

FISCAL YEAR  
2023

ESR REPORT



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# ABOUT THIS REPORT

This report covers our 2023 fiscal year (FY2023 – September 1, 2022, to August 31, 2023). Unless otherwise noted, the data included in the report reflects this time period.

The information in this report covers PriceSmart's operations in the United States (our San Diego and Miami offices as well as the Miami Distribution Center) and the 12 countries and one U.S. territory in which the company operates: Aruba; Barbados; Colombia; Costa Rica; Dominican Republic; El Salvador; Guatemala; Honduras; Jamaica; Nicaragua; Panama; Trinidad and United States Virgin Islands.

Although the content of this report has been prepared using the Global Reporting Initiative (GRI) Standards as a guideline, it is not in accordance with the GRI Standards. No external assurance has been sought specifically for this report. We have no restatements to disclose. Additional resources related to our ESG reporting may be found on our [investor website](#). In addition, we are reporting selected SASB disclosures for the Multiline and Specialty Retailers & Distributors and the Food Retailers & Distributors standards.

In keeping with our commitment to communicate openly with our stakeholders, we welcome your feedback. Please direct any comments or questions regarding the content of this report to PriceSmart's investor relations team at [ir@pricesmart.com](mailto:ir@pricesmart.com).

# MESSAGE FROM OUR PRESIDENT & COO

## Dear Stakeholders,

Welcome to our third environmental and social responsibility (ESR) report. In FY2023, we grew many of our ESR programs, and I'm excited to share these developments with you.

At PriceSmart, we have always believed we have a responsibility to be a good corporate citizen and a good neighbor. We go the extra distance to ensure that who we are and what we do is both good for business and for the communities around us.

Our decision to share more about these actions is motivated by a desire to deepen our connections with our employees, Members, and others on issues that matter. More consumers are basing their purchasing decisions in part on whether they believe a company's values align with their own. Our Members are attuned to the unique challenges facing some communities in Latin America and the Caribbean and want to do something about it. They recognize that PriceSmart is much more than a place to buy products and find services because we work to improve the lives of many people.

Our employees continue to be our greatest strength, and this is particularly true when it comes to our ESR efforts. As our team members become more engaged in ESR initiatives and gain a greater understanding of the positive outcomes these actions generate, they become our ambassadors, extending our impact into their homes and communities.

Increased awareness of the connection between purchasing decisions and environmental and social issues has led to changing consumer expectations, and we understand the strategic imperative to be proactive in responding.

Our vendors recognize this as well, and we are excited to say that many are reaching out to us for guidance and suggestions about how to improve the sustainability of their products. This has opened the door to collaborations that help ensure the products we provide our Members are both high quality and responsibly sourced.

Everything I've described contributes to a circle of success that benefits not only everyone involved, but those around them as well. Each action we take adds to our momentum and expands the circle, increasing our reach and impact.

Thank you for your interest in PriceSmart's ESR activities, and I look forward to sharing additional information on our ongoing work in next year's report.

## John Hildebrandt

President &  
Chief Operating Officer

# MESSAGE FROM OUR ESR TEAM

Since FY2021, PriceSmart's Environmental and Social Responsibility team has worked directly with all areas of the business to assess and establish the company's strategies, policies, and goals related to ESR topics.

"Do well by doing good" has been PriceSmart's mantra since the company's founding, and prioritizing environmental and social responsibility is part of our DNA. We are excited to see our ESR initiatives growing and gaining momentum as we continue our efforts to ensure they are strategic and targeted to yield the greatest possible impact. We know that we are making a difference for thousands of individuals and families across Central America, the Caribbean, and Colombia.

Our employees and Members know this and have told us our ESR efforts are a big part of what makes PriceSmart a great place to work and to shop. They are proud to be part of what we're doing – and we couldn't do it without them.

PriceSmart seeks to create value for all our stakeholders in multiple ways. By embedding a focus on ESR throughout the organization, we introduce opportunities for our employees, Members, and others to participate directly in activities

that improve the communities in which we operate such as volunteering, donating, and supporting programs that increase PriceSmart's positive impacts.

A key partner in these efforts is PriceSmart Foundation, which manages and implements financial contributions from Price Philanthropies for activities at PriceSmart. With support from PriceSmart Foundation, PriceSmart, Inc. has continued to grow its social programs.

This fiscal year we formally launched our corporate volunteering program, which embodies our culture of giving and offers an exciting path forward for increased employee engagement. We look forward to seeing participation grow.

Over the past twelve months, we have significantly expanded internal and external communications about our ESR activities to share the many ways in which we are delivering benefits to our communities, employees, and Members. It has been rewarding to hear from our stakeholders that they are aware of our actions and feel a strong sense of loyalty to PriceSmart as a result.

In FY2023, we began work to develop a formal sustainability strategy to further align our corporate actions with our long-term sustainability goals, as well as the United Nations' Sustainable Development Goals.

Thank you for your interest in our ESR program. If you have suggestions for ways in which we can improve our environmental, social or governance activities, please contact us at [ir@pricesmart.com](mailto:ir@pricesmart.com).



**Brud Drachman**

Executive Vice President  
Environmental Responsibility  
Construction & Facilities

# PRICESMART AT-A-GLANCE



More than  
**11,000 EMPLOYEES**  
2,086 new hires  
in FY2023



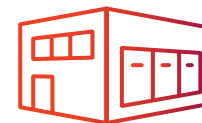
**Largest operator of membership warehouse clubs**  
in Central America, the Caribbean, and  
Colombia



Products that originate  
from more than  
**100 COUNTRIES**



**\$4.4 BILLION**  
total revenue for FY2023



**51 clubs serving more than  
1.8 million accounts across 12 countries  
and one U.S. territory**

In FY2023, we opened one  
**new club in San Miguel,  
El Salvador**, and a new  
produce distribution  
center in Guatemala.



Our **new club in the El  
Poblado neighborhood  
of Medellin, Colombia**  
opened in early FY2024.

## PriceSmart's FY2023 ESR Snapshot



**51.5 %**  
**of our merchandise**  
was sourced from  
local vendors.



The rooftop solar panels on  
45 of our 51 clubs generated  
**27,581 MWH of clean power**  
from the sun.



**337 TONS of solid waste were diverted**  
from landfills or improper disposal thanks to our  
expanded network of recycling stations, which were  
available at all three of our clubs in Honduras and two  
of our clubs in Guatemala in FY2023.



**10,406 METRIC TONS OF CO<sub>2</sub>e** avoided by using solar  
energy. This is equivalent to greenhouse gas emissions from:

- **2,316 gasoline-powered passenger vehicles driven for one year**
- **2,025 homes' electricity use for one year**

Calculated using the [U.S. EPA GHG equivalencies calculator](#).

# COMPANY OVERVIEW

**PriceSmart exists to enhance the lives of our Members, our employees, and our communities by delivering high-quality merchandise and services at the lowest possible prices.**

**Our mission is to serve as a model company that operates profitably and responsibly while providing good returns to our investors.**

**PriceSmart's 51 warehouse clubs in 12 countries and one U.S. territory support our Members and their businesses by providing products sourced from around the world in safe, U.S.-style clubs and through [PriceSmart.com](https://www.pricemart.com).**





## Who We Are: Our Mission, Vision, and Values

PriceSmart is the largest operator of membership warehouse clubs in Central America, the Caribbean, and Colombia, serving 1.8 million accounts. We seek to set the standard for our peers in terms of our ESG performance, and to serve as a change agent driving transformative progress in how companies in the region address environmental, social, and governance issues.

We drive membership value through a carefully curated selection of merchandise that is sourced both globally and locally and leverages the strength of our supply chain and purchasing power.

### Our Mission:



To provide all Members an outstanding shopping experience with high-quality, exciting merchandise and services at the lowest possible prices.

### Our Vision:



To be the most trusted source for high-quality merchandise and services in the markets we serve.

