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About this report

Price**Smart**

GRI 102-50 to 102-54

We are pleased to share our first Environmental and Social Responsibility (ESR) Report to inform employees, Members, investors, vendors, and the community at large about our ESR practices and initiatives. This report provides an opportunity to shed light on the most significant initiatives we have carried out during the past year. We plan to prepare and share these reports annually.

This report covers the 2021 fiscal year, which ran from September 1st, 2020 to August 31th, 2021. Unless otherwise noted, the data included in the report reflects this time period. The information in this 2021 Report refers to PriceSmart operations in the United States (San Diego & Miami Offices and 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). This report does not include the operations of our Aeropost subsidiary, which we disposed of on October 1st, 2021.

GRI ALIGNMENT

The content of this report has been prepared using the Global Reporting Initiative Standard (GRI Standard) as a guideline.



CONTACT POINT FOR QUESTIONS REGARDING THE REPORT

PriceSmart's investor relations team: ir@pricesmart.com



CEO letter



GRI 102-14

It is an honor to introduce PriceSmart's first annual Environmental and Social Responsibility Report, a comprehensive method of sharing the progress of our Environmental, Social Responsibility, and Governance Initiatives as well as an opportunity to demonstrate the multiple ways we work to improve the well-being of our employees, Members and our communities.

At PriceSmart, doing business the right way is at the core of everything we do. Our values require us to conduct our business with integrity, respect, and passion. We work to provide a good return to investors while satisfying the needs of our Members and supporting the communities we serve.

Programming and developing our ESR initiatives requires an ongoing collaborative effort between all major departments at our company as well as our many key external stakeholders. We are seeking to gain an understanding of the topics of most importance to our stakeholders through ongoing engagement and surveys. We plan to use this information to drive our decision-making in all aspects of our business.

For us, doing business the right way means offering our Members a valuable experience with quality merchandise at affordable prices, providing our employees with good working conditions, maintaining high standards of safety and cleanliness at our clubs, treating our suppliers as partners, conducting ourselves in a socially responsible manner, respecting the environment, and complying with local laws in all of the countries in which we operate.



CEO letter



This also includes our commitment to PriceSmart's local communities. We seek to influence our communities to address important issues such as diversity, equity, and inclusion, human rights and environmental sustainability.

Over the decades, we have conducted our business with an ongoing commitment to our employees and a drive to bring value to our Members, and this has helped us to build the resilience we needed to navigate past and current health, social and economic impacts associated with the global pandemic.

Addressing the COVID-19 pandemic has been a significant focus for PriceSmart. For the safety of our Members and employees, we guickly adopted all security measures recommended by the CDC and local authorities in the countries where we do business. As the world continues to cope with the pandemic, we remain vigilant, committed, and ready to adapt to any new protocol, process or procedure required to continue ensuring the safety of our employees and Members.

This year, PriceSmart is marking its 25th anniversary. Twenty-five years in, we remain committed to supporting the communities in the countries in which we operate through our regular course of business as well as through our external partnerships. Some examples that are discussed later in the report include our partnership with Price Philanthropies Foundation and financial contribution to programs such as Aprender y Crecer, which supports public education in Latin America and the Caribbean.

Another example is our food basket donations to vulnerable populations in PriceSmart markets during the worst of the pandemic.

As a way of solidifying the strong commitment to Corporate Responsibility that PriceSmart has upheld since day one, we have formalized our Environmental and Social Responsibility (ESR) department. The ESR Team is responsible for guiding, measuring, and communicating this fundamental aspect of PriceSmart's corporate culture and strategy into all aspects of our business. Furthermore, our Board of Directors now includes a Committee dedicated to Environmental and Social Responsibility.

I invite you to continue reading this report to learn more about our commitment to being an impactful, responsible, and transparent company. Our philosophy of putting our employees and Members first while being an active and engaged member of the community will continue to guide our business decisions.

Together, we are working to be the company people most value and trust.

Thank you for your continued support.

Sincerely.

Sherry S. Bahrambeygui Chief Executive Officer



Q&A with **ESR team**



Brud Drachman, Executive Vice President of Environmental & Social Responsibility, Construction and Facilities and David Price, Vice President of Environmental & Social Responsibility co-lead PriceSmart's Environmental and Social Responsibility (ESR) Team. Brud and David discuss the past year and consider what the future at PriceSmart could look like through the lens of environmental and social responsibility and governance.

O1. PriceSmart and communities all over the world have experienced unprecedented changes over the past year. A once in a century global pandemic, natural disasters and more have changed how PriceSmart does business. This is PriceSmart's first year with an ESR Team. Can you talk about this past year and how it has influenced PriceSmart as a company?

Brud Drachman: PriceSmart's willingness to respond to these natural disasters and other challenges really shows the heart and soul of our company. Communicating these efforts internally has sparked more participation and awareness in the company. A good example of this is the recent earthquake in Haiti; our response was actually sparked by our own employees asking us "So, what are we going to do to help?" Our employees expect us to be there on the front lines to help in these challenging situations. We are becoming more aware of the need to be involved in the communities and regions in which we operate at an even deeper and more consistent level.

David Price: While this has been a very challenging year for all of us, I am excited to see increased commitment and focus on behalf of management and the board of PriceSmart on matters relating to the environment and social responsibility. Creating a dedicated team and board committee, allocating internal resources, and striving for a higher level of public visibility elevates what we can achieve as a company in social and environmental responsibility.

I believe being responsible and aware of our environmental and social impact has always been an important part of our company's culture, but it has evolved into something that intersects with our underlying business strategy and choices.

02. What are you most proud of in PriceSmart's ESR achievements in the past year?

Brud Drachman: The creation of the ESR Team, Board of Directors committee, and the involvement of so many of our team members in this initiative. It is fantastic to see these efforts culminating in the creation of our company's first Environmental and Social Responsibility Report. This first report has been developed with cross departmental collaboration and direct involvement of more than 50 team members and is our first real statement for our internal and external stakeholders that reveals this part of our business and culture.

David Price: I agree with Brud that it is a great source of pride for me and for PriceSmart that we are finally publishing our first Environmental and Social Responsibility Report. I do want to mention something else that brings me not only pride, but a deep sense of gratitude as well. I am proud of our team's response to the COVID-19 pandemic, both our frontline and back office employees. Thinking about our frontline workers who work in our clubs, they are tremendous and have shown such dedication and perseverance over the last almost two years. Our team has been there each day for our Members, making sure that necessary and exciting goods are available at great prices for the people who shop with us. Furthermore, I believe that this pandemic has forced us to become a stronger company today than we have ever been. For example, every week since the start of the pandemic, we have had a team do a full Covid-19 response audit in every operating facility. This helps us maintain a safe working environment for all employees and Members and demonstrates the lengths that our team goes to operate at the highest levels of excellence.

Q&A with **ESR team**



03. Why does it matter that PriceSmart is aiming to be a more sustainable, equitable, and responsible business?

Brud Drachman: We have engaged with many of our stakeholders and have created a materiality analysis based on their survey responses. Our stakeholders have communicated to us that many of the non-financial areas of our business are important to them. For example, the stakeholders we surveyed identified human capital development and labor rights as being important. They hold us accountable to pay good wages and putting our employees and our Members first. In this first round of stakeholder engagement focused on materiality, PriceSmart surveyed a select group of stakeholders that was not exhaustive nor all inclusive. PriceSmart is committed to continuing to expand the breadth of this engagement. including shareholders in future years.

David Price: I believe that business has a critical role to play in the global community's response to the imminent causes and impacts of climate change as well as the numerous other global challenges we face as a species. Throughout the past nearly two years, we have seen the impact that a global pandemic can have on labor markets, supply chains, macroeconomic trends, and other global systems. This is just one, albeit major, crisis. Climate change and the resulting impacts will cause not only real business risks and challenges for our industry, but also present opportunities for investment and growth. Our commitment to being more sustainable, equitable, and responsible as a business will be an integral part of our future successes and ability to continue generating unique value for our Members and stakeholders.

04. What are you most excited and hopeful for in terms of PriceSmart's future?

Brud Drachman: A couple of things come to mind for PriceSmart and our future. Something akin to a return to normalcy in the next year - while utilizing the lessons we learned throughout the pandemic. Some examples include the continued development of our ESR Team and enhancing my partnership with David and with our Global Sustainability Manager, Adriana Araya; encouraging, teaching, and supporting our employees; setting benchmarks; and looking to improve on specific goals and metrics related to our environmental and social responsibility efforts.

David Price: Growing our social strategy for the Company. We have partnered effectively with Price Philanthropies Foundation, and there is so much more we can do there. In addition, it has been fantastic to see us as a company communicate more proactively with our stakeholders. We still have room to improve, and we will be doing a lot more going into the next fiscal year. Finally, I am excited to continue learning from Brud and other senior leadership at the Company as we grow this initiative together. I believe this commitment and focus on ESR resonates with our team and will spark learning and expand what we can achieve together in the coming months and years!











OUR STORY

Since the opening of our first warehouse clubs in Panama in 1995, PriceSmart has become the preeminent warehouse club retailer in Central America, the Caribbean and Colombia. From the beginning, PriceSmart has done business with the core values that were first sown in 1954 when Sol Price founded FedMart, 67 years ago in San Diego, California.

Sol and his son and PriceSmart founder, Robert Price, split from FedMart and began the groundbreaking, big box concept that was Price Club. In the operating of Price Club, Robert and Sol created and fine-tuned the wholesale retail club concept and realized many of the critical elements of success including "The Six Rights" of Merchandising and the importance of being an efficient and low cost operator.

As Price Club expanded and came to merge with Costco Wholesale in the early 1990's, a special connection was made that laid the groundwork for the PriceSmart we know and love today.

During the early months of the Price Club-Costco merger, Robert connected with Rafael Barcenas, a prominent business person from Panama who believed that the club concept would be a success in Central America.

In December 1994, Costco spun off its real estate and other assets into a separate public company called Price Enterprises. Following this separation, Price Enterprises opened its first new warehouse club in Panama in 1996. This club, together with other non-real estate assets, were then spun off into PriceSmart in 1997. The new PriceSmart venture expanded rapidly through the 1990s and 2000s throughout Central America and the Caribbean and eventually entered Colombia in 2011.

While the saga of the Price enterprises has grown and evolved through the decades, there are key elements that have remained consistent throughout each iteration of the business. These include our company's core beliefs, values, code of ethics, and our "Six Rights" of merchandising that guide our company's merchandise offerings and business strategy.

We have 47 clubs as of the date that this document was produced.

PriceSmart has become the preeminent warehouse club retailer in Central America, the Caribbean and Colombia.





