

#WhatWeHaveWithin

is the commitment to doing what's right

BALANCE



At Grupo Herdez® we know that the value of what we carry within us lies in the solid commitment that defines us and encourages us to act with integrity. This commitment is the basis of the trust that, for more than a century, we have built with our stakeholders.

We act with transparency and accountability, ensuring that every decision is governed by best corporate governance practices and strict adherence to the law. We understand that compliance is not only an obligation, but a valuable way to contribute to our country.



Corporate Governance

GRI: 2-9, 2-10, 2-11, 2-12, 2-15, 2-19, 2-20

Governing Body and Committees

Board of Directors



Represents the highest corporate governance body, responsible for monitoring and complying with ethics, as well as making strategic decisions to define the course of the company, promoting legality, transparency and the generation of value. It holds ordinary quarterly meetings and may call extraordinary meetings when necessary. In these meetings, in addition to monitor the main indicators, progress in sustainability matters is presented. It is directly supported by the Corporate Practices and Audit Committees for efficient management and compliance with objectives. We also have intermediate committees responsible for monitoring the management and execution of the Group's strategic objectives.

Auditing Committee



Provides support, opinion and advice on internal control and auditing, accounting policies, review of financial statements, hiring of external auditors and risk management. Oversees information and communication policies with shareholders and the market, ensuring transparency and regulatory compliance.

Corporate Practices Committee



It is in charge of giving its opinion on the designation and retribution of the Chief Executive Officer and relevant executives, as well as evaluating operations with related parties and the use of company assets. It is empowered to convene the Shareholders' Meeting, prepare annual reports and provide support to the Board of Directors in the preparation of its reports, in compliance with regulations.

Internal Auxiliary Committees



At Grupo Herdez® we have several internal auxiliary committees, which allow us to align strategies to meet our objectives. In these committees, we address key issues such as finance, management, marketing, innovation, supply chain, strategic planning, information technology, sustainability and human resources.



Composition of the board and committees

Board of Directors



9

members

2

executives

7

independents

Seniority of directors:
between 8 months and 34 years

Auditing Committee



3

independent members

Seniority of directors:
between 21 and 32 years

Corporate Practices Committee



4

members

2

executives

2

independents

Seniority of directors:
between 5 and 21 years



67% of the members of the Board of Directors are independent, while the Auditing and Corporate Practices Committees are 100% and 50% independent, respectively.

Directors 2024

Heritage



Héctor Hernández-Pons Torres
(Mexican)
Age: >50
Governing body:
Corporate Practices Committee
Responsibility:
Chairman of the Board of Directors and Chief Executive Officer

Member since: 1991

Enrique Hernández-Pons Torres
(Mexican)
Age: >50
Governing body:
Corporate Practices Committee
Responsibility:
Vice-Chairman of the Board of Directors

Member since: 1991

Flora Hernández-Pons de Merino
(Mexican)
Age: >50
Governing body:
Board of Directors
Responsibility:
Director of the Board of Directors

Member since: 2004

Independents



Enrique Castillo Sánchez-Mejorada
(Mexican)
Age: >50
Governing body:
Board of Directors

Member since: 1991

Eduardo Ortiz Tirado Serrano
(Mexican)
Age: >50
Governing body:
Audit Committee
Responsibility:
Internships

Member since: 2003

Michael Bernhard Jost
(Mexican)
Age: >50
Governing body:
Audit Committee

Member since: 2019

José Roberto Danel Díaz
(Mexican)
Age: >50
Governing body:
Head of Corporate Governance, Chairman of the Auditing Committee and of the Corporate Practices Committee
Responsibility:
Chairman of the Corporate Practices and Auditing Committees

Member since: 2003

Luis Rebollar Corona
(Mexican)
Age: >50
Governing body:
Corporate Practices Committee
Responsibility:
Environmental Practices

Member since: 2004

Ángela Gómez Aiza
(Mexican)
Age: >50
Governing body:
Board of Directors

Member since: 2024

At the Annual Ordinary General Shareholders' Meeting of Grupo Herdez® in April 2024, the resignation of Anasofía Sánchez Juárez as an independent member of the Board of Directors was approved and Ángela Gómez Aiza was designated to occupy this position, thus maintaining the 15% of women on the Board of Directors.

