staff to achieve the company's goals.

Through three pillars, it develops trainings to form the teams. The "leadership" pillar is the one that reinforces all the issues of culture, competencies, and diversity and inclusion.

The "functional" pillar provides training for our people to strengthen their technical knowledge and develop the skills required to perform their functions well.

The pillar is responsible for supporting training, consolidation of management practices and tools, to ensure adherence to problem-solving and analytical methodologies that enable the sustainable management of the business.

The foundations of the Corporate University are composed of:

- Deans: Directors of the centers of excellence and transformation.
- Technology: Empowering growth through e-Learning.
- Train the trainers: To certify our own employees so that they can share knowledge in cascade.



# Scope of Training Courses

GRI 404-1

	LEADERSHIP	FUNCTIONAL	METHOD
Hrs. Workforce training	2,480	45,641.8	1,686
Number of people trained	62	12,011	562

# Engagement

GRI 3-3, 401-2

## BENEFITS

The objective is to provide a benefits plan that exceeds the law to all the company's employees so that they can enjoy an excellent quality of life. The benefits are a recognition to the people for being the most important value of the company. Benefits are provided to all our employees equally.



 <b>UNIFORMS</b>	 <b>SPECIALLY PRICED PRODUCTS</b>	 <b>BENEFIT BAZAAR</b>
 <b>MEDICAL CLINIC</b>	 <b>LIFE INSURANCE</b>	 <b>CHRISTMAS GIFT</b>
 <b>DISCOUNTS AND PROMOTIONS</b>	 <b>HALF DAY OFF</b>	 <b>MEDICAL INSURANCE</b>



# Organizational climate survey

GRI 3-3, 401-1

The health of an organization, its ability to align and achieve strategic objectives, is fundamental to long-term performance, which is why at San Marcos we have implemented the OHI/Organizational Health survey that allows us through quantitative diagnosis to measure and achieve the organizational health required to maintain long-term performance.

In 2022, these were our results, and we identified the following areas of opportunity: Work Environment Motivation and Accountability.