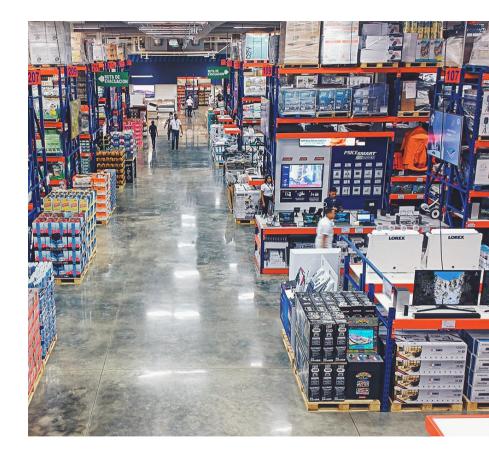




PriceSmart is a company built on diversity and a deep commitment to its employees, its Members, and the communities and regions in which it does business.

PriceSmart aspires to use its strengths and leadership to improve the regions where it operates by supporting local communities, respecting the environment, conducting business responsibly, empowering the Company's suppliers, and providing the Company's 9,700 employees with good jobs and fair wages.

At PriceSmart, we believe that our work in the areas of environmental sustainability, social responsibility, diversity, equity, and inclusion is not only beneficial for the Company's financial and performance, but also essential in creating shared value for our Members and the communities around us. PriceSmart is increasing its level of commitment to social engagement and sustainability by creating a team to lead its new ESR Department and furthering the collaboration between PriceSmart and Price Philanthropies.





PriceSmart is a company built on diversity and a deep commitment to its employees.



AT A GLANCE

- Founded by Sol and Robert Price (founders of The Price Company, which merged with Costco in 1993).
- Largest operator of membership warehouse clubs in Central America, the Caribbean, and Colombia serving over 3 million cardholders.
- As of August 31th, 2021, the Company had 47 warehouse clubs in 12 countries and one U.S. territory: eight in each of Costa Rica and Colombia; seven in Panama; five in the Dominican Republic, four in each of Trinidad and Guatemala; three in Honduras; two each in El Salvador and Nicaragua; and one each in Aruba, Barbados, Jamaica and the United States Virgin Islands.
- Differentiated warehouse retail model focused on driving membership value through a carefully curated merchandise selection that is sourced both globally and locally and leverages our purchasing power and efficient supply chain.
- PriceSmart is focused on driving member value through increased efficiencies, growing same store sales, improving our supply chain, expanding our geographic footprint, and developing our omni-channel sales platform. The Company believes that it is well-positioned for continued growth in emerging and developing markets and is differentiating itself from competitors by continually improving the Member's shopping experience and available services, such as Optical, while also offering an exciting treasure hunt for exceptional merchandise.





VISION

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



MISSION AND BUSINESS STRATEGY

PriceSmart exists to improve the lives and businesses of our Members, our employees and our communities through the responsible delivery of the best quality goods and services at the lowest possible prices. Our mission is to serve as a model company, which operates profitably and provides a good return to our investors, by providing Members in emerging and developing markets with exciting, high quality merchandise sourced from around the world and valuable services at compelling prices in safe U.S. style clubs and through PriceSmart.com.

We prioritize the well-being and safety of our Members and employees. We provide good jobs, fair wages and benefits and the opportunity for growth. We strive to treat our suppliers right and empower them when we can. We conduct ourselves in a socially responsible manner as we endeavor to improve the quality of the lives of our Members and their businesses, while respecting the environment and the laws of all the countries in which we operate. The annual membership fee enables us to operate our business with lower margins than traditional retail stores. As we are increasing technological capabilities and expanding our omni-channel shopping experience, we believe we can realize greater efficiencies in the supply chain, enhance our ability to satisfy our Members' shopping expectations, and play a greater role in their lives. We believe we are well positioned to blend the excitement and appeal of our brick and mortar business with the convenience and additional benefits of online shopping and services.



PriceSmart Clubs

Country/Territory	Number of Clubs 💡
Costa Rica	8
Colombia	8
Panama	7
Dominican Republic	5
Trinidad	4
Guatemala	4
Honduras	3
El Salvador	2
Nicaragua	2
Aruba	1
Barbados	1
U.S. Virgin Islands	1
Jamaica	1
Total	47



<u>Domini</u>can Republic

United States Virgin Islands

Barbados



Trinidad



Future clubs:

distribution center

PriceSmart clubs

- Guatemala City, Guatemala Fall of 2021
- Floridablanca, Colombia Fall of 2021
- Portmore, Jamaica Spring of 2022

Corporate offices and primary



Honduras

Guatemala 🥊 👩

El Salvador





GROWTH STRATEGY



DRIVE NEW CLUB GROWTH



INCREASE SERVICES AND BENEFITS TO OUR MEMBERS, ENHANCING THE VALUE OF THE MEMBERSHIP







OUR STRATEGY

We're focused on three major drivers to grow our company. The first is real estate; opening new clubs and making investments in our distribution network to ensure that we're strategically located in the right places to maximize efficiencies in the supply chain. Second is enhancing the value of the membership, and third is driving incremental sales for the Company through our new platform, pricesmart.com. and other digital capabilities.



WHAT WE BELIEVE

- We believe in investing in the well-being of our employees through rewarding, good-paying jobs and opportunities for personal growth and advancement.
- We believe in operating in the best interests of our Members, earning their trust each and every day.
- We believe in operating with integrity, honesty, transparency and practicing the "golden rule".
- We believe in providing our Members with the best quality items at the lowest possible unit prices, through the relentless pursuit of operating efficiencies and lower expenses.
- We believe in helping our communities by supporting suppliers, community organizations and local businesses.
- We believe in being good stewards of the environment.
- We believe in providing a reliable Member shopping experience with fun sprinkled in.
- We believe in continuously evolving and improving so we are in-tune with the changing needs of our Members.





KEY IMPACTS, RISKS, AND OPPORTUNITIES | 102-15

The ESR Committee has been tasked with reviewing and evaluating ESR risks and opportunities that may arise in connection with the Company's activities and advise the Board on such risks and opportunities that may materially affect the Company's broad enterprise risk management ("ERM") program. This report is the opportunity to establish the ESR baseline for the Company and subsequent improvements.

ANTI-CORRUPTION | 205, 103

As a Company founded on the grounds of providing the right shopping experience to our Members, we are committed to operate our business with integrity and good business conduct. Also, as an organization, we strive to develop a productive ecosystem in our interactions with Members, employees, vendors and the communities and markets where we operate. We continuously grow and strengthen our values, as we also recognize our responsibilities as part of the communities and markets where we conduct our business.

We have developed **OUR CODE OF ETHICS ("The Code")** to foster Our Values and The Six Rights of our business model, and to lead us in our commitment to conducting our business with integrity and responsibility. Every one of us at PriceSmart is expected to understand and follow our Code. When we work together and stay focused on our values, we create the right culture. All supervisory and management personnel, including our officers and directors, and all of us as an organization, are expected to lead according to these standards, and to practice and promote a culture of operational excellence, by adhering our business practices to all legal and regulatory matters that apply to our business, and the markets where we operate.

A message from our CEO Sherry Bahrambeygui reminds us that key to our performance is the commitment to conduct business ethically and with integrity, while nurturing an environment where open and honest communications are the expectation, and not the exception. The company fosters teamwork, diversity of backgrounds and respect in the workplace.

As part of the Company's compliance program, and to support all initiatives around anti-bribery and corruption, a dedicated and monitored system is in-place, with an independent reporting communications line via phone, email or web, to gather, analyze and resolve issues and concern reported by employees and third parties.

Anti-Bribery and Corruption

Our Anti-Bribery and Corruption practices comply with the Foreign Corrupt Practices Act (FCPA) and local anti-bribery laws. The primary objective of the anti-bribery and corruption policy is the development and implementation of business practices and risk controls that seek to minimize, or eliminate, any act of corruption while conducting business on behalf of the Company. The Policy applies to all business units. We expect compliance with the policy, its guidelines and practices, from all employees, directors, officers, consultants and representatives who conduct business on behalf of PriceSmart and its subsidiaries. The Policy requires hand-on comprehensive training as part of a risk-based approach, focusing on specific business units and team members, as it clearly states enforcement measures and procedures to ensure compliance with the policy.



EXECUTIVE-LEVEL RESPONSIBILITY FOR ECONOMIC, ENVIRONMENTAL, AND SOCIAL TOPICS | 102-20

The ESR Team and Department is led by Executive Vice President Brud Drachman and Vice President David Price. 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.

ROLE OF HIGHEST GOVERNANCE BODY IN SETTING PURPOSE, VALUES, AND STRATEGY 102-26

The ESR Team works directly with all areas of the company in the assessment and establishment of purpose, values, strategies, policies, and goals as 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.



COLLECTIVE KNOWLEDGE OF HIGHEST GOVERNANCE BODY | 102-27

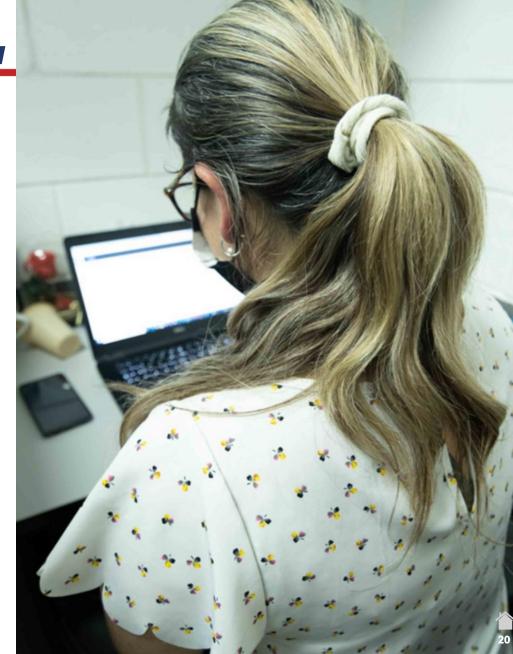
The ESR Committee, the ESR Team and senior executives of the Company take numerous steps to stay abreast of and understand the constantly changing ESR landscape. Engagement with our financial auditors, participating in industrial/commercial/public forums and working with associated vendors and enterprises to share best practices enable the Company to develop and enhance our collective knowledge. We encourage all employees of the Company through internal and external communication and programming to learn more, get involved, and support these initiatives not only on behalf of the Company, but in their personal lives.

EFFECTIVENESS OF RISK MANAGEMENT PROCESSES | 102-30

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.

COMMUNICATING CRITICAL CONCERNS | 102-33

The ESR Committee meets four (4) times per annum and the ESG Management Team meets regularly. In the event that a critical concern relating 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. 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. This is another opportunity for communication.





LIST OF STAKEHOLDER GROUPS | 102-40

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.

During this process, the company included the following stakeholders: PriceSmart employees, Members, vendors, NGO's, 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.

APPROACH TO STAKEHOLDER ENGAGEMENT 102-43

The participation methods with our internal stakeholders include: surveys, written communication, presentations, meetings, executive leadership emails and videos. As part of our internal communication process, the ESR Department has an ESR Newsletter, which is published internally on a quarterly basis and through which we receive comments or suggestions from our employees.

The approach to our external stakeholder is based on written communication, online polling, social media, meetings and customer service provided in our clubs.

Specifically for the preparation of the materiality process of this report, the following methods were used as means of participation: interviews with our employees and vendors, as well as online surveys with the rest of the aforementioned stakeholders.