### Our Values:



#### Integrity

Always do the right thing



#### Respect

Treat co-workers, suppliers, and Members the way you want to be treated



#### Passion

Value all aspects of our work while putting Members first



#### Continuous Improvement

Make things better every day



#### Accountability

Deliver on commitments you make to your team and the company



#### Community





Support and improve the communities we serve

## PriceSmart Clubs

Country/Territory	Number of Clubs
Colombia	9
Costa Rica	8
Panama	7
Dominican Republic	5
Guatemala	5
Trinidad	4
El Salvador	3
Honduras	3
Jamaica	2
Nicaragua	2
Aruba	1
Barbados	1
U.S. Virgin Islands	1

**Total** **51**

In FY2023, PriceSmart had 51 warehouse clubs in 12 countries and one U.S. territory.

-  Corporate headquarters
-  Corporate offices and primary distribution center
-  Countries with PriceSmart Clubs
-  New in FY2023:
  - San Miguel, El Salvador (club)
  - El Tejar, Guatemala (produce distribution center)



# OUR PEOPLE

## Engaging our team through internal events

**At PriceSmart, our employees are our biggest enablers for value creation, and our Human Resources department strives to create a work environment that fosters a sense of belonging, growth, and engagement for all our team members.**

Each month we facilitate a wide range of activities in the countries in which we operate, including celebrations of birthdays and work anniversaries, volunteering, employee appreciation, and health and wellness events, and recreational opportunities such as football (soccer) games and 5K runs. We also send company-wide communications to celebrate events that recognize diversity and cultural heritage and educate team members about the history and significance of these events. The activities we facilitate do more than bring employees together. They create platforms for celebrating our diversity,

enriching our experiences, and fueling our shared journey toward success. In addition to promoting knowledge sharing, they empower our employees to grow personally and professionally, fostering an inclusive environment where we celebrate unique perspectives and strengthen our organizational culture. Our employees are encouraged to submit ideas for events that will create memorable experiences and a strong sense of community.



## Training and development

Providing employees with equal opportunities for development is a key focus for PriceSmart, and we strive to provide opportunities for each team member to learn and grow. In FY2023, we held more than 11,000 corporate talent development learning sessions, which included general leadership training as well as women-specific leadership training, in addition to courses on emotional intelligence and motivating employees.

We also offer a robust range of courses in technical and language skills, as well as instruction in wellness and valuable “life tools” such as the principles of managing personal or household finances, raising resilient children, and how to maintain healthy boundaries and a good work-life balance.



### FY2023 employee participation in training and development events:



**Corporate Talent Development Programs**  
 >11,000 learning sessions



**Other Skills Training**  
 >300 learning sessions



**Health & Wellness**  
 >50,000 learning sessions  
 \*includes Calm sessions

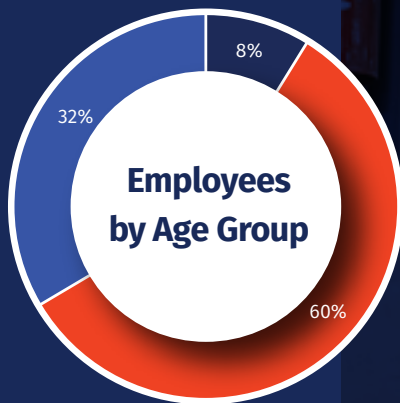


### Our Employee Demographics

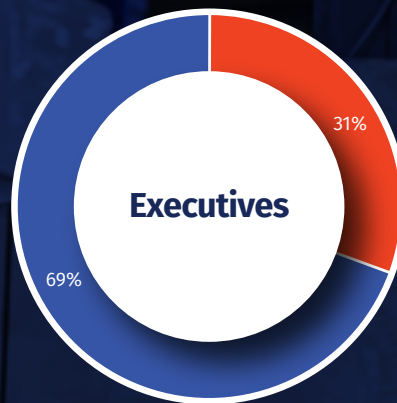
*Selected workforce metrics, as of August 31, 2023.*



○ Male    ● Female



○ Under 30    ● Between 30-50    ○ Over 50



○ Male    ● Female

## Awards and Recognition

### PriceSmart among Newsweek's Top 100 Global Most Loved Workplaces for 2022 and 2023

The Top 100 Most Loved Workplaces® are the result of a collaboration between Newsweek magazine and the Best Practice Institute, a leadership development and benchmark research company. The results are determined by surveying more than 1.4 million employees from businesses with workforces varying in size from 50 to more than 10,000. The list recognizes companies that put respect, caring, and appreciation for their employees at the center of their business model and, in doing so, have earned the loyalty and respect of the people who work for them.

PriceSmart is honored that our U.S. operations were named to this list in 2022 and again in **2023**, when we were recognized for employee sentiment and satisfaction and earned the rank of 89 among 100 global companies. We are grateful that our employees recognize us for our strong employee engagement programs and our international Employee Assistance Program, which supports employees' physical and mental wellbeing.

We also continually seek ways to celebrate employees' personal achievements, milestones, and aspirations. [Watch this interview](#) with EVP David Price to learn more about PriceSmart's corporate culture.



In addition, **PriceSmart Colombia** was recognized as one of the best workplaces in Colombia in 2023 by *Computrabajo*, a job portal that operates in 19 Latin American countries. *Computrabajo* evaluated more than 34,000 companies across ten different industries based on criteria that included the work environment, career opportunities, benefits, salaries, and leadership, and awarded PriceSmart Colombia second place in the retail sector rankings.

### PriceSmart wins Uber Eats Business of the Year and Best Supermarket awards in Costa Rica



PriceSmart earned Uber Eats' **Business of the Year** and **Best Supermarket** awards in the 2023 edition of the "Entregando Excelencia" Awards in Costa Rica.

These two awards recognize our efforts and commitment to providing the best shopping experience and continue adding value to our Members.





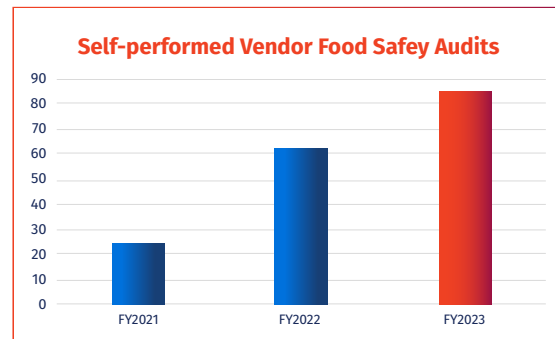
## Supporting our team members with safety training

We leverage our e-learning system to provide job-appropriate safety training to all our employees. Our food preparation employees receive additional training on food safety through the e-learning system as well as online group training sessions.

Our in-house food safety vendor audit program verifies that local suppliers of food products such as meat, poultry, and produce meet PriceSmart's high standards for food safety.

Launched in FY2021, this program is executed by our highly skilled in-country teams, which are composed of PriceSmart employees who undergo rigorous training that includes both third-party as well as internal instruction.

Bringing this critical function in-house has delivered significant cost savings, in addition to strengthening our organizational knowledge and capacity.



# OUR SOCIAL IMPACTS

## PriceSmart Foundation

### Q&A with PriceSmart Foundation's President David Price and Director of International Grantmaking Angela Venza



**David Price**  
PriceSmart Foundation  
President



**Angela Venza**  
Director of International  
Grantmaking

Established in California in 2022, **PriceSmart Foundation** is an independent non-profit organization that works to create an environment of opportunity and access for communities in regions where PriceSmart operates. In addition to the well-established **Aprender y Crecer** program, the Foundation aims to make social investments through grants to local and regional organizations that promote youth development, economic opportunity, and community and environmental resilience.

### What were PriceSmart Foundation's big-picture impacts in FY2023?

**David:** In FY2023, PriceSmart, Inc. and PriceSmart Foundation together committed funding of more than US\$1.5 million to worthy causes across ten countries in the region. The largest grants were made in Honduras, Guatemala, and Colombia. Through these efforts, we have supported the growth of women-led businesses,

equipped young people with marketable skills to improve their prospects in the workforce, connected them with employment and self-employment opportunities, helped students complete their high school education, and supported a variety of basic needs in communities around PriceSmart clubs.





### Which initiatives excite you most?

**Angela:** I am passionate about all our initiatives, but two in particular reflect what we seek to accomplish:

1) Our youth employability program in Honduras has demonstrated that equipping young people with market-driven technical skills and providing meaningful internship opportunities, along with career guidance, life skills, and mentoring, leads to successful employment results. We are beginning to apply best practices from this program to similar investments in other countries.

