



Sustainability

Report 2022



Inspiration
for sustainable action





1 **Welcome Message**

2 **PetStar in Numbers**

3 **PetStar and Our Sustainable Business Model**

4 **Governance**

5 **Social**

6 **Environmental**

7 **Appendices**





WELCOME MESSAGE

Jaime Cámara Creixell
CEO PetStar



Esteemed readers:

It is my pleasure to share another year of good news and great results through our PetStar 2022 Sustainability Report, which highlights the progress and actions we have taken to strengthen our Sustainable Business Model. Our model is based on a climate circular economy with a rights-based perspective, contributing to the achievement of the Sustainable Development Goals (SDGs) and inspiring more people to embrace sustainable practices.

At PetStar, our inspiration has always been to be an example of transformation and change, guiding our country and the planet we steward in the right direction. That is why we strive to make a difference at every stage of our process, from PET bottle collection to incorporating recycled food-grade PET into new packaging, towards a more sustainable world.

With the same enthusiasm and shared vision with our shareholders, we began the year by committing to increase our PET container collection capacity through a 175 million pesos investment. This achievement has allowed us to chart a new course and expand our current infrastructure, enabling us to achieve #AWorldWithoutWaste and maintain Mexico as the leading country on the continent in PET collection and recycling.

In terms of figures, our country ranks first in PET collection and recycling in the Americas, with a nationwide rate of 60.3% in 2022, according to data from ECOCE. We make a significant contribution to this rate by collecting the equivalent of **6 out of every 10 bottles** put on the market by our shareholders.

This year, we also celebrate **27 years of inspiring sustainable actions that generate value** through our **PetStar Sustainable Business Model (PSBM)**, showcasing the journey we have undertaken to become one of the most valuable PET circular economy schemes in the world. We align with the ten principles of the Global Compact and the New Plastics Economy Global Commitment, allowing us to generate significant social, environmental, and economic value.

Likewise, our **PetStar Inclusive Collection Model (PICM)** has been consolidated, which makes a difference in the recycling sector by recognizing the work and promoting social mobility for over 30,000 waste pickers and urban waste collectors. Through various strategies aimed at their inclusion in the formal economy, we aim to eliminate child labour in our supply chain and meet the decent work targets of the **2030 Agenda**.

In this report, we also showcase the progress made in our environmental and social programs, benefiting the families of our Collector Partners and promoting a **culture of climate circular economy with a rights-based perspective** among various groups in society.

Regarding the environment, we reaffirm our commitment to **maintaining carbon neutrality**, a milestone we achieved in 2020. We will continue working sustainably to achieve water neutrality in the medium term.

These results are the product of **shared responsibility**, as we know at PetStar that sustainability is only possible when all parties involved actively participate.

PetStar sets an example of good practices for responsible action and contributes to the care of the planet and the environment. Inspiring our customers, suppliers, and employees to embrace recycling and the circular economy is and will continue to be a fundamental part of our distinguished work.

I hope this information is useful and inspires you to adopt sustainable practices in your personal and professional life. I invite you, dear readers, to learn more about our initiatives and projects, as well as our social and environmental contributions, through the pages of this report at your disposal.

Together, let us continue to **inspire sustainable actions and generate value** for our families, our community, and the planet.

Jaime Cámara Creixell
CEO PetStar

Our focus on PET packaging recycling has enabled us to become one of the most valuable PET circular economy schemes in the world and a source of inspiration for sustainable practices.



Means a milestone in **PetStar's history**, it demonstrates the road we have traveled for more than **27 years** to become one of the **most valuable PET packaging circular economy schemes in the world**.

Our commitment with Mexico, with our employees, our collection partners and the consumers who have accompanied us on this journey to achieve that **6 out of every 10 bottles** that our shareholders put on the market are collected and recycled, **adding more social, environmental and economic value** in all our processes. This is what makes us unique; **we generate inspiration and results of great value** in favor of **global solutions** to combat major **environmental challenges**.

Together, we are +value



DETCTAD PETSTAR IN NUMBERS UN INVIDERAS



101,790
tons of PET bottles
collected per year.



53,116
tons of
food-grade recycled
PET resin produced
per year.



1,589
SMEs. serving as
collection points called
by **PetStar**
Collector Partners.

We collect
6 out of every **10**
PET **bottles**
put on the market
by **our shareholders.**



3,502
million PET
bottles recycled
per year.

We support over **1,480**
children and adolescents
who are **children of waste pickers** and
urban waste collectors through our partnerships.





67% of the **energy** used in our operations comes from **renewable sources**.



We have obtained **Cradle to Cradle recertification**, being the first and only **PET recycled resin** in the world to obtain.



30,000 indirect jobs for waste pickers and urban waste collectors.

Over **10 million** pesos invested in social initiatives.

1,753 direct jobs.



141 internal promotions.



Since **2020** we have achieved **carbon neutrality**.



39% reduction in water consumption.



PETSTAR AND OUR

SUSTAINABLE

SUSTAINABLE

BUSINESS MODEL

BUSINESS MODEL

our history is the result of actions to create the most valuable PET packaging circular economy scheme in the world, contributing to achieving a **#WORLDWITHOUTWASTE**



Who we are? PetStar is a 100% Mexican company. led by Arca Continental, Coca-Cola Mexico, Bepensa Bebidas, Corporación del Fuerte, Corporación RICA, Grupo Embotellador Nayar, and Embotelladora de Colima.

Our history



1995

We started as a company dedicated to the collection and commercialization of post-consumer plastic waste called **Avangard Mexico**, becoming the **largest PET collector in Latin America** in less than a year.



2002

In collaboration with the **National Bottling Industry**, Jaime Camara participated in the design of **ECOCE** (Ecology and Business Commitment), with **Avangard** becoming its operational arm for collection.



2006

PetStar was created through a partnership between **Avangard Mexico** and **Promotora Ambiental (PASA)**.



2009

The first phase of the **PetStar recycling plant** was inaugurated, with a capacity to **recycle 28,000 tons per year** of post-consumer **bottles**, paving the way for the **circular economy** and **closing the sustainability loop**.



2011

On our path to transformation, **PetStar** was acquired by our shareholders, part of the **Mexican Coca-Cola Industry**, consolidating their commitment to the global **Coca-Cola** initiative **#WorldWithoutWaste**.



2014

We became the **world's largest Food-Grade PET Recycling Plant**, a fact endorsed by the prestigious **UK firm PCI** (PET Packaging Resin & Recycling Limited).



2015

We established the **PetStar Sustainable Business Model (MNSP)**, considered **unique and innovative** as it promotes **social mobility, inclusion, and recognition of urban waste pickers** through our **Inclusive Collection Model (MAIP)**.

We began operations in 1995 as a pioneering company in the collection of PET and other plastics. In 2006, we established ourselves as 



More than a recycling company, we are a unique and innovative Sustainable Business Model in the world. Our model encompasses the climate agenda and human rights, while keeping PET packaging within the economy and out of the environment.



2016

To mark the transition to a unique and sustainable business model, we aligned ourselves with the Sustainable Development Goals of the 2030 Agenda (SDGs) and joined the Mexican Network of the United Nations Global Compact.



2017

Embracing the challenge of being a company with a culture of excellence and driving our competitiveness and sustainability, we won the National Quality Award in the category of "Organizational Innovation".



2018

As a result of our multiple efforts and a commitment to innovate our processes, PetStar Reborn® was born as the world's first and only food-grade recycled PET resin to obtain Cradle to Cradle (C2C) certification.



2019

Demonstrating our leadership, innovation, and process quality, we achieved the Ibero-American Quality Award.



2020

We achieved carbon neutrality, avoiding 108,000 tons of CO2 emissions into the environment.



2021

We concluded expansion plans to increase our collection and recycling capacity in the territories of our shareholders and bring them closer to the #WorldWithoutWaste goal.



2022

With a significant investment from our shareholders to increase the collection and recycling of PET packaging nationwide, we inaugurated the Collection Centers in Colima and Tepic and doubled the capacity of our plants in Guadalajara and Mérida.



Organizational Culture



Mission

It is our aim to promote the preservation of the environment in benefit of future generations by implementing innovative solutions to make the PET bottles sustainable, which we efficiently collect and recycle to produce high-quality food grade resin with social responsibility.

Vision

PetStar wants to become a worldwide reference of excellence through its inclusive collection model of the PET bottles, that with talent, commitment, innovation and well-being, we give social and environmental value to our shareholders, contributing to being a solution for climate change, inspiring others to think sustainable.

Values

- Safety**
Execution of all our work placing our integrity and the integrity of our co-workers and visitors first.
- Honesty**
Impeccable management of the company's resources, information, personnel management and rejection of any corrupt practice.
- Responsibility**
Proper execution of all tasks agreed upon, after reflection and evaluation of the consequences of these acts.
- Service**
Personal and team proactive disposition to identify, evaluate and give an opportune, effective and courteous response to the requirements and concerns of internal and external clients.
- Trustworthiness**
Acquisition of credibility thanks to the consistent and impeccable fulfillment of commitments.
- Respect**
Acceptance of opinions, characteristics and the way of being of others without prejudice or discrimination.



Our Shareholders,



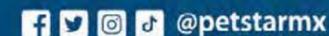
incorporate up to 100% recycled content in millions of bottles.



+value

Social, environmental and economic of the PET bottle

Follow us on our Social Networks



@petstarmx

www.petstar.mx



buzondetransparencia@petstar.mx



We are a company adhered to the UN Global Compact



Scope of our operations

Collection Plants

- 1. Ecatepec
- 2. Monterrey
- 3. Guadalajara
- 4. Toluca
- 5. Mérida
- 6. San Luis Potosí
- 7. Acapulco
- 8. Tijuana

Collection Center

- 1. Querétaro
- 2. Cancún
- 3. Pachuca
- 4. Tepic
- 5. Puerto Vallarta
- 6. Ensenada
- 7. Colima
- 8. Los Cabos
- 9. Riviera Maya
- 10. Campeche
- 11. La Paz
- 12. Chetumal
- 13. Cozumel
- 14. Isla Mujeres
- 15. Holbox

External Operation PetStar

- 1. Aragón





Corporate Sustainability Philosophy

Sustainability is the fundamental principle of PetStar, upon which we base our **Sustainable Business Model** (PSBM). We strive to be part of a **climate circular economy** with a human rights perspective.

Sustainability is our tool for operating and creating a different future that promotes inclusion, harmonious living, and respect for the environment.

Through our **Sustainability Management System**, we contribute to global sustainability by acting locally through the management of our **PSBM**. This makes it possible to develop a climate circular economy that promotes the use of recycled PET resin in the production of new bottles, thereby reducing the need for additional natural resources and minimizing waste generation.

Our Contribution to the SDGs and the Global Compact

As signatories of the United Nations Global Compact since 2016 and aligned with the 2030 Agenda for Sustainable Development, PetStar contributes to the fulfillment of the SDGs through various actions and at different levels.

We actively participate in the Mexican Network of the United Nations Global Compact, as part of our commitment to sustainability, and we have taken on the role of presiding over the Board of Directors since September 2021.

To advance and have a positive impact on the achievement of the Sustainable Development Goals (SDGs), our participation as agents of change will promote inclusion, ensuring that no person, resource, or packaging is left behind.



PetStar Sustainable Business Model

Our Sustainable Business Model has 27 years of history, positioning us as a global reference for climate circular economy in PET packaging. We are involved in the entire process, from bottle collection to the incorporation of food-grade recycled PET resin into new packaging.

We create + Value in the three pillars of sustainability:



SOCIAL

Through our **Inclusive Collection Model (PICM)**, we promote **social mobility** and **recognition** of the **rights of waste pickers** and **urban waste collectors**. Additionally, we work in partnership with other stakeholders to **ensure a supply chain free from child labour**.



ENVIRONMENTAL

We contribute to a cleaner environment by removing **3.502 billion bottles annually**, which represents **6 out of every 10 bottles** placed on the market by our shareholders, who are part of the **Mexican Coca-Cola Industry**. In 2020, we achieved our goal of being a carbon-neutral company, avoiding **108,000 tons of CO2 emissions** in the production of new packaging.



ECONOMIC

We ensure that **our operations** are profitable, making the price of PetStar's recycled resin competitive. In addition, **we foster the creation** of over **1,753 direct jobs** and more than **30,000 indirect jobs** for waste pickers and urban waste collectors.

Innovation and continuous improvement drive our PSBM. We adhere to the highest quality standards, from collection to recycling, reaffirming our commitment to operate in full sustainability alignment with the Sustainable Development Goals, the Ten Principles of the Global Compact, and the Global Commitment to the New Plastics Economy.



With our **PetStar Sustainable Business Model**, we contribute to the circular economy by recycling millions of bottles and **generating social, environmental and economic value** in the production of new packaging.





Financial Indicators

Accounting Practices

Our accounting is recorded daily in accordance with the regulatory framework of the Financial Information Standards. We conduct monthly closing periods to ensure better control of operations, enabling reviews and reconciliations, and facilitating the annual closing. Each time a monthly closing is performed, the period is locked to timely record the transactions we undertake. Monthly, we prepare Financial Statements that reflect the economic and financial situation to be approved by the company's management.

CONSOLIDATED STATEMENT OF INCOME

	Tons (PCR)	Sales
2020	52,157	1,441.4
2021	50,710	2,004.8
2022	52,587	2,712

Tax Focus

As of today, we do not have any tax credits or pending tax matters.

Our Philosophy of Excellence

Certifications, Awards, and Recognitions

Our certifications meet the highest standards of excellence in the market, making us a reference and driving force for sustainability and the formalization of the plastic recycling sector in Mexico and the world. We demonstrate that this activity can be carried out with utmost excellence to maintain the quality and safety of the business.



CRADLE TO CRADLE®

Certification awarded by the Cradle to Cradle Products Innovation Institute, being the **first and only food-grade recycled PET resin** certified globally.



LEED PLATINUM (Leadership in Energy & Environmental Design)

Certification awarded by the U.S. Green Building Council to the PetStar Museum-Auditorium and Multipurpose Hall as sustainable buildings.



IBERO-AMERICAN QUALITY AWARD (Gold Level)

Highest recognition in Ibero-America that distinguishes excellence and sustainable management of the organization, competing with the winning companies of the National Quality Award in Ibero-American countries.



ISO 9001

Certification for process and product quality: Recycling Plant (Integral System) and 8 Collection Plants (Recertified).



CLEAN INDUSTRY

Environmental certification awarded by the Federal Attorney for Environmental Protection (PROFEPA) to the Recycling Plant in Toluca and by the State Attorney for Environmental Protection of the State of Mexico (PROPAEM) for compliance with the law and the implementation of good environmental practices at the Recycling Plant in Toluca, Collection Plant of Toluca and Xalostoc.



NATIONAL QUALITY AWARD (PNC)

National Quality Award 2017 in the category of “Organizational Innovation”.



ISO 14001

Certification for environmental processes: Recycling Plant (Integral System) and 8 Collection Plants (Recertified).



ENVIRONMENTAL EXCELLENCE

Highest recognition awarded by the Federal Attorney for Environmental Protection (PROFEPA) and the State Attorney for Environmental Protection of the State of Mexico (PROPAEM) to companies certified with Environmental Performance Level 2 (NDA2), awarded to the Recycling Plant in Toluca.



MADE IN MEXICO

In 2017, we obtained a favourable resolution from the Ministry of Economy, being a 100% Mexican company that contributes to the national economy using Mexican materials and labour.



ISO 22000

Certification for process and product safety in the Recycling Plant (Integral System) in Toluca.



WORLD CLASS RELIABILITY & MAINTENANCE BY IDCON

Recognition awarded by IDCON INC, ranking 1st among 200 global companies evaluated for best practices in preventive maintenance, work management, and root cause elimination, among others.



OPERATION CLEAN SWEEP BLUE

International initiative to prevent pellets, flakes, and dust from reaching the marine ecosystem. Certified at the Blue Level (First in Mexico).



ISO 50001

Certification for energy efficiency: Recycling Plant (Integral System) and 8 Collection Plants (Recertified).



ISO 39001

Certification for road traffic safety management: In 2020, we obtained certification for the Xalostoc Collection Plant.



ISO 45001

Certification for occupational health and safety processes: Recycling Plant (Integrated System) in Toluca.



SAFE COMPANY PROGRAM FOR SELF-MANAGEMENT IN SAFETY AND OCCUPATIONAL HEALTH (PASST)

Recognition awarded by the Ministry of Labour and Social Welfare (STPS) to 8 plants and central offices.



CLEAN TRANSPORTATION

Awarded by the Ministry of Environment and Natural Resources (SEMARNAT). Recognition for the fleet’s efficiency and for having environmentally friendly vehicles.



SUPER COMPANIES 2022

The place where everyone wants to work, awarded by Grupo Editorial Expansion and Top Companies: 49th Ranking in 2022, ranked for the 8th consecutive year.



SOCIALLY RESPONSIBLE COMPANY (SRC)

Awarded by CEMEFI (Mexican Center for Philanthropy). Ratified in 2022 for the 9th year.



SRC – 1% SOCIAL INVESTMENT

Recognition granted by CEMEFI for donating at least 1% of pre-tax profits to a social cause. PetStar is one of the companies that initiated this public commitment.



SRC – SOCIAL INCLUSION

Distinction granted by CEMEFI for the commitment to promote social inclusion within the company.

WE SUPPORT



GLOBAL COMPACT MEXICO

In 2016, PetStar joined the Mexican Network of the Global Compact, a United Nations initiative. In 2019, we became part of the Board of Directors, and since 2021, we have been chairing the Board of Directors.



EARTH CHARTER

In 2014, PetStar adhered to the Earth Charter, a United Nations initiative.



LATIN AMERICA GREEN AWARDS

In 2018, we ranked 2nd in the ocean's category.



GLOBAL COMMITMENT

In 2018, we became signatories of the Circular Economy Global Commitment, a global initiative by the Ellen MacArthur Foundation and the United Nations.



CARBON-NEUTRAL COMPANY

By the end of 2020, we achieved carbon neutrality by purchasing carbon credits from MexiCO2 and the Toluca City Council for the benefit of Nevado de Toluca.

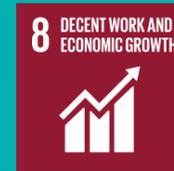




GOVERNANCE

GOVERNANCE

GOVERNANCE





ACHIEVED commitments



Long side our shareholders, we have **increased the collection and recycling** of PET packaging nationwide, inaugurating the **Collection Centers in Colima and Tepic**, and **doubling the collection capacity** at our plants in **Guadalajara and Mérida**.



This year, **585 employees** completed the **Code of Ethics Induction Course**.



We reaffirmed our alliance with the **Alliance for Integrity** to collectively combat corruption and **strengthen our ethical commitment within the PetStar Sustainable Business Model (PSBM)**.



We participated in the **Community of Practice on Business Management of Human Rights**, an initiative by the **Global Compact Mexico**, presenting our **General Human Rights Policy**.

Together with our entire supply chain, we generate

+value

*from PET packaging
a through our results*



Purpose and corporate governance

All of us at PetStar, shareholders, employees, partners, and suppliers, share the common purpose of generating a positive impact in the circular economy business that we are engaged in, as well as in the lives and communities where we live and work.

This is our corporate governance structure:



Carlos Mendieta
Public Affairs, Communication and Sustainability Director

Alfredo Arzaluz
Human Capital and Legal Director

Bernardo Salazar
Recycling Operations Director

Jaime Gómez
Collection Operations Director

Rocío Salgado
Administration and Finances Director

Jaime Cámara
CEO





Board of Administration

The Board of Directors is our highest governing body and is composed of ten directors, each with an alternate. These directors are shareholders, partners, employees, or officials of a shareholder (or an affiliated person), so there are no independent directors, and no remuneration is established for them. The Chairman of the Board of Directors does not hold an executive position within PetStar.

We have three types of shareholders with the right to appoint directors:

- I. Arca Continental has the right to appoint four directors to the Board of Directors and appoint the Chairman.**
- II. Coca-Cola de México has the right to appoint three directors to the Board of Directors.**
- III. Bepensa Bebidas, Corporación del Fuerte, Corporación Rica, Grupo Embotellador Nayar, and Embotelladora de Colima may appoint three directors to the Board of Directors.**

Board Committees

Audit and Corporate Practices Committee:

It consists of six members and their respective alternates, with two members designated by each type of shareholder. The Chairman of this committee is appointed by all its members.

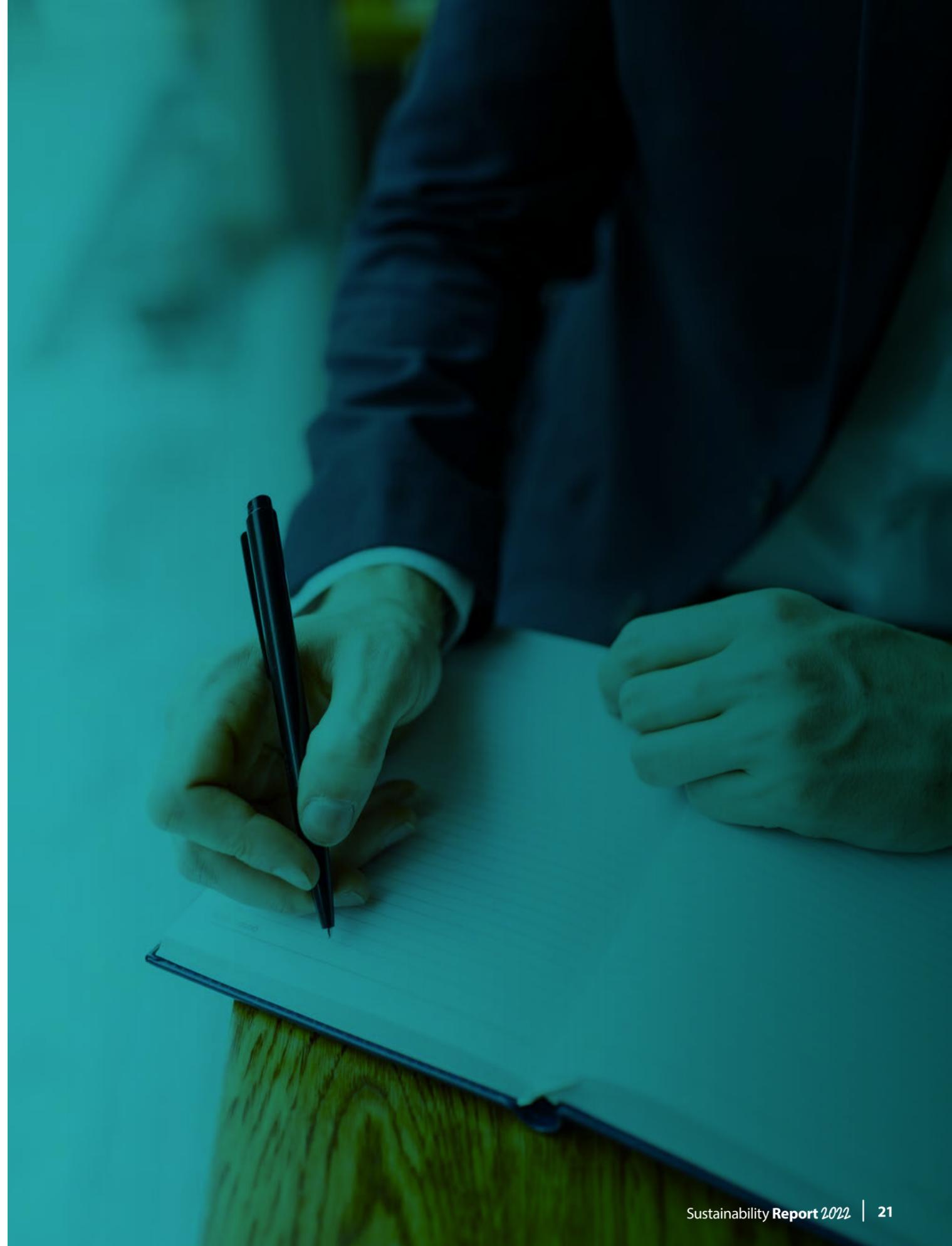
Technical Committee:

Composed of four directors and the CEO of PetStar. The four directors are appointed as follows: Arca Continental appoints two, Coca-Cola de México appoints one, and the remaining director is appointed by the other shareholders.