LIST OF MATERIAL TOPICS | 102-47

- Labor rights and employee's well-being.
- Governance.
- Human capital development.
- Health, nutrition, and food safety.
- Relationship with the consumer.
- Responsible products.
- Eco-efficient operations and waste management.
- Supply chain management.







KEY TOPICS AND CONCERNS RAISED | 102-44

Stakeholder Group: Leadership (Vice President to C-Suite)

Key topics and concerns raised (Top 5): Governance, human capital development, local communities, eco-efficient operations and labor rights and employees' well-being.

Stakeholder Group: Employees (entry level to director level)

Key topics and concerns raised (Top 5): Human rights, data security, labor rights and employees' well-being, human capital development and governance.

• Stakeholder Group: Members

Key topics and concerns raised (Top 5): Data security, relationship with the consumer, human rights, health, nutrition and food safety, labor rights and employees wellbeing.

Stakeholder Group: Vendors

Key topics and concerns raised (Top 5): Labor rights and employees' well-being, branding and responsible communication, relationship with the consumer, responsible products and human rights.

Stakeholder Group: Local community

Key topics and concerns raised (Top 5): Packaging, human rights, health, nutrition and food safety, climate change and direct and indirect job creation.





SUSTAINABLE DEVELOPMENT GOALS (SDG)

PriceSmart aimed to not only complete the company's first social and environmental materiality analysis during fiscal year 2021, but also to guide the company in structuring its first report. PriceSmart's Environmental and Social Responsibility team identified the principal areas of stakeholder focus in social and environmental topics. Management is now working towards aligning these topics with the United Nations Sustainable Development Goals (SDGs). The United Nations SDGs are a call to action for all nations, developed and developing, to work in partnership towards ending poverty and other challenges, hand in hand, with implementing strategies that improve health and education, reduce inequality, spur economic growth, and tackle our global environmental challenges¹.

PriceSmart intends to consider the SDGs as we go forwards with our Environmental and Social Responsibilities strategies.











The health and well-being of our employees and Members is our top priority. Since the beginning of the Covid-19 pandemic, we at PriceSmart have taken and are proactively taking precautions in each of our 13 different markets to keep our stores clean, our Members safe and our workers informed of best practices to reduce the risk of exposure to Covid-19.

When the Covid-19 pandemic began, PriceSmart assembled a team to assess the situation and took the initial step of screening employees for Covid-19 symptoms. We utilized US Centers for Disease Control (CDC) guidelines. We asked employees to complete a questionnaire about possible symptoms and to monitor their body temperatures. If there was any indication that an employee had Covid-19, he or she was sent home and asked to get tested. Front line employees, such as cashiers, who needed to be in the clubs, were evaluated for symptoms throughout the day. If employees experienced symptoms during their shifts, they were required to return home and asked to get a Covid-19 test. Back-office employees who could work from home were asked to stay home, and the Company provided a stipend for internet usage and, as needed, appropriate furniture for comfortable home work.

In the initial stages of the pandemic, older employees and those potentially at greater risk received full compensation to stay at home and were deployed to support those functions that could be supported remotely. Additionally, every club recruited employees both internally and externally to act as a reserve team that was only utilized when others tested positive. This program continues to exist. When others are forced to stay home due to illness, the reserve team members are asked to fill in for those positions.

When positive cases were detected in a club, we publicly announced them over PriceSmart's digital media portals.

Because we were facing something that was affecting everyone, we had to come together. We recognized that a perfect playbook was not available. We continue to monitor guidelines, evaluate and acquire the appropriate personal protective equipment (PPE) and provide directions on its proper use.

The health and well-being of our employees and Members is our top priority.





INCREASED HYGIENE AND SAFETY PROTOCOLS

- Ensuring Members and workers can maintain "social distancing" through measures such as:
 - a. Limiting number of Members in a club at any given time;
 - b. Shield protectors for cashiers;
 - c. Safety markings on the club floors to show distance;
 - d. Constantly communicating on social distancing guidelines through signs and other means to educate Members to keep their distance.
- 2. Making disinfectants, hand sanitizers, thermometers and wipes available at all work stations.



- Increasing the number of paid breaks during working hours so workers can wash their hands.
- Where possible, providing employees paid time off to get Covid-19 testing.



5. Training and informing workers on the latest precautions and health & safety protocols.

- In case of identification of an infected employee, implementing an emergency protocol activated immediately to avoid the spread of Covid-19 to other employees and Members.
- 7 Encouraging Members to use contactless payment methods when available.

*Note: Cleaning and security personnel have access to these same benefits and protections.



In addition to the above measures, PriceSmart works with the local authorities, unions, and employees to coordinate safety procedures, including shutdowns when necessary. For example, in Honduras, we were forced to close down our clubs for two weeks. Our team recognized that if we did not do something "out of the box," some of our perishable food would no longer be sellable. More importantly, our Members needed access to food for their own needs. Our team approached a minister in the country and came up with a drive-through process for pick up items. From there, we assembled baskets of basic staples to make shopping much simpler. Members could purchase baskets online and then pick them up at the club.

When the pandemic began, we sent home sanitation kits containing masks, sanitizer, recommendations of the proper protocols associated with operating in the public domain, and other essential goods to employees' homes. We provided private transportation for employees in some markets. Our team has also imposed operational guidelines on private transporters, including requirements for the use of PPE and sanitation and social distancing. We put in place guidelines for the use of break rooms and eating areas. PriceSmart adopted a wellness day in the entire company for every employee with the purpose of dealing with the mental stress of the pandemic. In addition, leadership provided PPE for employees' loved ones, recognizing that they were part of larger households, as well as access to an internationally recognized meditation application to relieve stress. The Company also invested in employee assistance programs to offer support for any employee needing additional resources.

In the medium term, the Company will focus on the best way to return employees to the workplace, where possible and on improving remote teaching, self-teaching and employee recognition. We continue to discuss the future of remote work as the pandemic evolves.

We have ensured that all preventative protocols in our operations are being adhered to by our team. An aggregate group of forty-seven (47) employees throughout the Company, including our Safety, Facilities, Operations and Administration teams, are supporting this program by performing these assessments.

These weekly Covid-19 safety assessments and preventive measures are being conducted in all operating PriceSmart clubs, the Miami Regional Distribution Center, the In-Country Distribution Centers, and Produce Distribution Centers.

PriceSmart works with the local authorities, unions, and employees to avoid potential conflicts.



COVID RELIEF DONATIONS

PriceSmart, in collaboration with Price Philanthropies Foundation, has been actively engaged in providing relief to communities affected by the Covid-19 pandemic in all countries where the Company has operations.

This relief came in the form of food baskets containing non-perishable food items and other household essentials which were donated to local nonprofit organizations in each country, and then distributed to individual families affected by this crisis.

The total donations and number of baskets for fiscal years 2020 and 2021:

Year	Donated merchandise	# of baskets
2020	\$ 306,367	10,788
2021	\$1,744,397	60,126
Total	\$2,050,764	70,914







SAFETY AS CORE VALUE | 403, 103

Our commitment is to provide a safe and healthy environment for our employees, Members, visitors and contractors for all PriceSmart business units (clubs, distribution centers, and administration offices). We believe that safety is a core value and a key component within our business culture.

We encourage our employees to take individual responsibility for health and safety practices and to be role models of safety for co-workers, Members, families and the community. We seek to reach the highest safety level possible through the reduction, control and elimination of workplace hazards and risks that could lead to injuries, occupational illnesses and property damage.

Integrity is also a core corporate value of PriceSmart, and we work to comply with all applicable health and safety laws and regulations as a collective responsibility in each market in which we operate.

To meet these expectations of safety and integrity, PriceSmart has established a Corporate Safety Integrated Systems Department which is in charge of defining the Corporate Occupational Health and Safety strategy. This work team is supported by In-Country Safety Coordinators, Club Safety Leaders, and Safety Committees.



Lina Lais Lopez RoblesClub Administrative Assistant and
Member of Safety Committee
PriceSmart 6101

"My name is Lina Lais Lopez Robles. I am the Club Administrative Assistant at PriceSmart 6101.

I have worked for the Company for four years now in the Safety, Food Safety and Environmental team. My job is to develop roles and responsibilities for employees in order to guarantee a culture of hazard prevention and compliance with legal requirements in Safety and Health at work, as well as the application of national and international company standards.

I provide teaching and support on a daily basis throughout my club to strengthen processes through inspections and audits. My experience at PriceSmart has helped me to understand the needs of Members, employees and the Company itself, providing me a clearer and more objective vision of health and well-being for all as a priority.

I am happy with my work, with the support I receive from the Company, the participation of employees in maintaining standards, best practices, and the proactivity of SSTA- Food Safety."

Your Safety is also my Safety!

We implement programs and actions in order to ensure the prevention of injuries and protection of our employees and Members such as: Safety Manual, Forklift Operators Certification Program, Tire Center Safety Guide, Back to Basics, Merchandising Storage Guideline, Safety E-Learning Program and Emergency Action Plan. Through the Annual Integrated Audit and Monthly Safety Audit processes, compliance with these programs is evaluated and allows the identification of improvement opportunities for each program.





HAZARD IDENTIFICATION, RISK ASSESSMENT, AND INCIDENT INVESTIGATION | 403-2

In 2021, PriceSmart implemented 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 the PriceSmart Incident Report Software (IRS). 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 other objectives related to worker and member safety measures.

PROMOTION OF WORKER HEALTH | 403-6

As a Company, we work to promote a healthy life for employees at clubs, distribution center 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. Also, in countries where access to healthcare services is regulated by local legislation, PriceSmart makes sure to comply with local guidelines.

To respect workers' right to privacy, the medical records of each employee are confidential and the access to these records is limited. The medical records will never be 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.





WORKER PARTICIPATION, CONSULTATION, AND COMMUNICATION ON OCCUPATIONAL HEALTH AND SAFETY | 403-4

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.

The Safety Committee is responsible for the implementation of safety programs. This is accomplished by:

- 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.
- Actively communicating with local authorities, including ambulance services, fire departments, and law enforcement, and providing local information to the club and its employees.
- Adopting a preventive approach to unsafe behaviors and conditions in the club.
- o Gathering safety suggestions from employees.
- Communicating safety matters to the employees.
- Conducting fact-finding investigations and inspections.
- Reviewing monthly incidents and accidents.
- o Investigating incidents/accidents and recommending corrective actions.









WORKER TRAINING ON OCCUPATIONAL HEALTH AND SAFETY 403-5

Safety E-learning program

Raising awareness and education on safety

In 2014, we introduced a successful safety e-learning program for all employees of our clubs. This program is designed to provide employees with information about common retail safety hazards and how to prevent injuries in order to ensure that everyone goes home safely every day.

We are proud of the fact that between 2014 to 2021 our employees have completed more than 189,000 online courses, which represents a total of 130,000 hours of safety teaching.

Number of courses completed		
FY19	17,163	
FY20	10,632*	
FY21	21,290	

^{*}Due to Covid-19 Pandemic, the online courses program was put on hold from March 2020 to September 2020.