2) Our support of women-led businesses in Honduras and Guatemala includes targeted business education, with tailored mentoring, as well as assistance forging connections to market actors and financial institutions.

It has proven effective in helping women business owners overcome the multiple barriers they face and access critical pathways to business success.

**David:** Through these kinds of initiatives, the Foundation's efforts aim to address inequalities related to access and opportunity to sustainable livelihoods for populations that for a variety of reasons are often marginalized. PriceSmart and PriceSmart Foundation believe that this is the best way to achieve a more equitable, stable, and prosperous world. It's exciting to see how the Foundation's investments are helping advance this vision.

### In what ways are PriceSmart employees engaging with the Foundation's work?

**Angela:** PriceSmart employees have enthusiastically supported the Foundation's initiatives by opening the doors to our clubs to give tours to young people and women-led businesses, supervising youth interns in a variety of PriceSmart departments, providing training and career orientation sessions to program participants, and helping women-led businesses prepare to become PriceSmart vendors through our "road show" program. PriceSmart's communications

team also helps share the Foundation's work with the company's stakeholders.

**David:** I am proud of the support that PriceSmart employees have shown toward the Foundation, and I'm impressed by their commitment to involve different departments, from Operations, Merchandising, IT, Human Resources, Marketing, and others, in all our projects.

## How is the Foundation interfacing with other organizations or partners?

**Angela:** We form close relationships with our local partners because we know they are best placed to identify what works and direct resources to those who need it most so we can have the greatest effect. We also work to build linkages among our partners and other organizations in their ecosystem. This helps create synergies while also avoiding the duplication of efforts. These efficiencies maximize our collective impact, and illustrate why joining forces with other companies, organizations, and donors is a core element of our approach.

For example, in Guatemala we teamed up with a solar company in support of a technical training program.

As a result, we were able to add solar panel installation and maintenance skills to the electrician curriculum as well as equip a new workshop so that the students could get state-of-the-art instruction and be positioned for success in the workforce.

**David:** It's inspiring to see how we can leverage the connections in PriceSmart's value chain to enhance our philanthropic work. We're only just beginning and hope that we can influence more companies and other donors to collaborate with us in the future.

## How do you see things unfolding for the Foundation in the next few years?

**Angela:** As we continue to expand our geographic reach to include more PriceSmart markets, we'll also be looking for additional opportunities for PriceSmart employees to engage in our work and further its impact. Recognizing that each country's context is unique, we will continue to tailor our efforts to align with local needs, while also leveraging lessons learned across countries.

We will also look for ways to add value that go beyond financial support. This could mean helping to strengthen local partners where needed, and then encouraging them to share their newly acquired expertise with others. As the Foundation becomes more established, tracking our

effectiveness and our results will be important to fine tuning our approach and sharing knowledge with our partners.

**David:** We're excited to see how we can deepen our impact over the next few years, especially through partnerships. We want to serve as a model for other companies by demonstrating our commitment to investing in local organizations and leveraging our company's presence so we can help to close the gaps in access and economic opportunity in our markets.





## Accelerating the growth of women-led businesses in Central America

In 2022, PriceSmart and PriceSmart Foundation partnered with the respected business school **INCAE** to address the specific challenges that female entrepreneurs face and empower them to expand their businesses to better support themselves, their families, and their wider communities.

Through the *Empresarias Progresando* (EMPRO) program, selected women leading small and medium size businesses are invited to attend training courses and receive mentorship to help them navigate and improve their businesses.

Implemented in **Guatemala** and **Honduras**, the program teaches participants how to access capital from financial institutions in their countries and coaches them on negotiating fair business contracts with local and international firms.

In addition to financial support from PriceSmart, several managers donated their time and expertise to provide practical applications to the training sessions for participating business owners. Several women-led businesses in Honduras have sold their products through PriceSmart's "road show" program following their participation in EMPRO.



>>> Programa de Desarrollo **EMPRO**  
Empresarias Progresando



## Creating opportunities for those most in need

Started by a small group of women who grew up in squatter settlements surrounding Guatemala City's municipal landfill, **Creamos** strives to help individuals in these communities attain improved standards of living. The multiservice non-profit offers education, psychological services, childcare and other crucial support to combat low levels of education, high rates of gender-based violence, and structural exclusion from in Guatemala's formal employment sector. PriceSmart Foundation is partnering with **Creamos** to support their **Workforce Development Program**, which provides vocational training in hospitality, technology, and construction. This program also offers wrap-around services to help participants complete internships and find jobs at the conclusion of their training.



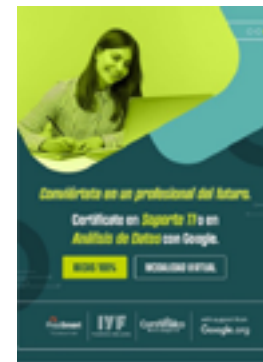


## PriceSmart Foundation partners with IYF and COMFENALCO, with support from [Google.org](#), to offer IT training in Medellín

PriceSmart Foundation's mission is to bring better economic opportunities to young people. In FY2023, the Foundation partnered with [International Youth Foundation \(IYF\)](#) and [COMFENALCO Antioquia](#), with support from [Google.org](#) to bring free information technology and life skills training to 500 young people in Medellín, Colombia, at least half of whom will be women.

Program participants study one of four tracks: User Experience Design (UX), Data Analysis, Project Management, and IT Support while also receiving career counseling, life skills training, and support in their job search at the end of the program. Participants also attend career talks given by PriceSmart staff about topics relevant to their work.

There is significant demand for skilled IT professionals in Colombia, so the goal of the program is to help young people establish a solid career path in that field. It is expected that 70% of the participants will earn a market-recognized Google Training Certificate that validates their skills and improves their chance of gainful employment in an IT related job. Our partners, IYF and COMFENALCO, bring extensive local expertise to this program from their many years of working with young people in Colombia.



## Growing a sustainable future in Honduras



Underserved urban neighborhoods in Tegucigalpa, Honduras offer limited educational and work opportunities to the young people that grow up there. As part of a PriceSmart Foundation grant, **Zamorano**, a globally recognized agricultural university in Honduras, is collaborating with local nonprofit **Asociación Compartir** to train young women and men from these communities to manage small agricultural businesses.



The training helps them start a variety of small enterprises in their urban communities as a path to earn income. *Compartir* complements the technical training with mentoring and skill development in leadership, social-emotional competencies, and gender equity.

As part of the program, young people work hand-in-hand with *Compartir* and Zamorano staff to launch and manage three agricultural enterprises focused on producing eggs, tilapia, and green peppers, which are sold in local markets where there is a high demand for – and limited supply of – nutritional food, especially protein and fresh vegetables. The first crop of peppers was sold in PriceSmart's San Pedro Sula club.

All three agricultural enterprises benefit from technical support by Zamorano in sustainable agriculture, food safety, and state-of-the-art practices in production, marketing, and distribution. Over time, it is hoped that the new enterprises will produce enough income for *Compartir* to sustain an operation that can serve as an ongoing training and workforce site for young people from the nearby neighborhoods. Just as importantly, the work experience and training will help young women and men acquire skills, knowledge, and confidence they can apply in their own small businesses or to get a job.



## Collaborating to overcome challenges



Many Honduran youth struggle to complete high school and attend college, and those who do often find it challenging to obtain gainful employment because they lack adequate instruction in skills that are valued in the workplace, such as English language proficiency, driving, basic computer literacy,

and higher math skills. **Asociación Colaboración y Esfuerzo** (ACOES) is a non-profit organization in Honduras that works to help young people overcome these challenges by supporting them to complete high school and university degrees and supplementing their education with valuable life skills and work experience.

In FY2023, PriceSmart Foundation launched a partnership with ACOES to expand the services they offer to equip students with the work-readiness skills listed above. In addition, PriceSmart Foundation's grant also supports university entrance exam preparation. The program will last for two years and ultimately benefit 500 young people. In the process, ACOES will build internal capacity to continue to support these courses in the future.