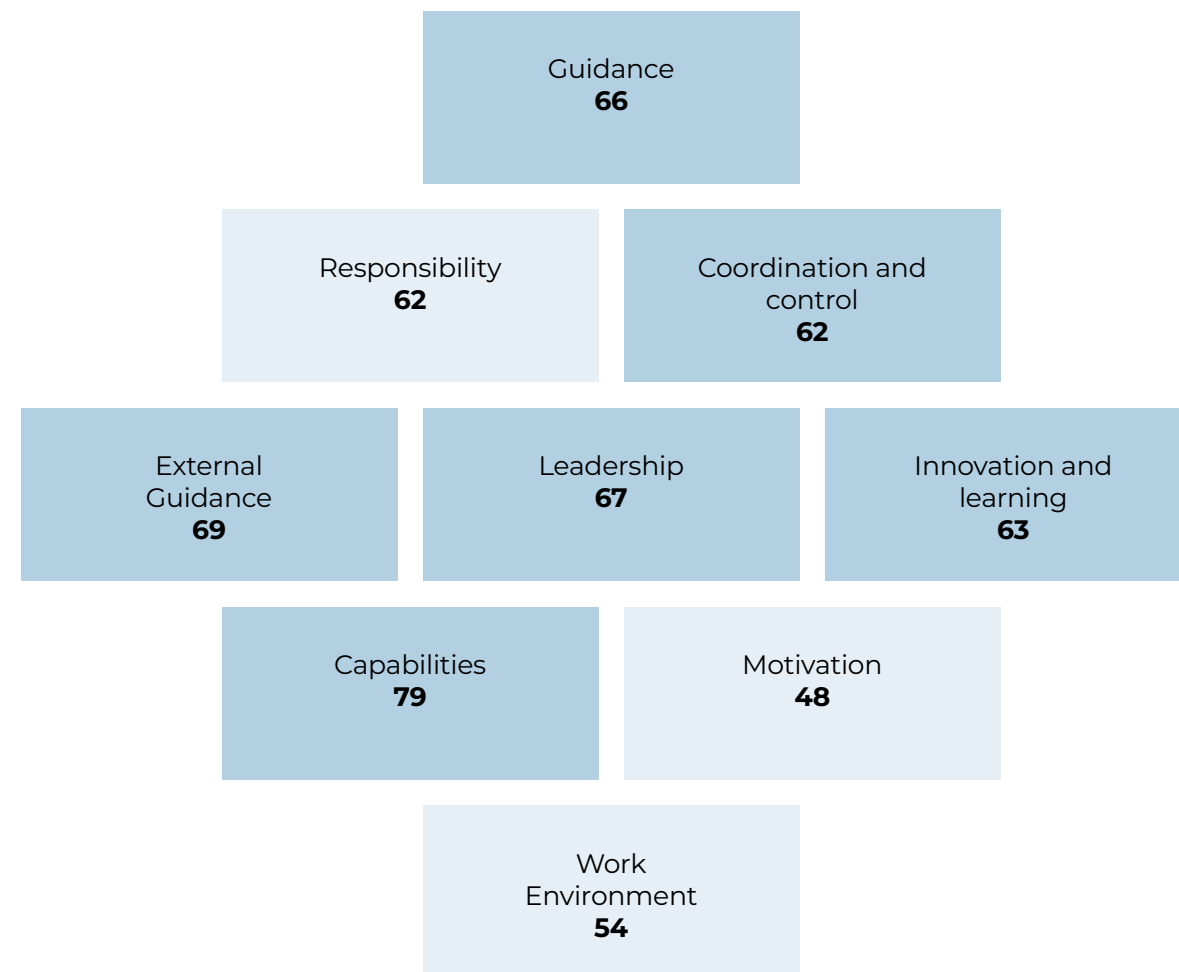
## RESULTS

The 2022 results are a ranking on the Global Health scale of this tool.

The scale indicates the % of respondents who selected “agree” or “strongly agree” with the results and “often” or “almost always” with respect to management practices.

### OHI SAN MARCOS REPORT 2022

Percentage of participants who selected “agree” or “strongly agree”



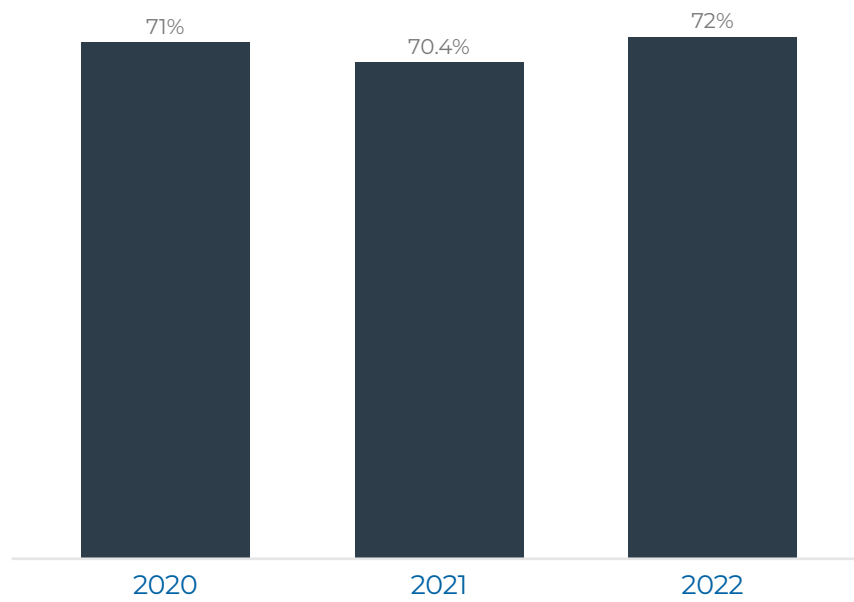
# Collective Bargaining

## FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

San Marcos respects freedom of association, freedom of association and freedom of collective bargaining as fundamental employee rights, which are proclaimed in Article 23 of the Universal Declaration of Human Rights and the Conventions of the International Labour Organization (ILO).

At the San Marcos operations there is a trade union organization with which mechanisms for dialogue, concentration and collective bargaining are developed in accordance with local laws.

GRI 3-3, GRI 2-30  
Principio 3



# Occupational health and safety

GRI 3-3, 403-1, 403-3



This Policy is designed to ensure safe and healthy operations for all employees, contractors, visitors and other stakeholders, working to the highest global health and safety standards and complying with the legal requirements of each of the countries in which San Marcos operates.

### MANAGEMENT SYSTEM

In San Marcos we have adopted the culture of Occupational Health and Safety by implementing our management system with policies, procedures and standards that guarantee the identification and control of risks, establishing safe conditions for our collaborators, visitors, contractors and stakeholders. Our processes are based on international standards with which we meet or exceed legal requirements in the countries where we operate.

### LEGAL REQUIREMENTS MATRIX

The Health and Safety Legal Matrix is a format in which the legal requirements applicable to each of the operations are identified. This matrix is the compliance guide for the measures and actions that must be implemented by each operation.

### INTERNATIONAL STANDARDS

The international norms or standards that are used as a reference for the measures to be adopted in each operation are the following:

- National Fire Protection Association National Institute for occupational Safety and Health
- Occupational Safety and Health Association
- American National Standards Institute

### BASIC SAFETY REQUIREMENTS

To provide basic safety guidelines for employees and contractors who must carry out activities in the facilities of the different business units, guaranteeing effective controls to minimize risks and ensure compliance with occupational health and safety standards.

### OCCUPATIONAL HEALTH AND SAFETY INFRASTRUCTURE

Ensure compliance with the Infrastructure Manual and appropriate safety and environmental requirements.

### SAFETY LEVEL

This tool is used to measure the safety level of production plants and distribution agencies, based on compliance with inspections and training. It drives corrective actions in safety and occupational health in order to improve the safety level of the facilities. Safety Level indicators should be visible at production sites and agencies as part of the commitment to improvement.