In 2021, we extended the program to other business units, including our distribution centers.

On-site teaching sessions

Our Safety Leaders are people certified in Occupational Health and Safety helping with the implementation of safety, food safety and environmental programs. They lead the Safety Committee at the operating facilities and coordinate teaching sessions on safety topics and regulatory compliance. Among other things, we provide our forklift operators with the 8-hour annual certification session as part of their requirements to obtain the PriceSmart forklift operator driver's license.



HUMAN CAPITAL 401, 103

At PriceSmart, we understand that our people are key to delivering value to our Members. We work to enhance the capabilities of every person, team and organization working with us in order to create value for our Members and accelerate our business results.

We do this by recruiting, teaching and retaining a workforce that implements our business agenda the right way. To achieve this, HR and line managers work closely to understand our people's needs for their personal and professional development, and then we devote ourselves to supporting that development through many initiatives.

BENEFITS PROVIDED TO FULL-TIME EMPLOYEES | 401-2

PriceSmart offers benefits to its employees that meet or exceed legally required benefits. This shows the company's commitment to improving its employee's well-being. In addition, providing better benefits enables us to differentiate and attract the talented employees we want to improve our Members' experiences.

The company offers benefits to employees in accordance with the country in which they work.

PARENTAL LEAVE

All of our employees benefit from a parental leave policy.

Wherever local governments do not cover the cost of parental leave, we assume that cost. We believe that it is important to support our employee's families in this way, which results in better and greater employee engagement.







HIRING FROM THE LOCAL COMMUNITY

At PriceSmart, we value being an integral part of every community in which we do business. One of the ways we do this is by hiring employees from the local communities and providing good jobs, fair wages and benefits according to our international standards.

PriceSmart is focused on developing its people. We are committed to identifying talent, developing skills and promoting growth from within the Company. Our employees grow as we grow our business. Going forward, we intend to study and report quantitative insights into employee growth within the company.





PROGRAMS FOR UPGRADING EMPLOYEE SKILLS AND TRANSITION ASSISTANCE PROGRAMS 404-2

We are committed to giving our employees opportunities to develop new skills to support them in their work at PriceSmart.

On the side there is a brief description of the Company's programs that support the development of our teams and employees:



Managers Development

We have designed several learning paths based on our employee's needs from Middle to Senior Management with a focus on strengthening their managerial capabilities and the way they perform their job functions. PriceSmart partnered with LinkedIn Learning Pro to design these learning pathways.

Leadership

We have selected the content for our leaders so that they may improve their competencies and contributions to their teams. PriceSmart partnered with Franklin Covey®, a well-known leader in leadership skill development, to access their library of knowledge.

• Internal Teaching program

Our Human Resources team expanded upon the existing virtual education platform by developing a corporate teacher program to support educational initiatives.

Outstanding Member Shopping Experience

These courses are aimed to improve our Members' experience.





EMPLOYEES RECEIVE REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

As part our founders` philosophy, at PriceSmart, we teach by example. We expect all of our leaders to connect with their team members and engage in feedback discussions that improve our teams' capabilities to succeed.

Also, we are improving our talent assessment capabilities so that both HR and each person's supervisors can understand how to help their people to improve their performance and how to guide them through their professional development.

This process will help us recruit and retain talent at every level, including our leadership positions, so that we can be confident in our present and future results.

In addition, we have an open-door policy where, regardless of level or tenure, leadership is available for all levels of employees to encourage engagement.

We also have an open-door policy where, regardless of level or tenure, leadership is available for all levels of employees to encourage engagement and teaching.

Focus on **people**



DIVERSITY OF MANAGEMENT GOVERNANCE POSITIONS AND EMPLOYEES 405-1

PriceSmart is a company that is committed to offering equal opportunities regardless of race, color, gender, nationality, language, religion or social origin.

The following table shows the percentage of employees in management governance positions (senior vice presidents and executive vice presidents) during the fiscal year 2021 by category and gender:

Percentage by category and gender

Category	Female	Male	Total
Executive	3	9	12
Sr. Management	90	124	214
Management	36	45	81
Middle Management	387	432	819
Supervisory	684	880	1,564
Technical	951	1,614	2,565
Operative	1,857	2,588	4,445
Total	4,008	5,692	9,700
Percentage	41%	59%	100%

Percentage by gender group

TOTAL EMPLOYEES 9,700

MALE 59%

FEMALE 41%



Information by gender and age group

Category	Female	Male	Total
Under 30	1,008	2,028	3,036
30 - 50	2,602	3,258	5,860
Over 50	398	406	804
Total	4,008	5,692	9,700

Focus on **people**



RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN

PriceSmart strives to ensure that women and men are paid equally for the same job and responsibility.

Total compensation is aligned with the wage structure of each country. As a company, we determine a series of factors that set base salaries without gender bias. There is a single wage structure by country which is aligned with the local salary market practices.

As a company, our employees are treated equally, providing benefits and development opportunities for all.





INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTION TAKEN 406-1

PriceSmart has a well-established program for reporting incidents of discrimination. PriceSmart has in place an Ethics Line, where employees can report anonymously any incidents of discrimination.

PriceSmart has clearly communicated and displayed information to all employees about the Ethics Line, which is available online (intranet), posters at the clubs (common employee areas), main offices in each country, PriceSmart Code of Conduct, and other areas designated to communicate information to all employees.

Employees can report any incidents or allegations of discrimination to the Ethics Line via telephone (free of charge) or online. Employees can also report any incidents or allegations of discrimination directly to their supervisors, HR, Legal, Risk & Compliance or any leader within PriceSmart. All leaders and all employees at PriceSmart, have the responsibility to escalate all reports of discrimination to Legal, Risk & Compliance or Human Resources.





MEMBER'S SELECTION®

Every Member's Selection product is of equal or higher quality than that of the most recognized brands in the market, but they are offered at an exclusive price.

FOOD READY TO GO

We offer a variety of ready-to-eat meals each week! Our bakery makes freshly-baked breads and cakes as well as personalized cakes for any occasion.

FRESH VEGETABLES

We collaborate with local farmers to achieve guaranteed freshness in the produce selection we offer, providing Members with nutrient-rich vegetables and fruits and imported products only when local options are not available.

EYE EXAM

We offer complimentary eye exam services for our Members and three family members, providing access to professional optometrists, the latest technology and best brands in eye and sun glasses.

TIRE BALANCING

A Member who purchases a set of tires at PriceSmart receives lifetime balancing and additional services related to his or her tires.

TREASURE HUNT

We always have special products that are only available at our Clubs for a short period of time. Our Members can find home, seasonal and even luxury products in our aisles.

PRODUCT WARRANTY

At PriceSmart, we are so confident about the quality of our products that we offer a 30-day guarantee on most items.

Our team of buyers carry out exhaustive studies and quality control for the products that we offer. In an effort to ensure the greatest possible control over the quality and price of our products, we typically only sell one or two varieties of each type of product.

In most cases, if a Member is not completely satisfied, he or she a has 30 days to return the product for a full refund.

Please visit this page for full explanation of benefits: https://www.pricesmart.com/site/cr/en/membership-benefits



WELLNESS

PriceSmart Optical Centers

Optical Centers are now available in most locations. The Optical Center provides great value to our Members with quality prescription eyewear, contacts, and sunglasses. PriceSmart membership includes an annual eye exam from a licensed Optometrist for the Member and their immediate family.

Pharmacy

Pharmacies are now available in Costa Rica offering Members the convenience to fill prescriptions as they shop.

Audiology

Audiology Centers are now available in Guatemala. The Audiology Center provides great value to our Members with quality hearing aids, batteries, and accessories. PriceSmart membership includes an annual hearing exam from an Audiometry Technician for the Member and their immediate family.







Member's Selection Cafés

Member's Selection Café is now available in nine PriceSmart Clubs in Colombia, Guatemala, Costa Rica and the Dominican Republic. The Cafe offers coffee-based beverages, including cappuccinos, lattes, and frozen beverages. Members can enjoy these items as they shop.

Member's Selection Bakery

Member's Selection Bakery offers bread, cookies, cakes, pies, and other baked delicacies. Most items are baked fresh in-house daily with the highest quality standards. Personalized decorated cakes by our skilled cake decorators are available daily for the Members.









PriceSmart Fresh Kitchen®

Fresh Kitchen offers an assortment of freshly prepared food options. The items available include pizza, hot dogs, fried chicken, and salads, always served fresh in generous portions at low prices. The Fresh Kitchen also offers ice cream, fruit smoothies and many other sweet options. Our freshly prepared foods can be enjoyed in-club, purchased for take-out, or delivered using different platforms.

loko Loko Gourmet Donuts®

Joko Loko Donuts are now available in most locations as a pop-up shop format that serves a selection of gourmet donuts. Individual hand crafted donuts with creative and unique combination of flavors have made Joko Loko Donuts a special part of the PriceSmart shopping experience.











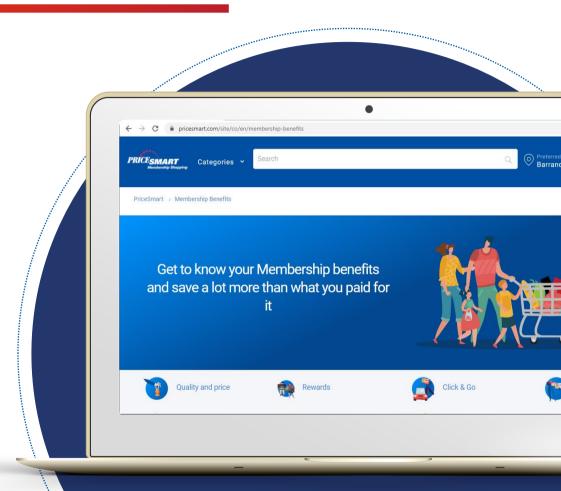
PriceSmart.com offers an online selection of PriceSmart merchandise including most categories that can be found at PriceSmart clubs. PriceSmart Members can search and browse the online catalog and add available items to their carts.

Once one of PriceSmart's Members is ready to check out, he or she can select from three fulfilment options including:

- Same day delivery with one of our third party last mile partners (Including Uber Eats, Rappi, and others depending upon the market of operation).
- Next day delivery.
- PriceSmart's "Click & Go"® service, which enables Members to easily pick up their PriceSmart.com orders at their selected PriceSmart location.

If a Member runs into an issue while shopping on PriceSmart.com, they can reach out to the team through the dedicated PriceSmart.com email address or by using the live online chat button on the Help Center page. For example, https://www.pricesmart.com/site/tt/en.

In addition to online merchandise shopping, a person or business can renew or buy a new Membership on PriceSmart.com and learn about other services available from PriceSmart. The PriceSmart.com team is focused on building out new online exclusive programs and experiences that offer additional value to PriceSmart Members.





DATA SECURITY AT PRICESMART

PriceSmart's online business is growing, which has led us to increase the data security measures we take.