Corporate Affairs and Sustainability Committee:

It consists of four directors and the CEO of PetStar. The appointment of the directors follows the same nature as the Technical Committee.

Within the Board of Directors, executive compensation is determined based on the fulfilment of the previously authorized work plan. Similarly, communication issues are evaluated, and the Sustainability Report is approved. The CEO reports to the Board of Directors through a monthly written report and attends quarterly Board meetings in person, where the economic, social, and environmental impacts, risks, and opportunities are analysed





Our Shareholders



At PetStar, we collect

6 out of every 10 bottles



put on the market by our **shareholders.**

Shareholding	
Arca Continental	49.90%
Coca-Cola México	30.00%
Bepensa	10.06%
Corporación del Fuerte	5.04%
Corporación RICA	2.20%
Grupo Embotellador NAYAR	1.84%
Embotelladora de Colima	0.96%



49.90%

It is the second-largest Coca-Cola bottler in Latin America and one of the most important in the world.

Arca Continental S.A.B. de C.V. is a company dedicated to the production, distribution, and sale of beverages owned by The Coca-Cola Company, as well as salty snacks under the Bokados brand in Mexico, Inalecsa in Ecuador, and Wise and Deep River in the United States of America. The corporate offices of the organization are in the city of Monterrey, in the state of Nuevo León, Mexico. With a distinguished history of over 95 years, Arca Continental is the second-largest Coca-Cola bottler in Latin America and one of the most important in the world. In its Coca-Cola franchise, the company serves a population of over 123 million in the northern and western regions of Mexico, as well as in Ecuador, Peru, the northern region of Argentina, and the southwestern region of the United States. Arca Continental is listed on the Mexican Stock Exchange under the symbol "AC".



30%

Coca Cola de México is a comprehensive beverage company that has been operating in the country for over 90 years with the purpose of refreshing the world and making a difference. It offers a portfolio for all lifestyles with over 60 brands in 10 different beverage categories, of which 45% are low or no calorie options.



10.06%

Bepensa is a Mexican business group comprised of over 40 companies grouped into 5 business units: Bepensa Bebidas, Bepensa Motriz, Bepensa Industrial, Bepensa Servicios Financieros, and Bepensa Spirits. Together, they provide employment and well-being to more than 14,000 people in Mexico, the Dominican Republic, and the United States. Their dozens of brands, many of them global leaders in their categories, aim to meet the needs of their over 350,000 registered customers and millions of consumers in these three countries.

Bepensa Bebidas is the division of Bepensa that is part of the Mexican Coca-Cola Industry. It specializes in the production, bottling, and distribution of a portfolio of over 30 non-alcoholic beverage brands in the states of Yucatán, Campeche, and Quintana Roo. Since 2009, it has been recognized as a Socially Responsible Company for its active and voluntary contribution to the improvement of the social, economic, and environmental environment. Since 2015, it has also received the distinction awarded by the Great Place to Work Institute, recognizing it as one of the best companies to work for in Mexico.



5.04%

Corporacion del Fuerte is a Coca-Cola bottling group that has contributed to regional development for 44 years. It is formed by three franchises located in southern Chihuahua in Ciudad Cuauhtémoc, northern Sinaloa in the city of Los Mochis, and the state of Baja California in the city of Tijuana. They provide employment to more than 3,700 employees. They have 13 categories and 83 brands with over 450 ready-to-drink presentations that cater to all tastes and occasions, serving a population of 3.7 million people.



2.20%

Corporacion Rica is a company with over 70 years of bottling and marketing carbonated beverages, water, juices and nectars, and non-carbonated beverages from the Coca-Cola family. It has a strong infrastructure and logistical capacity to meet the needs of its customers through two bottling plants located in Pachuca, Hidalgo, and Cuautla, Morelos, as well as 2 production centers and 14 distribution centers.



1.84%

Embotelladora del Nayar was established in 1953 in Tepic, Nayarit. It distributes Coca-Cola products and serves over 6,000 customers. It operates 12 distribution centers in the state of Nayarit. Currently, it produces and distributes beverages from The Coca-Cola Company to 9,600 points of sale in the northern region of Colima and the southern region of Jalisco.



0.96%

Embotelladora de Colima was founded in 1955 in Colima. It currently produces and distributes beverages from The Coca-Cola Company to 9,600 points of sale, reaching over 65,000 households in the northern region of Colima and a large part of the southern region of Jalisco.



Operational mechanisms

Information and communication systems in the company are a fundamental element for the achievement of strategies and objectives. On one hand, they allow for the accurate measurement of all transactions carried out in the company's operations in all areas (manufacturing, human capital, administration and finance, logistics, communication, and social responsibility), generating tangible results that guide management and shareholders. On the other hand, they keep the flow of communication alive through various technological tools at all levels of the organization, supporting the interaction of participants in achieving goals. Lastly, they maintain a knowledge base that serves for reviewing and providing feedback on actions taken by the company's management and for protecting resources and capitalizing on experience.



Risk Management: Financial and Tax, Environmental, and Governance

The financial information management of PetStar SAPI de CV is issued in accordance with Financial Information Standards and is audited by Ernst & Young Global Limited, who also validate proper tax management through the tax report submitted to the authority.

As part of the company's risk management, PetStar has formed an Internal IMCR (Incident Management and Crisis Resolution) Risk Committee, which is composed of the CEO and department directors of the company, with the aim of analyzing and determining procedures for risk control in operations, business continuity, and brand reputation. The committee meets once a month and is linked to the IMCR Committee of the Mexican Coca-Cola Industry (IMCC).

Since March 2020, following the declaration of the COVID-19 pandemic, the management of this committee has been to evaluate health risks and key indicators on a daily basis to ensure business continuity, the safety and well-being of personnel, and compliance with the delivery program to customers, ensuring they can continue offering sustainable packaging to society.

Risks in Operation

At PetStar, there is an ongoing identification of hazards, risk assessment, and determination of controls to eliminate or manage the risks that employees, visitors, suppliers, contractors, and the community at large may potentially be exposed to in the areas where we operate.

When an update is made to the risk assessment, one or more of the following events shall be reported:

- a) New legislative norms or modifications to existing ones that impact PetStar's operations.
- b) Creation or modification of activities carried out within PetStar's processes.

- c) Accidents or incidents, health risks, emergencies, and environmental phenomena.
 - » **Accidents:** Work-related events that involve personal injuries, illness, or fatalities.
 - » **Health risks:** Harmful effects on the health of a population resulting from a hazardous situation, such as the emergence of a pandemic or the effects of certain environmental factors.
 - » **Emergencies:** Unplanned and unwanted events caused by natural events or human intervention, which pose risks to the integrity of people, the environment, and the facilities themselves.
- d) Results of internal and/or external audits and suggestions made by employees, contractors, and visitors of PetStar.

Once the risks are identified, the likelihood of harm occurring, and the level of risk are determined. According to our risk matrices, we have identified a total of 47 risks in our operation, for which control measures are implemented involving all stakeholders, maintaining a healthy and safe environment.

The selection of control measures considers the following priorities:

1. Elimination
2. Substitution
3. Engineering controls
4. Signs, warnings, and/or administrative controls
5. Personal protective equipment



Dangers

At PetStar, we identify potential hazards to operate in a safe and healthy environment.



Electrical

- * Electric power.



Biological

- * Biological agents
- * Animals, insects.



Fire and explosion

- * Flammable material
- * Flammable material, fluids under pressure, pressurized equipment.



Chemical

- * Chemical substances, vapours, compounds, or chemical products in general and / or reaction.
- * Dust (particulate matter).



Ergonomic

- * Repetitive movements
- * Inadequate workspace
- * Inadequate lighting
- * Overexertion
- * Improper posture.



Physical

- * Noise
- * Vibrations
- * Non-ionizing radiation
- * Cold / hot
- * Air currents
- * Ventilation
- * Humidity
- * Atmospheric pressure
- * Ionizing radiation.



Psychosocial

- * Working conditions: Type of work, degree of autonomy, isolation, promotion, management style, turnicity, rhythms and working hours and psychological harassment
- * Night shift work, monotony and / or repeatability, long.



Mechanical

- * Motorized vehicle
- * Machinery or moving part
- * Dangerous atmosphere
- * Slippery, uneven surface, obstacles on the floor
- * Work at height
- * High / low temperature surfaces / material
- * Sharp cutting surfaces
- * Objects stored in height
- * Moving cargo
- * Tool / object manipulation
- * Fluids under pressure, pressurized equipment
- * Objects / equipment
- * Projected particle.



Sustainability Management System

Our **Sustainability Management System** is a comprehensive circular system of continuous improvement that enables us to implement strategies aligned with the most relevant issues for our stakeholders.

We focus on managing risks for the company and potential risks that our operations may pose to people, while implementing actions that are part of our operating processes.

Under the guidance of the **International Sustainability Agenda**, our management system prioritizes the principles that define and support it, identifying and incorporating those that help us design new strategies to enhance the processes of our **Sustainability Management System**,

while maintaining the integrity of the business and increasing and strengthening its positive impact, adding social, environmental, and economic value.

The **social, environmental, and economic value** generated by our Sustainability Management System underpins its strength thanks to the various certifications that are part of our Philosophy of Excellence, and whose strict quality standards drive us to engage in innovation and continuous improvement processes, going beyond recycling.

To achieve our purpose, we focus on **creating alliances that increase social value** by working with foundations dedicated to comprehensive care for children and

adolescents, providing various services such as education, food, and medical attention. This directly influences the development of life skills and empowers children to become **agents of change**.

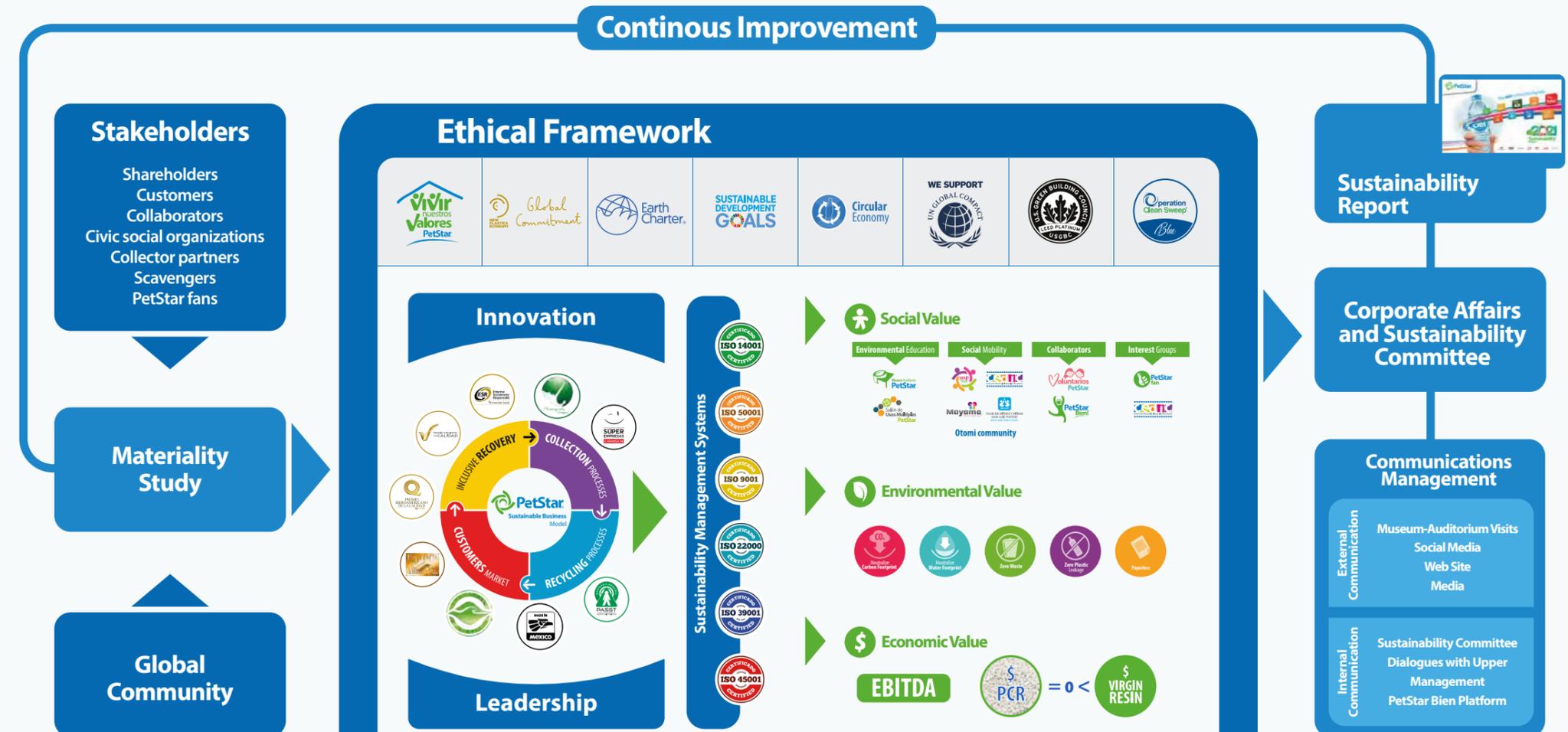
In terms of **environmental value**, we pursue clear objectives that strategically move us towards **achieving the Sustainable Development Goals (SDGs)**, enabling us to be part of the solution to the most challenging global issues we currently face, such as **climate change, water crisis, Earth Overshoot Day, and plastic pollution**, among others.

Regarding **economic value**, we ensure that our operations work under a **profitability scheme**, making the price of

PetStar's recycled resin **competitive** compared to virgin resin.

Furthermore, as part of a **global business community** actively participating through the Global Compact and other organizations and initiatives, we work together in addressing the international agenda and calls to action directed towards companies. Likewise, we maintain **constant dialogue** with key stakeholders within our business scope, using various means and forums, to achieve the objectives that concern all parties involved.

our Sustainability Management System allows us to improve our strategies to address the relevant issues that concern our stakeholders in terms of sustainable development.



Materiality and Relevant Issues

At PetStar, we have marked as a top priority within our sustainability agenda the continuous updating of our **materiality study** to identify the most relevant issues for our **main stakeholders**. This allows us to timely integrate them into our sustainability strategy and internal processes, ensuring the **creation of economic, social, and environmental value** for all involved.

During this year, with the purpose of aligning our efforts and communication programs towards a single direction, in the materiality analysis, we examined the results of our consultations conducted with direct and indirect sources. We aligned PetStar’s sustainability management with the relevant issues and challenges to be addressed for the company, considering the SDGs that are most impacted by PetStar’s operations. The result was the identification of 9 SDGs associated with PetStar’s operations.

Additionally, in order to more efficiently channel efforts towards understanding our participation in the advancements of the 2030 Agenda, we aligned our initiatives with the specific goals set for the achievement of the SDGs.

In terms of methodology, the following direct and indirect sources were consulted:

DIRECT SOURCES:

Surveys were conducted with employee shareholders, Acquiring Partners, and Recovery Partners (waste pickers and urban waste reclaimers), shareholders, suppliers, and beneficiaries.

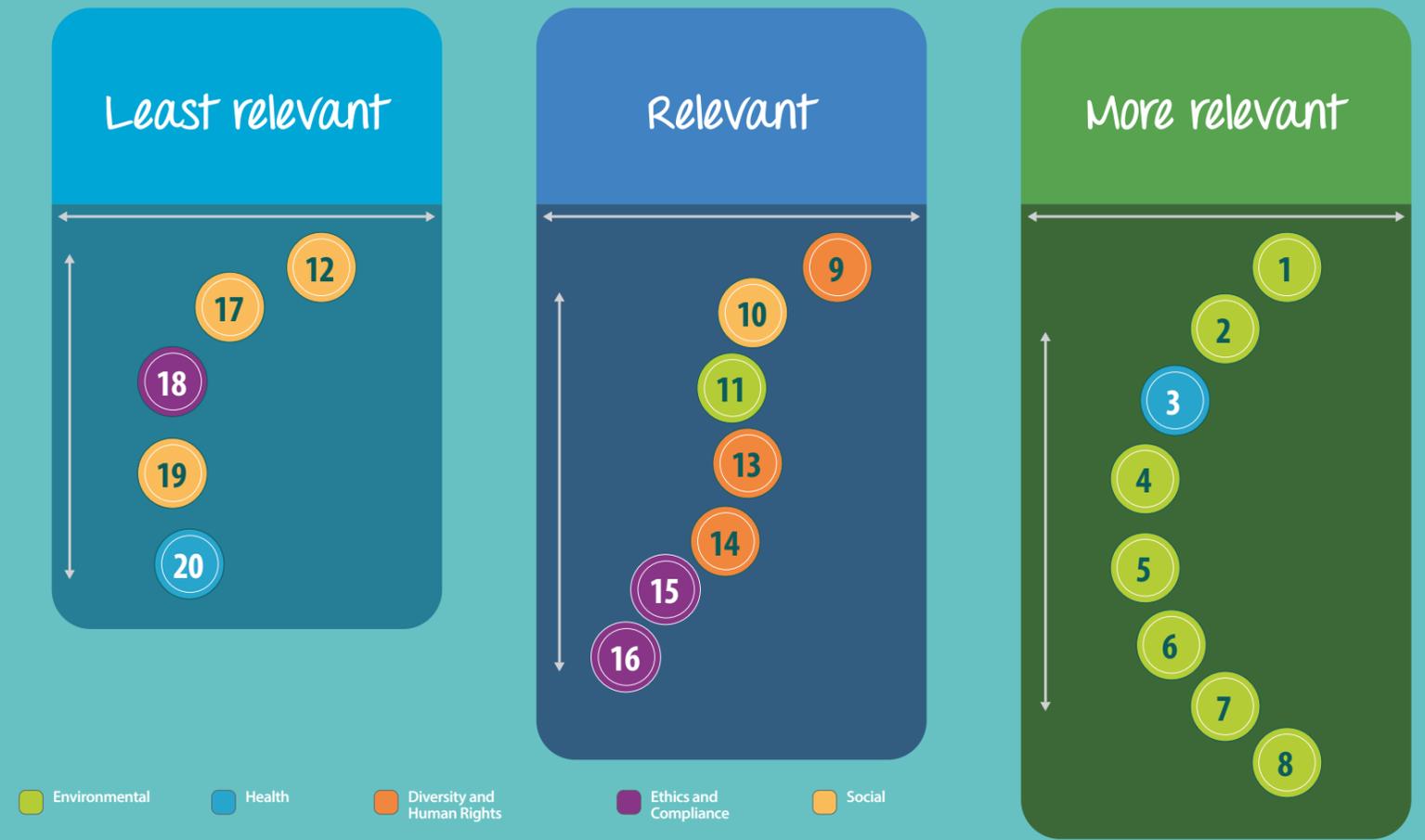
It is worth mentioning that the interviews conducted with shareholders had a deeper level of inquiry this year, as it was important to gather their opinions on key and strategic matters for PetStar.

The surveys were designed based on PetStar’s sustainability management, the SDGs, and Global Reporting Initiative (GRI) indicators.

INDIRECT SOURCES:

Research was conducted in various media, such as sustainability reports, public opinion, and Corporate Social Responsibility observatories.

The evaluated and processed indicators yielded the following results after applying the materiality analysis for 2021-2022.



Legend: Environmental (green), Health (blue), Diversity and Human Rights (orange), Ethics and Compliance (purple), Social (yellow)

HIGH PRIORITY		MEDIUM PRIORITY	
1	Treat water and neutralize water footprint.	11	Reducing electricity and fuel consumption in operations
2	Circular Economy	12	Social mobility and recognition of recovery partners (inclusive recycling).
3	Occupational health and safety	13	Mechanisms to avoid discrimination
4	Reducing greenhouse gas emissions	14	Inclusion of diverse groups and ensuring equal pay and equal development
5	Mitigating climate change within the company	15	Ethical, transparent and anti-corruption conduct
6	Compliance with environmental regulations	16	Public policy and collaboration with authorities on environmental and social issues
7	Conservation of habitats and biodiversity	17	Identify negative impacts on the community and have development programs in place.
8	Proper waste management and disposal	18	Child labor (operations and suppliers)
9	Respect for human rights	19	Staff development and training
10	Impeccable payment and training of stockholder-partners	20	Customer health and safety



Dialogue with our stakeholders

Within and outside of PetStar, we strive to maintain an open and ongoing dialogue with our stakeholders to understand and meet their needs related to our business activities, capturing their pulse and sentiment.

Based on the principles of shared responsibility, honesty, and transparency, we utilize various means and communication mechanisms to build trust and foster closeness:

Stakeholders	Dialogue Mechanisms
 Collaborators	Mail, communication boards, Sustainability Report, cafeteria screens, briefing summaries, PetStar Contigo (official company WhatsApp channel), Go Integro PetStar Bien! platform, 5-minute meetings, dialogues with management, materiality survey, employee satisfaction survey, transparency mailbox, among others.
 Collector Partners/ waste pickers	WhatsApp, communication with Trade Representatives and operational staff in the collection service they provide, telephone helpline, materiality survey, among others.
 Suppliers	Email, phone calls, materiality survey, Sustainability Report, among others.
 Clients	Email, briefing summaries, Sustainability Report, materiality survey, focus group, quarterly meetings, among others.
 Beneficiaries and NGOs	Email, phone calls, materiality survey, Sustainability Report, quarterly meetings, among others.





Ethics and Compliance

Code of Ethics and Conduct

All of us who work at PetStar are **representatives and ambassadors** of our organization every day. Therefore, our behavior towards the public around us should always be based on our company’s **Code of Ethics**, which serves as a guide to our organizational values and instructs us on how to act in different interactions with our audiences.

The Code of Ethics and Conduct is the **guide to our organizational values**, instructing us on how to act with **honesty, integrity, and transparency** in carrying out our activities. It emphasizes respect for **human rights** and the legitimate interests of all individuals and organizations with whom we interact.

The Code of Ethics and Conduct was created to **ensure compliance with relevant laws**, practices, and standards, and to act in the best interests of the company while **rejecting any personal preference or advantage**.

To ensure ethical and lawful conduct, we provide an induction course for new employees, as well as conduct the **Values Experience workshop**. Additionally, it is mandatory for all employees to sign a declaration letter regarding actual or potential **conflicts of interest**.

In 2022, a total of **585 employees** from the collection, recycling, and central office divisions participated in the Induction Course, which includes the Code of Ethics and other relevant topics, distributed as follows:

Acapulco	35
Mérida	29
San Luis Potosí	35
Guadalajara	85
Toluca	84
Monterrey	65
Xalostoc	60
Querétaro	38
Central Office	16
Tijuana	35
Recycling Plant	103
Total	585

At Petstar we take care to internalize our values, so that they are lived in our daily day to day, contributing to global sustainability and respect for the fundamental principles of the Earth Charter.