### CRITICAL EQUIPMENT INSPECTIONS

The purpose of these inspections is to establish compliance with requirements and good practice for preventive maintenance and regular inspections of critical safety and occupational health equipment to ensure that operations are carried out reliably.

# Health and Safety Pillar

403-2, 403-3, 403-7

The Health and Safety pillar is designed to ensure safe and healthy operations for our employees, contractors, visitors and other stakeholders, working to the highest global standards in Health and Safety, and complying with legal requirements in the countries where we operate.

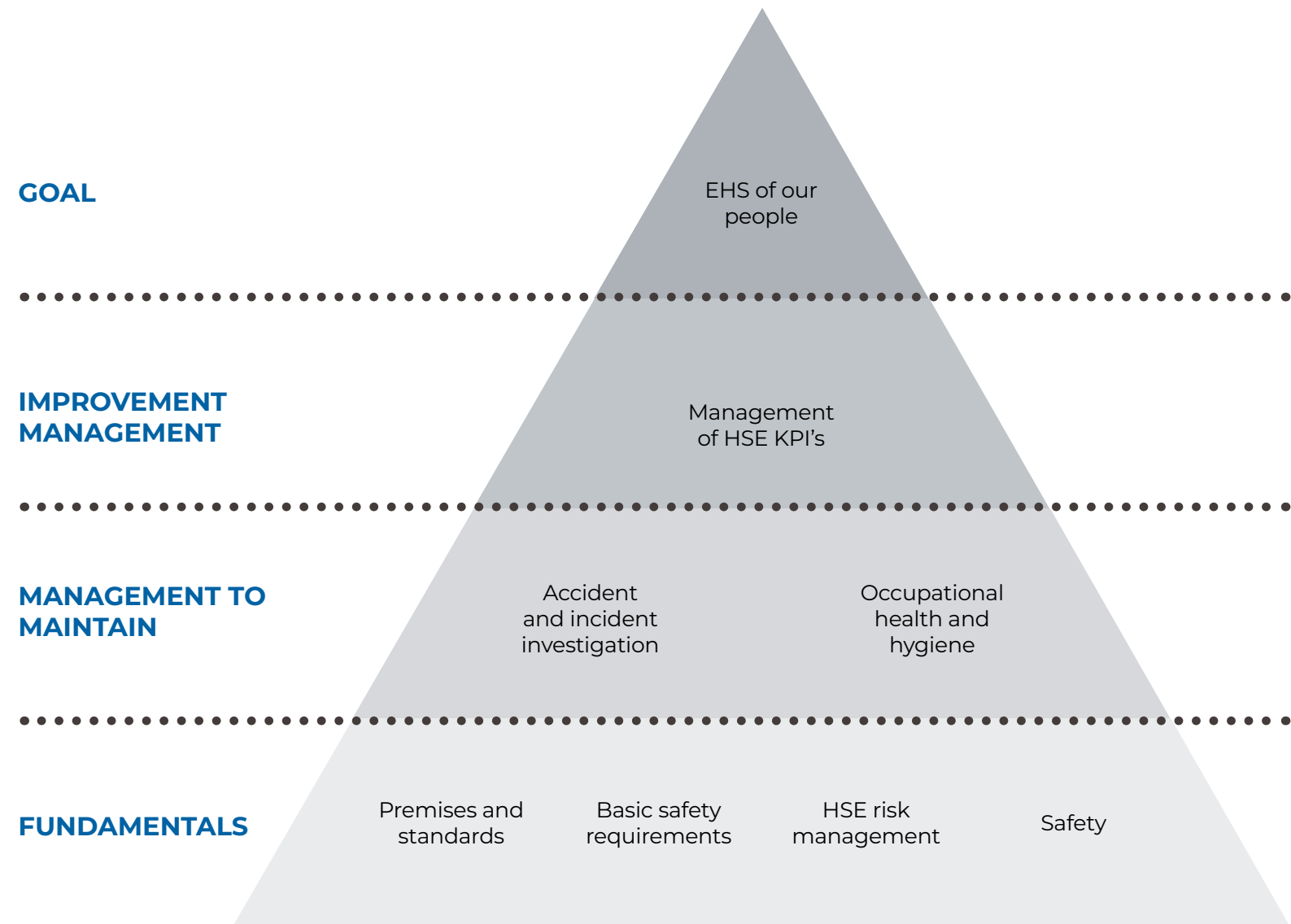
The pillar has four levels: fundamentals, management to maintain, management to improve and goal. Through the fundamentals of occupational health and safety we ensure compliance with legal requirements and international standards, basic safety requirements, inspection management and safety level.

The fundamentals for maintenance focus on accident investigation and occupational health and hygiene.

The fundamentals of improvement manage EHS indicators, and finally, our goal is to have a zero-accident company, and to be a leader in Safety and Health in the region.