A risk-based approach and our highest level of management support are key to building a culture of holistic cybersecurity accountability. PriceSmart is committed to the best online experience and complete safety for its Members, employees, and business partners and their data.

The Company has installed tools for detection of threats and has a dedicated cybersecurity team. PriceSmart's cybersecurity team uses numerous tools to ensure the data is monitored for malicious activity. At the same time, business data is held in multiple locations in distinct regions of the United States and other regions according to local requirements. This provides more options and flexibility for business continuity.

PriceSmart's online business is growing, which has led us to increase the Data Security measures we take.





FOOD SAFETY

At PriceSmart, we are committed to developing and selling safe foods that meet the highest international quality standards for our Members.

To meet this expectation, PriceSmart has established a robust Corporate Safety Integrated Systems Department which is in charge of defining the Corporate Food Safety strategy. This work team is widely strengthened with In-Country Safety Coordinators and Club Safety Leaders.

The Corporate Safety Integrated Systems Department has developed and administers the PriceSmart Food Safety Policy. We apply the PriceSmart Food Safety Policy in all PriceSmart business units (clubs, distribution centers, and administration offices) where food products are stored, handled and processed.

ASSESSMENT OF THE HEALTH AND SAFETY IMPACTS OF PRODUCT OR SERVICE CATEGORIES | 103, 416-1

• Legal compliance in all PriceSmart markets

All Clubs have current health government permits, which are evaluated according to the frequency established locally, country by country. Due to local regulations pertaining to food preparation and safety systems, which only exist in Honduras and Panamá, the clubs in those countries have certifications based on international food safety systems such as good manufacturing practices and Hazard Analysis and Critical Control Points (HACCP).

Reduce the risk of Foodborne illnesses

At PriceSmart, we prevent food-borne diseases through best practices food handling from receiving raw materials and products to preparation, storage and sale.

• Teaching regarding compliance with the national and international legal requirements

In all clubs, food handlers must meet local requirements to receive government permits authorizations. In addition, the managers and supervisors of food processing areas have an international food safety certification (NRFSP National Registry Food Safety Professionals - EUA).





We provide the following to promote food safety:

- Our Food Safety Manual, which describes in a clear and concise way the best practices and procedures in food handling to assure that PriceSmart prepares and distributes food products that are safe to consume.
- E-Learning programs that are offered to our employees covering food safety basics, cleaning, and disinfection procedures. E-Learning programs are targeted towards all employees who handle food. From 2017 to 2021, 5,543 food safety courses were completed.

Year	2017	2018	2019	2020	2021
Total	488	1,418	1,498	1,199	940
courses					

- We maintain a **Microbiological program** that evaluates the overall effectiveness of sanitary design, personnel practices and operational cleaning methods in PriceSmart's food preparation areas through surface, hand and food testing.
- We established a **Food Safety Committee** made up of the company's senior management from Operations, Fresh, Produce, and Other businesses areas. This committee addresses global food safety issues to guarantee the safety of the products that are sold to PriceSmart Members.

- We conduct PriceSmart Food Safety Audits which are managed through the Integrated Audit Program to review the implementation of various Food Safety programs, the conditions of the facilities and the practices in food handling. These evaluations take place on an annual basis and are conducted by members of an internal audit team.
- We conduct monthly third-party food safety audits to evaluate the clubs, using the PriceSmart Integrated Audit tool. A specific area is evaluated every month by third party contractors.
- Suppliers Audit: To ensure the safety of the products sold at PriceSmart, we also carry out evaluations of our suppliers through a third-party accredited vendor and with the support of in-country Food Safety Professionals. PriceSmart has created its own standard for vendor evaluation, which allows the company to include and manage any content our team has determined is important for our vendors to comply with to guarantee our Members' health.





MEMBER'S SELECTION® : PRICESMART'S PRIVATE LABEL

PriceSmart's private label provides Members value by offering high-quality merchandise at competitive prices. We believe Member's Selection brand products typically are equal to or better than major brand quality. Currently, there are approximately 400 Member's Selection products in each Club, and every month we launch 10-15 more. Member's Selection products are sourced from high quality manufacturers and suppliers worldwide and carry a PriceSmart guarantee of customer satisfaction or the purchase price will be refunded. PriceSmart works with the suppliers to obtain premium products for its local markets at the best price.

Featured Member's Selection products

- Almonds are selected from farms in California, tested, packaged and shipped from the growing regions.
- Cheese is imported from the state of Wisconsin.
- Rotisserie Chickens are sourced locally in each country and cooked inside the clubs.
- Doughnuts are likewise prepared on site. The efficiency and quality of this process allows street vendors to purchase doughnuts by the dozen and sell them in individual units throughout many of the countries in which we operate.
- Coffee is purchased and roasted in Colombia. Colombia is one of the top coffee growing regions in the world.
- Spice Program ingredients are sourced from the top growing regions around the world. For instance, our ground cinnamon comes from Saigon, known for producing the highest quality cinnamon with the best flavor.

- Pasta is sourced in the Central Plains of the United States, where the wheat is grown, in order to guarantee freshness. (NEW)
- Balsamic Vinegar, a recent addition to the Member's Selection line-up, is imported from Modena, Italy, to assure both authenticity and value. (NEW)
- Organic Granola is made with high-quality organic and non-GMO ingredients to deliver a wholesome and delicious breakfast option. (NEW)



WHOLE ALMONDS







ROTISSERIE CHICKEN

MS DONUTS

MS PREMIUM COFFEE



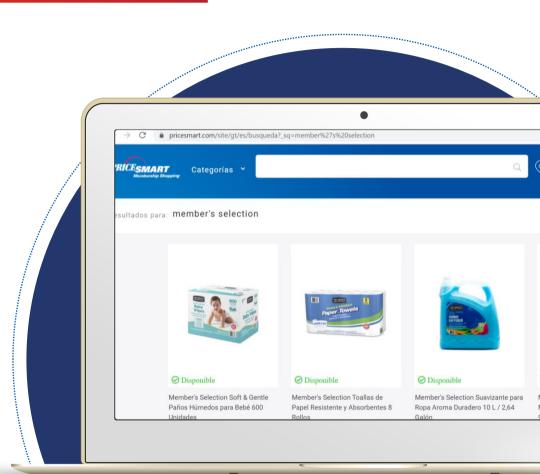


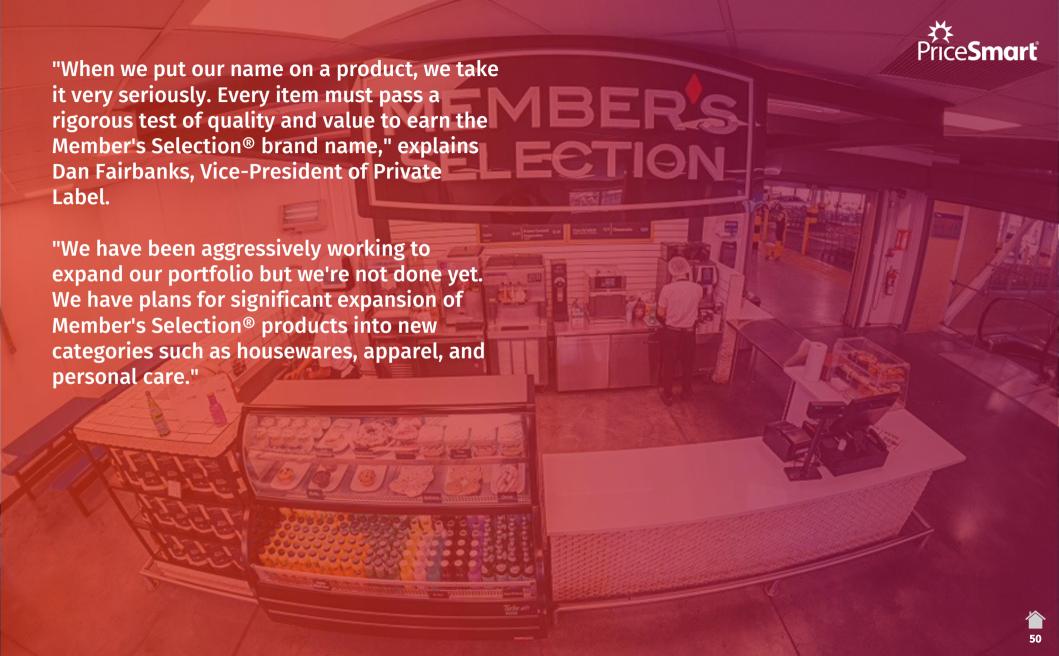




General facts on Member's Selection® products

- Member's Selection products offer excellent value, typically ranging from 15% to 50% savings vs the leading brands.
- PriceSmart verifies the quality and safety of its Member's Selection producers and manufacturers.
- We carry out regular inspections in factories, in person, or by trusted third-party inspection entities; these inspections may involve laboratory testing to validate compliance with expected quality and formulations.
- The approval process for a new supplier is rigorous and typically takes up to a year for review and final assent.
- Food safety is a top priority.







HEALTHY AND ORGANIC FOOD AT PRICESMART

PriceSmart is investing in the expansion of healthy products, including organic and gluten-free items, improved ingredient lists, nutritional supplements, and functional foods such as protein and fiber. This is an ongoing effort and a part of PriceSmart's commitment to our Members and the community. PriceSmart has strived to be a leader in this area since its founding.

Shelf-stable, packaged food items currently make up seventy-nine percent of all organic products sold at PriceSmart.

Fresh organic fruits and vegetables and refrigerated goods account for sixteen percent of organic products sold at PriceSmart, while the remaining five percent comes from organic non foods items such as pillows and sheets.

The Corporate Foods team grew sales of healthy foods over 2021 by expanding the offering and PriceSmart is keen to remain a leader in this area and stay in front of the growing trend.

Melissa Twohey, Senior Vice President of Merchandising, attributes the recent uptick in sales of nutritious and healthy items to Covid-19. The pandemic prompted Members to cook more at home and go out to eat much less frequently. Home cooking, in turn, led to an increased awareness of the quality and nutritional value of cooking ingredients, in the executive's evaluation.





Fresh organic fruits and vegetables and refrigerated goods account for 16% of organic products sold at PriceSmart, while the remaining 5% comes from organic non-foods items such as pillows and sheets.



HEALTHY AND ORGANIC FOOD AT PRICESMART







The trend toward organic and healthy items is here to stay at PriceSmart. The Corporate Buying Team based in the USA introduced fourteen new products in January of 2021 and 16 new items in June of 2021. To meet the growing demand for improved selection, 192 organic items are currently available, with more in development.

A strong market for healthy ingredients led PriceSmart to launch Organic Extra Virgin Olive Oil under its Member's Selection private brand. By developing its own organic product, PriceSmart was able to offer 29% savings on an exclusive item versus the comparable brand it had offered in the past. Made in Spain and launched selectively in June 2021, Member's Selection Extra Virgin Olive Oil was immediately popular with Members and was rolled out across all clubs in 2021.

Another successful addition to the cereal category was the Member's Selection Organic Granola with Oats, Almonds, Honey & Vanilla. This is a new item, introduced in most clubs in spring 2021.