Code of Conduct for Living Our Values



At PetStar, we have an internal document called the **“Code of Conduct for Living Our Values”** to support the dissemination of our **ethical guidelines**. Through this document, we invite all employees to reflect on the importance and **significance** of living our values, both within and outside the company.

Our “Code of Conduct for Living Our Values” has been enriched through the contributions and efforts of our employees, who have set the standards for defining **specific behaviours and awareness mechanisms**. This has led to the establishment of a permanent recognition program that fosters highly **productive and satisfying** work environments.

This year, the information on **Living Our Values in 2022** was provided to 585 employees who participated in the induction course.

In addition to this activity, a workshop titled **“Prevention of Psychosocial Risks for Leaders”** (aligned with our culture and leadership model) was conducted for 23 employees in the collection division. The workshop covered the following topics:

- PetStar leadership principles
- Results and human capital management with a focus on living our values
- Employee working hours
- Assertive communication
- Promotion of teamwork
- Conflict management and resolution
- Prevention of workplace violence.
- Attention and follow-up on cases.

Anti-Corruption Mechanisms

At PetStar, we foster an anti-corruption and anti-bribery culture to prevent, identify, and, if necessary, sanction acts that go against our business ethics. The company is committed to not offering or accepting, directly or indirectly, bribes or other benefits to gain undue commercial or other advantages.

Under the motto of “Living Our Values,” we strive to always act guided by our principles, internalizing them to contribute to the SDGs and the Ten Principles of the UN Global Compact in the areas of human rights, labour standards, environment, and anti-corruption.

We live the value of honesty by ensuring impeccable management of the company’s resources, information, personnel, and rejecting any corrupt practices. By being committed to transparency in our operations, we maintain good practices in the fight against bribery and extortion.

At Petstar, we are committed to fostering and upholding our anti-corruption culture so that our relationships with customers, shareholders, employees, and society are fair and transparent.

Transparency Mailbox

Within PetStar, no employee should offer, give, or receive any gift or payment that could be considered a bribe. Employees must reject any offer or request for bribery and immediately report it to the company’s management.

To ensure the proper and effective compliance with our **Code of Conduct and Ethics**, we have a **reporting mechanism** called the Transparency Mailbox, which consists of an email address (buzondetransparencia@petstar.mx) where employees, clients, suppliers, and the general community can **report violations** or lack of adherence to the values outlined in the codes.

The Transparency Mailbox is a **secure and confidential channel** where all received reports are handled, with detailed follow-up, and the reporting individual can be informed of its progress until final resolution.

To foster a **healthy environment** and encourage reporting on any deviations, we maintain a permanent internal communication campaign with messages related to the practice of our values and **compliance with the codes**.

All information received through the Transparency Mailbox is directly analysed by the General Management and Human Capital departments, who make the appropriate decisions based on each case.

Through this channel, any report can be made completely **safely, anonymously, and confidentially**. For this purpose, an **Evaluation and Monitoring Committee** has been established, composed as follows:

PERMANENT EVALUATION COMMITTEE MEMBERS:

- CEO
- Director of Human Capital and Legal Affairs

RELATED MEMBERS REQUIRED BY THE COMMITTEE:

- Finance and Administration Director
- Collecting Operations Director
- Recycling Operations Director
- Sustainability Director

Year	Reported cases	Solved Cases	Pending to resolve
2020	11	9	2
2021	20	20	0
2022	33	26	7

We remain vigilant, promoting that any deviation from the Code of Ethics be reported to the transparency mailbox..





Alignment with the Ten Principles of the Global Compact

Together with our shareholders, as part of the Mexican Coca-Cola Industry, we recognize that respect for people is a fundamental value. Therefore, we align our operations with the Universal Declaration of Human Rights, as well as with national legislation on labour and human rights.

As a member of the United Nations Global Compact, we seek to contribute to aligning our strategies and operations with the **Ten Principles of the Global Compact** on human rights, labour standards, the environment, and anti-corruption, facilitating the achievement of the Sustainable Development Goals for Mexico.

Based on the above considerations, PetStar declares the following commitments in the field of Human Rights:

1. Comply with all applicable Mexican laws and respect internationally recognized human rights wherever we operate.
2. Promote awareness among employees, Collection Partners, and recyclers regarding human rights issues and PetStar's code of conduct.
3. Firmly reject any practice of violence and discrimination and take appropriate measures in response.
4. Assess current and potential human rights risks and their impact on our operations.
5. Adopt appropriate measures for the prevention and, when necessary, the mitigation of adverse human rights impacts.
6. Revise internal processes and norms and implement necessary programs to enhance the prevention of human rights violations.
7. Address all human rights complaints submitted through the corporate mechanism buzondetransparencia@petstar.mx and assume the burden of proof to substantiate the alleged situations.
8. Continue participating in international and national initiatives that promote the advancement of human rights.
9. Encourage companies and individuals collaborating with PetStar, including suppliers, Collection Partners, investors, employees, and customers, to embrace the principles outlined in this human rights policy.
10. Provide transparent information to employees and shareholders about our efforts in this area.

PetStar's General Human Rights Policy

PetStar's General Human Rights Policy is aligned with international standards on human rights in the workplace set by the International Labour Organization (ILO) and incorporates recommendations from the World Health Organization (WHO). Its main objective is to facilitate and guide the implementation of human rights within PetStar's workspaces, as well as to prevent and minimize the risk of human rights violations for the individuals working at PetStar, our collaborating partners, and the communities where we operate.

"PetStar acknowledges the need to pay special attention to individuals, their needs, and their challenges in order to facilitate the substantive enjoyment of their human rights..."

To learn more about our PetStar Human Rights Policy, please visit:



1. The 10 principles of the United Nations Global Compact, available at <https://www.unglobalcompact.org/what-is-gc/mission/principles>



PetStar actions in support of human rights

Since 2021, we have been actively participating in the Business Management of Human Rights Community of Practice, an initiative by the United Nations Global Compact Mexico. The objective of this initiative is to identify and promote concrete actions within the private sector to implement human rights due diligence processes.

Through this community, we have had the opportunity to share and interact with other companies from different sectors, presenting our General Human Rights Policy and receiving feedback and personalized advice from international organizations that are part of the Community of Practice on Human Rights Management. Some notable organizations include the Institute of Human Rights and Business at the University of Monterrey (UDEM), the Office of the United Nations High Commissioner for Human Rights (OHCHR), the Organisation for Economic Co-operation and Development (OECD), and the International Labour Organization (ILO).

Child Labor-Free Supply Policy

At PetStar, **we promote and respect the rights of girls and boys** as outlined in the Convention on the Rights of the Child, adopted in 1989 and currently supported by 192 countries, including Mexico. Likewise, we strive to eradicate child labour in the recovery of PET packaging through an internal policy and with our suppliers, which promotes the best interests of children.

Actions in favour of the rights of children and adolescents

In collaboration with a working group, we have developed a basic manual on children’s rights called **“Building Citizenship from the Rights of Childhood”**. This manual covers various topics such as human rights, citizenship, and children’s participation. Through this manual, children can learn about their rights and reinforce their knowledge through a workbook included in the manual. The aim is to provide better protection and improve the quality of life for girls, boys, and adolescents.

Furthermore, at PetStar, we have participated in various forums and initiatives on human rights to share knowledge and learn from others, allowing us to generate more social value while respecting and promoting human rights.

Some notable activities include:

- Participation in the Business Management of Human Rights Community of Practice, an initiative by the United Nations Global Compact Mexico.

In addition to these initiatives, PetStar has contributed to the development of opinion articles, such as **“Preventing and Eradicating Child Labor: The Role of Companies”**. Through this article, PetStar showcases its vision beyond recycling, emphasizing the importance of not leaving anyone behind and inspiring others to take action in support of human rights. The article was published on the website of the United Nations Global Compact Mexico: <https://go.pardot.com/l/879852/2021-10-13/8hkr8>



Supply Policy Free of Child Labor

PetStar has assumed the commitment of ZERO TOLERANCE of Child Labor throughout its supply chain and verifies compliance with minimum working age provisions.



Children playing and studying, Petstar recycling!



Value Chain

Guiding Principles for Suppliers

To maintain a relationship of respect and trust, we adhere to The Coca-Cola Company's Guiding Principles for Suppliers, based on the eight Fundamental Conventions of the International Labour Organization (ILO). These principles guide their actions regarding the following key topics:

- Freedom of association and collective bargaining agreements.
- Providing a safe and healthy workplace.
- Prohibition of child labour.
- Protecting the environment.
- Prohibition of forced labour and workplace abuse.
- Business integrity.
- Elimination of discrimination
- Grievance procedures and resources for workers.
- Working hours and wages.
- Management systems.

Regarding the **prevention of conflicts of interest** between suppliers and personnel, there is an **institutional policy** that obligates all suppliers to refrain from engaging in any financial or other relationships with company employees. They are also required to declare any matters that could be considered an actual or potential conflict of interest.

At PetStar, our purpose is to align our value chain with the best practices in CSR, based on the ethical values and principles of conduct that the company prioritizes.





Supplier Development

The company is committed to developing mutually beneficial business relationships with its suppliers based on quality, competitive pricing, and services. Honest and integral conduct is a fundamental requirement of the relationship.

As part of our supplier development program, we assess compliance with our principles through audits and work programs based on the identified areas for improvement from the audits themselves. We apply various standards to our value chain, such as ISO 9001, ISO 22000, OHSAS 18001, ISO 14001, and ISO 50001.

Furthermore, at PetStar, we promote the development of our suppliers through courses, talks, consultations, and events that strengthen their commitment to the sustainability of the business.

SUPPLIERS*

Year	Nationals	Internationals	Total
2020	346	25	369
2021	341	29	370
2022	369	21	390

*Note: Verified data on the number of PetStar suppliers was presented as of 2021.

PURCHASE ORDER (PO)

Year	Nationals	Internationals	Total
2020	6,083	294	6,377
2021	6,779	506	7,285
2022	7,136	356	7,492

*Note: Since the 2021 Report, the data corresponding to the order number of national and international purchases, previously reported as number of suppliers, has been corrected.



1,589 Collector Partners

Collector Partners

We have approximately **1,589 Collector Partners (CP)**. CPs are individuals who carry out the task of receiving materials. They are in a place where the basic consolidation of PET bottles takes place, and we provide them with excellent service in terms of attention, collection, punctual payment, advice, and training. We offer them a market price for their mixed material without any deduction. Through the **PetStar Inclusive Collection Model (PICM)**, we recognize their work by giving them a formal role within the supply chain, thus avoiding intermediaries. By working with Collector Partners, we extend the benefits of PICM to the rest of the supply chain.





Privacy and Data Security

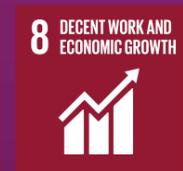
At PetStar, privacy and data security are a priority. We establish effective controls to meet commercial and regulatory requirements and provide protection for our information systems, as well as all confidential and personal information entrusted to us by our stakeholders.

The handling, processing, and protection of personal data are regulated and managed according to high-level standards. Our policies and procedures ensure the protection, security, and privacy of executives, managers, staff, customers, and other parties with whom PetStar has a business and employment relationship.

To comply with our Data Privacy Policy, we conduct random reviews to ensure its proper implementation in all areas of Petstar.



SOCIAL





ACHIEVED COMMITMENTS



We invested **over \$2.20 million** pesos in **courses and training** for our employees.



This year, we **increased** the training **hours** for our staff to **37,000**.



We are an exemplary company in the **annual reduction of accidents**, not only in **Mexico** but also globally, with our results in all our plants.



We continue to make progress in our health **programs** by **conducting medical assessments** of our employees in line with the **PrevenIMSS** program.



We promote the recycling chain in Mexico, generating

+value
in the
social sphere

Our people

Human Capital

Our employees are **our greatest strength**. Thanks to their commitment and dedication, we are leaders and benchmarks in the recycling industry, both nationally and internationally.

At PetStar, we understand that having the best team is essential to achieve **great results**. That's why we provide **optimal facilities** for their performance and daily well-being, as well as training and **excellence** programs for their professional and personal development, which empower and motivate them to surpass themselves

From *2021 to 2022* the percentage of **female collaborators** at PetStar increased by *3%*



Human Capital Policy

We are **committed to the well-being, development, and integrity** of our employees through talent attraction and the creation of an organizational culture based on inclusivity, participation, innovation, safety, teamwork, respect for their rights, and commitment to sustainability. Our aim is to promote loyalty and identity with the organization, thereby contributing to labour peace and the achievement of our objectives

WORKFORCE BROKEN DOWN BY AGE, 2022

Workforce broken down by age*	Total	Women	Men
18 to 20 years old	83	25	58
21 to 25 years old	311	113	198
26 to 30 years old	341	151	190
31 to 40 years old	609	269	340
41 onwards	409	160	249
Total	1,753	718	1,035

*Since 2020 we are reporting these age ranges.



1,753 collaborators
 41% women
 59% men

WORKFORCE BROKEN DOWN BY GENDER

Localidad	Women				Men				Grand Total
	Executive	Administrative	Operators	Total	Executive	Administrative	Operators	Total	
Acapulco	-	10	19	29	-	5	65	70	99
Aragón	-	-	-	-	-	1	-	1	1
CA Toluca	-	13	127	140	-	8	137	145	285
Guadalajara	-	6	87	93	-	14	58	72	165
Mérida	-	11	22	33	-	10	65	75	108
Monterrey	-	6	65	71	-	10	50	60	131
Querétaro	-	4	39	43	-	8	30	38	81
San Luis Potosí	-	6	25	31	-	9	61	70	101
Xalostoc	-	11	97	108	-	18	125	143	251
Tijuana	-	3	19	22	-	5	10	15	37
Reciclado	-	30	82	112	2	72	226	300	412
Central Office	1	35	-	36	3	43	-	46	82
Total	1	135	582	718	5	203	827	1,035	1,753



Inclusion, Gender Equality, and Non-Discrimination

At PetStar, we ensure that people, both women and men, who are part of our operation are at the center of our decision-making. As part of our commitment to the 2030 Agenda and the Ten Principles of the Global Compact, we are part of the 1st generation of companies committed to the Gender Equality Goal by enrolling and participating in the Target Gender Equality (TGE) accelerator. TGE is a global initiative promoted by the Global Compact Mexico and UN Women to accelerate and support companies in establishing and achieving ambitious corporate goals for women's representation and leadership in business.

Thanks to this initiative, we have been able to assess our gender performance and develop an action plan that will help us take measures to achieve our gender equality objectives.

Development of Female Talent

At PetStar, we work every day towards creating a sustainable world with a perspective of Diversity, Equity, and Inclusion, guaranteeing the rights of all our employees.

In this regard, in 2022, we signed the United Nations Women's Empowerment Principles (WEPs). By signing the WEPs, we committed to taking bold actions to promote gender equality in our workplace, market, and community, aligning ourselves with its seven principles:

1. High-level corporate leadership.
2. Treating all women and men fairly at work without discrimination.
3. Ensuring the health, well-being, and safety of employees.
4. Education and training for career advancement.

5. Business development, supply chain, and marketing practices.
6. Community initiatives and advocacy.
7. Measurement and reporting

The WEPs have offered us the opportunity to advance gender equality in terms of women's representation, participation, and leadership within our company.

As a result of our programs to develop female talent, we have observed progress in gender balance among middle management and executive positions.

2022	
Women by position	Total
Managers	1
Coordinators	6
Coordinadora	23
Total	30

At PetStar, we foster and maintain a creative work environment that promotes trust, respect, and fair treatment for our employees, acting without discrimination based on age, gender, nationality, and respecting their political affiliation as well as their religious beliefs and traditions.



Proud to support

WOMEN'S EMPOWERMENT PRINCIPLES

A joint initiative of the UN Global Compact and UN Women
Learn how to join: www.weps.org



Training and Development

We are committed to providing our staff with safe and healthy working conditions while also **developing** and **enhancing their skills, abilities, and capacities**.

Our training program aims to **provide the best practices and learning tools** within the recycling and sustainability sector, keeping us at the forefront of this field. The **talent development** process is supported by competency-based personnel management, grounded in three types of competencies: **technical, organizational, and leadership**. These competencies serve as the basis for personnel selection, evaluation, training, and development.

In 2022, **we continued to focus on topics** that support our employees, delivering the following courses with the aim of **developing their potential and skills**:

To ensure that all our employees are familiar with their roles and can perform them to the fullest, we make a significant effort to provide training in various topics related to their positions and leadership.

Quality and Continuous Improvement

- * Continuous Improvement
- * 5S's
- * ISO 14000, ISO 50001, ISO 9001

Technical Training

- * Electrical Work, Cutting and Welding Work, Work at Heights (Maintenance), Work at Heights (Fleet), Work in Confined Spaces
- * Plastics
- * Automotive Mechanic Maintenance.

Environmental Education

- * Ecodrive
- * Acting Sustainably (4 modules: Global Environmental Challenges, Global Compact and Sustainable Development Goals, PetStar and its Environmental Objectives, Volunteering and Sustainability)
- * PetStar Experience.

Leadership

- * PetStar Leadership Principles
- * Team Leadership
- * Building Leaders, High-Performance Teams (HPT)
- * Workshop: "Prevention of Psychosocial Risks for Leaders"
- * Specialized Human Capital Training.

General Courses

- * Job Induction
- * Health, Safety, and Environment Induction
- * Results and Human Capital Management with a focus on experiencing our values
- * Employee working hours
- * Assertive Communication
- * Conflict Management and Resolution
- * Labour harmony.

Diversity and Inclusion, Human Rights Courses

- * Promoting Results with Respect for Diversity
- * Prevention of Workplace Violence
- * Attention and Follow-up on Cases.

Safety

- * NOM-004-STPS-1999 Machinery and Equipment Safety Systems and Devices
- * NOM-017-STPS-2008 Personal Protective Equipment
- * NOM-019-STPS Theoretical and Practical Training for Members of the Health and Safety Committee to perform their functions adequately
- * NOM-030-STPS Training for the staff of the Workplace who are part of the Preventive Occupational Safety and Health Services for the proper performance of their duties and PASST
- * NOM-036-STPS-2018 Ergonomic Risk Factors at Work: Manual Handling of Loads, Forklift or Skid Steer Operation, Dangerous Maneuvers
- * Identification, Handling, and Storage of Hazardous Substances
- * Safety Brigades, Recommendations for a Safe Return to Work in the face of COVID-19, Transportation Safety
- * Life-Saving Rules: Vehicle Inspection (Checklist), Seat Belt Use, Speed Limits, Regulations and Traffic Signs, Effects of Alcohol on Driving, Importance of Driving Rested, Distraction-Free Driving, Safe Following Distance, among other topics.



COURSES, TRAINING HOURS, AND INVESTMENT:

	Courses offered	Employees trained	Training hours	Training hours per employee	Investment in MXN (Millions of Pesos)
2020	179	1,172	18,336	15.65	\$973,846.86
2021	70	1,732	36,562	17.7	\$2,150,000.00
2022	160	1,753	37,000	21.1	\$2,200,000.00

Mentoring Program

We have a strategic mentoring program for the professionalization of our employees, focused on the development and strengthening of their abilities, knowledge, and competencies from the moment they join the company. With this program, we aim to ensure that our new employees have the support of an experienced professional who will accompany them in their integration into the company and their work area.

This year, we had **116 mentors** in the **collection division** and **44 mentors** in **recycling**. **Total: 160 mentors.**



Champions Training Program for Segregation and Mentors

At PetStar, training and mentoring are aimed at strengthening the abilities, knowledge, and competencies of employees with different levels of experience, whether they are new hires or internally promoted, to facilitate their integration into the company or their new position.

Additionally, it helps facilitate the employee's integration and training process by providing guidance and necessary support for carrying out their tasks and resolving any problems or doubts related to their role or work environment. This is achieved through the following two figures:

CHAMPIONS: They provide training to general assistants and monitor the effective execution of bottle segregation.

MENTORS: They ensure that newly hired or internally promoted employees have the support of an experienced colleague who will accompany them in their integration into the company or their work area. They also help develop or strengthen the necessary skills, knowledge, and competencies required for the position.



	Employees trained	Training hours	Courses
2020	1,055	1,301	53
2021	340	560	87
2022	353	587	99



With this program, we aim to promote the creative and intelligent participation of all staff members in improving and innovating the company by **generating ideas** aligned with the organization's strategic objectives.

The main goal is **to achieve the participation** of at least 30% of our employees in order to **generate, validate, and implement** 30 improvement ideas to be carried out throughout the year.

Leadership Model for Excellence

We foster our competitiveness based on an innovative business model focused on sustainability and the development of a **high-performance culture**, supported by the definition of PetStar’s strategic objectives and creating value for shareholders, customers, employees, Collection Partners, and the community. We develop **leadership competencies** within an organizational culture based on our Philosophy of Excellence.

We have an executive training model based on a profile of competencies defined for PetStar, aiming **to achieve effective leadership** at all levels of management and ensuring the company’s objectives are met within an environment of well-being for all employees.

As part of this process, we have defined a leadership profile based on the development of 16 competencies aligned with our Sustainable Business Model:

Vision	Team leadership	Improvement and innovation	Motivating others
Decision-making criteria	Conflict management	Adaptability to change	Interpersonal communication
Planning and organizing	Respecting diversity	Safety	Coaching and developing others
Customer service	Results-driven	Integrity	Acting sustainably

These competencies are continuously evaluated and developed through our comprehensive program, which includes various actions, namely: **annual performance evaluation, 360-degree assessment**, and a training program consisting of approximately 90 hours of **training** (ten workshops, two awareness sessions, and a didactic process for program accreditation), as well as training programs such as professional **coaching** interventions.





In line with our **Leadership Model for Excellence**, each PetStar leader operates based on 12 fundamental principles:

A **PetStar Leader** conducts under the following principles *



*Observable behaviors derived from the Competencies of the Leadership Model.



Culture and Work Environment

Every year, we conduct a culture and work environment survey to understand our employees' perception regarding their satisfaction and pride in working with us. This valuable feedback allows us to enhance our plans and programs, which positively impact the attitudes and actions of our colleagues.

For seven consecutive years, we have used a standardized questionnaire provided by the consulting firm Top Companies to conduct this survey. The results provide us with a reference of our employees' **level of acceptance**, complemented by an audit of policies, programs, and procedures. These evaluations are crucial for being part of the selection process that Top Companies, in collaboration with Grupo Editorial Expansion, uses to publish the **Super Companies Ranking**.

Year	Staff Approval	Ranking
2022	77.71%	#49



Performance Evaluation (3DR)

The strategic goal of the Annual Performance Evaluation System is to enhance the productivity, competitiveness, and overall development of our PetStar leaders. Over time, our 3DR program has proven to be a valuable and effective tool for assessing the performance of our leaders, identifying talent for development, and addressing their training needs.

To motivate our leaders and as part of our team-oriented culture and focus on achieving results, we provide recognition to those who meet their objectives and demonstrate outstanding performance.

High-Performance Work Teams (ETADS: for its initials in Spanish)

ETADS is an organizational structure aimed at generating productive and efficient processes among our employees through an empowerment mechanism. They are trained to assimilate, plan, evaluate, control, improve, and innovate their daily tasks, promptly responding to problem prevention and resolution to meet their Key Performance Indicators (KPIs).