## HEALTH AND SAFETY MANUALS

To ensure compliance with the EHS processes, we have trained 100% of the organization's employees in the Global Health and Safety Policy, which is the foundation on which our management is based. Complementing the Policy is a Health and Safety Manual, which dictates the standards to be followed for safe and healthy operations. These are known to all operations and personnel in our organization.





## Technological Platform

GRI 403-1, 403-2, 403-7

As of 2022, our management system is based on a technological platform, EHS Tracker, which ensures the control of legal requirements, monitoring tools to investigate and manage incidents, review of strategic KPIs, and Benchmark between factories and agencies of the group.

Twice a year we monitor the Occupational Health and Safety management system with corporate audits, where we assess adherence to the processes defined by the benchmark. On a monthly basis, preventive indicators are evaluated and deviations from the management system are analyzed, measuring the level of safety and adherence to the Health and Safety fundamentals.

Likewise, all the monitoring and evaluations established by law and applicable regulations are carried out.

## Case Monitoring

The platform allows monitoring of the following:

- Incident Reporting
- Occupational Health & Safety
- Environmental Incidents
- Vehicles, other
- Automatic Notifications
- Medical Treatment Documentation
- Classification of Reportable
- Root-Cause Investigation
- Findings Documentation
- Senior Management Review
- Referral for Corrective or Preventive Action
- Exportable Incident Report
- Incident Metrics Update

## Safety Culture

GRI 403-4

The goal of “Zero accidents” is a big challenge for the whole company, however the company firmly believes that leaders play a strategic role in risk prevention, therefore their behavior must be an example for all employees. It is necessary to pursue the safety culture by maintaining a clear idea of one’s responsibilities towards oneself and others and maintaining this approach together with the involvement of top management and employee dialogue will strengthen the safety culture.

In particular, in addition to strengthening and consolidating the concepts of safety culture, the focus on prospective indicators continues to be developed, i.e. knowing all the preventive measures to be implemented in order to prevent rather than having reactive indicators such as the number or frequency of accidents.

The safety culture was also reinforced by regular newsletters, publications through internal channels and training.

Some of the most important areas of intervention are related to the improvement of safety management, clarity of tasks and roles, improvement of communication within the organization, sharing of objectives, motivation and solving all substantial issues to generate a psychosocially adequate and stimulating working environment, in which workers feel valued and thus prevent all psychosocial risks.

## Training

GRI 403-5

During 2022, safety training was organized on fire prevention, first aid, forklift operation, fire extinguisher handling, rescue at heights, spill containment, ergonomics, among others. All these courses were planned to reach the maximum level of participants, always respecting the healthy distance and all COVID-19 prevention measures.



# Health, safety and environmental activities

GRI 403-3, 403-6

In line with the objectives of the United Nations Global Compact for Sustainable Development, specifically point "3 HEALTH AND WELLNESS", Empacadora San Marcos is committed to promoting a healthy lifestyle and creating awareness about the environment and safety at work. In this sense, during this year several integral wellness and health days were held with the objective of promoting a healthy lifestyle through advice and experiences by experts and professionals in the field, in addition to vaccination campaigns to prevent seasonal influenza.

**Jornada de Salud**  
Te invitamos a participar en la Jornada de Salud que se llevará a cabo en las instalaciones de la fábrica, por parte de la Clínica SB del IMSS, cotaremos con los siguientes servicios:  
 □ Papanicolau  
 □ Prueba de Glucosa  
 □ Prueba de Colesterol  
 □ Peso y talla  
 2, 3 y 4 de agosto  
 9:00 am - 1:30 pm  
 Explanada de la Capilla

**Campaña Salud Bucal**  
Como parte de la campaña de Salud bucal te invitamos a participar en las siguientes actividades que tendremos:  
 □ Platicas informativas del cuidado de los dientes.  
 □ Técnica de cepillado de dientes.  
 □ Aplicación de flúor.  
 □ Detección de placa dentobacteriana.  
 12 de mayo  
 10:00 am a 01:30 pm  
 Cada platica tiene una duración de 30 min  
 Auditorio Chipotle

**Lectura 01**  
Vence el estrés y las distracciones con tu inteligencia emocional  
 Equipo, les compartimos cuarta lectura del pilar bienestar integral, en donde encontrarás consejos que impactarán positivamente para ser más feliz, llevar una vida saludable y tener buen rendimiento.  
 Capacidad de enfocarnos  
 Autoconciencia y autocontrol  
 Desintoxicación digital  
 Practicar mindfulness

**LIVE Lonchera Saludable**  
Equipo, el 21 de julio en nuestro live de nutrición de loncheras saludables, te recomendamos tener a la mano los siguientes materiales para hacer las recetas con nuestro experta Gaby Batres  
 List of products:  
 - 4 rebanadas de pan  
 - Salsa de tomate  
 - Queso Mozzarella  
 - Granos de Palomitas de Maiz  
 - 1 manzana  
 - Agua mineral con gas