## Getting ready to work

PriceSmart Foundation continues to partner with **CADERH**, a Honduras-based non-profit organization that provides training programs and workforce development services to youth from under-served communities to equip them with skills they can use to support themselves and their families.



In FY2022 and FY2023, CADERH trained and provided internships and job placement support to 105 young people in areas such as refrigeration technicians, bakery and pastry making, and sales and inventory management, including nearly 50 who completed their internships at PriceSmart's clubs in Tegucigalpa and San Pedro Sula. We are pleased to report that as of the end of FY2023, 79% of program graduates are working, several of them at PriceSmart.

In FY2023, we renewed support for the program for another two years with the goal of reaching 240 young people and expanding the scope of training courses to include auto mechanics, culinary arts, hospitality, and IT training. PriceSmart teams provide tours to the participants to help them imagine a career path in the formal job sector, and some participants will receive internship offers as well.



## Aprender y Crecer: The numbers speak for themselves

Funded by donations from PriceSmart Members and matching contributions from Price Philanthropies, **Aprender y Crecer** supports public education in Latin America. Since its inception in 2006, *Aprender y Crecer* has raised more than US\$22 million and has donated more than 1 million school supply packages and 2.2 million books to students, along with more than 300,000 books to school libraries.



### TOTAL DATA



Donations from  
Members:  
US\$2,085,158



Estimated Number  
of Students:  
>150,000



Donations  
from Price  
Philanthropies:  
US\$823,000



Number of  
Schools:  
281





## PriceSmart Member support for Aprender y Crecer breaks the \$2 million mark

Since 2007 PriceSmart has sponsored an annual fundraising campaign – *Juntos Por La Educación* or “Together for Education” – that combines donations from PriceSmart Members with matching funds from Price Philanthropies to benefit the *Aprender y Crecer* program. During the Fall 2022 campaign, PriceSmart Members showed their commitment to education by donating \$2,085,000, breaking the \$2 million mark for the first time. **Price Philanthropies** matched these donations up to a maximum amount for each country, which yielded an additional \$823,000 and brought the grand total raised to more than \$2.9 million.

In FY2023, *Aprender y Crecer* used funding from *Juntos Por La Education* to provide school supplies and books to more than 150,000 students and 7,500 teachers at 281 public schools in the eight Latin American countries where PriceSmart operates. Donations from PriceSmart members and matching funds from Price Philanthropies are vital to sustaining the *Aprender y Crecer* program and are the key driver for expanding to additional schools.

*Aprender y Crecer* grows where PriceSmart grows. When new clubs opened in 2023 in the city of San Miguel, El Salvador and the El Poblado neighborhood of Medellin, Colombia, *Aprender y Crecer* had already incorporated schools in those areas as part of the commitment to support the communities where PriceSmart operates. In anticipation of a new club opening in Escuintla, Guatemala, *Aprender y Crecer* has already included schools in that community and will soon include schools in the city of Santa Ana, El Salvador, ahead of that club’s opening.





## ***Aprender y Crecer Visión* launches in the Dominican Republic**

In October 2022, the *Aprender y Crecer Visión* program celebrated World Sight Day by launching in the Dominican Republic.

Leveraging the optical centers at PriceSmart clubs throughout the region, *Aprender y Crecer Visión* seeks to offer vision screenings to the more than 150,000 students at participating public schools. Students who are found to need vision correction then receive an eye exam as well as a pair of eyeglasses, all free of charge.

All participating schools in the Dominican Republic received this benefit during the 2022-2023 school year, and the cycle will repeat during the 2024-2025 school year. In addition to the Dominican Republic, *Aprender y Crecer Visión* currently operates in Costa Rica, El Salvador, Honduras, and Panama, with plans to expand to Colombia, Guatemala and Nicaragua during 2024.

The benefits of being able to see properly extend far beyond simply helping children access the material presented by their teachers. Approximately 25-30% of children need vision correction, and undiagnosed vision problems often manifest in behavioral issues including anxiety, a lack of confidence, and disruptive actions in class that interrupt other students' learning.

Ten-year-old Alexander, a fourth grader at *Escuela Central San Sebastián* in Costa Rica, recounts his experience before and after receiving his first pair of eyeglasses from *Aprender y Crecer Visión*:

***"When I had to copy a lot from the blackboard at school, I used to sit on the floor near the blackboard and write in my notebook. Now I can see better up close. I feel very happy with the glasses, I really like the design."***





## PriceSmart's Corporate Volunteering Program

PriceSmart employees have volunteered for many initiatives over the years. In FY2023, we formalized tracking and recognition of these efforts by launching our Corporate Volunteering Program. In its first year, over 500 employees contributed more than 2,500 hours of volunteer time on a wide range of activities.

Giving back is  
**Smart**

When combined with volunteering time associated with Price Philanthropies' *Aprender y Crecer* program, PriceSmart employees volunteered more than 7,000 hours in FY2023.



### In their own words

Here's what PriceSmart employees had to say about their volunteering experiences:



“Volunteering for *Voces Vitales* was a valuable opportunity to learn from the participants as well as draw on my experience to teach them. Seeing the capacity, empowerment, initiative, confidence, and leadership created by the program was wonderful, but what impressed me most was the way the participants networked with each other. It's inspiring to think about the impact this will have in their communities going forward.”

– **Kattya Bonilla,**  
*Manager of Occupational Health and Safety,*  
*Costa Rica*

“It was an awesome experience. It highlights the element that giving back does not have to be financial, it does not have to be tangible gifts, it can simply be giving your time that makes a huge difference. Giving your time makes you feel appreciated, loved, considered, even if it is for a brief moment. Giving inspires both the receiver and the giver.”

– **Kathya Smith,**  
*Membership Supervisor,*  
*USVI*

“Through volunteering, we experience the unmatched satisfaction of contributing to the well-being of others, making a difference in their lives through pure and transformative altruism.”

– **Adrián Muralles,**  
*Safety Supervisor,*  
*Guatemala*





## U.S.-based PriceSmart employees visit Costa Rica to volunteer with *Aprender y Crecer* and local NGOs

Four PriceSmart employees who were the winners of an internal fundraising challenge had the opportunity to travel to Costa Rica and participate in some of PriceSmart's social impact work with local communities and schools, including the *Aprender y Crecer* program.

The volunteers visited two schools with the *Aprender y Crecer* program in San José, Costa Rica, where they helped distribute donated school supplies and books, supporting the program's mission to foster community development through public education.

Team members also participated in a "Women Inspiring Women" activity with **FundaVida**, a non-profit organization located in San José that seeks to break the cycle of poverty through education, technology, counseling, and community connection and inspire kids to reach their full potential.

During the visit, the employees engaged with a group of girls aged 11-16 to share their experiences being women in leadership positions in fields that are generally dominated by men and encouraged the girls to set ambitious goals and work hard.

“Helping young girls to understand their worth and potential to be successful in this world was beyond emotional and rewarding.

- Lily López  
Senior Support Manager

“A big Thank You to the company and PriceSmart Foundation for allowing us to participate in this local event while creating some wonderful memories and friendships.

- Deanna R. Swift  
Senior Manager, Point of Sales



## Partnering to fight hunger and reduce food waste



In FY2022, PriceSmart teamed up with the **Global FoodBanking Network** (GFN) to partner with local food banks and redirect perishable produce and bakery items to those in need – items that no longer meet our high standards for the products we sell to Members, but nevertheless still have significant nutritional value and can help fight hunger.

GFN is an international nonprofit that works towards a hunger-free future in more than 40 countries by sustaining, uniting and strengthening food banks. They believe that food banks are an integral and viable solution in empowering the world to defeat hunger and change lives. The organization is active in eight countries where PriceSmart has clubs – Colombia, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and Panama.

In FY2023, PriceSmart formed alliances with food banks in Guatemala, Costa Rica, Honduras, and Panama, in addition to expanding our existing alliance with the **Asociación de Bancos de Alimentos de Colombia**, or ABACO. We look forward to continuing to expand these alliances in other countries where PriceSmart operates.