Since 2021, we have innovated the methodology to strengthen KPI compliance.

At Petstar, it is crucial for us to always be attentive to the satisfaction and sense of belonging of all our employees, as we understand that their well-being is intertwined with ours, and together we form the best team to achieve the expected results that challenge us to continuously improve.



Commitment to Employee Well-being

Well-being Model

PetStar Bien! is our well-being model for all our employees, structured with diverse programs that aim to achieve balance in various dimensions of a person's life: physical, emotional, professional development, spiritual, economic, social, and family.



PetStar Bien! is the umbrella term for the well-being platform for all of us who collaborate at PetStar. Under this umbrella, our employees cultivate a culture of well-being and commitment to their health by adopting a healthy lifestyle and preventing diseases.

There are different initiatives under PetStar Bien!, such as the physical activity campaign called “Move for PetStar Bien!” and “Recognitions for PetStar Bien!” which focuses on giving and receiving recognition for anniversaries, birthdays, and demonstrating company values, among others.

Orienta PAE Service

This year, we implemented the Employee Assistance Program (PAE) for our 1,753 employees, which is also extended to their family members.

This benefit includes:

- **Guidance in 6 specialties:** Emotional, Medical, Nutritional, Veterinary, Legal, and Personal Economy.
- **Unlimited Telephone and Online Service;** 24-hour assistance for employees and their family members.
- **Webinars:** Health and well-being talks delivered by specialists throughout the month.
- **Communication Campaigns:** Communication aligned with internal communication channels.





Health Promotion

Throughout the year, various activities were carried out to promote health and disease prevention:

- **Vaccination campaigns: Influenza and tetanus.**
- **PrevenIMSS Program, with the support of IMSS nurses, plant management, and department heads, for the application of the winter season vaccine.**
- **As part of the PrevenIMSS program, a general check-up was conducted for plant personnel, as well as the administration of the AstraZeneca vaccine to those who had not received their third dose, along with a talk on Addiction Prevention.**
- **The administration of the AstraZeneca vaccine was arranged at the Acapulco Collection Plant, and direct appointments were given to women over 25 years old for early detection of breast cancer and mammography.**
- **Measurements were taken for weight, height, waist circumference, blood pressure, glucose, cholesterol, dental care, and provision of condoms.**



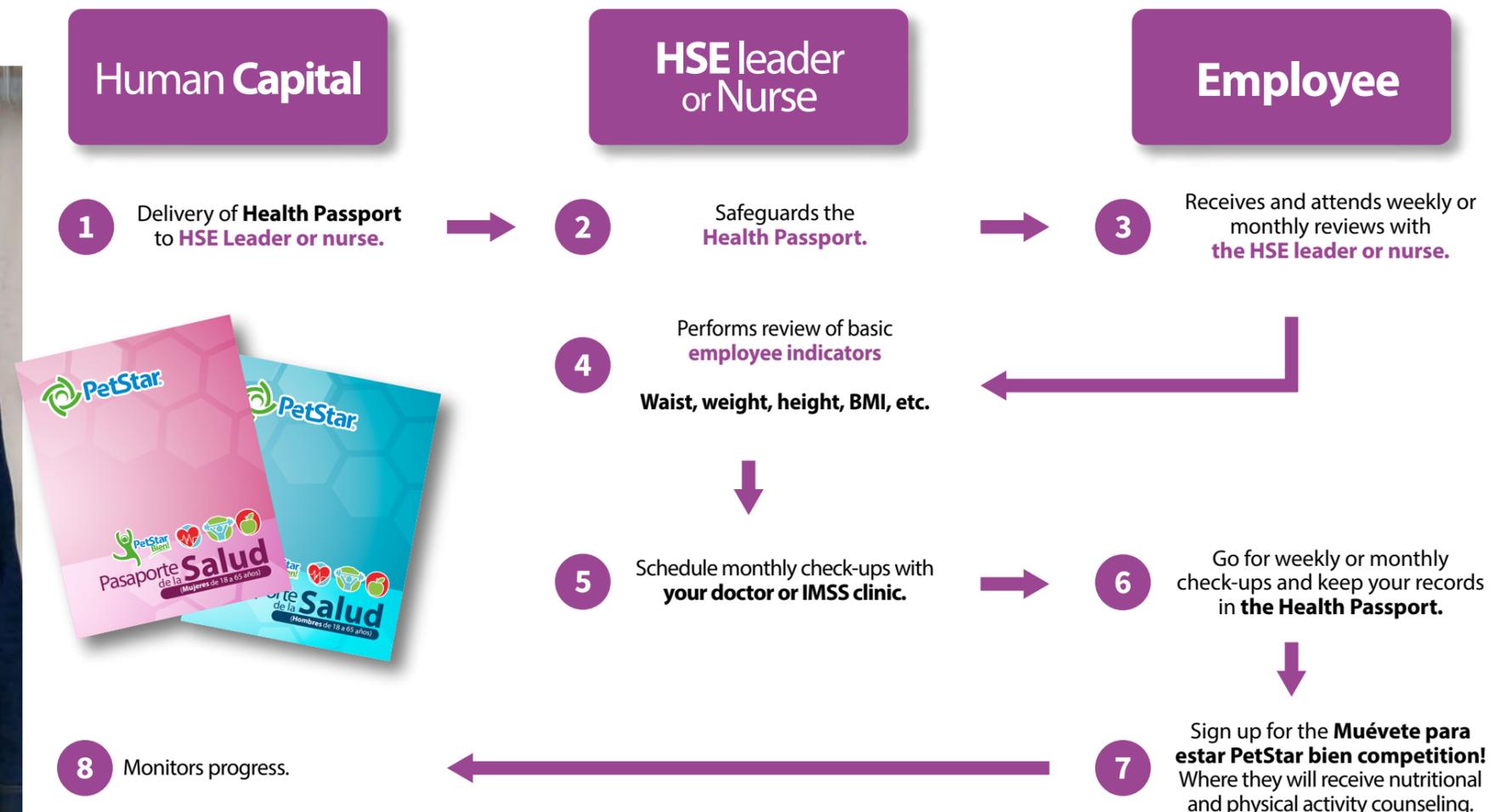
Health Passport

Based on the National Health Booklet, we created our Health Passport program, which keeps a record and control of the health status of our employees and encourages them to foster healthy habits, ranging from a balanced diet to medical check-ups and a good sleep cycle.

With the Health Passport, the employee attends weekly or monthly check-ups with the Health, Safety, and Environment Leader or nursing staff, who perform basic indicator assessments (waist circumference, weight, height, body mass, etc.). Subsequently, monthly appointments are

scheduled with the doctor or at the IMSS clinic for preventive measures or, if the employee has a chronic illness, they attend monthly or weekly check-ups to monitor their health. To complement the process, we invite employees to participate in the “Move for PetStar Bien!” competition, where they receive nutritional and physical activity advice, and their progress is monitored.

Throughout 2022, this program remained highly active in all PetStar plants, thanks to the responsible and enthusiastic participation of our employees.





Body Mass Index (BMI) Control Program

This program aims to reduce the BMI of employees identified with obesity type II and III, with the goal of promoting healthy eating habits and physical activity, thereby reducing the risk of chronic-degenerative diseases and their complications.

The BMI program is complemented by nutritional counselling provided by health experts at PetStar.

Employee Assistance Program

RESULTS 2022

	TYPE I	TYPE II	TYPE III	Total
INITIAL	5	43	15	63
1° Progress	10	38	15	63
2° Progress	12	33	15	60
3° Progress	16	31	13	60
4° Progress	16	30	13	59
5° Progress	19	32	11	62
6° Progress	20	30	11	61
7° Progress	20	31	10	61
8° Progress	72	46	12	130

Note: This year there was an increase in cases due to the addition of new employees, with the commitment to reduce their BMI and improve their health from the time of hiring.

Compensation and Benefits.

We have a strong commitment to be a great company to work for, and as a result, we have established various programs to maintain a healthy work environment with competitive benefits and incentives that motivate our employees.

Beneficios		Prestaciones	
	Recognition and rewards program		Benefits exceeding legal requirements
	Temporary home office (due to COVID-19)		Food vouchers
	Training plan		Major medical expense insurance
	Bereavement assistance		Life insurance
	Opportunity for growth		Savings fund
	Flexible work schedule		Punctuality and production bonuses
	Parental leave		



Work-Life Balance

Throughout the year, we celebrate important dates and holidays with our employees through gatherings that sometimes include their family members.

Recreational activities 2022:

- Three Kings' Day celebration
- Candelaria celebration
- Valentine's Day
- Children's Day
- Mother's Day
- Women's Day
- Gift for expectant fathers
- Patriotic Month celebration
- Annual communication plan
- Day of the Dead
- Monthly birthday cake celebration
- Birthday gift
- Plant adoption (for employees who have completed their probationary period)
- Virtual year-end event



Internal Promotions

In order to capitalize on the commitment, experience, and knowledge of our **Human Capital**, we promote the prioritization of filling each vacancy with internal employees.

Promotions	GENDER		AGE RANGE	TOTAL
	M	W		
Acapulco	5	3	21 to 35 years	8
CA Toluca	31	6	22 to 50 years	37
Guadalajara	15	2	20 to 60 years	17
Mérida	3	4	26 to 45 years	7
Monterrey	10	2	19 to 35 years	12
Querétaro	5	2	19 to 50 years	7
San Luis Potosí	9	2	20 to 35 years	11
Xalostoc	11	2	21 to 55 years	13
Veracruz	1	0	50 to 55 years	1
Recycling Plant	22	3	21 to 50 years	25
Central Office	2	1	29 to 50 years	3
Total	114	27		141



Health, Safety, and Hygiene

Brigade Members and Health and Safety Committee (SHC)

With the focus on addressing potential emergencies, we organize groups of volunteers with a service-oriented attitude to form the committee and **emergency brigades** in each plant. These volunteers actively participate in **training sessions and drills** that prepare them to respond promptly with **assistance or prevention** in the event of any situation that may pose a risk to personnel.

Emergency Brigades

We form brigades to respond to emergencies, following a **“before, during, and after”** plan that includes training for all personnel and specific groups within the brigades, conducting drills with probable scenarios involving all staff, visitors, or contractors.

We have brigades to perform the following activities:

- Emergency response
- Evacuation
- First aid
- Communication
- Firefighting
- In addition to an internal COVID committee focused on disease prevention

BRIGADE & SHC 2022

Brigades
250 Collaborators

SHC
60 Collaborators



Workplace Accidents

Our efforts to establish a **safety culture** within PetStar have yielded significant results in the past three years, as reflected in the ratio of work-related accidents to the number of employees. This positions us as an exemplary company in terms of annual accident reduction, not only in Mexico but also on a global scale.

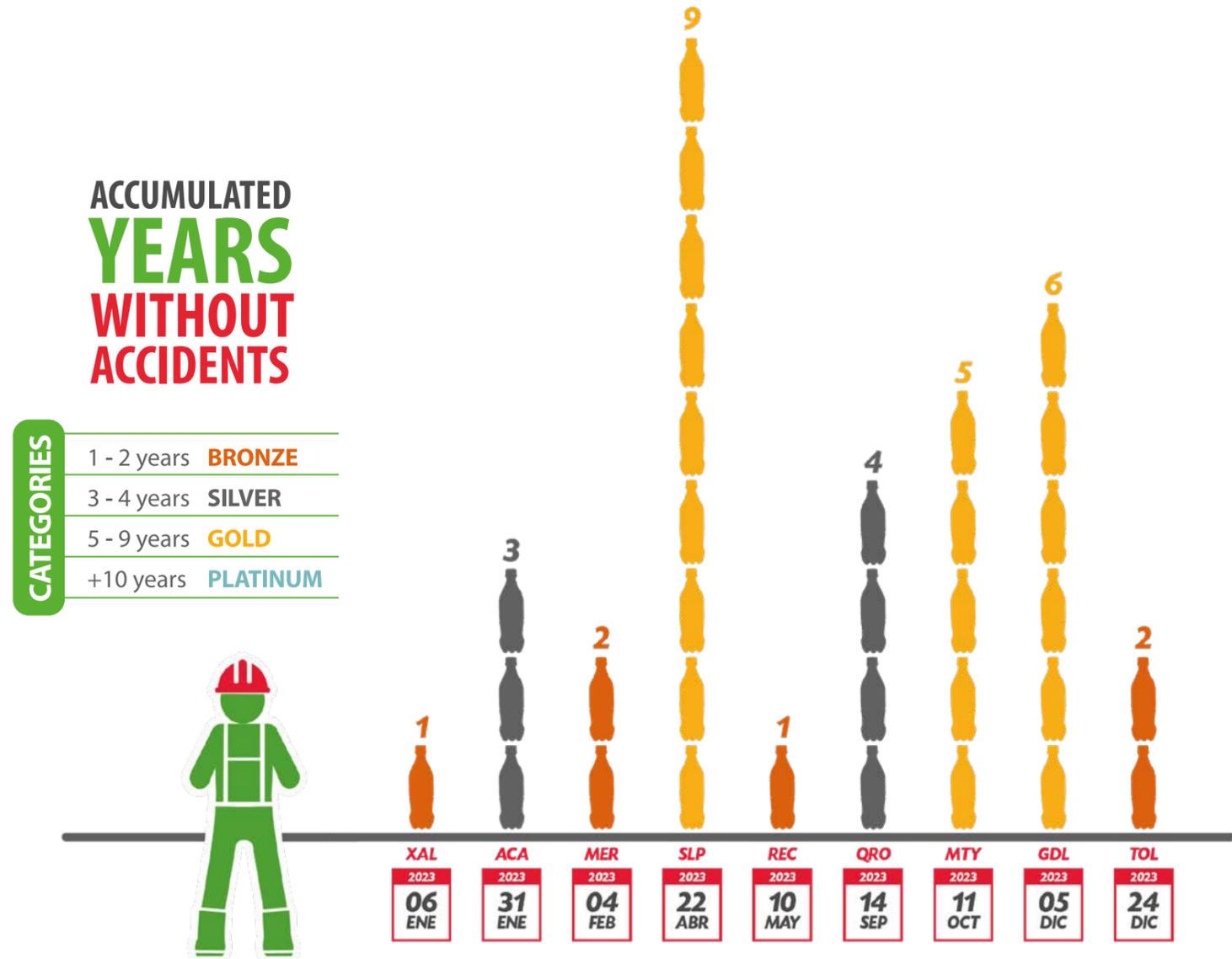
Year	Collection plants	Recycling Plant	Total	Employees
2020	2	1	3	1,246
2021	3	1	4	1,751
2022	1	1	2	1,733



We are an *exemplary company* in terms of *annual accident reduction* in Mexico and worldwide.

“Cero Accidentes” Recognition

By fostering a culture of safety at PetStar, we recognize plants that achieve accident-free milestones, highlighting the efforts and achievements of each plant in being the safest. During this event, we involve the families of our employees to share with them the importance we place on safety, the care we take in providing appropriate infrastructure for all personnel, and our efforts to contribute to the development of a safety culture.





Post COVID-19 Actions

Today, three years into the economic and social changes caused by the prolonged pandemic, we continue to operate under new adaptations in our facilities, prioritizing the health and preservation of people's jobs.

In 2022, we continued with our care and prevention actions, as well as the implementation of protocols for identifying, addressing, and monitoring COVID-19 cases.

The success of our strategy to care for our employees is based on constant and direct communication with all of them, leaving no one behind.

- Ongoing communication campaign on COVID-19, proper use and effectiveness of face masks, COVID-19 flowchart, and guidelines for isolating individuals infected with COVID-19.
- Vaccination reinforcement campaign
- Preventive measures for the care of our operators and assistants.
- Adaptation of facilities to comply with the necessary protocols for maintaining a safe operation and preventing contagion:
 - * Sanitary filters upon entry (temperature checks, health status questionnaire, sanitization stations)
 - * Reinforcement of cleaning and sanitization in the plant. Modification of common areas such as restrooms, locker rooms, dining areas, and meeting rooms to maintain social distancing
 - * Implementation of home office for positions that allow for it based on their activities.

Since the beginning of the COVID-19 pandemic, we have placed people at the center of our decisions throughout our value chain, following our vision of an inclusive business model.



Community

ACHIEVED commitments



More than **10 million** pesos allocated to **social investment**.



Through our **Inclusive Collection Model PetStar (MAIP)**, we continue to **transform lives** and ensure a **supply free of child labor**.



Through our partnerships, we provided assistance to **1,480 girls and boys** who are children of waste pickers and urban waste recyclers, from a **perspective** that **respects the rights of children**.





Through *Petstar Inclusive Collection Model*, we promote *social mobility* for our *Collection Partners*, fostering best practices in PET and other material collection and providing access to *education, food, and healthcare services* for *collection partners* and *their families*.



Social Impact of PetStar’s Inclusive Recycling Model (MAIP)

Traditionally, the waste pickers and urban waste recyclers sector in Mexico and Latin America has operated informally, with cases of child labour, forced labour, health and safety risks, and environmental protection risks. This is the reality that the Sustainable Business Model PetStar (PSBM) is changing throughout its supply chain.

Life-Changing Actions

Through our Inclusive Collection Model PetStar (PICM), we have influenced more than **1,589 micro, small, and medium collection points** throughout Mexico, which we call “Collector Partners.” We implement **concrete, measurable, and auditable actions** that allow us to:

- 1. Ensure a supply free of child labour through a zero-tolerance policy in our value chain, which is verified daily as part of our operations.**
- 2. Empower and develop this micro, small, and medium-sized enterprises (SMEs) through constant training and advice on safe work practices, material handling, and environmental care.**
- 3. Promote the formalization of their businesses and facilitate compliance with other legal requirements for better operation.**
- 4. Provide purchasing certainty to waste pickers and recyclers.**
- 5. Bring education, food, and healthcare services closer to collection partners and their families.**
- 6. Measure the satisfaction and social mobility of our Collection Partners, constantly fostering best practices in PET and other material collection.**
- 7. Have an impact on public policy for the recognition of their rights by participating in forums with authorities at all levels of government, where we promote inclusive recycling.**

Our Social Programs CEDIC, MAYAMA, Club de Niños y Niñas

In 2022, through our partnerships, we provided support from a child rights perspective to **1,480 girls and boys** who are children of waste pickers and recyclers. This means that for every Collection Partner in our supply chain, one child is benefited, improving their development by building life skills.

We are committed to respecting the practices, values and concerns of the community groups where PetStar works, establishing social responsibility programs that link the community with the production plant.

CEDIC

The Comprehensive Community Development Center, better known as CEDIC, is an initiative that began in 2009 with the aim of improving the living conditions of boys, girls, and adolescents who are children of waste pickers and urban recyclers.

Through a joint action model, CEDIC contributes to the integral development of children and adolescents from low-income backgrounds in the waste-picking community of Chimalhuacán and Nezahualcóyotl, State of Mexico, by providing non-formal education, health, and nutrition to enhance their quality of life through strategic alliances with Dibujando un Mañana, Comedor Santa María, and HOPE Worldwide Mexico.

DIBUJANDO UN MAÑANA: It is a second-floor foundation that brings together other foundations and actors in support of children and adolescents in Mexico. It is responsible for coordinating the efforts of different organizations that provide the services offered by CEDIC.

COMEDOR SANTA MARÍA: A recognized civil association dedicated to offering a nutrition and education program to children from low-income backgrounds, thus meeting their primary need: nutrition.

PetStar maintains a close relationship with this institution, in line with its commitment to SDG 2: Zero Hunger, providing an annual donation of over \$3,680,495 MXP.

With its contribution, PetStar helps families with high social disadvantage, most of them without access to basic services, to have better daily nutrition.

- Average annual number of people served: 380
- Meals served: 125,386
- 60% of the families served are engaged in waste picking.



Total beneficiaries:
847 supported boys and girls

Invested amount:
\$6,180,495 MXN

We are committed to respecting practices, values, and concerns of the community groups where Petstar operates, establishing social responsibility programs that connect the community with the productive plant.

HOPE WORLDWIDE MÉXICO: An international humanitarian cooperation agency with Special Consultative Status within the Economic and Social Council of the United Nations. They develop programs to improve the living conditions of children worldwide. They support childhood, women, and the elderly, providing medical and dental care, health education, and recreational activities. They provide medical care to the children in CEDIC and the community at large.



Meet the happy children of Comedor Santa María: <https://youtu.be/AzAiZKmv8UQ>





Mayama

In an effort to expand the social impact of the CEDIC model to other regions where PetStar is present, our alliance with MAYAMA was established. MAYAMA is a learning center that transforms the lives of boys, girls, and their families who are primary recyclable material collectors and live in situations of poverty, unequal access to their human rights, and violence in the metropolitan area of Guadalajara.

The MAYAMA model consists of three programs: My Development, My Family, and My Rights, through which they transform the lives of boys, girls, and their families by developing life skills, strengthening parenting skills, and promoting children’s rights.



Club de Niñas y Niños San Luis Potosí

The Club de Niñas y Niños de San Luis Potosí is a project that provides development programs for boys, girls, and young people in safe and healthy spaces.

Through our alliance with the Club de Niñas y Niños de San Luis Potosí, we aim to prevent boys and girls from staying alone at home without adult supervision, promoting their integral development through academic support, sports, art, and personal growth.



The club’s mission is to inspire and educate children and young people, especially those in disadvantaged circumstances, to reach their full potential as productive, responsible, and committed citizens.

The Club de Niñas y Niños has its origins in the “Boys and Girls Club,” an association in the United States with over 150 years of experience and proven results in:

- Reducing crime, violence, and gang involvement
- Reducing the risk of addiction
- Improving school performance and increasing graduation rates
- Enhancing the community’s quality of life.
 - ★ Reducing the frequency of sexual abuse and teenage pregnancy.

Currently, there are 11 clubs in Mexico: Monterrey, Nogales, Navojoa, Hidalgo, Rosarito, State of Mexico, 3 in Tijuana, and 2 in San Luis Potosí, where we provide support and have benefited over 150 boys and girls between the ages of 4 and 14.



ENVIRONMENTAL





ACHIEVED COMMITMENTS



Since **2020**, we have achieved the goal of "**carbon footprint neutralization**"; verified the 2020 GHG Inventory by **AENOR MEXICO**.



65% of our **electricity** is supplied from **renewable sources**.



39% reduction in **water consumption** towards the goal of **neutralizing our water footprint**.



We have **reduced waste** by **22%** compared to **2017**.



We are **75%** towards our goal of **zero plastic leaks**.



We have **reduced paper usage** by **41%** compared to **2017**.



Our **Museum Auditorium** had **20,520** virtual visitors and **2,714** in-person visits.

When you look through the millions of bottles that Petstar recovers and recycles, you discover even more environmental

+value

Climate Change and Its Impact on the World

Climate change is a threat to human well-being and the health of the planet. It is primarily caused by human activities, mainly through increasing greenhouse gas emissions in the past decade, resulting from unsustainable energy use, land use and land-use change, and lifestyles that have a significant impact on ecosystems worldwide.

In 2022, a new report from UN Climate Change shows that countries are changing the trajectory. Emissions must be reduced by 45% from now until 2030 to limit global warming to 1.5°C by the end of the century (keeping in mind that 1.5°C is not a goal but a limit).

The emissions that cause climate change come from all parts of the world and affect everyone, but some countries generate significantly more than others.

- The 100 countries with the lowest emissions generate 3% of the total emissions.
- The top 10 emitters contribute 68%.