SUSTAINABLE FISHERIES

In 2019, PriceSmart and Price Philanthropies partnered with the world-renown Scripps Institute of Oceanography of the University of California at San Diego to undertake an assessment of seafood sourcing in the Companies Costa Rican clubs. The main goal of this project was to create a baseline from which to identify how the Company can achieve more sustainable seafood sourcing practices. This report provides the baseline knowledge to further the quality and trustworthiness of the seafood products that PriceSmart offers for its Members.

The pilot report was delivered in February 2020. It detailed the entire supply chain for all of the seafood offered by PriceSmart in its Costa Rican clubs, including countries of origin, methods of fishing and farming, types of gear and evaluations of eco-certifications.

At PriceSmart overall, 65% of seafood items assessed (SKUs) held at least one third-party certification specific to seafood, and over one-third of seafood products held more than one eco-certification specific to seafood. 71% of the farmed seafood items provided by PriceSmart's vendors held at least one eco-certification specific to farmed seafood and 41% of all seafood products qualified for either the "Best Choice" or "Good Alternative" rating from the Seafood Watch Program.

Highlights

- o 100% of PriceSmart's wild salmon products are from healthy populations and are Alaska Responsible Fisheries Management Standard certified™.
- Farmed mussels at PriceSmart are "Best Choice" products, because farming filter-feeding species like mussels can actually clean the water and requires no input, resulting in an environmental and economic net-benefit.
- 100% of PriceSmart's Chinese farmed tilapia suppliers are either Aquaculture Stewardship Council (ASC) certified or 4-star rated by Best Aquaculture Practices (BAP).
- o 100% of PriceSmart's canned tuna products are Dolphin Safe™. Dolphin Safe tuna program, sets the worldwide standard to stop the chasing, killing and setting of nets on dolphins.
- Two-thirds of PriceSmart's trout products are ASC-Certified.
- 11 out of 12 of PriceSmart's Sources of Farmed Atlantic Salmon hold both a BAP 4-star rating and are Aquaculture Stewardship Council certified.





SUSTAINABLE FISHERIES

The Scripps report concludes that: "While there is always room for improvement, PriceSmart can feel confident with this assessment as an excellent baseline from which to continue on its journey towards sustainable seafood sourcing." In 2021 PriceSmart announced the renewal of the partnership and extension of the evaluation to all club locations over a three-year period beginning in 2022.

Looking to the future, PriceSmart plans to continue its partnership with the Scripps Institution of Oceanography to address corporate and community aspects of seafood sourcing in support of science-backed long-term ocean stewardship.

66

PriceSmart can feel confident with this assessment as an excellent baseline from which to continue on its journey towards sustainable seafood sourcing.





FROM FARM TO CLUB: FARMER'S SELECTION

PriceSmart began the Farmer's Selection program in Panama in 2018. The Farmer's Selection program concept is straightforward, according to its director, Ricardo Coto: Eliminate the intermediaries. Buy fresh fruits and produce directly from farmers who deliver produce to the company's nearby produce distribution centers from where they are then distributed to PriceSmart clubs. The advantages of this system are numerous and spread throughout the supply chain. This model reduces prices, improves the lives of local, small and medium-sized farmers, provides employment for women and a new generation of growers and offers better, fresher, and safer products for our Members.

Our Farmer's Selection program has been so successful that in just a few years it has been rolled out in Panama, Colombia, Costa Rica and the Dominican Republic, with plans for near term expansion to Guatemala and Trinidad and Tobago. "With farming programs established in six countries," says Coto, "we can supply neighboring countries where we do business." Farmer's Selection Fresh products are currently available in 32 of the 47 PriceSmart Clubs.

The Farmer's Selection program works to establish a long-term relationship with growers. "We want to turn them into entrepreneurs," explains Coto. "There are clear rules, pre-orders, and pre-established prices to give us assurances that farmers produce what we need. We also support them in sourcing the packaging materials used, which are either sustainable or ecofriendly for their products. We have also initiated a pilot traceability program through a QR code to let our Members know where the products are coming from and how they finally arrive on the shelves."

"In short, we encourage the farmers to produce, to select and to deliver excellent quality products and to treat their employees well while doing so. We want farmers to be successful and have continuity in their business. I am from a farming family myself," continues Coto.

"Farmer's Selection helps build relationships with farmers, as we establish above-market standards of quality and food safety", in the words of the director, who adds: "These achievements are the result of a joint effort between the specialized staff of Farmer's Selection, which includes agronomists, food technologists, agricultural economists, and the farmers, of course. They are key to the success of this program. Farmer's Selection packaged products guarantee a strict process to provide Members outstanding product presentation, hygiene freshness and quality."





FROM FARM TO CLUB: STORY BIRDS

PriceSmart and Producers Market have developed Story Birds, a digital user experience for a select group of farmers involved in the Farmer's Selection program. The first series has been developed for Panama, and we expect more will come in the future for this and other PriceSmart markets.

Story Bird is a significant development in the Farmer's Selection program because it is an application that improves transparency and enables the consumer to interact with those data directly.





Lechuga Hidropónica



Zanahoria



Pimentón

Scan me!



PROPORTION OF SPENDING ON LOCAL SUPPLIERS 204-1

Local purchasing & merchandising

As a part of PriceSmart's regular course of business and commitment to bringing value to its Members and the community at large, a portion of PriceSmart's merchandise portfolio is procured from not only international suppliers, but also from local and regional suppliers. This enables PriceSmart to bring unique local products to its clubs and to purchase from small, medium, and large suppliers.

From the perspective of PriceSmart's stakeholders, not only does procurement of local merchandise provide for a greater selection of high quality well-priced goods, but it also offers a means for the Company to invest in and contribute to the local community via its partnerships with its vendors. We believe PriceSmart has the opportunity and responsibility to not only bring an array of international goods, but also to showcase local products that its Members know and love.

PriceSmart's merchandising organization is responsible for procuring the Company's local, regional, and international merchandise. This team is spread across the Company's regions of operation, including the United States, Central America, Colombia and the Caribbean. The organization has local and regional offices as well as an Executive Vice President responsible for overseeing and guiding the procurement of local and regional merchandise. In alignment with the Company's purpose, PriceSmart's merchandising organization supports the Company's commitment to improving the lives and businesses of its Members. its employees and its communities through the ethical delivery of the best quality goods and services at the lowest possible prices.

Fiscal Year 2021	
Merchandise sales sourced from local vendors as % of total sales	
All Countries 52%	

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.



PriceSmart has the opportunity and responsibility to not only bring an array of international goods, but also to showcase local products that its Members know and love.



ENERGY | 302, 103

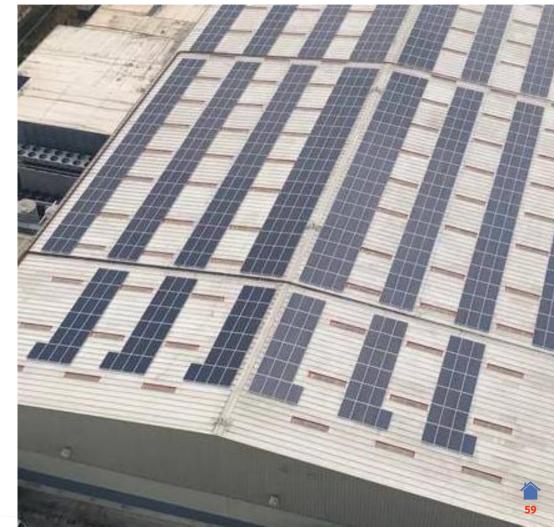
Reducing our impact on the environment: energy consumption within the organization

At PriceSmart, we take a two-pronged approach to manage our energy consumption. In the first approach, we look for ways to reduce our energy consumption, be it with the implementation of LED lighting throughout all of our buildings, utilizing waste heat from our refrigeration systems to produce all of our domestic hot water needs and dehumidification of our facilities, or state of the art building management systems, among other techniques. The second approach is to build renewable energy systems via the installation of solar arrays or other environmentally sensitive energy production methods.

In both circumstances, we believe our efforts lead to a direct reduction of our carbon footprint and emission of Green House Gases (GHG) into the atmosphere.

As we enter the next year, we are evaluating further opportunities for improvement in building automation by utilizing demand limiting strategies, battery storage for off-peak generating production, more efficient equipment and other unique design strategies for our facilities.

At PriceSmart we take a two-pronged approach to the subject of energy consumption.





ENERGY CONSUMPTION WITHIN THE ORGANIZATION 302-1

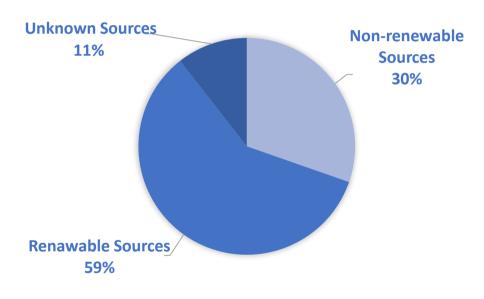
Company's energy consumption			
Non-renewable (KWH)	Renewable energy source (KWH)	Solar energy source (KWH)	Total energy consumed (KWH)
54 Million	87 Million	18 Million	177 Million

Contextual information for data collection

- The information described above includes the information for 47 clubs, regional and domestic distribution centers and central offices (except for San Diego) for fiscal 2021.
- The fuel sources (non-renewable or renewable) were obtained through and, energy utility report from each country.
- In some countries the utility company didn't give the information of how they produce energy. In those countries, we only use consumption data. The countries are: USVI, Barbados, Miami (USA) and Nicaragua.
- Non-renewable energy sources used were: fossil fuel, fuel oil and natural gas.
- Renewable sources used were: biomass, hydro electricity, eolic energy, geothermal and solar.

Percentage of electric energy consumed by source by the company

COMPANY TOTAL

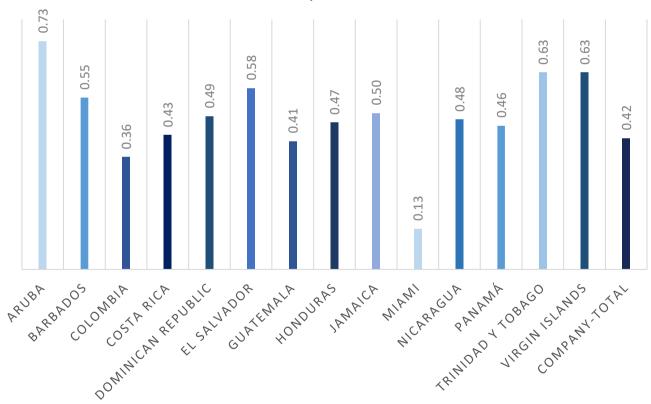




ENERGY INTENSITY 302-3

PriceSmart measures energy usage on a kilowatt per square meter of building area. This allows us to compare and contrast all operating units.

RATIO MWH/BUILDING AREA



Contextual information for data collection:

- The ratio was calculated dividing the absolute energy consumption by the area of each building measured in square meters.
- The energy consumption within the organization was used for the calculations.