The Global  
FoodBanking  
Network®



## Helping donations get delivered

In Costa Rica, we continued our support of **Banco de Alimentos de Costa Rica**, a non-profit organization that, with the support of more than 351 local organizations and more than 18,000 volunteers, supplies over 42,000 vulnerable people with food and other essential items. PriceSmart gave *Banco de Alimentos* \$30,000 to fund the purchase of a truck they can use to increase their collection of items from PriceSmart as well as other donors and distribute them to families and individuals in need.



## Small donations, big impact

### TOTAL FOOD BANK PROGRAM DONATIONS FOR FY2023



**Food Collected:**  
**>260 tons**



**Fruits & Vegetables:**  
**>186 tons**



**Bakery Goods:**  
**>74 tons**

#### Participating Countries:



Guatemala



Honduras



Colombia



Costa Rica



Dominican Republic



El Salvador



Nicaragua



Panama



## Alimentos Para Todos

In FY2023, we kicked off our first food collection campaign. *Alimentos Para Todos*, or Food for All, was conducted in partnership with the Global FoodBanking Network (GFN) in all clubs in the eight countries where GFN is active and PriceSmart operates: Colombia, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and Panama.

Each club had a central donation box for Members to deposit contributions of dry grains and other non-perishable food items. *Alimentos Para Todos* was extremely successful, and ultimately Members donated more than 60 tons of food for those in need, which PriceSmart delivered to local food banks to help combat food insecurity and malnutrition.



## ALIMENTOS PARA TODOS CAMPAIGN TOTALS



Food collected:  
**60.265 tons**



Number of people helped:  
**69,706**



Meals provided:  
**138,950**



NGO partners:  
**361**

### Participating Countries:



Guatemala



Honduras



Colombia



Costa Rica



Dominican Republic



El Salvador



Nicaragua



Panama

# OUR ENVIRONMENTAL IMPACTS

## Our fleet of recycling stations is growing

**Recycling is critical to reducing waste, yet many of the countries in which PriceSmart operates do not have the infrastructure necessary to support recycling programs.**

In FY2022, PriceSmart partnered with a local materials recycler to provide recycling stations in the parking areas of our clubs. The stations are colorful, open to all, and some of them are 100% solar powered. They offer a convenient way for community members to recycle paper, cardboard, glass, plastic, metals, and even batteries and electronics.



Estación de Reciclaje

Baterías Metales Latas Electronica Papel Plás

At the end of FY2023, we had recycling stations at all three of our clubs in Honduras, two of our clubs in Guatemala, and as of the beginning of FY2024, two clubs in El Salvador.

The recycling stations have proven to be very popular, and in FY2023 we diverted a total of 337 tons of materials from the waste stream in Guatemala and Honduras. We are working toward having recycling stations at most of our clubs in Central America.

## MATERIALS COLLECTED IN FY2023



**Plastics:**  
53.1 tons



**Batteries:**  
53.66 tons



**Paper:**  
40.29 tons



**Cardboard:**  
49.79 tons



**Electronics:**  
22.11 tons



**Cans:**  
9.14 tons



**Metals:**  
47.33 tons



**Iron:**  
51.36 tons



**Scrap Metal:**  
0.49 tons



**Copper:**  
0.47 tons



**Glass:**  
8.86 tons

**Total:**  
337 tons

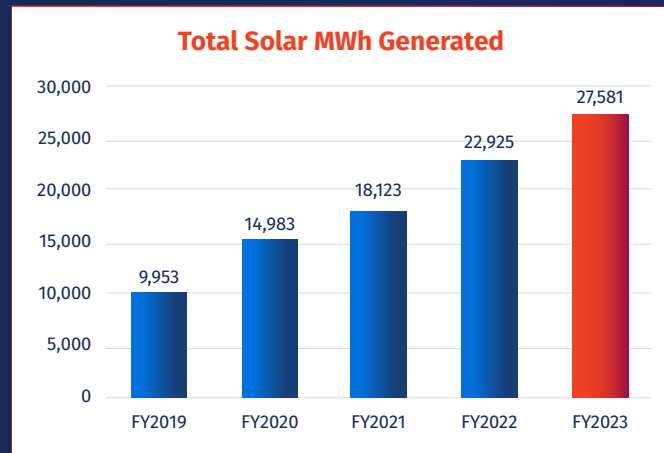




## Minimizing our energy usage, maximizing our solar production

**At the end of FY2023, 45 of our 51 clubs have rooftop solar arrays, and solar is considered in the design of any new clubs.**

In FY2023, we installed solar systems at two new clubs – Saint Thomas, USVI and San Miguel, El Salvador – and expanded our solar generating capacity by adding new systems and/or expanding existing systems at clubs across six countries (Colombia, Panama, Costa Rica, Honduras, Dominican Republic and Nicaragua).



## CARING FOR OUR SHARED ENVIRONMENT

As part of our commitment to minimize our environmental impacts, PriceSmart takes many actions, including:



Ongoing efforts to optimize energy management and reduce electricity consumption from lighting, air conditioning, and refrigeration.



Increased usage of LED lighting  
Since FY2022, all our new clubs have been built with LED lighting.



In FY2023, we began replacing any non-LED lighting in our existing clubs with LED lighting. We will continue working on this initiative during FY2024.



Every PriceSmart club treats its wastewater before releasing it, even in countries where this is not required.

## PriceSmart's Green Office Program

In FY2023 we relaunched our Green Office Program, which seeks to minimize the environmental impact of our offices. At the end of FY2023, 10 locations, including our corporate offices in San Diego, participated in the program.

The program seeks to raise awareness among our employees about the importance of sustainability and implementing environmentally friendly practices in the office and beyond, as well as to motivate and inspire them to participate in different environmental initiatives.

To make it fun and encourage creativity, offices earn points for taking a range of actions related to water, energy, waste, and transportation, and can even propose their own ideas. In addition to employees, contractors and visitors can also contribute to the initiative. Offices earn points based on the actions they take, and offices that achieve "gold" status are awarded prizes.

In the future, we look forward to aligning this program more closely with our developing sustainability strategy, and to expanding it to include our clubs as well.



# OUR SUPPLY CHAIN

## Delivering quality products to our Members

### *PriceSmart's road shows – full speed ahead*

PriceSmart's "road show" program helps qualified small businesses – many of which are women-owned – by giving them the opportunity to market and sell their products to our Members from special in-club kiosks. This gives vendors access to a much bigger pool of potential customers, and some go on to become vendors to PriceSmart.

We've hosted road shows since PriceSmart was founded in 1997 and have significantly expanded the program in recent years. We are excited about this program's potential for continued growth, and feedback from our Members as well as the entrepreneurs has been extremely positive.





## Member's Selection: a top selling brand



Member's Selection is our line of private label products. Launched in 2006, it reflects our commitment to offer our Members the very best food and beverage products at the lowest possible prices. Today, Member's Selection has emerged as the top-selling brand at PriceSmart, and accounts for more than a quarter of our company's sales.

## Nearshoring our supply chain

In FY2023, we enhanced the sustainability of our supply chain by partnering with a Guatemala-based company to provide our Member's Selection frozen fruits and vegetables, which were previously sourced from the U.S. This company's high food safety and quality standards ensure an exceptional product, and its commitment to social responsibility aligns with PriceSmart's values.

This change was fully implemented in our clubs in Guatemala and El Salvador by the end of FY2023.



### Expanding our network of produce distribution centers

In our previous ESR report, we introduced PriceSmart’s produce distribution centers (PDCs). PDCs are a cornerstone of our program because they provide an easily accessible delivery point for local farmers, and offer a highly efficient, cost-effective way for us to aggregate, sort, and redistribute local and imported produce to our clubs under our Member’s Selection Fresh brand. In FY2023, we expanded our network of PDCs by adding a fifth in El Tejar, Chimaltenango, Guatemala.





## Swapping cardboard for durable plastic

In FY2023 we initiated a program to reduce the amount of cardboard used to transport produce from our produce distribution centers to our clubs. Prior to this change, fruits and vegetables made their journey to clubs in cardboard boxes that were discarded or recycled at the end of their journey. By replacing the cardboard boxes with durable plastic crates, we were able to eliminate a significant amount of cardboard usage and waste and save thousands of trees.