Greenhouse gas concentrations are at their **highest level** in **2 million** years, and emissions continue to rise. **The Earth's** temperature is now **1.1°C** higher than at the end of the 19th century.

UN Alert, Climate Action

Consequences of Climate Change

The consequences we experience on a daily basis due to climate change have multiplied:



Intense droughts



Ecosystem changes



Water scarcity



Loss of biodiversity



Severe wildfires



Rising sea levels



Stronger heatwaves and cold waves



Increased health risks



Melting glaciers



Food shortages



More dangerous hurricanes



Poverty and displacement, among others

The world is rapidly approaching *catastrophic levels of global warming*, and climate goals could become impossible to achieve unless *immediate* and more drastic action is taken, ensuring the *commitment of all sectors of society to act responsibly and sustainably*.

Earth Overshoot Day is the moment when the planet's consumption exceeds its capacity to renew resources and absorb the waste we produce, highlighting the high environmental cost of overexploiting resources in our daily lives. According to the Global Footprint Network (GFN), as of now, humanity's ecological footprint is equivalent to the resources of 1.6 planets and could reach 3 planets by 2050 if we continue at this consumption rate.



In 2022, the **Earth Overshoot Day** occurred on **July 28th**

Source: *Global Footprint Network (GFN)*



New Challenges after COP27, Egypt

The 27th United Nations Climate Change Conference (COP27) focused on renewing countries' commitment to implement a radical transformation to meet the goals of the Paris Agreement.

The need to reduce GHG emissions to limit global warming to 1.5°C was emphasized. The creation of a loss and damage fund for vulnerable countries affected by climate disasters was announced, along with a pact to mobilize financial and technical support aimed at accelerating the transition of emerging economies to renewable energies.

Addressing the challenge of reducing global warming requires ambitious climate action to tackle various challenges:

- **Economically**, it entails establishing a collective financing objective, as well as transforming the structures and processes of the financial system.
- **Technologically**, it requires accelerating the deployment of innovative mechanisms and tools, as well as transforming energy systems.
- **Socially**, it involves a more inclusive action that empowers all stakeholders and engages young people in negotiation teams.
- Lastly, in terms of **biodiversity**, the challenge lies in its connection with the climate, as both crises must be addressed together given their intrinsic relationship.



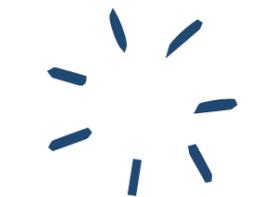
In 2022, delegates from nearly **200 countries** at the COP27 climate summit agreed to **establish a fund** for loss and damage to **help vulnerable countries** cope with **climate disasters**.

Plastic Pollution and Global Agreements to Counteract Its Effects

The Ellen MacArthur Foundation is an organization committed to creating a circular economy designed to eliminate waste and pollution.

In 2016, during the World Economic Forum, the Ellen MacArthur Foundation and UN Environment warned that by 2050 there could be more plastic than fish in the ocean, measured in tons, launching the study “**The New Plastics Economy: Rethinking The Future of Plastics.**”

In response to this threat, action was taken in 2018 with the **Global Commitment of the New Plastics Economy**, which currently has over 450 organizations, **including businesses, governments, and global NGOs**, committed to setting ambitious goals for 2025 based on establishing a **Global Commitment** and a **Common Vision** to:



Eliminate

the plastic we don't need.



Innovate

to ensure that the plastics we do need are reusable, recyclable, or compostable.

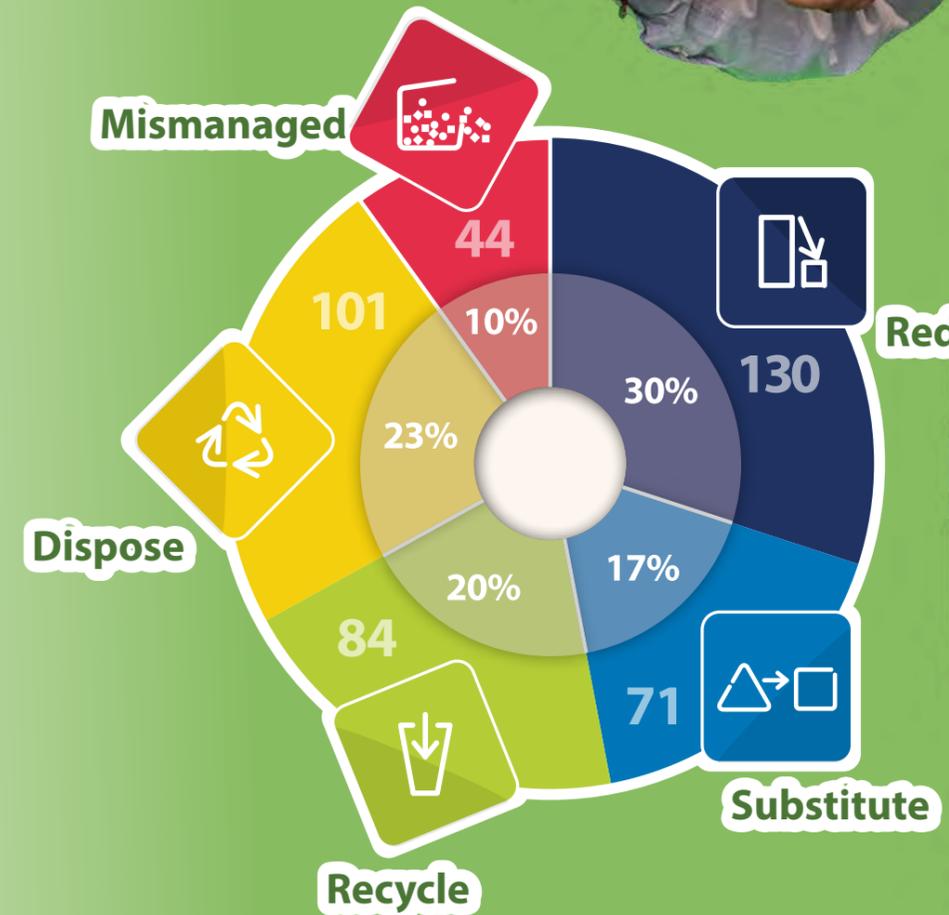


Circulate

all the plastics items we use to keep them in the economy and out of the environment.



In 2020, thanks to new research from the Ellen MacArthur Foundation, PEW, and other stakeholders, presented in the study “**Breaking the Plastic Wave,**” an urgent call is made to implement collaborative measures for the next 20 years across the value chain to reduce 80% of plastic pollution by 2040, considering recycling as 20% of the solution to plastic pollution, combined with other solutions.



Circular Economy: The DNA of PetStar

Since its inception, PetStar was born to innovate and break old paradigms of the plastic economy, with its mission and purpose to continue evolving towards a climate circular economy that provides answers and solutions to the challenges posed by climate change and its environmental, economic, and social consequences today.

Today, we are dedicated to building a climate circular economy with a human rights perspective, aligned with the SDGs (7, 11, 12, 13, and 14), which guide us towards the transformation of circular economy models to achieve a world free from plastic pollution and greater social inclusion.

Our climate circular economy with a human rights perspective makes PetStar and its shareholders, part of the Mexican Coca-Cola Industry, **recognize the importance of thousands of people**, both women and men, dedicated to scavenging and the recovery of valuable waste. It is thanks to them that we have built a significant strength in **waste recovery** in our country.



The *circular economy* is a framework of *systemic solutions* that addresses *global challenges* such as *climate change*, *biodiversity loss*, *waste*, and *pollution*.



PetStar's Collection Process

In PetStar, we operate the circular economy under the approach of rethinking and redesigning products, recirculating materials beyond their useful life, generating a circular model that creates social, environmental, and economic value based on three basic principles:

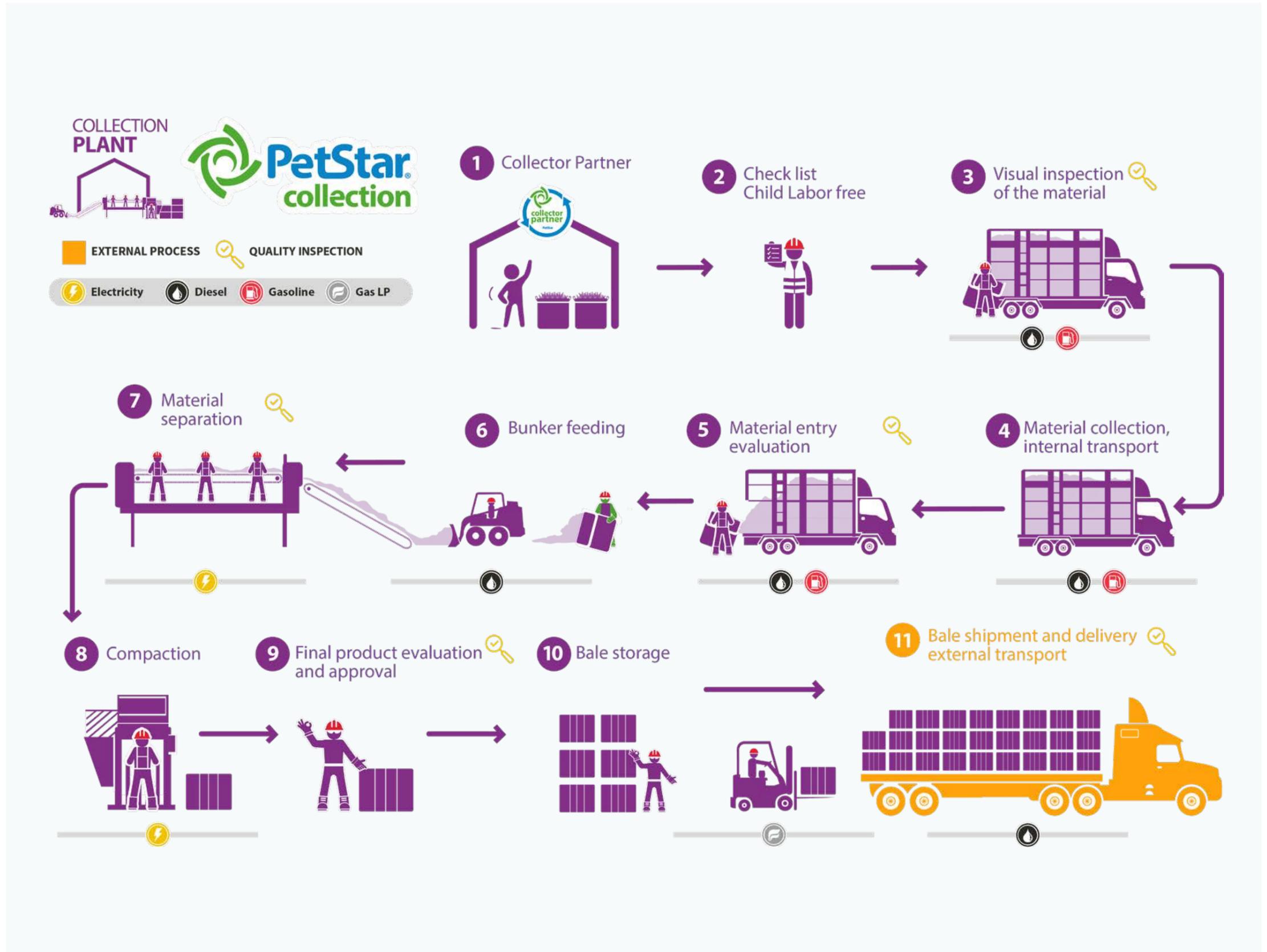
- 1) Eliminating waste and pollution from design
- 2) Keeping products and materials in use
- 3) Regenerating natural systems.

CLICK ON THIS LINK TO LEARN MORE AND SCAN THE QR CODE TO WATCH THE VIDEO.



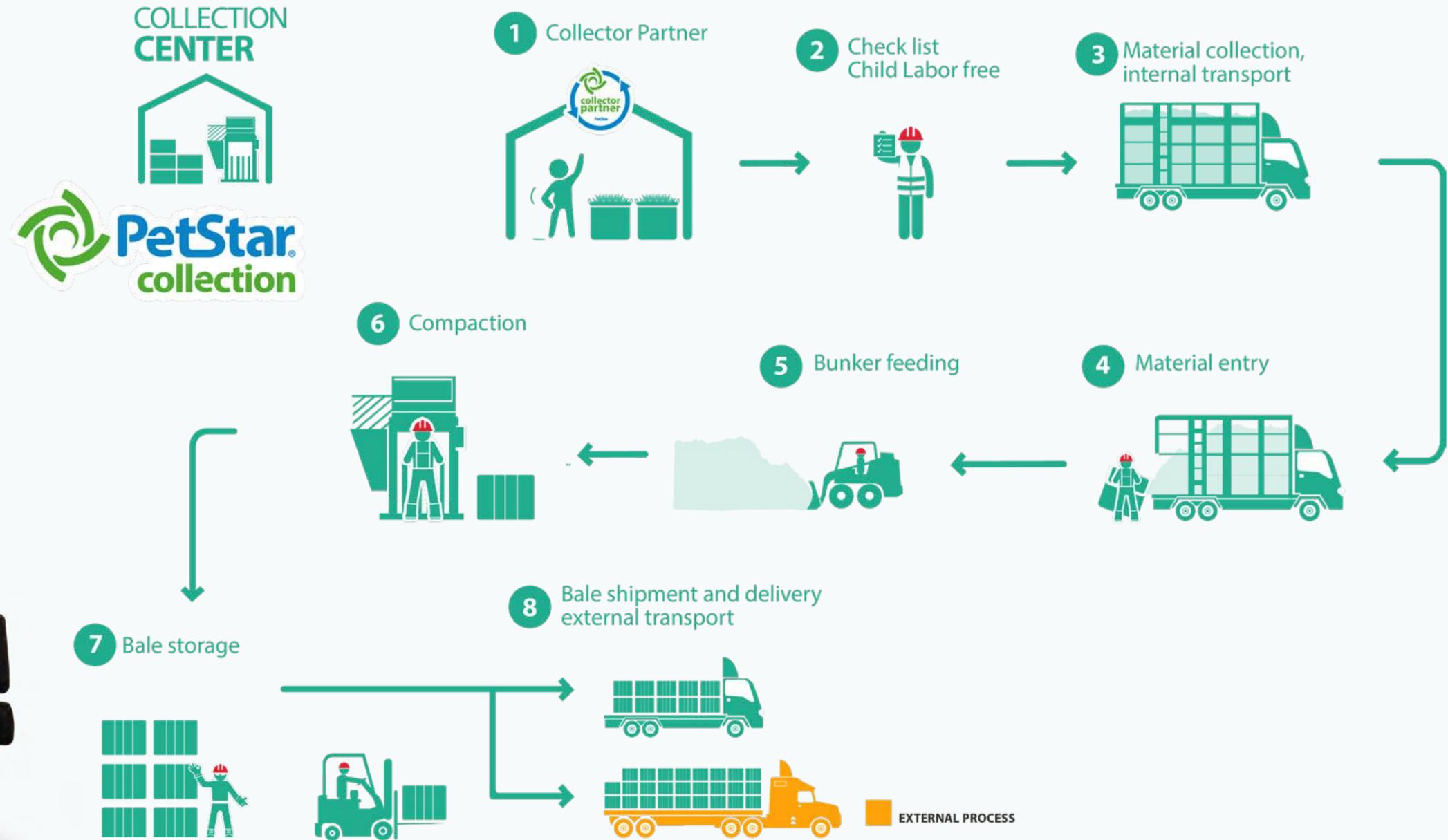
<https://archive.ellenmacarthurfoundation.org/es/economia-circular/concepto>

Rethinking Progress Spanish – YouTube



PetStar Collection Center

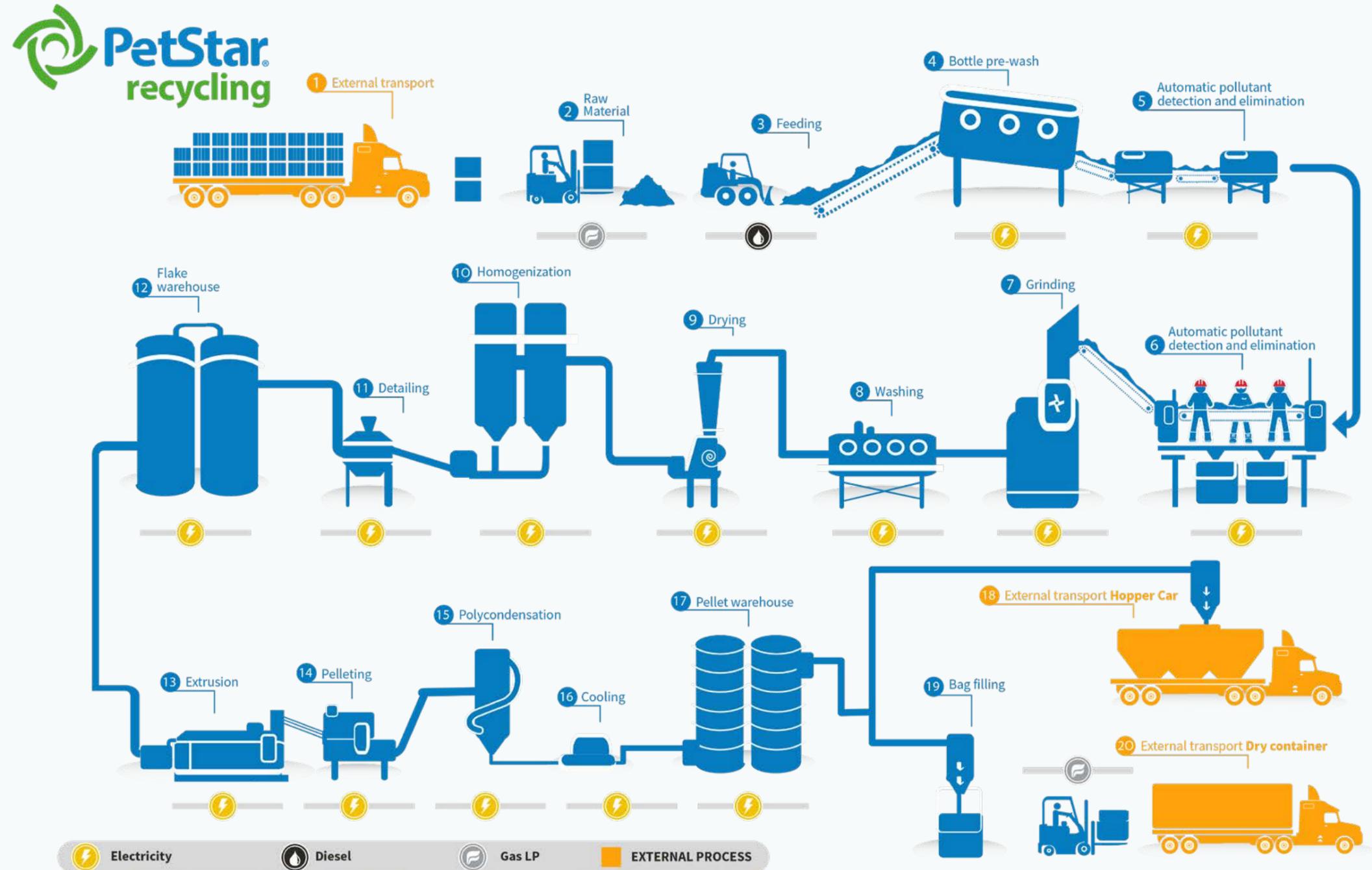
Once the PET bottles are collected by our Collector Partners, they are sent to our eight collection plants located in different parts of Mexico, including the cities of Monterrey, Guadalajara, San Luis Potosi, Merida, Acapulco, Queretaro, Ecatepec, and Toluca. At these plants, an inspection and selection process of the most suitable PET bottles is carried out to send them to the Recycling Plant. In 2022, through our shareholders, a significant investment was made to increase the collection and recycling of PET packaging nationwide, resulting in the opening of the Collection Centers in Colima and Tepic, as well as doubling the capacity of the collection plants in Guadalajara and Merida.



Recycling Process

Our recycling plant, located in Toluca, State of Mexico, is the largest food-grade PET recycling plant in the world. It can process over **3.5 billion bottles per year**, converting them into **53,000 tons** of food-grade recycled PET resin (PetStar Reboorn).

It is the **world's first and only food-grade recycled PET resin with Cradle to Cradle (C2C) certification** aligned with a circular economy.



Impact on the Recycling Chain: Customers and End Consumers

Our relationship with customers is governed by the customer service and support process, which aims to “Understand the product’s performance in the customer’s process.” This includes logistics, transportation, asset security, and product unloading at their facilities to ensure compliance with product quality and safety commitments. It also involves identifying areas of opportunity, concerns, new requirements, and suggestions to guide continuous improvement and innovation in our processes.

We have a customer visit process scheduled annually to our facilities to verify product performance. The information derived from these visits is shared with all Operational Managers so that they can implement actions to address identified issues or opportunities. Each customer is visited at least twice a year.

Customer Process

Our food-grade recycled resin is sent to our shareholders, who are part of the Mexican Coca-Cola Industry (IMCC). They are responsible for manufacturing new bottles using recycled content. Currently, IMCC bottles have an average of 30% recycled content, and millions of containers have 100% recycled content.

The goals of #WorldWithoutWaste provide certainty from the collection chain to recycling, allowing PET packaging to have a life cycle over and over again.

Our direct customers are:

Food-grade recycled resin: Seven bottlers of the Mexican Coca-Cola Industry who are also shareholders of PetStar.

Our indirect customers are the end consumers of the products bottled with our recycled resin. Through their proper disposal of packaging, they enable the virtuous cycle of circular economy to continue.

Customer Satisfaction Assessment

This process systematically measures compliance with the specifications of finished product transportation in each delivery.

An annual questionnaire evaluates customer satisfaction, product quality and safety, customer-supplier communication, and follow-up on complaints and claims.

The results obtained are analyzed to generate corrective and/or preventive actions when opportunities are identified. The information generated in this process is shared with the General Management, who analyzes it together with the Technical Committee of the Board of Directors.

In 2022, our customer satisfaction level reached **94%**.



How We Approach New Environmental Challenges at PetStar

At PetStar, to achieve our environmental goals, we are dedicated to developing projects aimed at reducing and mitigating greenhouse gas emissions, as well as optimizing water consumption and treatment to promote reuse and improve water footprint.

Starting in 2021, we made economic adjustments resulting from the prolonged COVID-19 pandemic, rethinking our commitments and deadlines for achieving environmental objectives.

Today, we present the following performance results

At PetStar, we firmly believe that effective climate action is possible with clear and ambitious goals.



CARBON FOOTPRINT

Renewable Energy

Since 2020, PetStar has achieved the neutralization of its carbon footprint, mitigating 100% of CO2 emissions by utilizing approximately 65% of renewable energy in its processes. With these actions, PetStar Reborn® recycled resin builds a **climate-responsible circular economy**.

To reach this goal, we have worked on various initiatives, including the following:

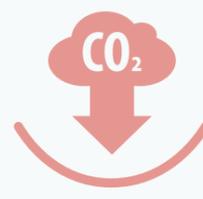
- 65% of the energy we use comes from wind sources, and 10% comes from cogeneration.
- Projects focused on energy efficiency and intelligent lighting for the collection and recycling process.
- The use of 30 solar panels and 150 solar glass panels to supply energy to the PetStar Museum Auditorium and Multipurpose Hall.
- Implementation of transportation efficiency projects, endorsed by the “Clean Transportation” recognition awarded by the Ministry of Communications and Transportation (SCT) and the Ministry of Environment and Natural Resources (SEMARNAT), as well as ISO 33,000 certification.
- Various process improvement projects to increase energy performance levels above standards.