WATER & EFFLUENTS 303, 103

INTERACTIONS WITH WATER AS A SHARED RESOURCE 303-1

PriceSmart generally receives its potable water from public utilities. That supply is more often than not a function of rain water capture in local reservoirs, which is treated, and distributed through a network of piping systems. Primary business uses are for our Members 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 WITHDRAWAL 303-3

PriceSmart is committed to protecting the right of community members to access safe and clean drinking water. In most of our facilities, there is a public or private water company that, through infrastructure consisting of piping, pumps, and materials, provides domestic potable water to PriceSmart locations. In some instances, the quality of the water requires onsite filtration and bacteriological contaminants treatment.

The sources of this water varies from country to country and even city to city. For example, the difference between the two major cities in Honduras is significant. San Pedro Sula is located in a water-rich zone that supports the majority of the agriculture produced in the country. Tegucigalpa, due in part to a great number of unregulated wells, has a water table immediately under the city that has effectively collapsed. Water service in the municipal system is erratic and often non-existent. Aruba is another example of a location where the withdrawal of water is complex. An arid island in the Netherland Antilles, Aruba is challenged due to extensive development, limited rainfall, and only one aquafer that can provide fresh clean water. As such, the great majority of the water withdrawn is generated from salt water conversion plants.

In certain clubs, we use rainwater harvesting to provide a supplemental source of water that can be used for a variety of uses. But the primary source of water management is simply good operating practices. Our team takes a variety of measures to reduce and control the use of water such as identifying pipe leaks, reducing ancillary water usage, and utilizing low-flow plumbing fixtures and auto-shutoff faucets.



Water withdrawal (303-3)				
All Areas (ML)				
	Surface water (total)	0.72		
	Freshwater (<1,000 mg/L Total Disolved Solids)	0.72		
	Otherwater (>1,000 mg/L Total Disolved Solids)			
	Groundwater (total)	37.00		
	Freshwater (<1,000 mg/L Total Disolved Solids)	37.00		
	Otherwater (>1,000 mg/L Total Disolved Solids)			
	Seawater (total)			
Water	Freshwater (<1,000 mg/L Total Disolved Solids)			
withdrawal by source	Otherwater (>1,000 mg/L Total Disolved Solids)			
Source	Produced water (total)			
	Freshwater (<1,000 mg/L Total Disolved Solids)			
	Otherwater (>1,000 mg/L Total Disolved Solids)			
	Third-Party water (total)	384.12		
	Freshwater (<1,000 mg/L Total Disolved Solids)	384.12		
	Otherwater (>1,000 mg/L Total Disolved Solids)			
	Total third-party water withdrawal by withdrawal source			
Total water withdrawal	Surface water (total) + groundwater (total) + seawater (total) + produced water (total) + third- Party water (total)	421.84		

Contextual information for data collection

- The data described includes the information for 47 clubs, regional and domestic distribution centers and central offices (except for San Diego) for fiscal 2021. No seawater or produced water were identified for the water withdrawal.
- The water withdrawal information was compiled through monthly water consumption invoices (provided by utility company) of the facilities included.
- The following facilities have water well extraction: all Guatemala clubs (4), El Sauce in Honduras and David in Panama. Metering devices were installed on those clubs last June 2021; therefore, the consumption was estimated, with Company consumption average information for previous months.
- Annual Certified Laboratory Tests were performed to determine water withdrawal categories (freshwater or other water based on GRI disclosure) for the facilities included.
- The water stress classification was identified through the following bibliographic source: World Resources Institute – Aqueduct Water Risk Atlas.



WATER DISCHARGE | 303-4

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 (WWTP). 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 Waste Water Treatment Plants (WWTP). 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. Variance to the satisfactory performance 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 WWTP owned and operated by our Company.

WATER DISCHARGE (ML) 303-4		
	Surface water	27.44
Water discharge by destination	Groundwater	29.88
	Seawater	-
	Third-party water (total)	322.34
	Third-party water sent for use to other organizations	-
Total water discharge	Surface water + groundwater + seawater + third- party water (total)	379.65
Water discharge by freshwater	Freshwater (<1,000 mg/L Total Dissolved Solids)	309.64
and other water	Other water (>1,000 mg/L Total Dissolved Solids)	12.7

Contextual information for data collection

- The information described includes the information for 47 clubs, regional and domestic distribution centers and central offices (except for San Diego) for fiscal 2021.
- The water discharge information was compiled through:
 - The types of destination for water discharge were obtained through facility managers and country managers of each club.
 - Annual Certified Laboratory Tests were performed to determined water discharge by categories (freshwater or other water based on GRI disclosure) for the facilities included.
 - The total water discharge per facility, was determined using the following equation: Water withdrawal (ML) x Return Factor (0.9). The return factor estimation was based on waste water treatment plants operational records of the consulting/supply maintenance services company.
 - The water stress classification was identified as indicated previously.
 No stress water was identified.
 - PriceSmart doesn't present priority substances of concern. This was defined by our waste water consulting company using the United States Environmental Protection Agency- Priority Pollutants Under the Clean Water Act.
 - PriceSmart uses the water discharge laws of each country to determinate legal compliance.



WATER CONSUMPTION | 303-5

The amount of water that is consumed at a PriceSmart club is generally consistent from location to location. Our processes related to cleaning, washing, and maintenance result in generally consistent water consumption across locations.

PriceSmart constantly strives to assess and evaluate the water consumption of the Company. It is our goal to manage and control the consumption at its lowest possible amount.

WATER CONSUMPTION 303-5		
All Areas (MI		
Water Consumption	Total water consumption	42.18

Contextual information for data collection

- The following formula was used: Water consumption = Total water withdrawal - Water discharge.
- o The water stress classification was identified as indicated previously. No areas with waster stress were found.





EMISSIONS | 305, 103

Climate change is one of the major challenges that our world faces today. This challenge is resulting in broad impacts to not only countries where PriceSmart has business, but also all nations across the globe. Impacts include rising sea levels, increasing severity of weather and natural disasters, and impacts to the global supply of food. PriceSmart is focused on adapting to this evolving challenge and to minimizing its contribution to factors that increase the impact of climate change.

PriceSmart's operations generate greenhouse gas emissions and contaminants, but we strive to reduce these emissions and to mitigate our impact on the climate. We have launched a number of initiatives, including the installation of clean renewable energy, improved management and tracking of HFC discharge, and minimizing of particulate discharge from fossil fuel burning equipment and devices.

Our goal in this Environmental and Social Responsibility Report is to quantify our emissions in 2021, and, from that benchmark of emissions, to establish specific goals to reduce our impact and emissions going forward.

Contextual information for data collection

- o The information described above includes the information of 47 clubs, regional and domestic distribution centers and central offices (except for San Diego) for fiscal 2021.
- Gases included in the calculation: CO₂, CH₄, N₂O, R404a, R410a, R507a, HFC134a. Not all PriceSmart facilities emit the full range of gases included in the calculation.
- Scope 1: GHG emissions from sources that are owned or controlled by an organization.

GROSS DIRECT (SCOPE 1) GHG EMISSIONS 305-1

Region	Gross CO ₂ e Emissions [Metric tones]
Miami	1,512
Colombia	5,370
Panama	11,910
Guatemala	3,185
Costa Rica	10,338
Honduras	3,482
El Salvador	770
Dominican Republic	6,263
Trinidad & Tobago	3,987
USVI	38
Aruba	1,808
Barbados	77
Jamaica	7,126
Nicaragua	2,504
Total-Company	58,371

- Emissions factors source: IPCC 2006 Guidelines for National Greenhouse Gas Inventories. http://www.ipcc-nggip.iges.or.jp/public/2006gl/vol2.html
- Global warming potentials source: IPCC Second Assessment Report (1995) ASHRAE Standard 34.



GHG EMISSIONS INTENSITY | 305-4

Region	Emission intensity (Metric tonnes CO ₂ per Square meter)
Miami	0.03
Colombia	0.08
Panama	0.20
Guatemala	0.12
Costa Rica	0.13
Honduras	0.15
El Salvador	0.05
Dominican Republic	0.16
Trinidad & Tobago	0.14
USVI	0.01
Aruba	0.36
Barbados	0.01
Jamaica	0.72
Nicaragua	0.15
Total-Company	0.17

Contextual information for data collection

- The information described in the table above includes the information for 47 clubs, regional and domestic distribution centers and central offices (except for San Diego) for fiscal 2021.
- Organization specific ratio: Building Area (square meter).
- Scope 1 emissions. Gases same as Scope 1.
- o Gases included in calculation: CO₂, CH₄, N₂O, R404a, R410a, R507a, HFC134a.

Assumptions

- All fuel bought for a specific month represents all fuel consumed for that month.
- All refrigerant lost in a closed loop system is a result of a leak and goes to the atmosphere. Thus, we have assumed for these purposes that all refrigerant purchased is equivalent to refrigerant lost to the atmosphere.
- Gasoline purchases made are for small equipment and vehicles and represent an insignificant amount of fuel purchased and would not affect GHG emission calculations. Hence these were not considered.

Standards used

- o IPCC 2006 Guidelines for National Greenhouse Gas Inventories.
- o http://www.ipcc-nggip.iges.or.jp/public/2006gl/vol2.html.
- https://home-lpg-prices.com.au/blog/lpg-conversion-gas-lpg-litres-tokg/.
- o IPCC Second Assessment Report (1995).
- o IPCC Fifth Assessment Report (2014).
- ASHRAE Standard 34.



WASTE | 306, 103

WASTE GENERATION AND SIGNIFICANT WASTE-RELATED IMPACTS 306-1

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.



MANAGEMENT OF SIGNIFICANT WASTE-RELATED IMPACTS 306-2

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.

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.

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.

For PriceSmart, proper waste management is a fundamental part of our environmental responsibility and business integrity. We are always looking for the best way to manage waste and for opportunities to minimize what is sent to the landfill.



WASTE GENERATED & WASTE DIRECTED TO DISPOSAL | 306-3, 306-5

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.

WASTE DIVERTED FROM DISPOSAL | 306-4

It is important to clarify that not all clubs manage the same type and quantity of waste, since this depends on the availability of waste management companies that exist in each of the given cities. Therefore, the total reported amount for each type of waste does not represent the total amount of waste generated by the 46 clubs included.





Waste diverted from disposal by composition, in metric tons (t)		
Waste Composition	Total	
Cardboard	9,661	
Stretch-wrap	541	
Fryer Oil	217	
Plastic-containers	15.36	
Scrap metal	16	
Paper	2	
Glass	3	
Office batteries	0.2	
Aluminum	0.4	
Lead	1	
Tetrabrik	0.2	

Waste diverted from disposal by composition, in units (ea)	
Waste Composition	Total
Pallets (ea)	353,814
Car Batteries (ea)	15,069
Electronics (ea)	11,237
Tires (ea)	67,260
Large appliances (ea)	1,179
Ink cartridges (ea)	106
Fluorescents (ea)	1,897

The information presented has been compiled with the data entered by the clubs to the Corporate Waste Management Reporting Program on a monthly basis. This data has been compiled by waste type and club and converted to reportable units. This information includes the data from 46 clubs.