Designation of Members

Considering criteria of diversity and independence, as well as the opinion of the shareholders, the appointment, ratification or revocation of the members of the Board of Directors is made annually at the General Ordinary Stockholders' Meeting. The selection is based on experience and professional prestige, ensuring that the independent members operate with autonomy and without conflicts of interest. Likewise, the Board of Directors has the power to designate, remove or ratify the members of the committees, with the exception of their chairmen, whose decision is made at the General Ordinary Stockholders' Meeting.



Compensation

According to the company's bylaws, the Corporate Practices Committee validates the compensation of key executives, including the CEO, as well as the members of the Board and its committees. In 2024, for the first time, a sustainability objective (reducing water consumption per tonne produced, as per the 2022 sustainable bonus) was linked to the variable compensation of key executives.

Conflicts of interest management

Within the framework of the Code of Best Corporate Practices and in order to prevent conflicts of interest, each board member signs a declaration of absence of conflicts and the committees operate under regulations that delimit their functions and their relationship with the Board of Directors. We also have a Code of Ethics and a Conflicts of Interest Policy that is mandatory for all company employees.

Annually, the Company files with the Mexican Stock Exchange its Annual Report that informs about the Controlling Shareholders and transactions with related parties, which are also mentioned in the Report of the Chairman of the Corporate Practices Committee.

Chairmanship of the Board

The Chairman of the Board of Directors is also the Chief Executive Officer, which allows him to efficiently coordinate the operations of the Group's business units and to leverage his knowledge of the management team. In his role as Chairman of the Board, he actively participates in defining corporate strategy. To avoid potential conflicts of interest, the Board of Directors has independent members. In addition, the Auditing Committee supervises compliance with the Group's policies and, in the event of any irregularity, analyzes the situation and takes the appropriate action.

Ethical Behavior and Compliance

GRI: 2-23, 2-24, 2-26, 2-27, 3-3, 205-1, 205-2, 205-3

At Grupo Herdez®, our essence is defined by honesty, integrity, ethics and transparency in every decision, in every process and in every relationship. For this reason, we have built a solid compliance framework that guides us, protects us and allows us to move forward while respecting the institutional framework and preserving accountability.

An Ethical Framework that Defines Us

Our way of doing business is supported by a solid Code of Ethics and various policies that regulate the activities of all our employees, including our suppliers. These guidelines ensure that we operate in strict adherence to legal regulations, in strict compliance with the law, always protecting human rights.

In order to ensure that every action reflects our values, to prevent any non-compliance we have complaint mechanisms and a secure channel to report possible acts contrary to our expected ethical behavior.

At Grupo Herdez® we are committed to create a work environment where each person is valued and respected.

This commitment, which we extend to our entire value chain, is reflected in our Code of Ethics, Supplier Code, Human Rights Policy and Diversity and Inclusion Policy.

Anticorruption

Integrity and transparency guide the way we do business. We are committed to prevent and combat corruption in all its forms; therefore, we have policies, manuals, procedures, information systems and an internal control area, as well as a reporting hotline.

Through our channels of trust, last year we identified 10 complaints of different levels associated with corruption, with the following results by the end of 2024:

- We applied corrective actions in seven of the cases; three were still under review and defining actions at the beginning of the following year.
- One employee was reprimanded and 11 others were dismissed.
- In two of the cases we terminated the relationship with the supplier.

Policies that Guide Our Way

Compliance with our policies is rigorously monitored. They are approved by the relevant manager area, the Chief Executive Officer and, in certain cases, on the recommendation of the Committees and the Board of Directors.

In line with this commitment, building a fair, equitable and respectful work environment is a shared responsibility. Therefore we invite our employees, partners, suppliers, customers and contractors to support our policies and join us in this effort.

As part of this co-responsibility, all suppliers must sign our Supplier Code of Conduct, thereby ensuring the establishment of relationships based on ethical and sustainability principles.



Our guides

Supplier Code of Conduct	Code of Ethics	Environmental Policy	Fraudulent Conduct Policy
Quality and Safety Policy	Economic Competition Policy	Stock Purchase and Sale Policy	Conflict of Interest Policy
Human Rights Policy	Energy Policy	Diversity, Inclusion and Non-Discrimination Policy	Advertising Ethics Policy
Illegal Payments and No Bribery Policy	Money Laundering Prevention Policy	Psychosocial Risk Prevention Policy	Personal Data Protection Policy
Gift Policy	Industrial Safety Policy	Legal Representation Policy	

Diffusion and Training: Reinforcing Our Commitment



Ethics is not only declared, it is practiced and constantly reinforced in every step we take.