Since *2020*, we have achieved our goal of **neutralizing our Carbon Footprint.**

ENERGY INTENSITY

Year	Energy consumption from renewable sources	Energy consumption from non-renewable sources	Total energy consumption	Production	Energy intensity MJ per ton of resin
2017	119,488,746	189,503,576	308,992,322	51,049	6,053
2018	130,773,070	179,280,506	310,053,576	50,816	6,101
2019	98,520,260	222,995,004	321,515,264	51,789	6,208
2020	90,076,280	225,576,074	315,652,355	54,352	5,808
2021	89,504,377	231,741,947	321,246,324	52,170	6,158
2022	94,951,145	235,259,827	330,210,972	54,233	6,088.75



Performance progress:
100% towards neutralization.

Green Roofs and PetStar Nursery Garden

At PetStar, we see ourselves as agents of change to transform our operating environments in a harmonious manner. That’s why we have installed two green roofs at our recycling plant.

Our green roofs serve the purpose of restoring habitat, producing oxygen, and absorbing greenhouse gases (CO2) through plants belonging to the succulent species. They also help capture rainwater, which we reuse for irrigation and sanitation purposes.

In addition, we have a nursery where we reproduce these plants and provide them with ongoing maintenance to ensure they fulfill their role in reducing environmental pollution.

Since 2020, we have achieved LEED Platinum Certification awarded by The U.S. Green Building Council for our Multipurpose Hall due to the implementation of sustainable practices.

We have also obtained this level of certification for the Museum Auditorium, making it the first museum in Latin America to receive this distinction.



WATER FOOTPRINT

Efficient use of water

The water used for PetStar’s recycling process is treated on-site in a high-tech Wastewater Treatment Plant, working towards neutralizing its water footprint by 2023. In 2022, the performance progress was 39% compared to the 2017 baseline year, as shown in the performance factor M3 water/TONPCR.



Year	Performance Factor M3 water / TONPCR
2017	1.1
2018	1.1
2019	1.1
2020	0.955
2021	0.95
2022	0.98

ZERO WASTE



The Zero Waste goal is aimed at preventing waste from our various processes from reaching a landfill, directing our efforts towards ensuring that our waste is appreciated or valorised for other industries, thus avoiding it becoming plastic pollution.

In 2021, we updated the material analysis from collection to the output as food-grade recycled PET resin, and we have reconsidered the goal, considering a new baseline starting from this period due to changes in the plastic collection market. The following is established as the new reference line:

Year	Total waste generated (Ton)	Percentage of waste vs. material collected	Progress
2020	17,447	20%	0
2021	14,203	14%	29%
2022	17,096	16%	22%

At PetStar, we continue to work on optimizing raw materials and processes to achieve our goal of becoming a ZERO WASTE company.

ZERO PLASTIC LEAKAGE



Preventing plastic leakage from bottle collection to the delivery of food-grade recycled PET resin is one of our top environmental priorities. It is an action aimed at avoiding the loss of pellets, plastic flakes, or any other plastic materials that could harm marine ecosystems.

For the past three years (since 2020), we have proudly displayed the **blue distinction of the Zero Pellet Loss Program**, advancing through the levels since joining the Operation Clean Sweep (OCS) program in 2015.

In 2022, to continue our efforts in achieving zero plastic leakage, PetStar is implementing the following actions:

- Control of labels in the rainwater system
- Leakage of labels, bottles, and screw caps in the baling area
- Leakage of labels, bottles, and screw caps in the compactor
- Changing mesh screens in collection trucks.



Recycling Figures in Mexico: (source ECOCE)

- The recycling industry generates more than 70,000 direct and indirect jobs.
- Mexico remains the number 1 country in PET collection and recycling in the Americas, with a collection rate of 60.3% of its packaging sent to the market, on par with the average rate in the European Union.
- Of the percentage of PET collected in Mexico, 81% is recycled internally and 19% is exported.
- Of the percentage of PET recycled in Mexico, 53.9% is used for food-grade packaging (B2B), 21.5% for thermoforming sheets and strapping, 13% for various fibers, and 11.6% for non-food packaging.
- There are over 27 PET recycling companies in Mexico (including 4 bottle-to-bottle recycling plants).
- In the last two decades, the recycling industry has grown by 200%.

EFFICIENT USE OF PAPER



41% towards the paper reduction goal
–Baseline 2021–

In 2022, we continued to promote the concept of efficient paper use by replacing paper-based document flows with electronic media. However, it should be noted that certain operational processes, such as the exchange of legal and commercial information with third parties, limit further paper reduction, which may impact our progress towards the goal.

Our advancement in reducing paper usage is 41% compared to 2017, our baseline year, as shown in the following graph.

KILOGRAMS OF PAPER PURCHASED

Year	Collection	Recycling	Central Offices
2018	3,712	1,980	777
2019	2,348	1,544	162
2020	1,686	1,507	72
2021	2,276	1,425	68
2022	2,396	1,783	388

Commitment to

#WORLDWITHOUTWASTE

In January 2018, Coca-Cola announced its global commitment #WorldWithoutWaste (WWW), pledging to achieve the following goals by 2030:

- Collect the equivalent of 100% of the packaging it puts into the market.
- Ensure that all its packaging is 100% recyclable.
- Produce bottles with an average of 50% recycled content.

Currently, Mexico is a global reference in the fulfillment of this initiative compared to other countries, thanks to the leadership in PET bottle collection and the sustainability commitment of the Mexican Coca-Cola Industry to incorporate recycled content.

More information at: www.unmundosinresiduos.com

Sustainable Innovation at PetStar

ACHIEVED commitments



PetStar continues to contribute to the **#WORLDWITHOUTWASTE** initiative with Coca-Cola's **black box**.



For the **second consecutive year**, the **food-grade recycled PET resin "PetStar Reborn"** received **Cradle to Cradle®** Bronze level certification.

Caja Negra Coca-Cola

For the past three years, PetStar has been working together with IPASA to give new life to the caps and labels of PET bottles and prevent them from reaching natural ecosystems.

In this way, PetStar and its shareholders have invested in a polyolefin plant located in Toluca, adjacent to the PetStar recycling plant, which is the largest of its kind in the world. This plant allows for the development of new applications from the caps and labels within the same PET bottle recycling process.

In 2021, PetStar introduced its successful innovation in favour of the circular economy, "the new black box made from PET bottle caps and Coca-Cola's distinctive red boxes," which is used by its main shareholder, Arca Continental, to transport the beverage portfolio of the Mexican Coca-Cola Industry (IMCC) throughout Mexico.

With this **innovation**, the PET bottles recovered by PetStar are 100% recycled, reaffirming their commitment to creating a circular economy that not only keeps materials within the economy and out of the environment but also does so from a human rights perspective.

Currently, Coca-Cola's black box is the only box made from bottle caps and additionally has a zero water and carbon footprint. It does not require virgin materials, and at the end of its life cycle, it can be recycled again and again.

"The new black box" reinforces PetStar's **commitment to INNOVATION** and its shareholders' **commitment to achieving the goals of the #WORLDWITHOUTWASTE initiative**, ensuring that **all bottles are 100% recycled** and no component (cap, label, and PET bottle) is left out of the circular economy process.

Environmental Advantages of the PetStar Black Box:

- Aligned with the circular economy of PET packaging.
- Zero water footprint and zero carbon footprint compared to the use of virgin materials, which is equivalent to turning off 553,940 light bulbs/ton of compound, contributing to Coca-Cola's global goal of a #WorldWithoutWaste.



PetStar Reborn® Cutting-edge Innovation in Recycled Resin

The food-grade recycled PET resin “PetStar Reborn®” is distinguished by achieving Cradle to Cradle® Bronze level certification, making it the first and only product in the world to obtain this distinction by meeting the five categories that align a product 100% with an efficient and inclusive circular economy.

Cradle to Cradle® certification is part of the Cradle to Cradle Products Innovation Institute founded by William McDonough and Michael Braungart. It evaluates the safety, circularity, and responsibility of materials and products in five categories of sustainability performance: Health and Environmental Safety, Material Reutilization, Renewable Energy, Water Stewardship, and Social Fairness. Products that receive this certification are considered the most innovative and efficient in the world, positively impacting people.

In 2019, PetStar received this certification for the first time. It is the global standard that validates the safe, circular, and responsible manufacturing of various products.

The PetStar Sustainable Business Model (PSBM) integrates the C2C® concept into its operations to create the most competitive food-grade recycled PET resin in the market. This resin is used by its shareholders led by Arca Continental, Coca-Cola Mexico, Bepensa Bebidas, Corporación del Fuerte, Corporación RICA, Grupo Embotellador Nayar, and Embotelladora de Colima, to produce new packaging with recycled content that remains within the economy and out of the environment, thus building the circular economy of PET packaging. This is achieved through a unique and innovative process in the world, encompassing the climate and human rights agenda.

PetStar incorporates the C2C® categories into its operations as follows:

Safety for health and the environment

PetStar Reborn® does not contain chemicals from the “prohibited list” of Cradle to Cradle Certified™ due to the purification process applied using high-quality technology. It constantly innovates in process efficiency, backed by MBDC Material Health Assessment, ISO 9001, and ISO 22000.

Material Reutilization

PetStar Reborn® is a clear example of a circular economy as its process is integrated from the collection of bottles through eight collection plants nationwide to the recycling of 3.4 million PET bottles per year, equivalent to filling the Azteca Stadium 2.4 times. These bottles are transformed into 51 thousand tons of PetStar Reborn, which is reused by bottlers of the Mexican Coca-Cola Industry (IMCC) to produce new packaging with up to 100% recycled content. This aligns with Coca-Cola’s “World Without Waste” initiative, which aims to globally collect and recycle the equivalent of 100% of its packaging by 2030 and incorporate an average of 50% recycled content in its bottles.

The PET packaging incorporating PetStar Reborn® recycled resin can be collected and recycled numerous times.



Petstar Reborn® is a clear example of the Circular Economy as its process is integrated from the collection of bottles through eight national collection plants to the recycling of 3.5 million PET bottles per year, equivalent to filling the Azteca stadium 2.5 times.

Environmental Education

At PetStar, we love creating experiences that inspire people to take sustainable actions to care for and preserve our planet.

As a socially responsible company and sustainable business, we always strive to go beyond our Mission, which is to promote the preservation of the environment for the benefit of future generations. We also aim to disseminate actions that contribute to this great task. One of the aspects that make us unique is that we always involve others in working through shared responsibility to achieve great results. That's why we are proud to say that since 2014, we have created the PetStar Museum-Auditorium located in Toluca, State of Mexico. It is the first museum in Latin America to be 100% environmentally friendly, with LEED Platinum certification.

This space has opened its doors to thousands of people from all sectors to share and inspire our visitors to acquire new knowledge about the benefits of recycling and individual actions that can help counteract plastic waste pollution. The museum serves as a volunteer every day in support of the planet. It features a rainwater harvesting system, solar panels, and a green roof. We maintain a permanent exhibition on the importance of recycling, and through a tourist corridor, visitors can learn about the circular economy process of PET packaging, which ensures that bottles never become waste. To date, we have received over 100,000 visitors, including schools, authorities, families, companies, and the general public.

#ExperienciaPetStar

In recent years, education has had to rethink itself to provide a new form of interaction. That's why in 2021, we created #ExperienciaPetStar, an interactive digital experience designed for people to learn about environmental education and the circular recycling process of PET bottles that return to the market as new from anywhere.

In #ExperienciaPetStar, you will find infographics, animated capsules, and videos that take you on a journey through PetStar's facilities.

Since the launch of this digital platform, our community has grown, and we have welcomed over 23,000 visitors, mainly from Cancun, Monterrey, Guadalajara, Merida, Mexico City, and the State of Mexico, expanding our presence in Mexico. The PetStar Experience is completely free, and you can enjoy it from anywhere by visiting the link: www.experienciapetstar.mx

Museum Visitors	Virtual Visitors	Total
2,714	20,520	23,234

Furthermore, our website remains a powerful communication tool that has served to provide important information about PetStar and its shareholders. Since its creation in 2017, it has reached over 300,000 people. Remember to discover all our projects at: www.petstar.mx

Additionally, we invite you to explore our Carbon Footprint Calculator, which is a digital platform where you can calculate your carbon footprint and learn what you can do to reduce your CO2 emissions in your daily activities. Visit: www.petstar.mx



With #ExperienciaPetStar, we aim to reach a wider audience and introduce them to the circular process of PET bottle recycling and various topics of environmental education that inspire sustainable action.

Scan and discover the process:



Volunteerism 2022

For PetStar, sustainability is of utmost importance and is part of our organizational DNA. Therefore, we strive to enable each of our employees to live and develop as agents of change, where through their daily actions, they can inspire others to act sustainably.

In this regard, in 2022, we began implementing the organizational competition “Actuar Sustentable” (Acting Sustainably) with the aim of creating a community within the organization that fosters learning and experiences in sustainability matters.

For the 1st generation of this competition, the following topics were addressed:

- Global environmental challenges
- Global Compact and the Sustainable Development Goals
- PetStar and its environmental objectives
- Volunteerism and sustainability

Within the program’s structure, satisfaction surveys, an evaluation test, and various calls to action were taken into account to apply what was learned during the course in daily life. As a result, 26 employees successfully graduated.

In addition to the launch of “Actuar Sustentable,” we continued our environmental volunteer program, considering the following dates:

- Energy Day
- Earth Hour
- World Recycling Day
- World Oceans Day
- Arbor Day
- World Car-Free Day



Forest Carbon Capture in Nevado de Toluca

PetStar seeks to be part of the solution to the various environmental challenges we face today, such as climate change and its consequences. Therefore, it is of utmost importance for our organization to work on projects that allow us to contribute to a cleaner environment and the development of low-carbon communities.

The carbon market is one of the strategies that help offset emissions from companies that produce goods or services and voluntarily or mandatorily seek to neutralize their greenhouse gas emissions. In Mexico, biomass carbon capture projects also contribute to water conservation, biodiversity preservation, and improving the livelihoods of landholders.

In this regard, in 2022, we initiated the development of the forest carbon capture project in the Nevado de Toluca Flora and Fauna Protection Area, with the aim of contributing to Mexico’s low-carbon development.

Through this project, PetStar will act as a partner-developer, sharing the risks with forest owners in the sale of carbon credits for a period of 10 years in six communities surrounding the Nevado de Toluca Flora and Fauna Protection Area. This initiative will lead to an increase in jobs, improved equipment for maintenance, reforestation, fire prevention and firefighting efforts, as well as enhancing the quality of life for forest communities.



The Intergovernmental Negotiating Committee (INC) for the development of a legally binding international instrument on plastic pollution, including the marine ecosystem

From November 26th to December 2nd, 2022, the first session of the Intergovernmental Negotiating Committee (INC) took place in Punta del Este, Uruguay. The purpose of this committee is to develop a legally binding international instrument to address plastic pollution. The Secretary-General of the United Nations, António Guterres, referred to it as “the most important agreement since the Paris Agreement.”

As background, in March 2022, 175 countries approved the creation of a legally binding agreement to tackle plastic pollution during a meeting in Nairobi, which led to the negotiations in Uruguay.

The objective of the committee is to reach an agreement by the end of 2024 and open the treaty for adoption/ ratification in 2025.

Within the forum, the aim was to facilitate the exchange of information and gather perspectives from various stakeholders throughout the life cycle of plastics, identifying the challenges and opportunities that should be considered in the negotiations. It also sought to identify the actions that are already helping to change the course of plastic pollution, including in the marine ecosystem.

The forum was open to different interest groups, including governments, the private sector working in different stages of the plastic life cycle, scientists and researchers, the financial sector, civil society groups, including the informal sector, indigenous peoples, and youth.

PetStar participated in this forum in Uruguay and submitted its contribution in writing. It will actively engage in the four planned dialogue sessions over the next two years (Dubai, France, Kenya, and Canada).



APPENDICES





A. ALLIANCES

Our commitment and leadership to promote and advance the Ten Principles of the United Nations Global Compact and the 2030 Agenda for Sustainable Development is solidified with the appointment of Carlos Mendieta Zerón, Director of Public Affairs, Communication, and Sustainability of PetStar, as the President of the Board of the United Nations Global Compact Network Mexico for the period 2021-2024.

Partnership with the United Nations Global Compact Network Mexico

“We are honoured to preside over the Mexico Network of the United Nations Global Compact, the most important global initiative in corporate sustainability. At PetStar, by internalizing and being fully committed to its foundational principles, we have strengthened our PetStar Sustainable Business Model (PSBM), adding more economic, social, and environmental value to all the people who are part of our stakeholder groups, leaving no one behind and decisively contributing to the Sustainable Development Goals (SDGs) of the 2030 agenda.”

Ing. Carlos Mendieta Zerón
Public Affairs, Communication, and Sustainability Director of PetStar,
and President of the Board of the United Nations
Global Compact Network Mexico.

WE SUPPORT



We are a company adhered to the United Nations Global Compact.

2030 Agenda Working Group | Sustainable Cities

The 2030 Agenda Working Groups (GTA2030) were created as a response from the private sector to execute actions that promote the 17 Sustainable Development Goals (SDGs), within the framework of the agreement signed on May 27, 2019, between the Business Coordinating Council, Global Compact Mexico, and the Government of Mexico. They also aim to have an impact on strategic issues for the country, establish collaborative spaces, and transfer experience and knowledge to the entire business community.

In this regard, since February 2021, we have been leading the Sustainable Cities Working Group in collaboration with Kaluz, with the aim of contributing to the achievement of SDG 11, which aims to make cities and human settlements inclusive, safe, resilient, and sustainable. We promote better-planned urban environments with comprehensive policies on mobility, housing, environmental care, equity, diversity, rights and freedoms, and everything that ensures the proper Right to the City.

As a result of this GTA2030, the “Business Guide for Sustainable Cities” was developed and presented within the framework of Urban October. This guide was created through collaborative work and co-creation with 24 companies, international organizations, academia,

and civil society organizations, resulting in a series of proposals and actions focused on 5 areas of work:

1. Nature Regeneration
2. Urban Accessibility
3. Climate Change: Low-carbon cities and air quality
4. Resilience and Urban Governance
5. Equitable and People-centered Urban Development.

In addition to the launch of the Business Guide for Sustainable Cities, the “Declaration for Sustainable Cities” was signed as a tool to formalize and publicly commit to the shared responsibility regarding cities and the adoption of the proposed actions in the guide.

In 2022, the group continues its work to disseminate the business guide and be the guiding voice for companies on their journey to implement actions that make cities and human settlements inclusive, safe, resilient, and sustainable.





Principles for a Sustainable Ocean

As part of our commitment to the environment, in late 2019, we began endorsing the Principles for a Sustainable Ocean by the United Nations Global Compact. These principles provide a framework for responsible business practices in the ocean across sectors and geographies. We commit to ensuring that ocean-related risks and opportunities are integrated into our corporate strategy, risk management, and reporting. As signatories of these principles, we recognize the urgency and global importance of a healthy ocean, and we will take action to promote the well-being of the ocean for current and future generations. The Principles for a Sustainable Ocean are divided into 3 categories:

1. Ocean Health and Productivity
2. Governance and Engagement
3. Data and Transparency

As part of the actions carried out under this initiative, a report titled “Ocean Stewardship 2030” was released, providing a roadmap on how ocean-related industries can ensure a healthy ocean by 2030. PetStar was included as a global reference in Section 4: “End waste entering the ocean.” This document was launched on June 2, 2020.

Business Management of Human Rights

Since 2021, we have been participating in the Community of Practice on Business Management of Human Rights, an initiative by the United Nations Global Compact Mexico. The objective of this community is to identify and promote concrete actions from the private sector to implement human rights due diligence processes.

Through this community, we were able to share and interact with other companies from various sectors, presenting our General Human Rights Policy and receiving feedback and personalized advice from international organizations that confirmed their participation in the community of practice on human rights management. These organizations include the Institute of Human Rights and Business at the University of Monterrey (UEM), the Office of the United Nations High Commissioner for Human Rights (OHCHR), the Organization for Economic Cooperation and Development (OECD), and the International Labour Organization (ILO).

In 2020, we joined ARISE, the Private Sector Alliance for Disaster Resilient Societies, a network of private sector entities led by the United Nations Office for Disaster Risk Reduction (UNDRR). ARISE oversees the implementation of the Sendai Framework for Disaster Risk Reduction 2015-2030. This initiative aims to support countries in their implementation efforts by monitoring and sharing what works to reduce existing risks and prevent the creation of new ones.

Recognizing that effective risk identification and management are key elements of our operations and the achievement of local and global goals, PetStar has committed to supporting and implementing the Sendai Framework. This commitment is aligned with the 2030 Agenda and its Sustainable Development Goals (SDGs), the Paris Climate Agreement, the New Urban Agenda, and the Agenda for Humanity. Climate and social risks are currently the variables that pose crises to humanity, and PetStar is determined to contribute to their eradication.



Memberships and Associations

We reaffirm our leadership in various civil society organizations and the plastics industry, where we have partnered, in some cases as council members, strategically influencing these organizations. Through these partnerships, we promote sustainability and the principles of the PetStar Sustainable Business Model, the SDGs, the circular economy, and the PetStar Inclusive Collection Model.

We work closely with the most important international sustainability initiatives.

Council Memberships

With the aim of strategically influencing key issues and reaffirming PetStar's leadership in various social and plastics industry organizations, we participate as council members in:

1. National Association of Plastics Industries (ANIPAC)
2. The Association of Plastic Recyclers
3. Alumni Councils of Anáhuac University
4. Tláloc Foundation
5. Mayama
6. Nevado de Toluca, flora and fauna protection area
7. Global Compact

Highlighted Events

Throughout 2022, we have continued our work as a company that inspires sustainable action, promoting the climate circular economy with a rights-based perspective and inclusive recycling.

During the year, we participated in various events, forums, and conferences with NGOs, universities, the Global Compact, and government actors in Mexico.

Audience	Number of Events	%
Shareholders	26	35%
Global Compact	33	44%
Organizations, schools, and authorities.	16	21%
Total	75	100%



Some of the notable events include:

As part of our commitment, as well as that of our shareholders, to Mexico and to further increase the percentage of PET container recovery, in 2022, we announced the Tour for #AWorldWithoutWaste. Through an investment of 175 million pesos, we expanded our collection operations, reaching new territories and expanding our current infrastructure in Colima, Nayarit, Guadalajara, and Mérida.