**Campaña Papanicolau**  
Estimadas Colaboradoras  
 Les informamos que el día **miércoles 28 de septiembre**, el personal del centro de salud estará realizando **pruebas de Papanicolau y PCR** en el Servicio Médico.  
 Es importante que las personas que requieran realizarse estas pruebas acudan al servicio médico con anticipación para registrar sus datos y proporcionarles el horario de atención.  
 Cordialmente Servicio Médico

**Campaña de Vacunación**  
Estimados Colaboradores  
 Les informamos que el día 17 y 24 de noviembre se realizará campaña de vacunación, (vacuna influenza) para todo el personal, es necesario traer su numero de seguridad social y su CURP.  
 El personal de salud del IMSS estarán en nuestras instalaciones, en la explanada enfrente de la capilla de la virgen del Carmen en un horario de 9:00 A 13:30 horas.  
 Cordialmente Servicio Médico

# Preventive Safety Indicators

GRI 403-9

At San Marcos we continue to strictly monitor the preventive indicators of the Health and Safety management system.

- Adherence to fundamentals: monthly measurement of the percentage of adherence to the Company's EHS procedures.
- Safety level: monthly measurement of compliance with the EHS routine by work center, correction of non-conformities, development of safety inspections by area and training.
- Action plans: monthly compliance of the acquired commitments for the closure of the action plans agreed for the period.

In addition to establishing specific guidelines and procedures for the correct management of occupational health and safety, this year the safety level monitoring as of December was 63.33%, which shows that we are on the right track to generate an adequate safety culture.

The KPIs reported below correspond to the years 2020 to 2022, during this last period the company recorded 25 accidents of which only 1 was incapacitating with loss of time (21 days) and the other 24 with medical treatment, recording a downward trend in the severity of accidents with respect to previous years obtaining with this a reduction of 93.75% with respect to 2020.

During 2022, there were no fatal accidents involving San Marcos employees or contractor employees working at the company's operating sites. We also have no employees whose work is exposed to an uncontrolled risk and is involved in activities with a high incidence or high risk of disease.

**TABLE 1 LTI'S 2020 VS 2021 VS 2022**

	2020	2021	2022
LTI's	16	8	1

**TABLE 2 LTIR 2020 VS 2021 VS 2022**

	2020	2021	2022
LTIR	1.327	0.446	0.049
LTIR = (number of LTI's X 200,000 / Man Hours Worked)			







## Fatalities

GRI 403-9

During 2020, 2021 and 2022, there were no fatalities involving San Marcos employees or contractor employees working at the company's operating sites. In 2022 an accident occurred (a sprain with 21 days of incapacity).

## High Incidence Workers

GRI 403-9

We have no employees whose work is exposed to an uncontrolled risk and is involved in activities with a high incidence or high risk of disease.

## Worker representation on committees

GRI 403-4

A bipartite worker-company procedure and committee is in place in 100% of the workplaces (factory, agency and administrative office) in the countries where we operate; the committee meets monthly and actively participates in decisions related to occupational health and safety at the workplace. 100% of workers belong to a workplace with formal health and safety committees.

## Health Issues in Formal Agreements

GRI 403-5

All San Marcos employees were trained in the global safety, health and environment policies and in the agency and factory health and safety manual. 100% of unionized staff in the group must comply with the safety and health manual defined for San Marcos employees which defines standards and processes to be followed to ensure the safety and health of our people, and the collective bargaining agreement includes clauses that reinforce compliance with these standards.

# Covid-19 Prevention Measures

During 2022, all COVID prevention measures were reinforced, and all staff were continuously made aware of the risks associated with the pandemic and informed of all measures and techniques to prevent contagion.

The use of technological tools has proven to be very efficient for employees to continue their activities remotely.

Periodic disinfection of all work stations has been an important factor in reducing contagions within our facilities and thus protecting employees performing their activities on site; employees were continuously encouraged to adopt safe hygiene behaviors such as hand washing, use of antibacterial gel, use of masks and always keep a healthy distance; and in conjunction with the IMSS, a COVID-19 vaccination campaign was carried out for the application of first, second and booster doses to prevent the spread of this virus.

GRI 403-6

**Yo me cuido,**  
El COVID-19 aún es un riesgo

**Medidas generales**

- uso de mascarilla
- Uso de alcohol gel
- Lavado de manos frecuente
- mantengo distancia física de 2 mts.

El cumplimiento de estas medidas preventivas es mi responsabilidad

apex cbc beliv bia

**Vacunación en San Marcos**

**Estimados colaboradores:**

Les informamos que se estarán aplicando **vacunas Covid-19**, en **San Marcos** el día **lunes 25 de abril**, en la explanada frente a la capilla de la Virgen del Carmen, en un horario de **8:00 am a 2:30 pm**, para las siguientes personas:

- Primera dosis
- Segunda dosis
- Refuerzo

**Requisitos:**

- Copia de CURP
- Copia de INE

#YoMeCuido+



## Neighbors

- Economic collaboration with the Annual Collection of the Mexican Red Cross from both the Puebla and Lara Grajales delegations.
- In December, as part of our relationship with the neighbors of Nopalucan, both administrative and operational workers carried out activities to improve the urban image of the bicycle path.