## SPOTLIGHT

# Securing a Sustainable Supply of Seafood



In FY2023, we continued our partnership with the Scripps Institution of Oceanography and their Center for Marine Biodiversity & Conservation (CMBC), completing the second year of a three-year program launched in FY2022. This included three workshops led by researchers from the CMBC's Sustainable Seafood Initiative focused on the intersection of sustainable fisheries management with seafood supply systems.

Our buyers and employees from other departments attended the workshops to learn about sustainable practices related to wild-caught and aquaculture seafood, understanding certifications, and what questions to ask of vendors. The series culminated with a **hybrid workshop** held in Costa Rica that included classroom sessions as well

as in-person visits to PriceSmart's club in San José, one of the many artisanal and small-scale fishing communities in Costa Rica, and the receiving and processing facilities used by one of PriceSmart's largest seafood suppliers, *Mar Profundo*. In addition to the 28 PriceSmart team members who participated in person, another 28 joined the classroom sessions virtually.

The workshop coincided with Lent, during which many Christians worldwide abstain from eating red meat – often replacing it with fish and other seafood. This gave the Scripps Oceanography team an opportunity to see the expanded selection of seafood available during our busiest season for seafood sales.



UC San Diego

SCRIPPS INSTITUTION OF OCEANOGRAPHY

Center for Marine Biodiversity & Conservation



From the club in San José, workshop participants traveled to a small fishing village in Punta Morales, where they visited *ReCO<sub>2</sub>Mares del Pacífico*, a family-owned seafood holding facility that serves artisanal fisheries in the area, including a fleet of 80 panga fishing boats that calls the harbor home. Small-scale, artisanal operations like these make up a majority of Costa Rica's fisheries and are essential in supporting local food security and livelihoods.

These fishermen typically fish at night using handlines (as opposed to rod-and-reel or nets). Their catches are received and stored at the local facility before being sold to *Mar Profundo* and eventually PriceSmart, offering a granular level of traceability that is often difficult to attain when dealing with artisanal fisheries.

The workshop provided participants with valuable opportunities to engage with local vendors and key actors along the seafood value chain. This type of collaboration is essential to advancing our efforts to support sustainable and traceable seafood supply chains that bring benefits to artisanal and small-scale fishermen, their communities, and our Members.

*This story is adapted from a photo essay published by the [Center for Marine Biodiversity and Conservation](#) at Scripps Institution of Oceanography.*



# GOVERNANCE

We believe that sound corporate governance practices promote sustainable growth and mitigate risk. Accordingly, we have sought to assemble a Board of Directors with members who can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment using their diversity of experience, expertise, and backgrounds. Our Board of Directors includes a mix of entrepreneurs, experienced accounting and legal professionals, academics, and governance experts.

While PriceSmart does not have a specific policy regarding board diversity, in connection with its evaluation of director candidates, our Nominating/Corporate Governance Committee considers diversity of expertise and experience in substantive matters pertaining to our business; diversity of background (including diversity of gender, race and ethnicity); and life experience. The Board of Directors and our Nominating/Corporate Governance Committee are committed to actively seeking highly qualified women and individuals from other underrepresented groups to include in the pool from which new candidates are selected.

## **Other governance highlights include:**

- All directors are elected annually;
- Our Chief Executive Officer, President, and all of our Executive Vice Presidents and outside directors are subject to stock ownership requirements;
- Independent directors meet in executive session, without other directors or management present, on a periodic basis whenever they deem necessary or appropriate, but no less than twice per year; and
- Directors are provided with orientation and continuing education opportunities.

PriceSmart has seven standing Committees of the Board – Audit, Compensation and Human Capital, Nominating/Corporate Governance, Executive, Finance, Digital Transformation, and Environmental and Social Responsibility. The Nominating/Corporate Governance Committee oversees most governance issues and the Environmental and Social Responsibility Committee assists the Board in discharging its oversight responsibility related to ESR matters such as climate change impacts, energy and natural resource conservation, environmental and supply chain sustainability, human rights, employee health, safety and well-being, diversity and inclusion, public policy engagement, political contributions, corporate charitable and philanthropic activities, and other ESR issues that are relevant and material to the company.

## Business Conduct and Ethics

We believe our commitment to conduct business ethically and with integrity is key to our performance. Our Board adopted a Code of Ethics (the “Code”) to provide guiding principles for the company. The Code applies to each and every one of us: employees of all levels, in-house contractors, and our subsidiaries or affiliates. All supervisory and management personnel, including our officers and directors, are expected to lead according to these standards.

### The Code covers a wide range of business principles, including:

- Reporting any illegal or unethical behavior
- Zero tolerance for retaliation
- Commitment to diversity, inclusion and respect
- Health and safety
- Confidentiality
- Using company assets responsibly
- Providing accurate and transparent financial statements and records
- Prohibition of insider trading
- Communicating honestly
- Competition and fair dealing
- Gifts and hospitality
- Avoiding conflicts of interest
- Preventing bribery and corruption
- Compliance with global trade regulations
- Upholding our environmental commitments
- Governmental and political activities

Employees who have questions or concerns about any of these issues are encouraged to talk to supervisors, members of management, local human resources representatives, an in-house company attorney, or our Corporate Ethics and Compliance Department. Retaliation of any kind against anyone who in good faith seeks advice, raises a concern or participates in an investigation will not be tolerated. Associates may also report such activity confidentially through our “The Right Way Help Line,” which is available 24 hours a day, seven days a week. We communicate these tenets to our associates via our website, through training, and in our communal workspaces, and we encourage everyone to maintain high ethical standards at all times.





## Data Security

PriceSmart is committed to maintaining the security of data that we or our third-party service providers collect and store regarding our Members, employees, and business partners. We rely on information technology systems for point-of-sale processing in our clubs and for e-commerce transactions, supply chain, financial reporting, human resources, club operations, and various other processes and transactions. While no cyber defenses are perfect and we experience constant threats and attacks to our systems, we partner with industry leaders to regularly update our systems and enhance our security.



# APPENDIX

## Forward-Looking Statements

This report may contain forward-looking statements concerning PriceSmart, Inc.'s anticipated future revenues and earnings, adequacy of future cash flows, omni-channel initiatives, proposed warehouse club openings, the company's performance relative to competitors, and related matters. These forward-looking statements include, but are not limited to, statements containing the words "expect," "believe," "will," "may," "should," "project," "estimate," "anticipated," "scheduled," "intend," and like expressions, and the negative thereof. These statements are subject to risks and uncertainties that could cause actual results to differ materially, including, but not limited to: various political, economic and compliance risks associated with our international operations, adverse changes in economic conditions in our markets, natural disasters, volatility in currency exchange rates and illiquidity of certain local currencies in our markets, competition, consumer and small business spending patterns, political instability, increased costs associated with the integration of online commerce with our traditional business, whether the company

can successfully execute strategic initiatives, our reliance on third-party service providers, including those who support transaction and payment processing, data security, and other technology services, cybersecurity breaches that could cause disruptions in our systems or jeopardize the security of Member or business information, cost increases from product and service providers, interruption of supply chains, novel coronavirus (COVID-19) related factors and challenges, exposure to product liability claims and product recalls, recoverability of monies owed to PriceSmart from governments, and other important factors discussed in the Risk Factors section of the company's most recent Annual Report on Form 10-K, and other factors discussed from time to time in other filings with the SEC, which are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov), including Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Forward-looking statements speak only as of the date that they are made, and the company does not undertake to update them, except as required by law.