Tour for a

#WORLDWITHOUTWASTE

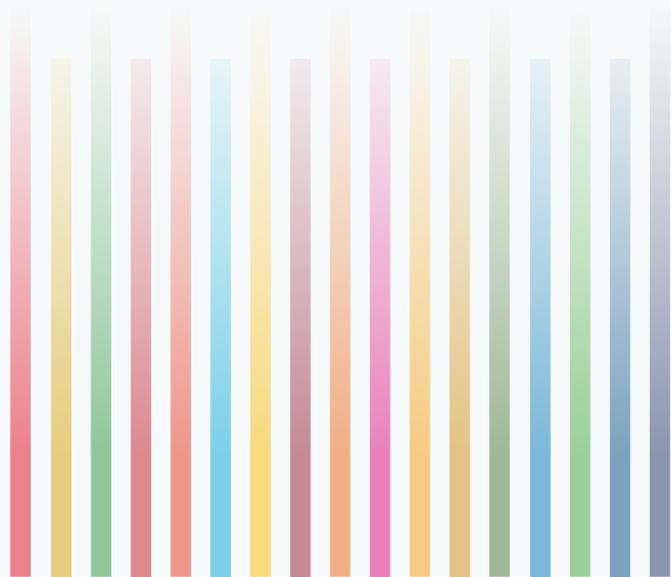
unmundosinresiduos.com

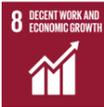




B. The Five Critical Spheres of Importance for Humanity: People, Prosperity, Social Peace, Planet, and Partnerships.

The United Nations' 2030 Agenda for Sustainable Development aims to follow an action plan in favor of **people**, the **planet**, and **prosperity**, as well as to **strengthen universal peace** within a broader concept of freedom. It consists of **17 goals and 169 targets**, which seek to realize human rights for all people and achieve gender equality and the empowerment of all women and girls.



SPHERES	DEFINITION	SDG
 <p>People</p>	<p>We are determined to end poverty and hunger in all their forms and dimensions, and to ensure that all human beings can fulfil their potential with dignity and equality in a healthy environment.</p>	    
 <p>Planet</p>	<p>We are committed to protecting the planet from degradation, including through sustainable consumption and production, sustainable management of its natural resources, and urgent action to combat climate change, so that it can meet the needs of present and future generations.</p>	    
 <p>Prosperity</p>	<p>We are committed to ensuring that all human beings can enjoy a prosperous and fulfilling life, and that economic, social, and technological progress occurs in harmony with nature.</p>	    
 <p>Peace</p>	<p>We are determined to promote peaceful, just, and inclusive societies that are free from fear and violence. There can be no sustainable development without peace, and no peace without sustainable development.</p>	
 <p>Partnerships</p>	<p>We are determined to mobilize the means required to implement this Agenda through a revitalized Global Partnership for Sustainable Development, based on a spirit of strengthened global solidarity, focused in particular on the needs of the poorest and most vulnerable, with the participation of all countries, all stakeholders, and all people.</p>	

C. About this report

The PetStar 2022 Sustainability Report records the activities and outcomes of the company in its Environmental, Social, and Governance management.

PetStar prepared this report for the period from January 1st to December 31st of the year 2022, in accordance with the Core option of the GRI Standards 2021, as well as the applicable aspects of the GRI 2016 and 2018 Standards. Similarly, it is based on the Principles of the Earth Charter, the Sustainable Development Goals (SDGs), and the Ten Principles of the United Nations Global Compact. The report has been verified by an independent third party, Boutique de Negocios Responsables, S.A. de C.V., who reviewed the content and performance indicators to ensure the accuracy of the data.

The report’s development and design received guidance from Promotora ACCSE, S.A. de C.V. The content was defined through a materiality analysis that involved direct consultations with employees, customers, suppliers, as well as indirect consultations with secondary sources of information.

The content, writing, and design were approved by the Central Sustainability Committee, led by the company’s CEO.

D. External verification

E. Aligned with the Ten Principles of the United Nations Global Compact (Separate table)

F. Aligned with the principles of the Earth Charter

In 2014, we signed an agreement to adhere to the Earth Charter, a declaration of fundamental ethical principles for building a just, sustainable, and peaceful global society.

The text of the Earth Charter consists of four pillars: Respect and Care for the Community of Life, Ecological Integrity, Social and Economic Justice, and Democracy, Nonviolence, and Peace. It concludes with the Way Forward, highlighting the actions needed to achieve the vision and principles outlined in the Earth Charter.

G. Sustainable Development Goals (Separate table provided)

H. GRI Content Index “in accordance” with GRI Standards: Core option (Separate table provided)





D. External verification



Revisión independiente de sostenibilidad
Informe de Sustentabilidad 2022- PetStar
Mayo 2023

**Integrantes del Consejo de Administración
y Accionistas PetStar**

Presentas:

BNR, Boutique de Negocios Responsables S.A de C.V atendiendo el requerimiento de la empresa PetStar SAPI de C.V, ha realizado la revisión del contenido y soporte del Informe de Sustentabilidad de PetStar 2022.

Como empresa consultora en la materia, el objetivo en nuestra intervención se basó en revisar los datos presentados, el alcance de la información, la exhaustividad de los asuntos abordados, así como la redacción exacta del informe. En adecuación y concordancia con los datos solicitados según los criterios de UN Global Compact para las compañías que deseen contar con un nivel avanzado en las estrategias de comunicación basados en su nuevo Informe de Progreso (COP) actualizado bajo un cuestionario estandarizado en su nueva plataforma digital.

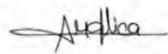
El programa de trabajo desarrollado, tuvo como eje rector la revisión del Informe en la versión narrativa para realizar una transición al cuestionario estandarizado para la nueva plataforma digital de UN Global Compact. Con ello tenemos información relevante para notificar sobre la aplicación del Modelo de Gestión del Pacto Mundial y realizar el reporte de indicadores que proporcionan muestras relevantes sobre la información en temas de sostenibilidad lo que garantizó una mayor transparencia y una eficiente recopilación de datos.

La revisión consistió en un análisis exhaustivo sobre las acciones emprendidas en temas de responsabilidad social y sustentabilidad de PetStar durante todo el 2022. De igual forma, se examinó la veracidad de los datos presentados, previo al análisis de la cobertura, relevancia e integridad de la información incluida en el documento. Ello considera la revisión a su enfoque de gestión, así como a los 4 ejes de los principios del Pacto Mundial: Derechos Humanos, Estándares Laborales, Anticorrupción y Medio Ambiente.

De acuerdo con el alcance de este análisis se considera que el Informe de Sustentabilidad PetStar 2022 cumple con los requisitos para ser un COP Avanzado de conformidad con los criterios para los informes corporativos citados del Pacto Mundial. En este sentido, resulta relevante destacar lo siguiente:

- Una estrategia de sostenibilidad altamente madura que aumenta la estrategia comercial basado en el análisis de temas ambientales, sociales y de gobernanza.
- Una comprensión clara de sus asuntos materiales a través de un trabajo integral con las partes interesadas.
- Sistema de gestión robusto en toda la compañía con miras a la sustentabilidad y que es monitoreado para garantizar la operatividad de la misma.
- Controles internos y sistemas de gestión para evaluar el desempeño en sostenibilidad garantizando una mejora constante.
- Discusiones entre los diversos grupos de interés que desafían el alcance de la información. Pudimos verificar el progreso en su comunicación con dichos grupos de manera coherente y armonizada.
- Programas que permiten generar recomendaciones sobre cómo incorporar mejoras a la gestión de los asuntos de sostenibilidad en la organización.
- Sistemas de información internos claros para la promoción de las acciones emprendidas por la Dirección de Sustentabilidad.
- Un análisis de materialidad conciso que explica el desarrollo de una estrategia para analizar los principales asuntos que afectan a PetStar y a sus partes interesadas.
- Un compromiso público sobre su estrategia de gestión de cara a los Principios del Pacto Mundial y la suma para el alcance de los Objetivos de Desarrollo Sostenible de Naciones Unidas (Agenda 2030).

En adición a estas conclusiones, BNR realizó las observaciones pertinentes a los líderes de PetStar sobre acciones de mejora a emprender de cara a la siguiente memoria de sustentabilidad 2023.


 Mtra. Angélica González
 Directora General


 Mtra. Elizabeth Hernández
 Gerente de Proyectos


 Ing. Diego Salas
 Consultor especialista

@BNRconsultoria

bnr.com.mx





E. Aligned with the Ten Principles of the Global Compact

WE SUPPORT



Area		Principles of the Global Compact	Subject	Page
Human Rights	1	Companies must support and respect the protection of internationally recognized fundamental human rights within their sphere of influence.	<ul style="list-style-type: none"> • Code of Ethics and Conduct • Code of Conduct for Living Our Values • Human Capital Policy 	<p>p. 30</p> <p>p. 30</p> <p>p. 38</p>
	2	Companies must ensure that their employees are not complicit in human rights abuses.	<ul style="list-style-type: none"> • PetStar’s General Human Rights Policy • Child Labour-Free Supply Policy • Alignment with the Ten Principles of the Global Compact • Participation in the Community of Practice on Business Management of Human Rights 	<p>p. 30</p> <p>p. 30</p> <p>p. 31</p> <p>p. 32</p>
Labour Questions	3	Companies should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<ul style="list-style-type: none"> • Our People • Workforce 	<p>p. 38</p> <p>p. 39</p>
	4	The elimination of all forms of forced and compulsory labour.	<ul style="list-style-type: none"> • Code of Ethics and Conduct • Code of Conduct for Living Our Values 	<p>p. 30</p> <p>p. 30</p>
	5	Companies must support the eradication of child labour.	<ul style="list-style-type: none"> • Human Capital Policy • Value Chain, Guiding Principles • Child Labour-Free Supply Policy 	<p>p. 38</p> <p>p. 33</p> <p>p. 30</p>
	6	The elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> • Human Capital Policy • Inclusion, Gender Equity, and Non-Discrimination • PetStar Inclusive Collection Model (PICM) • Value Chain, Guiding Principles • Alignment with the Ten Principles of the Global Compact 	<p>p. 38</p> <p>p. 40</p> <p>p. 55</p> <p>p. 33</p> <p>p. 31</p>



Area	Principles of the Global Compact	Subject	Page
Environment	7 Companies should support a precautionary approach to environmental challenges.	<ul style="list-style-type: none"> • Corporate Sustainability Philosophy • Sustainability Management System • Environmental Objectives • Sustainable Innovation at PetStar • Environmental Education • Agenda 2030 Working Groups/Sustainable Cities 	<p>p. 11</p> <p>p. 26</p> <p>p. 63</p> <p>p. 72</p> <p>p. 74</p> <p>p. 78</p>
	8 Undertake initiatives to promote greater environmental responsibility.	<ul style="list-style-type: none"> • Corporate Sustainability Philosophy • Sustainability Management System • Environmental Objectives • Sustainable Innovation at PetStar • Environmental Education • #ExperienciaPetStar • Volunteerism • Agenda 2030 Working Groups/Sustainable Cities 	<p>p. 11</p> <p>p. 26</p> <p>p. 63</p> <p>p. 72</p> <p>p. 74</p> <p>p. 74</p> <p>p. 75</p> <p>p. 78</p>
	9 Encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> • Corporate Sustainability Philosophy • Sustainability Management System • Environmental Objectives • Sustainable Innovation at PetStar • PetStar Reborn • Cradle to Cradle® (C2C®) certification 	<p>p. 11</p> <p>p. 26</p> <p>p. 63</p> <p>p. 72</p> <p>p. 73</p> <p>p. 73</p>
Anti-corruption	10 Companies should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> • Code of Ethics and Conduct • Code of Conduct for Living our Values • Anti-Corruption Mechanisms • Transparency mailbox • Alignment with the Ten Principles of the Global Compact 	<p>p. 30</p> <p>p. 30</p> <p>p. 31</p> <p>p. 31</p> <p>p. 33</p>



F. Principles of the Earth Charter



	Principles	Subject	Page
I. RESPECT THE EARTH AND TAKE CARE OF THE COMMUNITY OF LIFE			
1	Respect Earth and life in all its diversity.		
2	Care of the community of life with understanding, compassion and love.	<ul style="list-style-type: none"> • PetStar Sustainable Business Model (PSBM). • Social Impact of PetStar’s Inclusive Collection Model (PICM). 	<p>p. 14</p> <p>p. 55</p>
3	Build democratic societies that are just, participatory sustainable and peaceful.	<ul style="list-style-type: none"> • Partnership with the United Nations Global Compact Network Mexico. • Our Social Programs. 	<p>p. 70</p> <p>p. 56</p>
4	Secure Earth’s bounty and beauty for present and future generations.	<ul style="list-style-type: none"> • Green Roofs and PetStar Nursery Garden. • Principles for a Sustainable Ocean. 	<p>p. 70</p> <p>p. 79</p>
II. ECOLOGICAL INTEGRITY			
5	Protect and restore the integrity of Earth’s ecological systems, with special concern for biological diversity and the natural processes that sustain life.	<ul style="list-style-type: none"> • PetStar Sustainable Business Model (PSBM). 	<p>p. 14</p>
6	Prevent harm as the best method of environmental protection and, when knowledge is limited, apply a precautionary approach.	<ul style="list-style-type: none"> • Climate circular economy. • Environmental Education. 	<p>p. 63</p> <p>p. 74</p>
7	Adopt patterns of production, consumption, and reproduction that safeguard Earth’s regenerative capacities, human rights, and community well-being.	<ul style="list-style-type: none"> • Partnership with the United Nations Global Compact Network Mexico. • Carbon footprint. 	<p>p. 70</p> <p>p. 69</p>
8	Advance the study of ecological sustainability and promote the open exchange and wide application of the knowledge acquired.	<ul style="list-style-type: none"> • Green Roofs and PetStar Nursery Garden. • Sustainable Innovation at PetStar. • Principles for a Sustainable Ocean. • Forest Carbon Capture in Nevado de Toluca. 	<p>p. 70</p> <p>p. 72</p> <p>p. 79</p> <p>p. 75</p>



	Principles	Subject	Page
III. SOCIAL AND ECONOMIC JUSTICE			
9	Eradicate poverty as an ethical, social, and environmental imperative.	<ul style="list-style-type: none"> • PetStar Sustainable Business Model (PSBM). • Social Impact of PetStar’s Inclusive Collection Model (PICM). 	<p>p. 14</p> <p>p. 55</p>
10	Ensure that economic activities and institutions at all levels promote human development in an equitable and sustainable manner.	<ul style="list-style-type: none"> • Social investment. • Our Social Programs. • Well-being Model. 	<p>p. 54</p> <p>p. 56</p> <p>p. 47</p>
11	Affirm gender equality and equity as prerequisites to sustainable development and ensure universal access to education, health care, and economic opportunity.	<ul style="list-style-type: none"> • Inclusion, Gender Equity, and Non-Discrimination. • Alliance for Integrity. 	<p>p. 40</p> <p>p. 31</p>
12	Uphold the right of all, without discrimination, to a natural and social environment supportive of human dignity, bodily health, and spiritual well-being, with special attention to the rights of indigenous peoples and minorities.	<ul style="list-style-type: none"> • Alignment with the Ten Principles of the Global Compact. • PetStar actions in support of human rights. • Child Labour-Free Supply Policy. 	<p>p. 31</p> <p>p. 32</p> <p>p. 32</p>
IV. DEMOCRACY, NONVIOLENCE AND PEACE			
13	Strengthen democratic institutions at all levels, and provide transparency and accountability in governance, inclusive participation in decision-making, and access to justice.	<ul style="list-style-type: none"> • Code of Ethics and Conduct. • Code of Conduct for Living Our Values. • Partnership with the United Nations Global Compact Network Mexico. 	<p>p. 33</p> <p>p. 33</p> <p>p. 77</p>
14	Integrate into formal education and life-long learning the knowledge, values, and skills needed for a sustainable way of life.	<ul style="list-style-type: none"> • Alliance for Integrity. • Alignment with the Ten Principles of the Global Compact. 	<p>p. 31</p> <p>p. 31</p>
15	Treat all living beings with respect and consideration.	<ul style="list-style-type: none"> • PetStar actions in support of human rights. • Social Impact of PetStar’s Inclusive Collection Model (PICM). 	<p>p. 32</p> <p>p. 55</p>
16	Promote a culture of tolerance, nonviolence, and peace.	<ul style="list-style-type: none"> • Our Social Programs. • Environmental Education. • Memberships and Associations. 	<p>p. 56</p> <p>p. 57</p> <p>p. 80</p>

G. Sustainable Development Goals



	SDG	Description	How PetStar live them	Page
People		1. NO POVERTY End poverty in all its forms everywhere.	<ul style="list-style-type: none"> • Social investment • PetStar Sustainable Business Model (PSBM) 	p. 54 p.14
		2. ZERO HUNGER Eradicate hunger, attain food security, improve nutrition and promote sustainable agriculture.	<ul style="list-style-type: none"> • Social Impact of PetStar’s Inclusive Collection Model (PICM) • Our Social Programs: CEDIC, Mayama and Club de Niños y Niñas SLP 	p. 55 p. 56
		3. GOOD HEALTH AND WELL-BEING Ensure healthy live and promote well-being for all at all ages.	<ul style="list-style-type: none"> • Well-being Model. • Health Passport. • Post COVID-19 Actions. • Life-Changing Actions. 	p. 47 p. 48 p. 53 p. 55
		4. QUALITY EDUCATION Obtaining quality education is the foundation to improving people’s lives and sustainable development.	<ul style="list-style-type: none"> • Our Social Programs. • Training and Development. • Social Impact of PetStar’s Inclusive Collection Model (PICM). • The Comprehensive Community Development Center (CEDIC). • Mayama. • Club de Niños y Niñas SLP. 	p. 56 p. 41 p. 55 p. 56 p. 57 p. 57
		5. GENDER EQUALITY Attain gender equality and empower all women and girls.	<ul style="list-style-type: none"> • Environmental Education. • Our People. • Human Capital Policy. • Target Gender Equality. • Development of Female Talent (WEPs). 	p. 74 p. 38 p. 38 p. 40 p. 40



	SDG	Description	How PetStar live them	Page
Planet		6. CLEAN WATER AND SANITATION Guarantee the availability of water and its sustainable management, and sanitation for all.	<ul style="list-style-type: none"> • Climate circular economy. • How We Approach New Environmental Challenges at PetStar. • Water footprint. 	<p>p. 63</p> <p>p. 68</p> <p>p. 70</p>
		7. AFFORDABLE AND CLEAN ENERGY Guarantee access to affordable, safe, sustainable and modern energy for all.	<ul style="list-style-type: none"> • How We Approach New Environmental Challenges at PetStar. • Energy intensity. • Energy consumption from renewable sources. • Sustainable Innovation at PetStar. • PetStar Reborn. 	<p>p. 68</p> <p>p. 69</p> <p>p. 69</p> <p>p. 72</p> <p>p. 73</p>
		8. DECENT WORK AND ECONOMIC GROWTH Promote sustained, inclusive and sustainable economic growth, fair and productive employment and decent work for all.	<ul style="list-style-type: none"> • Workforce. • Inclusion, Gender Equity, and Non-Discrimination. • Training and Development. • PetStar Inclusive Collection Model (PICM). • Value Chain, Guiding Principles. • Social Impact of PetStar's Inclusive Collection Model (PICM). 	<p>p. 38</p> <p>p. 40</p> <p>p. 50</p> <p>p. 62</p> <p>p. 33</p> <p>p. 55</p>
		9. INDUSTRY, INNOVATION AND INFRASTRUCTURE Build resilient infrastructure, promote inclusive and sustainable industrialization, and drive innovation.	<ul style="list-style-type: none"> • Certifications, Awards, and Recognitions. • Social Impact of PetStar's Inclusive Collection Model (PICM). • Sustainable Innovation at PetStar. • Partnership with the United Nations Global Compact Network Mexico. 	<p>p. 16</p> <p>p. 55</p> <p>p. 72</p> <p>p. 70</p>
		10. REDUCED INEQUALITIES Reduce inequality in and among countries.	<ul style="list-style-type: none"> • Our People. • Training and Development. • Partnership with the United Nations Global Compact Network Mexico. • Value Chain, Guiding Principles. • Social Impact of PetStar's Inclusive Collection Model (PICM). • Our Social Programs. 	<p>p. 38</p> <p>p. 50</p> <p>p. 77</p> <p>p. 33</p> <p>p. 55</p> <p>p. 56</p>
		11. SUSTAINABLE CITIES AND COMMUNITIES Ensure that cities and human settlements are inclusive, safe, resilient and sustainable.	<ul style="list-style-type: none"> • PetStar Sustainable Business Model (PSBM). • Partnership with the United Nations Global Compact Network Mexico. • Social Impact of PetStar's Inclusive Collection Model (PICM). • Agenda 2030 Working Groups/Sustainable Cities. • Aligned with the Principles of the Earth Charter. 	<p>p. 14</p> <p>p. 77</p> <p>p. 55</p> <p>p. 78</p> <p>p. 87</p>
		12. RESPONSIBLE PRODUCTION AND CONSUMPTION Guarantee consumption modalities that are sustainable and protected.	<ul style="list-style-type: none"> • PetStar Sustainable Business Model (PSBM). • Carbon footprint. • Environmental Education. • PetStar's Collection Process. • PetStar Reborn. • Value Chain, Guiding Principles. • Alliance for Integrity. 	<p>p. 14</p> <p>p. 69</p> <p>p. 74</p> <p>p. 64</p> <p>p. 73</p> <p>p. 33</p> <p>p. 31</p>



	SDG	Description	How PetStar live them	Page
Planet		13. CLIMATE ACTION Adopt urgent measures to combat climate change and its effects.	<ul style="list-style-type: none"> • Carbon footprint. • Zero waste. • Zero plastic leakage. • Aligned with the Principles of the Earth Charter • Sustainable Innovation at PetStar. • Climate circular economy. 	<p>p. 69</p> <p>p. 70</p> <p>p. 70</p> <p>p. 63</p> <p>p. 72</p> <p>p. 87</p>
		14. LIFE BELOW WATER Sustainable conservation and use of the oceans, seas and marine resources for sustainable development.	<ul style="list-style-type: none"> • Water footprint. • Zero plastic leakage. • Partnership with the United Nations Global Compact Network Mexico. • Principles for a Sustainable Ocean. • Aligned with the Principles of the Earth Charter. 	<p>p. 70</p> <p>p. 70</p> <p>p. 77</p> <p>p. 79</p> <p>p. 87</p>
		15. LIFE ON LAND Protect, reestablish and promoted the sustainable use of land ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity sustainably.	<ul style="list-style-type: none"> • PetStar Sustainable Business Model (PSBM). • Green Roofs and PetStar Nursery Garden. • Carbon footprint. • Zero waste. • Efficient use of paper. • PetStar Reborn. • Environmental Education. 	<p>p. 14</p> <p>p. 70</p> <p>p. 69</p> <p>p. 70</p> <p>p. 71</p> <p>p. 73</p> <p>p.74</p>
Peace		16. PEACE, JUSTICE AND STRONG INSTITUTIONS Promote peaceful and inclusive societies for sustainable development, facilitate access to justice for all and create efficacious, responsible and inclusive institutions at all levels.	<ul style="list-style-type: none"> • Guiding Principles for Suppliers. • Code of Ethics and Conduct. • Code of Conduct for Living Our Values. • Alliance for Integrity. • Alignment with the Ten Principles of the Global Compact. • Social Impact of PetStar’s Inclusive Collection Model (PICM). • PetStar actions in support of human rights. • Child Labour-Free Supply Policy. 	<p>p. 33</p> <p>p. 29</p> <p>p. 29</p> <p>p. 31</p> <p>p. 31</p> <p>p. 55</p> <p>p. 32</p> <p>p. 32</p>
Alliances		17. PARTNERSHIPS FOR THE GOALS Strengthen the means of execution and revitalize the global partnership for sustainable development.	<ul style="list-style-type: none"> • Partnership with the United Nations Global Compact Network Mexico. • Alliances. • Certifications, Awards, and Recognitions. • Alliance for Integrity. 	<p>p. 77</p> <p>p. 80</p> <p>p. 16</p> <p>p. 31</p>

H. GRI Content Index "in accordance" with GRI Standards: Core option

PETSTAR PREPARED THIS REPORT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31 OF THE YEAR 2022, IN ACCORDANCE WITH GRI 2021 STANDARDS.