Sustainability Report **2022**



LETTER OF  
VERIFICATION AND  
DATA INDEX



# Letter of Verification and Data Index

GRI 2-5



## Declaración de verificación limitada e independiente del Informe de Sostenibilidad 2022 de San Marcos

Diciembre 21, 2023

La empresa ESG Consultants by Personaz USA LLC., a través de su Presidenta, Milagros Zamudio, a solicitud de la empresa San Marcos, ha realizado una verificación independiente de su Reporte de Sostenibilidad 2022 de conformidad con los Estándares del Global Reporting Initiative – GRI, alineado a las respuestas del Cuestionario de Comunicación de Progreso – CoP 2022.

### **Alcance**

A solicitud de San Marcos, aplicamos los procedimientos de verificación externa de su “Reporte de Sostenibilidad 2022” con el objetivo de obtener un nivel limitado de aseguramiento con respecto a las aseveraciones y datos relacionados con el desempeño en temas ASG<sup>1</sup> de la empresa y la cobertura de los respectivos asuntos de importancia dentro de su informe.

Es importante señalar que San Marcos ha sido responsable de la elaboración del mencionado reporte y de la información sustentatoria respectiva. Esta responsabilidad incluye diseñar, implementar y mantener controles internos relevantes a la elaboración de un reporte de sostenibilidad en estricto cumplimiento con los principios de los estándares del Global Reporting Initiative – GRI; y de los principios exigidos por la CoP del Pacto Global de Naciones Unidas. Nuestra responsabilidad es emitir una declaración de verificación independiente basada en los procedimientos aplicados en nuestra revisión.

### **Criterios de la declaración de aseguramiento:**

Hemos llevado a cabo nuestro trabajo de revisión de acuerdo con los siguientes criterios los cuales consideramos apropiados para el propósito de nuestro compromiso de aseguramiento:

- Los estándares del Global Reporting Initiative (GRI), incluyendo los Estándares Universales GRI 2021.
- Los principios y criterios del Pacto Global de Naciones Unidas en cumplimiento de la CoP.
- La norma AA1000
- ISO19011
- Principios rectores sobre las empresas y los derechos humanos.

### **Procedimientos llevados a cabo**

Se aplicaron nuestros procedimientos con los siguientes objetivos:

- Determinar que el Reporte de Sostenibilidad 2022 de San Marcos se haya elaborado conforme a los principios de los Estándares GRI.
- Confirmar el completado del cuestionario de la CoP de manera correcta y alineada con la información brindada en su Reporte de Sostenibilidad 2022.
- Determinar, a través de una muestra representativa, que la información y los datos presentados en el

<sup>1</sup> ASG: Ambiental, Social y de Gobernanza.



Reporte Sostenibilidad 2022 de San Marcos estén debidamente respaldados por evidencias apropiadas en cada circunstancia.

Las principales acciones de verificación desarrolladas fueron las siguientes:

- Revisión de la información cuantitativa y cualitativa del reporte, alineada con la matriz de materialidad, de los estándares y contenidos GRI e incluidos en el Reporte de Sostenibilidad 2022 de San Marcos, así como con los principios del Pacto Global de Naciones Unidas.
- Entrevista a responsables de los temas de desarrollo sostenible enfocándonos en los temas sociales, ambientales, de gobierno corporativo, incluyendo los derechos humanos.
- Obtener evidencia documentada que sustente la información incluida en el reporte, con enfoque en los avances en derechos humanos, energía, agua y residuos.

### **Conclusiones**

Basados en los procedimientos realizados y de acuerdo con los criterios del compromiso de aseguramiento presentamos las siguientes conclusiones acerca del Reporte de Sostenibilidad 2022 de San Marcos:

El informe de sostenibilidad mencionado ha sido elaborado de conformidad con los Estándares del Global Reporting Initiative – GRI en la opción Esencial; incluyendo las omisiones correspondientes; asimismo, este se encuentra alineado a las respuestas del Cuestionario de CoP del Pacto Global de Naciones Unidas.

En esa línea declaramos que no se ha puesto de manifiesto ningún aspecto que nos haga creer que la información y los datos publicados en el Reporte de Sostenibilidad 2022 de San Marcos no estén presentados de forma correcta. No obstante, en este su segundo reporte, la empresa aún cuenta con oportunidades de mejora en relación a las métricas solicitadas por el GRI.

A pesar de ello, y a fin de ser cada vez más transparente, San Marcos cumple con publicar el presente informe y continúa trabajando en mejorar su gestión, comprometiéndose con el desarrollo sostenible de la empresa.

### **Recomendaciones**

Se recomienda asignar a cada área responsable las métricas solicitadas por el GRI para lograr un seguimiento de los resultados desde los primeros meses del año.