Innovation in facility design and operations to reduce and minimize PriceSmart's environmental impact

PriceSmart designs and constructs its buildings in compliance with both local and international regulations and with an aim to be at the forefront of sustainability. In building its facilities and clubs, PriceSmart seeks to mitigate its environmental impact and to lead the way in building facilities that are efficient for now and into the future.

PriceSmart manages its energy, water, and materials usage and, where possible, reuses materials for various purposes. The Company has implemented several sustainable initiatives throughout the design, construction, and operations of the clubs.

Energy - solar panels

PriceSmart Locations with Solar Systems in Operation

- PriceSmart initiated the installation of solar systems in June 2014 in our Barbados location. PriceSmart has Solar systems installed in 40 of the current 47 locations in operation.
- PriceSmart is currently installing an additional solar system in 1 club.
 PriceSmart has also executed 2 expansions on current systems, 1 in Jamaica and 1 in Barbados, and is reviewing which other locations that could be considered for expansion of the existing systems.
- PriceSmart is committed to expanding this initiative by installing solar systems in all new locations where it makes sense to do.
- Since the inception of PriceSmart's initiative in 2014, to introduce solar power
 to its locations, the systems have generated 46.62 GWh of power. This
 generation may equate to a reduction of approximately 18,812 Tons of Carbon
 Dioxide.

Future goals of the program

- Evaluate the potential electrical demand reduction to allow for the storage of excess energy via battery systems.
- Continue to deploy solar systems to all PriceSmart locations, including, but not limited to, distribution centers where possible.
- Continue to expand energy management systems that are found to be effective and would allow for additional decreases in energy use.
- Maximize the use of the power generated by the systems through enhanced technologies.

Lighting systems

• LED lighting technology is used in all of our clubs. These fixtures offer energy savings, higher versatility in installation, and a reduction in maintenance and replacement costs due to their extended life span.

Daylight harvesting

 PriceSmart's buildings are designed to have skylights covering approximately 5% of their roof area. Skylights allow the harvesting of natural light which decreases the need of artificial lighting systems.

Hot water reclamation systems

 Waste heat from both Refrigeration and AC systems is captured to produce hot water and interior humidity control without incremental energy production or using other sources of energy.



PriceSmart responsibly manages its energy, water, and materials usage.



Price**Smart**

Wastewater treatment plants

 PriceSmart manages its wastewater with regulated and environmentally approved wastewater treatment plants in those clubs that do not have access to public treatment works. The discharge of untreated effluent can cause significant impacts to the environment, and PriceSmart is sensitive in making sure its operations do not contribute to this problem.

Irrigation systems

- PriceSmart reuses processed wastewater for downstream purposes in some of its clubs. For example, we use treated wastewater at our club located in Chia and Colombia for landscape irrigation and restroom operations.
- In USVI, Barbados, and Aruba, we use harvested rainwater for some club activities, including outside power washing, cleaning of shopping carts, and other non-potable general purposes. In the USVI, PriceSmart utilizes sand carbon filters, UV lighting, and chlorine dosing to convert the harvested rainwater into potable water.

Landscaping – drought tolerant

• PriceSmart uses drought tolerant plant species and minimal landscaping to reduce the water usage on the Company's properties.

Sustainable construction & facilities

 One key element in the construction of PriceSmart's facilities is the steel structure of the building. Steel materials used are comprised of 70% recycled materials.

Locally sourced construction materials

Heavy components like cement and concrete blocks are sourced locally.
This allows us to reduce negative impacts on the environment due to
materials transportation and at the same time allows us to help support
the local economy.

CO₂ systems

 PriceSmart has nine CO₂ refrigeration systems: seven in Colombia and two in Costa Rica. CO₂ refrigerant is less damaging to the ozone layer compared to other types of refrigerants.





Strengthening our communities



PriceSmart prides itself on being an active member of the communities in which it does business and a responsible and engaged neighbor. PriceSmart is committed to leveraging its know-how and resources to identify, prepare for, and respond to emerging risks and disasters that occur throughout Central America, the Caribbean, and Colombia.

As an example, when the government of Guyana expressed an immediate need for support goods due to widespread flooding in mid-May 2021, PriceSmart Trinidad prepared and donated nine pallets of merchandise, including aluminum cots, baby wipes, diapers and sanitary pads (total value approximately US \$11,000).

Earlier in the year, in response to flooding in Honduras caused by Hurricanes Eta and Iota, PriceSmart provided monetary assistance to employees who lost belongings in the disaster. PriceSmart also provided food baskets and water to employees impacted by the floods.

These two examples are just a selection demonstrating PriceSmart's approach to engaging in acute crisis response in its regions of operation.



Strengthening our communities



APRENDER Y CRECER

Supporting public education with a special focus on literacy

Aprender y Crecer (Learning and Growing) is the name of the program created by Price Philanthropies Foundation to provide educational materials to students at public schools in communities where PriceSmart operates in Latin America and the Caribbean. As Adriana Badilla, regional director of the program, explains, the program was started in 2006 in Costa Rica, at the behest of Robert Price, chairman of PriceSmart and president of Price Philanthropies. "He wanted to give back to communities that helped bring such success to the business," commented Adriana.

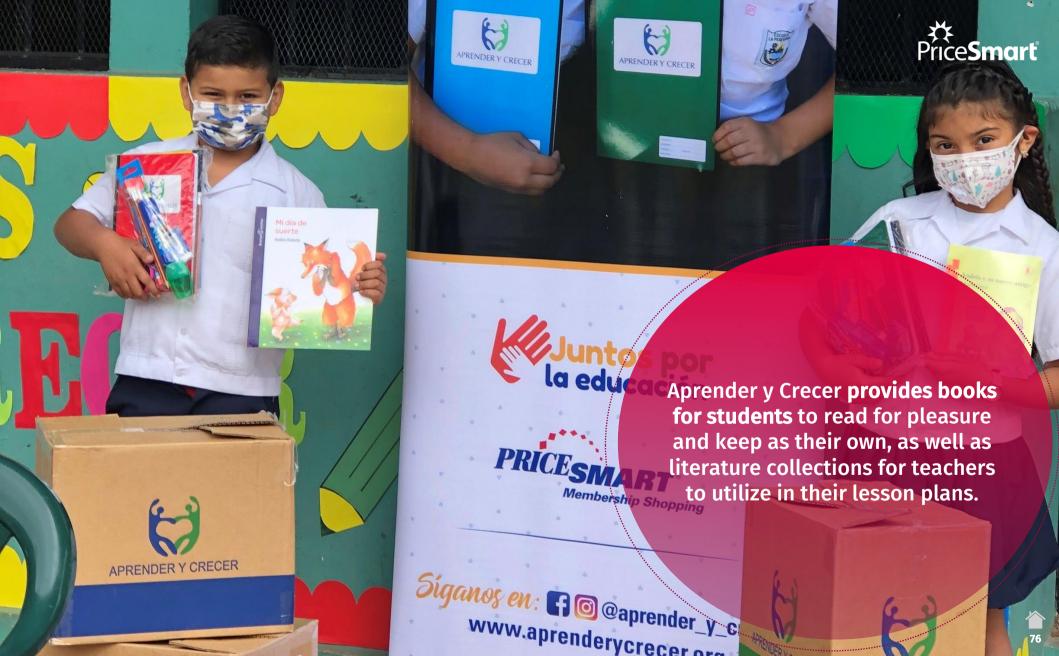
After speaking with several school principals, teachers and parents, it was quickly determined that a common barrier to student success – or even student attendance – at school is the lack of basic school supplies, which families have to purchase on their own.



Leveraging PriceSmart's expertise in buying high-quality items in bulk, Aprender y Crecer was piloted in six schools in low-income areas of Costa Rica. Students in kindergarten to sixth grade were provided with basic supplies, teachers received materials to support their work in the classroom, and the schools received cleaning supplies. The idea, according to Adriana, was to provide these materials so that the schools could focus their resources on teaching and learning.

While the supplies are a major component of Aprender y Crecer, the real focus of the program is literacy. A student who enjoys reading is more likely to excel at it, and those who read well are better poised for academic success. It is for this twin purpose – nurturing a love of reading and sharpening literacy skills – that Aprender y Crecer provides books for students to read for pleasure and keep as their own, as well as literature collections for teachers to utilize in their lesson plans. Participating schools must create an annual reading plan with objectives they select, as well as specific activities they will implement. They report the results of these activities twice a year, with quantitative and qualitative measurements of their progress toward improving phonological awareness, fluency, vocabulary, and comprehension.

The real joy of Aprender y Crecer is when the students receive their books. "They are happy to receive their package of school supplies, but receiving their book is like their favorite soccer team winning the national championship," remarked Adriana.



Strengthening our communities



For most students, the books they receive from the program are the only books they own. Aprender y Crecer encourages reading books at home with parents and grandparents who, due to migration, are often left in charge of young students. To encourage families to read together, Aprender y Crecer provides periodic workshops that offer simple tips and insights about the value of taking a few minutes out of the day to snuggle up with a book.

"Is the program working?" asks Adriana, who answers, "Yes, but we don't have hard statistics. However, no one can dispute that a child who has school supplies and books will have a better educational experience compared to a child who doesn't."

As of 2021, Aprender y Crecer has expanded to Colombia, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua and Panama, supporting nearly 130,000 students and 6,000 teachers at 237 schools. Thanks to the generosity of PriceSmart's Members, since 2007, more than US \$12 million has been donated to the annual "Juntos Por La Educación" (Together for Education) fundraising campaign that takes place in the clubs in these countries. Along with nearly US \$5 million in matching funds committed by Price Philanthropies, these monies support more than 75% of the students benefited by the program, the rest being funded directly by Price Philanthropies.



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PriceSmart prides itself on being an active member of the communities where it does business and a responsible and engaged neighbor.



GRI Index



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GRI 102: General	102-1 Name of the organization	PriceSmart, Inc.	
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Strategy			
GRI 102: General	102-14 Statement from senior decision-maker	Pages 5-6	
Disclosures 2016	102-15 Key impacts, risks, and opportunities	<u>Page 18</u>	
Ethics and integrity			
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	102-18 Governance structure	Page 18 The Board of Directors website is: https://investors.pricesmart.com/esg/corporate-governance/board-of-directors Committee Composition: https://investors.pricesmart.com/esg/corporate-governance/committee-composition The Corporate Governance website is: https://investors.pricesmart.com/investor/corporate-governance	



GRI Content Index				
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Governance				
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	102-30 Effectiveness of risk management processes	Page 20		
		Page 20		
	102-33 Communicating critical concerns	The ESR Board Committee meets four (4) times per annum. The ESG management team meets weekly. The ESG management team meets and discusses key economic, environmental, and social topics with senior management at least three (3) times per annum.		
Stakeholder engagem	ient			
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GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 66	
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GRI Content Index			
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