# GRI INDEX

GRI Standard Title	Disclosure #	Disclosure Title	FY2023 Response
General Disclosures	102-1	Name of the organization	PriceSmart, Inc.
General Disclosures	102-10	Significant changes to the organization and its supply chain	Please see the most recent 10-K.
General Disclosures	102-14	Statement from senior decision-maker	Message from Our COO ( <a href="#">p. 4</a> )
General Disclosures	102-15	Key impacts, risks and opportunities	Please see the most recent 10-K.
General Disclosures	102-16	Values, principles, standards and norms of behavior	Who We Are: Our Mission, Vision and Values ( <a href="#">p. 8</a> ) Code of Ethics: <a href="https://investors.pricemart.com/files/doc_downloads/Code_of_Ethics/code-of-ethics-engapr-2023.pdf">https://investors.pricemart.com/files/doc_downloads/Code_of_Ethics/code-of-ethics-engapr-2023.pdf</a>
General Disclosures	102-18	Governance structure	Board of Directors: <a href="https://investors.pricemart.com/governance/board-of-directors/default.aspx">https://investors.pricemart.com/governance/board-of-directors/default.aspx</a> Committee Composition: <a href="https://investors.pricemart.com/governance/committee-composition/default.aspx">https://investors.pricemart.com/governance/committee-composition/default.aspx</a> Corporate Governance: <a href="https://investors.pricemart.com/files/doc_downloads/gov_docs/2023-02-03-corporate-governance-guidelines.pdf">https://investors.pricemart.com/files/doc_downloads/gov_docs/2023-02-03-corporate-governance-guidelines.pdf</a>
General Disclosures	102-20	Executive level responsibility for economic, environmental and social topics	The ESR Team and Department are led by Executive Vice President Brud Drachman. The ESR Team has direct responsibility for the development, implementation, and communication of the programs and procedures associated with the economic, environmental, and social initiatives. This team has enlisted the responsible department executives in the development of their department's areas of responsibility related to the overall program.
General Disclosures	102-21	Consulting stakeholders on economic, environmental and social topics	Materiality Assessment – ESR Report FY22

GRI Standard Title	Disclosure #	Disclosure Title	FY2023 Response
General Disclosures	102-22	Composition of the highest governance body and its committees	<a href="https://investors.pricismart.com/governance/committee-composition/default.aspx">https://investors.pricismart.com/governance/committee-composition/default.aspx</a>
General Disclosures	102-26	Role of highest governance body in setting purpose, values, and strategy	The ESR Team works directly with all areas of the company in the assessment and establishment of purpose, values, strategies, policies, and goals related to economic, environmental, and social topics. These are reviewed and discussed with the ESR Committee. In accordance with the ESR Committee Charter, the committee reviews and discusses periodic reports from management on ESR goals and initiatives, assesses management's progress against agreed key ESR targets, advises the Board on core ESR metrics and the operational, regulatory, and reputational impacts of ESR on the company, and provides relevant recommendations.
General Disclosures	102-3	Location of headquarters	Company Overview ( <a href="#">p. 7</a> )
General Disclosures	102-30	Effectiveness of risk management processes	As we continue to engage in the process of reporting on ESR matters in Environmental and Social Responsibility reports in future years, we will expect to develop the ability to compare and contrast the effectiveness of our risk management processes for environmental and social responsibility matters.
General Disclosures	102-33	Communicating critical concerns	The ESR Committee meets four times per annum and the ESR Management Team meets regularly. In the event that a critical concern relating to ESR occurs, the ESR Committee and/or the ESR Team has the ability to directly communicate with senior management. This can take the form of written communications, oral discussions, and/or a combination thereof. There is also a forum where the senior executives of the company conduct a weekly meeting to review the entirety of the company's operations, which provides another opportunity for communication.
General Disclosures	102-4	Location of operations	Company Overview ( <a href="#">p. 7</a> )
General Disclosures	102-40	List of stakeholder groups	During ongoing stakeholder engagement, the company includes the following stakeholder groups: PriceSmart employees, Members, vendors, NGOs, universities, and local communities. We did not include governments, regulatory bodies, investors, and unions in this first materiality exercise, but we will be updating this process in the coming years to include more stakeholders.
General Disclosures	102-42	Identifying and selecting stakeholders	PriceSmart is engaged in an ongoing process of stakeholder surveys and meetings to gather stakeholders' views on what ESR initiatives the given group identifies as most important. To identify and select its stakeholders, the company leveraged a variety of references, including a review of industry benchmarks and several different forums with company leadership, to identify the most significant and consequential stakeholder groups.

GRI Standard Title	Disclosure #	Disclosure Title	FY2023 Response
General Disclosures	102-43	Approach to stakeholder engagement	The participation methods with our internal stakeholders include surveys, written communication, presentations, meetings, executive leadership emails, social media and videos. The approach to our external stakeholder is based on written communication, online polling, social media, meetings, and customer service provided in our clubs.
General Disclosures	102-44	Key topics and concerns raised	<p>Top five topics and concerns raised by stakeholder groups:</p> <p><b>Leadership (Vice President to C-Suite)</b> Governance, human capital development, local communities, eco-efficient operations and labor rights, and employees' well-being.</p> <p><b>Employees (entry level to director level)</b> Human rights, data security, labor rights and employees' well-being, human capital development, and governance.</p> <p><b>Members</b> Data security, relationship with the consumer, human rights, health, nutrition and food safety, labor rights, and employee's wellbeing.</p> <p><b>Vendors</b> Labor rights and employees' well-being, branding and responsible communication, relationship with the consumer, responsible products, and human rights.</p> <p><b>Local community</b> Packaging, human rights, health, nutrition and food safety, climate change, and direct and indirect job creation.</p>
General Disclosures	102-47	List of material topics	PriceSmart's 2021 materiality topics: Labor rights and employee wellbeing, governance, human capital development, health, nutrition, and food safety, relationship with the customer, responsible products, eco-efficient operations, and waste management and supply chain.
General Disclosures	102-5	Ownership and legal form	Please see the most recent 10-K.
General Disclosures	102-50	Reporting period	This report covers the 2023 fiscal year, which ran from September 1st, 2022, to August 31st, 2023.
General Disclosures	102-51	Date of most recent report	<a href="#">FY2022 ESR Report</a>
General Disclosures	102-52	Reporting cycle	Annual
General Disclosures	102-53	Contact point for questions regarding the report	Please direct any comments or questions regarding the content of this report to PriceSmart's investor relations team at: <a href="mailto:ir@pricesmart.com">ir@pricesmart.com</a>

GRI Standard Title	Disclosure #	Disclosure Title	FY2023 Response
General Disclosures	102-54	Claims of reporting in accordance with the GRI standards	The content of this report has been prepared using the Global Reporting Initiative Standards (GRI Standards) as a guide.
General Disclosures	102-55	GRI content index	This is the GRI Index.
General Disclosures	102-6	Markets served	Please see the most recent 10-K.
General Disclosures	102-7	Scale of the organization	Please see the most recent 10-K.
Procurement Practices	204-1	Proportion of spending on local suppliers	Merchandise sales sourced from local vendors as % of total sales = 51.5%  PriceSmart considers merchandise as being sourced locally, when it is purchased within Latin America and the Caribbean, irrespective of the country within that region where it is sold to Members.
Energy	302-1	Energy consumption within the organization	<b>Renewable Electricity:</b> 105,632,146 kWh <b>Non-Renewable Electricity:</b> 71,608,937 kWh <b>Total Electricity:</b> 177,241 MWh
Energy	302-3	Energy intensity	0.38 MWh / Building Area m2
Water and Effluents	303-1	Interactions with water as a shared resource	PriceSmart generally receives its potable water from public utilities. That supply is typically a function of rainwater capture in local reservoirs, which is treated and distributed through a network of piping systems. Primary business uses are for our Member and employee restrooms, the cleaning of food preparation areas, and consumption by Members in the dispensing of self-service beverages.  The company has installed low flow plumbing fixtures, sensor activated automatic faucets, and variable speed domestic water pumping stations that optimize the amount of water that is required at any one time.
Water and Effluents	303-2	Management of water discharge-related impacts	The majority of the countries and areas where PriceSmart operates do not have the facilities or infrastructure to manage and treat wastewater on a large scale. This dynamic requires that PriceSmart install its own wastewater treatment plants. The effluent that discharges from these plants must meet standards that ensure that said effluent does not negatively affect the environment and water supply where it is discharged.  The majority of the countries in which we operate have regulations that stipulate that our facilities must have wastewater treatment plants. The quality and quantity of the effluent have very strict criteria that we must meet. The quality control over this operation is managed by PriceSmart with regular reporting to the authorities that have jurisdiction. Any variance relative to satisfactory performance standards is immediately managed with corrections being made to the operating parameters of the plants.  PriceSmart's end goal is that no one is negatively affected by poorly designed and/or executed performance of a wastewater treatment plant owned and operated by our company.