That is why, upon joining Grupo Herdez®, each collaborator receives the Code of Ethics, while Internal Auditing, through Internal Communication sends by email each new approved policy. Our policies are available on the website, while business partners are informed about these guidelines before establishing any relationship with Grupo Herdez®.

Implementation and Supervision



Ongoing training

We sensitize our teams through ethics and compliance training sessions.



Contracts and agreements

Our commitments are formalized through agreements that promote adherence to our values.

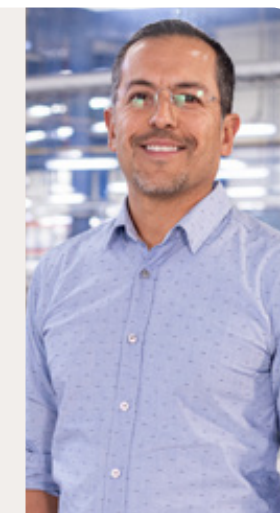
In order to ensure compliance with our policies, we have established control mechanisms at all levels.

Internal supervision

The internal audit area receives and manages complaints and reports to the auditing committee to establish measures to be taken.

Reporting channels

We have a secure and confidential mechanism to report any Non-compliance.



Ethics and Anticorruption Training

In 2024 we recorded a growth in training hours in all locations, emphasizing corporate and sales routes with more than 100% increase in training hours. The plants lead in training with almost 15,000 hours of training, equivalent to an average of 2.2 hours per employee.

In 2024 we reinforced our culture of legality with significant growth in ethics and anti-corruption training hours, especially in the operational labor category. This effort reflects our commitment to transparency and compliance, ensuring that each employee has the necessary tools to act with rectitude.

In 2024, employees received a total of 26,805 hours of ethics and anti-corruption training, an increase of 50.1% compared to 17,858 hours in 2023. When considering the number of employees, which went from 11,595 in 2023 to 11,987 in 2024, it can be seen that the growth in training proportionally exceeded the increase in employees.

Hours of training in ethics and anticorruption, by labor category							
Labor Category	Men (2023)	Women (2023)	Men (2024)	Women (2024)	Training hours (2023)	Training hours (2024)	Variation (%)
Operative	5,426	4,330	5,584	4,600	16,073	23,984.5	+49%
Operative-Normative	767	615	744	592	1,488	2,394.5	+61%
Tactic	204	127	209	134	264	368.5	+39%
Strategic	91	35	85	39	33	57.5	+74%

Note: Employees of Aires de Campo®, Interdeli®, Herpons and Saramano are excluded, since their information is not managed in the same master system as the rest of the Grupo Herdez® companies.

Hours of ethics and anticorruption training, by job location											
Location	Men 2023	Women 2023	Unionized 2023	Training Hours 2023	Total 2023	Men 2024	Women 2024	Unionized 2024	Training hours 2024	Total 2024	Variation hours (%)
Plants	2,100	2,289	3,297	7,863	4,389	2,220	2,396	3,522	14,787	4,616	+88%
Distribution centers	640	293	288	2,345	933	650	328	222	3,022	978	+29%
Corporate	733	637	0	1,023	1,370	672	600	0	1,991	1,272	+103%
Sales routes	2,016	481	0	1,332	2,497	2,003	516	0	2,702	2,519	+102%
Stores	999	1,407	0	5,297	2,406	1,077	1,525	0	4,303	2,602	-18%

Note: Employees of Aires de Campo®, Interdeli®, Herpons and Saramano are excluded, since their information is not managed in the same master system as the rest of the Grupo Herdez® companies.

Training programs



Code of Ethics

Aimed at new employees, it seeks that our collaborators understand the mission, vision, values and guidelines of the Grupo Herdez® Code of Ethics, in addition to the use of the Trust Line.

Culture of Legality
Forming citizenship

Raises awareness of the impact of individual actions on corruption and promotes measures to prevent and eliminate it. Reinforces the Code of Ethics and the Trust Line as key reporting mechanisms.

Annual Endorsement of the
Code of Ethics
Our commitment

Micro-course designed to review the guidelines of the Code of Ethics and the use of the Trust Line, allowing employees to identify and report acts contrary to the rules.



Promoting ethics is not just a practice, it is part of who we are.

#WhatWeCarryWithinUs
guides us in every decision and allows us to consolidate a culture based on trust, responsibility and respect.