Cordialmente,

Milagros Zamudio Romero

Presidenta - ESG Consultants by Personaz USA LLC.



# GRI Table of Contents

GRI Standard	Content	Page	Omission		
			Omission requirements	Motive	Explanation
General Content					
GRI 2: General Disclosures 2021	2-1 Organizational details	14			
	2-2 Entities included in the organizations sustainability reporting	14			
	2-3 Reporting period, frequency and contact point	12			
	2-4 Restatements of information	44			
	2-5 External assurance	14			
	2-6 Activities, value chain and other business relationships	12			
	2-7 Employees	44	b, c, d, e.	Parcial	The company does not record the information in the manner requested by the GRI.
	2-8 Workers who are not employees	-	a, b, c	Information not available	The company does not record the information in the manner requested by the GRI.
	2-9 Governance structure and composition	19	a, b, c	Parcial.	The company does not record the information in the manner requested by the GRI.
	2-10 Nomination and selection of the highest governance body	-	a, y, b	Information not available	The company does not record the information in the manner requested by the GRI.
	2-11 Chair of the highest governance body	-	a, y, b	Information not available	The company does not record the information in the manner requested by the GRI.
	2-12 Role of the highest governance body in overseeing the management of impacts	22	a, b, y, c	Information not available	The company does not record the information in the manner requested by the GRI.
	2-13 Delegation of responsibility for managing impacts	-	a, y, b	Information not available	The company does not record the information in the manner requested by the GRI.
	2-14 Role of the highest governance body in sustainability reporting	-	a, y, b	Information not available	The company does not record the information in the manner requested by the GRI.
	2-15 Conflicts of interest	24			

# GRI Table of Contents

GRI Standard	Content	Page	Omission		
			Omission requirements	Motive	Explanation
General Content					
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	25	a y b	Confidentiality restrictions	This information is classified as confidential for the company.
	2-17 Collective knowledge of the highest governance body	-	a	Information not available	The company does not record the information in the manner requested by the GRI.
	2-18 Evaluation of the performance of the highest governance body	-	a b y c	Confidentiality restrictions	This information is classified as confidential for the company.
	2-19 Remuneration policies	-	a y b	Confidentiality restrictions	This information is classified as confidential for the company.
	2-20 Process to determine remuneration	-	a y b	Confidentiality restrictions	This information is classified as confidential for the company.
	2-21 Annual total compensation ratio	-	a b y c	Confidentiality restrictions	This information is classified as confidential for the company.
	2-22 Statement on sustainable development strategy	4			
	2-23 Policy commitments	7			
	2-24 Embedding policy commitments	7			
	2-25 Processes to remediate negative impacts	25			
	2-26 Mechanisms for seeking advice and raising concerns	25			
	2-27 Compliance with laws and regulations	25			
	2-28 Membership associations	42			
	2-29 Approach to stakeholder engagement	14			
2-30 Collective bargaining agreements	50				

# GRI Table of Contents

GRI Standard	Content	Page	Omission		
			Omission requirements	Motive	Explanation
<b>General Content</b>					
<b>Ethics and values</b>					
GRI 3: Material Topics 2022	3-3 Management of topic	20,22,26,29			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	-	a y b	Information not available	The company does not record the information in the manner requested by the GRI.
	205-2 Communication and training about anti-corruption policies and procedures	20,43			
	205-3 Confirmed incidents of corruption and actions taken	28			
<b>Equal opportunity</b>					
GRI 3: Material Topics 2022	3-3 Management of topic	21, 23			
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees	45	a y b	Information not available	The company does not record the information in the manner requested by the GRI.
	405-2 Ratio of basic salary and remuneration of women to men	-	a y b	Confidentiality restrictions	The company does not record or compile the information at this time
<b>Quality, food safety, food security, inputs, health and nutrition</b>					
GRI 3: Material Topics 2022	3-3 Management of topic	41,42			
GRI 416: CUSTOMER HEALTH AND SAFETY 2016	416-1 Assessment of the health and safety impacts of product and service categories	42,64		Information not available	The company does not record the information in the manner requested by the GRI.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	41,64	a	Not applicable	The company does not record the information in the manner requested by the GRI.
<b>Occupational health and safety</b>					
GRI 3: Material Topics 2022	3-3 Management of topic	51			



GRI Standard	Content	Page	Omission		
			Omission requirements	Motive	Explanation
<b>General Content</b>					
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational health and safety management system	51,53			
	403-2 Hazard identification, risk assessment, and incident investigation	52,53	b, c, y d	Information not available	The company has not recorded or compiled the information at this time.
	403-3 Occupational health services	-	a	Information not available	The company has not recorded or compiled the information at this time.
	403-4 Worker participation, consultation, and communication on occupational health and safety	54,57			
	403-5 Worker training on occupational health and safety	54,57			
	403-6 Promotion of worker health	55,58			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	52,53			
	403-8 Workers covered by an occupational health and safety management system	-	a, b, y c	Information not available	The company has not recorded or compiled the information at this time.
	403-9 Work-related injuries	56,57			
	403-10 Work-related ill health	-	a, b, c, d, y e	Not applicable	The company has not recorded or compiled the information at this time.
<b>Employment and local development / Decent work and working environment</b>					
GRI 3: Material Topics 2022	3-3 Management of topic	21, 23, 46, 48, 49			
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	46	Partial	Information not available	The company does not record the information in the manner requested by the GRI.
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	48			
	401-3 Parental leave	-	a, b, c, d, y e	Information not available	The company has not recorded or compiled the information at this time.