GRI Standard Title	Disclosure #	Disclosure Title	FY2023 Response
Water and Effluents	303-3	Water withdrawal	<p><u>Water Withdrawal by Source (ML)</u>  Third-party water/Fresh water – 464.70  Ground water – Fresh water – 75.03  Third-party water – no analysis of dissolved solids – 11.20  Surface water – Fresh water – 1.49  Third party – Other water – 6.75  Total – 559.17 ML</p> <p><u>Water Withdrawal Quality (ML)</u>  Fresh water (Total dissolved solids ≤ 1000mg/l) – 541.22  Not have analysis of dissolved solids – 11.20  Other water – 6.75  Total – 559.17</p>
Water and Effluents	303-4	Water discharge	<p><u>Water Discharge by Destination (ML)</u>  Ground water: Fresh water (Total dissolved solids ≤ 1000mg/l) – 19.80  Ground water: Other water – 3.71  Ground water: No analysis of dissolved solids – 2.09  Ground water total – 25.60</p> <p>Surface water: Fresh water (Total dissolved solids ≤ 1000mg/l) – 32.91  Surface water total – 32.91</p> <p>Third-party water: Fresh water (Total dissolved solids ≤ 1000mg/l) – 357.37  Third-party water: Other water (Total dissolved solids &gt; 1000mg/l) – 13.65  Third-party water: No analysis of dissolved solids – 73.74  Third-party water total – 444.75</p> <p>Total  Fresh water (Total dissolved solids ≤ 1000mg/l) – 410.08  Other water (Total dissolved solids &gt; 1000mg/l) – 17.36  Water without analysis of dissolved solids – 75.83  GRAND TOTAL – 503.26</p>
Water and Effluents	303-5	Water consumption	<p><u>Water Consumption (ML)</u>  Total – 55.91</p>
Emissions	305-1	Direct (scope 1) GHG emissions	70,795 MT CO <sub>2</sub> e (metric tons)
Emissions	305-2	Energy indirect (scope 2) GHG emissions	53,875 MT CO <sub>2</sub> e (metric tons)
Emissions	305-4	GHG emissions intensity	0.27 MT CO <sub>2</sub> e /Building Area m <sup>2</sup>
Waste 2020	306-1	Waste generation and significant waste-related impacts	Waste at PriceSmart is generated from products received for sale, either through their packaging or pallets of merchandise delivered to the clubs. Likewise, we generate waste from our internal operations, including administrative work, the operation of our clubs, and the preparation of products and services that we offer to our Members within our clubs.

GRI Standard Title	Disclosure #	Disclosure Title	FY2023 Response
Waste 2020	306-2	Management of significant waste-related impacts	<p>For PriceSmart, proper waste management is a fundamental part of our environmental responsibility and business integrity. As part of our commitment to proper waste management, the ESR Team, in partnership with the Operations Department, leads the Corporate Solid Waste Management Program. This program provides guidelines to manage solid waste disposal. In addition, the program integrates the management of solid waste generated during business operation and by our employees, Members and visitors during their time in our clubs. The objective of this program is to manage waste through reduction, reuse, and recycling to prevent it from going to a landfill.</p> <p>As a part of our solid waste management processes, our team has identified the various kinds of waste generated and whether third-party waste management solutions are available for use by our clubs in each of the countries where PriceSmart operates. Where applicable, our team is now in the process of contracting with a waste management service in each country to meet the needs of our clubs.</p> <p>In addition to the Solid Waste Management Program, PriceSmart has a Waste Management Reporting tool, which is a digital resource for overall management, data gathering, and reporting on the performance of the waste management program.</p>
Waste 2020	306-3	Waste generated	<p>At this time, the company does not weigh ordinary waste that is sent to the sanitary landfill. Therefore, there is no reportable data for this category of waste. In the majority of our clubs, ordinary waste is collected by the local public service provider for each community or municipality. These services do not carry out waste weighing procedures.</p>
Waste 2020	306-4	Waste diverted from disposal	<p><u>Waste diverted from disposal by weight (metric tons)</u>  Fryer oil – 179  Cardboard – 11,256  Plastic containers – 43  Paper – 5  Lead – 1.51  Stretch-wrap – 515  Office batteries – 0.4  Scrap metal – 59  Automotive oil – 0.04  Aluminum/cans – 1.23  Glass – 4.35  Tetra Brik – 0.36    Total – 12.064</p> <p><u>Waste diverted from disposal by units (ea.)</u>  Pallets – 413,305  Car Batteries – 22,711  Electronics – 2,877  Tires – 132,920  Large appliances – 476  Ink cartridges – 34  Fluorescents – 3,175    Total – 575,498</p>

GRI Standard Title	Disclosure #	Disclosure Title	FY2023 Response
<b>Employment</b>	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our People <a href="#">(p. 10)</a>
<b>Occupational Health &amp; Safety</b>	403-2	Hazard identification, risk assessment, and incident investigation	PriceSmart has an Incident and Injury Reporting Policy, supported by an Incident and Injury Reporting Program for both employees and third-party incidents. All the information regarding these injuries and incidents, in addition to the actions taken to prevent recurrences, are recorded in an Incident Report Software. This software also allows us to analyze data to define priorities and plan actions to reduce accidents and lost days, improve safety related work conditions, and achieve other objectives related to worker and member safety measures.
<b>Occupational Health &amp; Safety</b>	403-4	Worker participation, consultation, and communication on occupational health and safety	<p>As an element of our approach to safety, each club maintains a Safety Committee made up of employees responsible for managing occupational health and safety issues under the direction of the Warehouse Manager.</p> <p>The Safety Committee is responsible for the implementation of safety programs. This is accomplished by:</p> <ul style="list-style-type: none"> <li>• Ensuring employees in each club are aware of the safety guidelines outlined in a Safety Manual created by the Corporate Safety Department. The Safety Manual is a corporate document prepared for use in all operating facilities.</li> <li>• Actively communicating with local authorities, including ambulance services, fire departments, and law enforcement, and providing local information to the club and its employees.</li> <li>• Adopting a preventive approach to unsafe behaviors and conditions in each club.</li> <li>• Gathering safety suggestions from employees.</li> <li>• Communicating safety matters to the employees.</li> <li>• Conducting fact-finding investigations and inspections.</li> <li>• Reviewing monthly incidents and accidents.</li> <li>• Investigating incidents/accidents and recommending corrective actions.</li> </ul>
<b>Occupational Health &amp; Safety</b>	403-6	Promotion of worker health	<p>As a company, we work to promote a healthy life for our employees at our clubs, distribution centers, and offices. PriceSmart facilitates access to essential healthcare services through a country-specific approach, utilizing a combination of mechanisms such as medical insurance and company doctors. In countries where access to healthcare services is regulated by local legislation, PriceSmart complies with local guidelines.</p> <p>To respect workers' right to privacy, the medical records of each employee are confidential and access to these records is limited. Employee medical records are never used as criteria for decisions regarding employment or engagement of workers, including termination, demotion, promotion or offering of prospects, compensation, or any other favorable or unfavorable treatment. We will continue to promote the health and safety of our employees so that we can promote the well-being of our employees, provide better experiences for our Members, and continue to succeed in our business.</p>

# SASB INDEX

Topic	Disclosure Title	Disclosure #	FY2023 Response
<b>Air Emissions from Refrigeration</b>	Gross global Scope 1 emissions from refrigerants	FB-FR-110b.1	65,522 MT CO2e (metric tons)
	Percentage of refrigerants consumed with zero ozone-depleting potential	FB-FR-110b.2	37%
<b>Energy Management/ Energy Management in Retail &amp; Distribution</b>	(1) Operational energy consumed, (2) percentage grid electricity, (3) percentage renewable	FB-FR-130a.1 CG-MR-130a.1	Operational Energy Consumed: 177,241 MWh Percentage Grid Electricity: 84% Percentage Renewable (solar): 16%

An aerial photograph of a large, multi-story retail building, likely a PriceSmart store, with a parking lot full of cars in front. The image is dark and has a blue tint. The PriceSmart logo is overlaid in the center. The logo consists of a red sun icon with rays, followed by the text "PriceSmart" in white, with a registered trademark symbol (®) to the right.

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