Línea CONFIANZA (TRUST Line)

At Grupo Herdez® we know that trust is built with facts. Therefore, we reinforce our culture of ethics and integrity through an anonymous and secure reporting channel, as well as semi-annual reports from the Auditing area. Each case is analyzed with documentary evidence, interviews and internal audits. When irregularities are confirmed, we apply disciplinary measures and, if necessary, terminate business relationships with suppliers and employees involved in conflicts of interest. In parallel, we constantly monitor our anticorruption policies to ensure their continuous improvement.



**Línea CONFIANZA
(TRUST Line):
800-2663-42692
800-266-3426**

**Email
confianza@herdez.com**

**Suggestion box in plants and
distribution centers**

**Direct emails to the various
management areas**

463

reports received during
the year:

79.3%
complaints

20.7%
denunciations

256

e-mail reports
confianza@herdez.com,
related to conflict of
interest, lack of probity,
and misappropriation
of assets.

40

consumer
complaints handled
by the Quality area.

183

reports through the TRUST
Line, related to conflict of
interest, lack of probity and
misappropriation of assets.

24

reports through other
means, related to conflict of
interest, lack of probity and
misappropriation of assets.

95%

of cases resolved
by the end of 2024.

Data processing through the
different mechanisms is carried
out under confidentiality criteria.

Commitment to Ethics and Compliance

At Grupo Herdez®, honesty is not just a value, it is an essential part of what we carry within us. Our commitment to ethics and transparency is reflected in training programs designed to strengthen the culture of compliance and accountability at every level of the organization.

In addition to our Ethics and Anticorruption training, we implemented communication and training strategies through the Herdez University to reinforce the knowledge and application of our Code of Ethics throughout the organization. These initiatives include communications on the type of complaints received, micro-visuals with Code of Ethics guidelines, information on access to reporting channels on information boards and talks on mission, vision and values, which we call “Let’s Talk with the H” (“Hablemos con la H”).



Evidence-based research

We apply a rigorous approach that integrates documentary analysis, interviews and field audits, guaranteeing transparency and objectivity in each evaluation.

Specialized advice

Our Human Resources, Internal Auditing and Management teams provide strategic support to ensure that every decision and action is aligned with our values and regulations.

In order to strengthen our corporate culture, we have a compliance system based on three pillars:

Dissemination and accessibility

We promote our compliance culture through the Code of Ethics, Supplier Code of Conduct, corporate website, mobile application and institutional notices so that every employee has access to the company’s best practices and guidelines.

Associations

GRI: 2-28

Associations and Organizations



Industrial



Asociación Mexicana de la Cadena Productiva del Café (AMECAFE)

Member since: 2012

Cámara Nacional de Fabricantes de Envases Metálicos (CANAFEM)

Member since: 2012

Asociación Mexicana de Industriales de Galletas y Pastas (AMEXIGAPA)

Member since: 2012

Asociación Nacional de la Industria de Suplementos Alimenticios (ANAIISA)

Member since: 2012

Cámara Nacional de la Industria de Conservas Alimenticias (CANAINCA)

Member since: 2008

Cámara Nacional de Industrias de la Leche (CANILEC)

Member since: 2012

Consejo Mexicano de la Industria de Productos de Consumo (CONMEXICO)

Member since: 2008

Consejo Nacional de Producción Orgánica (presided by SAGARPA)

Member since: 2012

Federación Internacional de Movimientos en Agricultura Orgánica (IFOAM)

Member since: 2012

Movimiento Orgánico Mexicano

Member since: 2012

Corporate



Asociación Mexicana de Estándares para el Comercio Electrónico (AMECE)

Member since: 2012

A Favor de lo Mejor

Member since: 2012

Foreign chambers of commerce: Canadian, British, Spanish and American

Member since: 2012

Confederación de Cámaras Industriales (CONCAMIN)

Member since: 2009

Consejo Coordinador Empresarial (CCE)

Member since: 2012

Consejo de la Comunicación Voz de las Empresas

Member since: 2012

Sustainability



Alianza Éntrale

Member since: 2017

Comisión de Estudios del Sector Privado para el Desarrollo Sustentable (CESPEDES)

Member since: 2012

Compromiso Empresarial para el Manejo Integral de Residuos Sólidos

Member since: 2012

Consejos de Cueca (at CONAGUA)

Member since: 2012

Ecología y Compromiso Empresarial (ECOCE)

Member since: 2012

Iniciativa GEMI (voluntary business initiative for the sustainable management of supply chains)

Member since: 2012

United Nations Global Compact

Member since: 2012

CFO Coalition for the SDGs

Member since: 2022