GRI Standard	Content	Page	Omission		
			Omission requirements	Motive	Explanation
General Content					
<b>Training and development</b>					
GRI 3: Material Topics 2022	3-3 Management of topic	47			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	47	a i y a ii	Information not available	The company does not record the information in the manner requested by the GRI.
	404-2 Programs for upgrading employee skills and transition assistance programs	-			
	404-3 Percentage of employees receiving regular performance and career development reviews	-	a	Information not available	The company does not record the information in the manner requested by the GRI.
<b>Value chain traceability</b>					
GRI 3: Material Topics 2022	3-3 Management of topic	43			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	43			
<b>Emissions and energy</b>					
GRI 3: Material Topics 2022	3-3 Management of topic	33			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	33	Parcial	Complete information is not available.	The company does not record the information in the manner requested by the GRI.
	302-2 Energy consumption outside of the organization	-		Not applicable	The company does not measure energy consumption external.
	302-3 Energy intensity	33	Parcial	Information not available	The company does not record the information in the manner requested by the GRI.
	302-4 Reduction of energy consumption	34,35	Parcial	Information not available	The company does not record the information in the manner requested by the GRI.
	302-5 Reductions in energy requirements of products and services	-	Parcial	Not applicable	The company does not measure its objectives in this way; by 2022 it has a wide range of products that do not allow it to make this measurement.

GRI Standard	Content	Page	Omission		
			Omission requirements	Motive	Explanation
<b>General Content</b>					
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	32			
	305-2 Energy indirect (Scope 2) GHG emissions	32	Partial	Information not available	The company has started with the measurement of Scope 1.
	305-3 Other indirect (Scope 3) GHG emissions	-	a,b,c,d,e,f,y,g	Information not available	The company has started with the measurement of Scope 1.
	305-4 GHG emissions intensity	-	a,b,c,y,d	Information not available	The company has started with the measurement of Scope 1.
	305-5 Reduction of GHG emissions	32			
	305-6 Emissions of ozone-depleting substances (ODS)	-	a,b,c,y,d	No aplica	The company has started with the measurement of Scope 1.
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	-	a,b,y,c	No aplica	The company has started with the measurement of Scope 1.
<b>Water and effluents</b>					
GRI 3: Material Topics 2022	3-3 Management of topic	12,31,34,38			
GRI 303: WATER AND EFFLUENTS 2018	303-1 Interactions with water as a shared resource	34,35			
	303-2 Management of water discharge-related impacts	34,35			
	303-3 Water Extraction	34			
	303-4 Water Discharge	35			
	303-5 Water Consumption	34,35			

GRI Standard	Content	Page	Omission		
			Omission requirements	Motive	Explanation
General Content					
<b>Waste management and efficient resource management / containers and packaging</b>					
GRI 3: Material Topics 2022	3-3 Management of topic	36,37			
GRI 306: WASTE 2020	306-1 Waste generation and significant waste-related impacts	36,37			
	306-2 Management of significant waste-related impacts	36,37			
	306-3 Waste generated	36			
	306-4 Waste diverted from disposa	36			
	306-5 Waste diverted from disposal	36			
<b>Labeling and marketing</b>					
GRI 3: Material Topics 2022	3-3 Management of topic	41			
GRI 417: MARKETING AND LABELING 2016	417-1 Requirements for product and service information and labeling	41			
	417-2 Incidents of non-compliance concerning product and service information and labeling	41,68	a y b	Not applicable	The company has started with the measurement of Scope 1.
	417-3 Incidents of non-compliance concerning marketing communications	41,68	a y b	Not applicable	The company has started with the measurement of Scope 1.
<b>Freedom of association</b>					
GRI 3: Material Topics 2022	3-3 Management of topic	50			

# Global Compact Principles Index

Group	Principle	Description	Page Number
Human Rights	1	Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.	21,43
	2	Businesses should make sure that they are not complicit in human rights abuses.	21,43
Labor Standards	3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	21,50
	4	Businesses should uphold the elimination of all forms of forced and compulsory labor.	21,43
	5	Businesses should support the elimination of child labor.	21
	6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	-
Environment	7	Businesses should support a precautionary approach to environmental challenges.	23,32,33,34,35,36,37
	8	Businesses should encourage initiatives that promote greater environmental responsibility.	32,33,34,35,36,37
	9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	32,33,34,35,36,37
Anticorruption	10	Businesses should work against corruption in all its forms, including extortion and bribery.	26,43