GRI 1: FUNDAMENTALS 2021			
GRI Universal Standards 2021			
STANDAR GRI	CONTENT	PAGE/ DIRECT RESPONSE	OMISSIONS
	1 <i>La organización y sus prácticas de presentación de informes</i>		
	2-1 Organizational Details		
	a. Organization's name	PetStar S.A.P.I. de C.V.	
	b. Nature of ownership (public or private) and legal form (SA de CV, SAPI, SOFOM ENR o ER, Cooperativa, SC, AC, etc...)	Our History p. 9	
	c. Headquarters location	Headquarters: Calle Monte Elbruz 124,Lomas de Chapultepec V Secc,11000 Mexico City, D.F., Colonia Polanco II Sección, 11530 Mexico City, CDMX	
	d. Operations location	México	
	2-2 Entities included in the sustainability reporting		
	a. Entities included in the presentation of sustainability reports	Scope of Our Operations p. 12, Our Shareholders p. 22	
	b. If the organization has consolidated and audited financial statements or financial information filed in public records, please specify the differences between the list of entities included in their financial reports and their sustainability reports.	Financial Indicators p. 15, Consolidated Statement of Income p. 15	
	c. If the organization consists of multiple entities, please explain the approach adopted to consolidate the information, including:	Scope of Our Operations p. 12, Our Shareholders p. 22	
	c-i If the approach involves adjustments to the information for minority interests;	Scope of Our Operations p. 12, Our Shareholders p. 22	
	c-ii The approach to mergers, acquisitions, and divestitures of entities or groups of interest	Our history p. 9, Our Shareholders p. 12	
	c-iii If the approach changes across different content areas of the standard and within different o materiality topics	not change	
GR+A9:E13I 2: General Content 2021			



STANDAR GRI	CONTENT	PAGE/ DIRECT RESPONSE	OMISSIONS
GR+A9:E13I 2: General Content 2021	2-3 Reporting Period, Frequency, and Point of Contact		
	a Specify the reporting period and the frequency of your sustainability reports	2022, Annual.	
	b Specify the period covered by your financial reports and, if it does not align with the period covered by your sustainability reports, explain why;	January 1 to December 31, 2022.	
	c Indicate the date of publication of the report or of the information presented;	May 2023	
	d Specify the point of contact for issues related to the report or information submitted	Contact p. 101	
	2-4 Update of information		
	i Present reasons for updates	There were no updates	
	ii Present the effects of updates	There were no updates	
	2-5 External verification	External verification p. 84	
	2 Activities and workers		
	2-6 Activities, value chain and other business relationships	Supply Chain p. 33, Collector Partners p. 34	
	2-7 Employees	Our people p. 38-39	
	2-8 Non-Employee Workers	Not applicable. The company doesn't have this type of workers.	
	3 Governance		
	2-9 Governance structure and composition	Purpose and Corporate Governance p. 20	
	2-10 Appointment and selection of the highest governance body	Board of Administration p. 20	
2-11 President of the highest government body	Purpose and Corporate Governance p. 20, Board of administration p. 20, Board Committees p. 21		
2-12 Role of the highest government body in overseeing the management of impacts	Welcome Message p. 3, Corporate Governance Structure p. 20, Structure of the Board of Directors p. 20, PETSTAR 'S Administrative Council p. 21		
2-13 Delegation of responsibility for managing impacts	Sustainability Management System p. 26, Risk Management: p. 24, Risks in Operation p. 24		
2-14 Role of the highest governance body in sustainability reporting	Welcome Message p. 3, Sustainability Management System p. 26, About this report p. 83		
2-15 Conflict of interests	Organizational Culture p. 11, Values p. 11, Code of Conduct for Living Our Values p. 29, Anti-Corruption Mechanisms p. 30, Transparency Mailbox p. 30		
2-16 Communication of critical concerns	Structure of the Board of Directors p. 20, Committees of the Board of Directors p. 21, Dialogue with our stakeholders p. 28, Transparency Mailbox p. 30		



STANDAR GRI	CONTENT	PAGE/ DIRECT RESPONSE	OMISSIONS	
GR+A9:E13I 2: General Content 2021	2-17	Collective knowledge of the highest governance body	Board Committees p.21, Mexico Global Compact Partnership p.77, Agenda 2030 Working Group p.78, Corporate Human Rights Management p.79, Memberships and Partnerships/Board Members p.80, Training/Environmental Education p.74	
	2-18	Evaluation of the performance of the highest government body	Structure of the Board of Directors p.20, Committees of the Board of Directors p.21, Dialogue with our stakeholders p.28, Transparency mailbox p.30	
	2-19	Remuneration policies	Committees of the Board of Directors p. 21	
	2-20	Process to determine remuneration	Committees of the Board of Directors p. 31	
	2-21	Annual Total Compensation Ratio	Confidentiality restrictions. Salaries are not public information for reasons of personal security.	
	4	Strategy, policies and practices		
	2-22	Sustainable Development Strategy Statement	Welcome Message p.3, Sustainability Management System p.26	
	2-23	Commitments and policies	Mission, Vision, Values p.11, Corporate Sustainability Philosophy p.13, Sustainability Management System p.26, Code of Ethics and Conduct p.29, Guidelines for Living the Values p.29, Alignment with the Ten Principles of the Global Compact p.31, PetStar General Human Rights Policy p.31 hyperlink	
	2-24	Incorporation of commitments and policies	Mission, Vision, Values p.11, Corporate Sustainability Philosophy p.13, Sustainability Management System p.26, Code of Ethics and Conduct p.29, Guidelines for Living the Values p.29, Alignment with the Ten Principles of the Global Compact p.31, PetStar General Human Rights Policy p.31 hyperlink, Global Compact p.77, Sustainable Development Goals p.13	
	2-25	Process to remedy negative impacts	Anti-corruption mechanisms p. 30, Transparency mailbox p. 30	
	2-26	Mechanisms for seeking advice and raising concerns	Materiality and Relevant Issues p.27, Stakeholder Dialogue p.28, Supplier Development p.34	
	2-27	Compliance with laws and regulations	Certifications, awards and recognitions p.16, Privacy and data security p.35	
	2-28	Association membership	Alliance for integrity p.31, Memberships and partnerships p.80	
2-29	Approach to stakeholder engagement	Materiality and Relevant Issues p.27, Stakeholder Dialogue p.28, Supplier Development p.34		
2-30	Collective bargaining agreements	Not applicable. The company does not have collective bargaining agreements.		
GRI 3: MATERIALITY TOPICS				
GRI 3: Materiality issues 2021	3-1	Process for determining materiality issues	Materiality and Relevant Issues p.27, Stakeholder Dialogue p.28, Supplier Development p.34	
	3-2	List of Materiality and Relevant Issues	Materiality and Relevant Issues p.27, Stakeholder Dialogue p.28, Supplier Development p.34	



STANDAR GRI		CONTENT	PAGE/ DIRECT RESPONSE	OMISSIONS
ECONOMIC				
Economic performance				
GRI 3: Materiality issues 2021	3-3	Management of materiality issues	Risk management p. 30, Sustainability Management System p.26, How we address environmental challenges p. 30, Environmental objectives p.83, Sustainable innovation at PetStar p.89	
GRI 201: Economic Performance 2016	201-1	Economic value generated and distributed	PetStar in figures p. 30, Financial indicators p. 30, Our social programs p. 30	
	201-2	Financial implications and other risks and opportunities derived from climate change	Financial and Tax, Environmental, Social and Governance (FASG) Risk Management p.24, How we address new environmental challenges at PetStar p.68, Sustainable Innovation p.72, Environmental Education p.74	
	201-3	Obligations of the defined benefit plan and other retirement plan	Commitment to the well-being of our employees p.47, PetStar Well! p.47, Compensation and benefits p.49, Health and safety p.51, Health and safety p.51,	
	201-4	financial assistance received from the government	The organization receives no government support.	
Market presence				
GRI 3: Materiality Issues 2021		Management of materiality issues	Human capital policy p. 38, Compensation and benefits p.49, Workforce by gender p.39	
GRI 202: Market presence 2016	202-1	Ratio of standard entry-level salary by gender to the local minimum wage	Compensation and benefits p.49	
	202-2	Proportion of senior executives hired from the local community	Workforce by gender p.39	
Indirect economic impacts				
GRI 3: Materiality issues 2021	3-3	Management of materiality issues	Our history (year 2022) p.10, Social Investment p.54, Our social programs p.56	
GRI 203: Indirect economic impacts 2016	203-1	Investments in infrastructures and services supported	PetStar in figures p.6-7, Social Investment p.54, Our social programs p.56	
	203-2	Significant indirect economic impacts	Financial Indicators p.15, Social Investment p.54, Our social programs p.56	
Sourcing Practices				
GRI 3: Materiality issues 2021	3-3	Management of materiality issues	Value chain p.33, Supplier development p.34, Supply chain partners p.34	
GRI 204: Sourcing Practices 2016	204-1	Proportion of spending on local suppliers	Cadena de valor, Desarrollo a proveedores p.33-34	
Anti-corruption				
GRI 3: Materiality issues 2021	3-3	Management of materiality issues	Ethics and Compliance p.29, Anti-corruption mechanisms p.30, Transparency mailbox p.30, Alignment with the Ten Principles of the Global Compact p.85	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Ethics and Compliance p.29, Living the Values Conduct Guide p.29, Anti-corruption Mechanisms p.30, Transparency Mailbox p.30, Alignment with the Ten Principles of the Global Compact p.85	
		Communication and training on anti-corruption policies and procedures	Code of Ethics and Conduct p.29, Human Capital Policy p.38, Child Labor Free Supply Policy p.32	



STANDAR GRI		CONTENT	PAGE/ DIRECT RESPONSE	OMISSIONS
GRI 205: Anti-corruption 2016	205-3	Confirmed cases of corruption and measures taken	Transparency Mailbox p.30	
Unfair competition				
GRI 3: Materiality issues 2021	3-3	Management of materiality issues	Code of Ethics and Conduct p.29, Circular climate economy with a rights perspective p.63	
GRI 206: Unfair competition	206-1	Legal actions related to unfair competition and monopolistic practices and against free competition	There are no significant legal actions or penalties for unfair competition concepts.	
Fiscalidad				
GRI 3: Materiality issues 2021	3-3	Management of materiality issues	Financial and Tax, Environmental, Social and Governance (FASG) risk management p.24, Financial Indicators p.15	
GRI 207: Fiscalidad 2019	207-1	Tax approach	Financial and Tax, Environmental, Social and Governance (FASG) risk management p.24, Financial Indicators p.15	
	207-2	Fiscal governance, control and risk management	Financial and Tax, Environmental, Social and Governance (FASG) risk management p.24, Financial Indicators p.15	
		Participation of interest groups and management of concerns in tax matters	Materiality and Relevant Issues p.27, Financial and Tax, Environmental, Social and Governance (FASG) risk management p.24	
	207-4	Country-by-country reporting	Not applicable. The company has no operations in other countries.	
ENVIRONMENTAL				
Materiales				
G3: materiality issues	3-3	Management of materiality issues	Sustainability Management System p.26, How we address new environmental challenges at PetStar, environmental objectives p.68, Sustainable innovation at PetStar p.72	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	PetStar in Figures p.6-7, Zero waste p.70, Efficient use of paper p.71, Sustainable innovation at PetStar p.72	
		recycled inputs	PetStar in figures p.6-7, Zero waste p.70, Efficient use of paper p.71, Coca Cola black box p.72, Sustainable innovation at PetStar p.72	
	301-3	Reused products and packaging materials	PetStar in figures p.6-7, Zero waste p.70, Efficient use of paper p.71, Coca Cola black box p.72, Sustainable innovation at PetStar p.72	
Energy				
G3: Materiality issues	3-3	Management of materiality issues	How we address new environmental challenges/environmental targets p.68, Energy intensity p.69, Renewable energy p.69	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy intensity p.69	
	302-2	Energy consumption outside the organization	This data is not available	
	302-3	energy intensity	Energy intensity p.69	
	302-4	Reduction of energy consumption	Energy intensity p.69	



STANDAR GRI		CONTENT	PAGE/ DIRECT RESPONSE	OMISSIONS
GRI 302: Energy 2016	302-5	Reduction of the energy requirements of products and services	Renewable energy p.69	
Water				
G3: Materiality issues	3-3	Management of materiality issues	How we face new environmental challenges/environmental targets p.68, Water footprint p.70	
GRI 303: Agua y efluentes 2018	303-1	Interaction with water as a shared resource	How we address new environmental challenges/environmental objectives p.68, Water footprint/ water use efficiency p.70	
	303-2	Management of impacts related to water spills	How we address new environmental challenges/environmental objectives p.68, Water footprint/ water use efficiency p.70	
	303-3	water extraction	How we address new environmental challenges/environmental objectives p.68, Water footprint/ water use efficiency p.70	
	303-4	water spills	No water sources are affected by PetStar's operations.	
	303-5	Water consumption	Water footprint/water efficiency p.70, Cradle to Cradle® Certification (C2C®) p.73	
Biodiversity				
G3: Materiality issues	3-3	Management of materiality issues	How we face new environmental challenges/environmental objectives p.68, Green roofs and PetStar Nursery p.70	
GRI 304: Biodiversity 2016	304-1	Operations centers owned, leased or managed located within or adjacent to protected areas or areas of high biodiversity value outside protected areas	The organization's operations are conducted outside protected areas and have no impact on non-protected areas.	
	304-2	Significant impacts of activities, products and services on biodiversity	Zero plastic leakage p.70, Sustainable innovation at PetStar p.72	
		Habitats protected or restored	Azoteas Verdes and PetStar Nursery Garden p.70	
	304-4	Species that appear on the IUCN Red List and on national conservation lists whose habitats are in areas affected by operations	The organization's operations are conducted outside the scope of species covered by the standard.	
Emisiones				
G3: Materiality issues	3-3	Management of materiality issues	How we address environmental challenges p.68, Carbon footprint p.69, Cradle to Cradle® Certification (C2C®) p.73	
GRI 305: Emissions 2016	305-1	Direct GHG emissions Recycling Plant 7,745.17 tCO2 (scope 1)	How we address environmental challenges p.68, Carbon footprint p.69, Cradle to Cradle® Certification (C2C®) p.73	
	305-	Indirect GHG emissions Recycling plant attributable to non-renewable energy 3,465.72 tCO2(scope 2)	How we address environmental challenges p.68, Carbon footprint p.69, Cradle to Cradle® Certification (C2C®) p.73	
	305-3	Other indirect GHG emissions (scope 3)	Since 2020, PetStar achieved the neutralization of its carbon footprint, mitigating 100% of CO2 emissions.	
	305-4	GHG emissions intensity	Since 2020, PetStar achieved the neutralization of its carbon footprint, mitigating 100% of CO2 emissions.	
	305-5	Reduction of GHG emissions	Since 2020, PetStar achieved the neutralization of its carbon footprint, mitigating 100% of CO2 emissions.	



STANDAR GRI		CONTENT	PAGE/ DIRECT RESPONSE	OMISSIONS
GRI 305: Emissions 2016	305-6	Emissions of substances that deplete the ozone layer (SAO)	No emissions other than CO2 have been identified in the operations.	
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions	No emissions other than CO2 have been identified in the operations.	
Effluents and waste				
G3: Materiality issues	3-3	Management of materiality issues	Corporate sustainability philosophy p.13, Environmental objectives p.68, Zero Waste p.70, Efficient use of paper p.71, Cradle to Cradle® (C2C®) Certification p.73	
GRI 306: Effluents and waste 2016	306-1	306-1 Waste generation and significant waste-related impacts	Corporate sustainability philosophy p.13, Environmental objectives p.68, Zero Waste p.70, Efficient use of paper p.71, Cradle to Cradle® (C2C®) Certification p.73	
	306-2	306-2 Management of significant impacts related to waste	Corporate sustainability philosophy p.13, Environmental objectives p.68, Zero Waste p.70, Efficient use of paper p.71, Cradle to Cradle® (C2C®) Certification p.73	
	306-3	306-3 waste generated	Corporate sustainability philosophy p.13, Environmental objectives p.68, Zero Waste p.70, Efficient use of paper p.71, Cradle to Cradle® (C2C®) Certification p.73	
		306-4 Waste not intended for disposal	Zero Waste p.70	
	306-5	306-5 Waste destined for disposal	Zero Waste p.70	
Environmental compliance				
G3: Materiality issues	3-3	Management of materiality issues	Corporate Sustainability Philosophy p.13, Environmental Objectives p.68, Certifications p.16	
GRI 307: environmental compliance	307-1	Non-compliance with environmental legislation and regulations	No significant environmental fines or sanctions were received.	
SOCIAL				
Employment				
G3: Materiality issues	3-3	Management of materiality issues	PetStar Sustainable Business Model p.14, PetStar Inclusive Gathering Model p.55, Value Chain/ Gathering Partners p.33, Our People p.38-40	
GRI: 401 Employment 2016	401-1	New employee hires and staff turnover	Our People p.38-40, Workforce p.39, Training and Development p.41, Compensation and Benefits p.49, Internal Promotions p.50	
	401-2	Benefits for full-time employees that are not provided to part-time or temporary employees	Our People p.38-40, Wellness Model/ PetStar Well! p.47, Family-Work Balance p.50, Compensation and Benefits p.49, Internal Promotions p.50	
	401-3	parental leave	Inclusion, Gender Equity and Non-Discrimination p.40	
G3: Materiality issues	3-3	Management of materiality issues	Our people p.38-40	
GRI 402: Relaciones trabajador-empresa 2016	402-1	Minimum notice periods for operational changes	All matters relating to the terms and conditions of employment are set forth in the company's "Individual Employment Contract".	



STANDAR GRI		CONTENT	PAGE/ DIRECT RESPONSE	OMISSIONS
Health and Safety at Work				
G3: Materiality issues	3-3	Management of materiality issues	Health, Safety and Hygiene p.51	
GRI 403: Health and Safety at Work 2018	403-1	Occupational health and safety management system	Health, Safety and Hygiene p.51	
	403-2	hazard identification, risk assessment and incident investigation	Risks in the operation p.24 Occupational accidents p.52	
	403-3	Occupational health services	Commitment to the well-being of our workers p.47, Brigadistas y Comisión de Seguridad e Higiene (CSH) p.51, Emergency Brigades p.51	
	403-4	Worker participation, consultation and communication on health and safety at work	Commitment to the well-being of our workers p.47, Brigadistas y Comisión de Seguridad e Higiene (CSH) p.51, Emergency Brigades p.51	
	403-5	Training of workers on health and safety at work	Brigades and Safety and Hygiene Commission (CSH) p.51, Emergency Brigades p.51	
	403-6	Promotion of workers' health	Commitment to the wellbeing of our employees p.47, Wellness model p.47, PetStar well! p.47	
	403-7	Prevention and mitigation of impacts on the health and safety of workers directly linked through business relationships	Risks in the operation p.24, Occupational accidents p.42, Safety, health and hygiene p.51	
		Workers covered by an occupational health and safety management system	Health, Safety and Hygiene p.51	
	403-9	work accident injuries	Accidents p.30, Zero Accident Recognition p.30	
	403-10	Occupational illnesses and diseases	Health Promotion p.48, Body Mass Index Control Program p.49, Employee Assistance Program p.49	
Training and teaching				
G3: Materiality issues	3-3	Management of materiality issues	Human Capital Policy p.38, Training and Development p.41, Courses Taught/Training Hours p.42, Leadership Model for Excellence p.44	
GRI 404: training and teaching 2016	404-1	Average hours of training per year per employee	Courses taught/Training hours p.42	
	404-2	Programs to improve employee skills and transition assistance programs	Our People p.38, Training and Development p.41, Internal Promotions p.50	
	404-3	Percentage of employees receiving regular performance and career development reviews	Our People p.38, Training and Development p.41, Leadership Model for Excellence p.44, ETADS p.46, Internal Promotions p.50	
Diversity and equal opportunities				
G3: Materiality issues	3-3	Management of materiality issues	Human capital policy p.38, Inclusion, gender equity and non-discrimination p.40, Development of female talent p.40	
GRI 405: Diversity and equal opportunities 2016	405-1	Diversity in governing bodies and employees	Our People/workforce by gender p.38-39, Training and development p.41, Internal promotions p.50	
	405-2	Ratio of base salary and remuneration of women compared to men	Confidential information. For reasons of personal security, salaries are not public.	



STANDAR GRI		CONTENT	PAGE/ DIRECT RESPONSE	OMISSIONS
Nondiscrimination				
G3: Materiality issues	3-3	Management of materiality issues	Values p.11, General Human Rights Policy PetStar p.31, Human Capital Policy p.38, Inclusion, Gender Equity and Non-Discrimination p.40	
GRI 406: Nondiscrimination 2016	406-1	Cases of discrimination and corrective actions taken	Transparency mailbox p.30	
Child labor				
G3: Materiality issues	3-3	Management of materiality issues	PetStar General Human Rights Policy p.30, Child Labor Free Supply Policy p.30, Actions in favor of the rights of children and adolescents p.30, Guiding Principles for Suppliers p.30, Circular Economy with a Human Rights Perspective p.30	
GRI 408: child labor 2018	408-1	Operations and suppliers with significant risk of cases of child labor	PetStar General Human Rights Policy p.30, Child Labor Free Supply Policy p.30, Actions in favor of the rights of children and adolescents p.30, Guiding Principles for Suppliers p.30, Circular Economy with a Human Rights Perspective p.30	
Local communities				
G3: Materiality issues	3-3	Management of materiality issues	Social Impact of PetStar Inclusive Recycling/Actions that Transform Lives p.55, Community/ Commitments Fulfilled p.54, Our Social Programs p.56	
GRI 413: local communities 2016	413-1	Operations with local community engagement programs, impact assessments, and development	Social Impact of PetStar Inclusive Recycling/Actions that Transform Lives p.55, Community/ Commitments Fulfilled p.54, Our Social Programs p.56	
	413-2	Operations with significant negative impacts – actual or potential – on local communities	The nature of PetStar's operations does not represent negative impacts to the communities where it operates.	
Customer health and safety				
G3: materiality issues	3-3	Management of materiality issues	Cradle to Cradle® Certification (C2C®) p.73, Sustainable innovation at PetStar p.72	
GRI 416: Customer health and safety	416-1	Assessment of the health and safety impacts of product or service categories	Cradle to Cradle® Certification (C2C®) p.73, Sustainable innovation at PetStar p.72	
	416-2	Non-compliance cases related to the health and safety impacts of product and service categories	Customer satisfaction evaluation p.67	
Socioeconomic compliance				
G3: materiality issues	3-3	Management of materiality issues	Our Philosophy of Excellence, Certifications, Awards, and Recognitions p.16	
GRI 419: Socioeconomic compliance	419-1	Failure to comply with laws and regulations in the social and economic spheres	PetStar complies satisfactorily with the laws and regulations that govern its business performance in Mexico and internationally. Certifications and recognitions p.16	



Contact



 www.petstar.mx

 comunicacion@petstar.mx

Social media

 https://www.facebook.com/PetStarMXOficial?locale=es_LA

 [@Petstarmx](https://twitter.com/Petstarmx)

 [@petstarmx](https://www.instagram.com/petstarmx)

 [PetStartv](https://www.youtube.com/PetStartv)

“Along with our entire value chain,
we generate **+value** from
PET packaging through results”.

