



**Sigma**

Corporate Presentation 3Q23



## Content

**01** Sigma at Glance

**02** Into the Future

**03** Financial Performance

**04** ESG



# Sigma as part of ALFA

The logo for Sigma, featuring the word "Sigma" in a red, cursive font with a yellow swoosh above the letter 'i'.

51% of Alfa Revenues <sup>1</sup>  
59% of Alfa EBITDA <sup>1</sup>

The Alpek logo, consisting of a stylized blue 'A' symbol followed by the word "alpek" in a lowercase, sans-serif font.

Petrochemicals



#1 in the production of PTA,  
PET and EPS in the Americas



Food Products

11 Portfolio brands sell more than US \$100 Million a year, each

# Investment Highlights

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- Diverse portfolio of leading brands across categories and consumer segments
- Proprietary R&D platform to drive Product Innovation and generate consumer knowledge
- Extensive supply chain and distribution network with access to 680K+ points of sales
- Balanced Culture: results driven and human-centered
- Global Growth Business Unit with attractive upside opportunity
- Experienced management team with average tenure of 23 years





## Multinational Presence, Local Favorites

**17**  
Countries

**100+**  
Brands

**680K+**  
Points of Sale

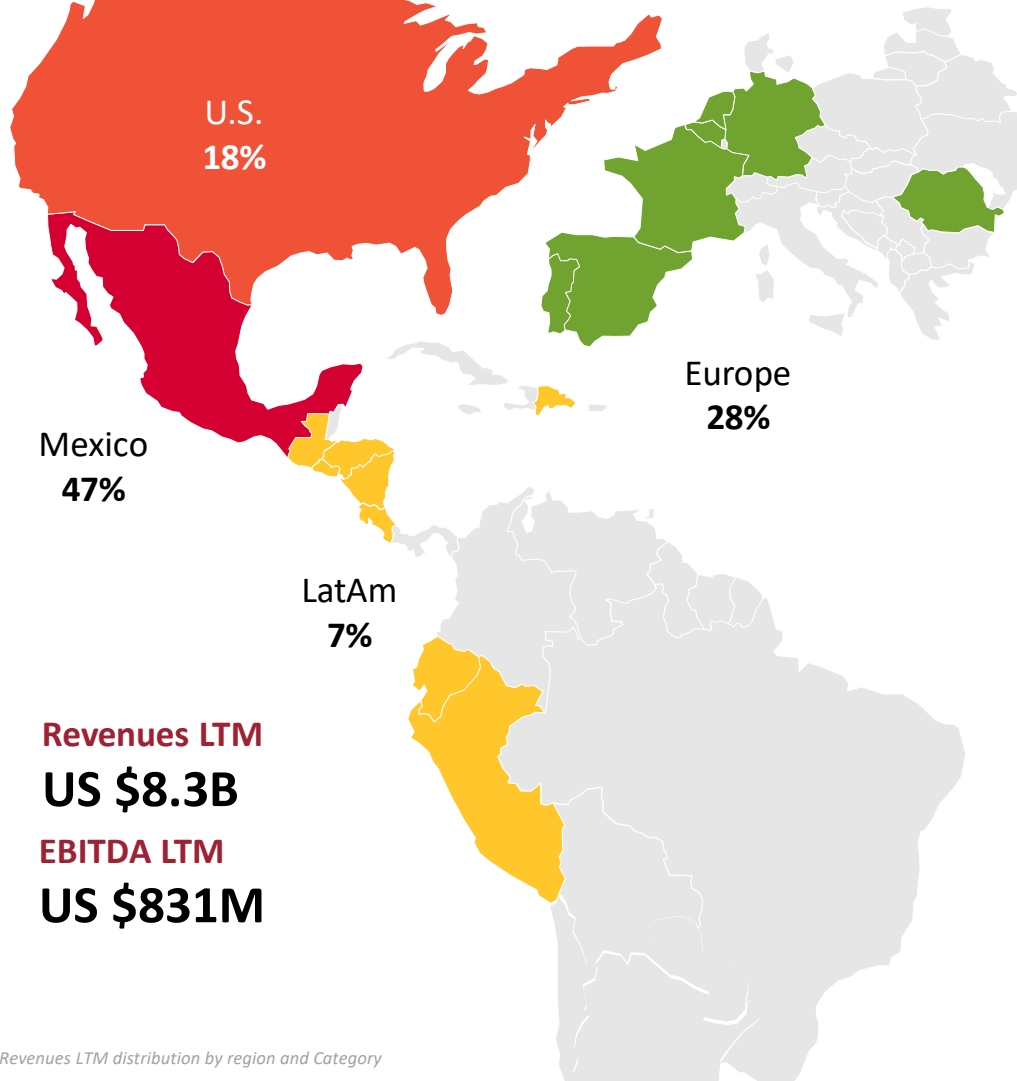
**1.7M**  
Tons of Food / Year

**US \$8.3B**  
Net Sales LTM

**23y**  
Average Mgmt.  
Team Experience

Bringing communities everywhere,  
favorite foods to love.

**Sigma**



**Cooked & Fresh Meats 56%**



**Dairy 24%**



**Dry Meats 14%**



**Other 6%**

*\*Revenues LTM distribution by region and Category*



# Leading brands across markets, categories and consumer segments

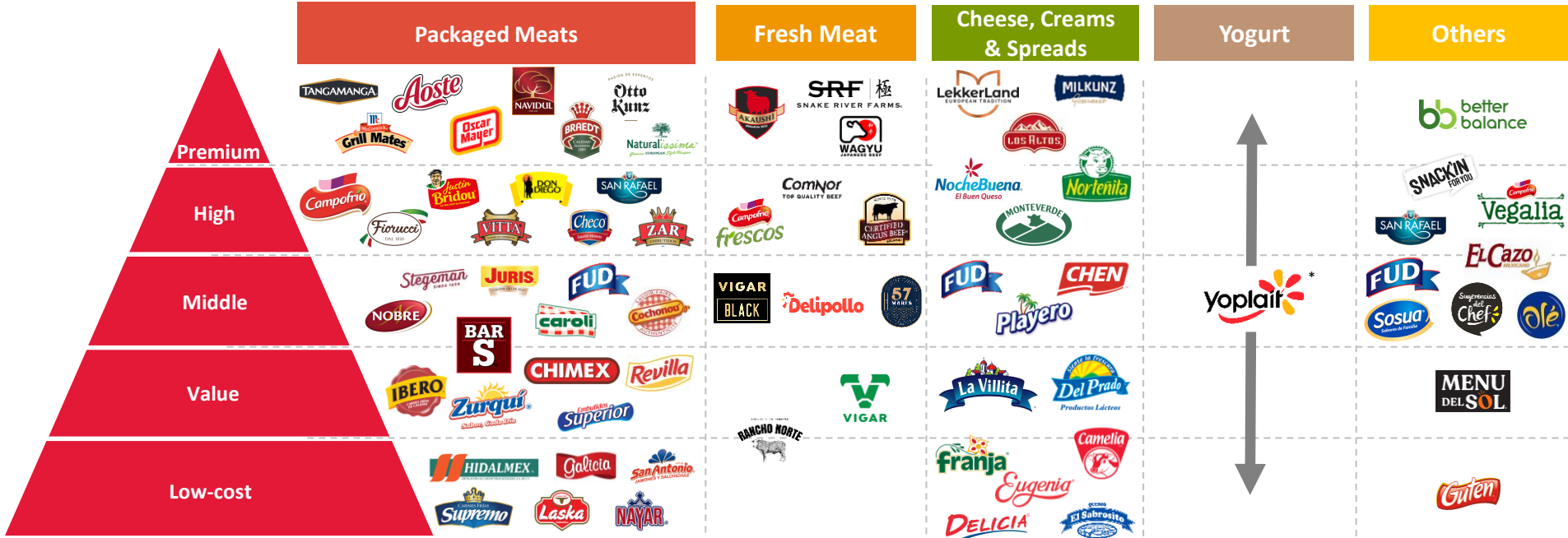
						
		 <p><b>100+</b> Brands</p>				
						
						

● 11 Brands with Net Sales over US \$100M.

\* Yoplait is licensed by third party

# Leading brands across categories and consumer segments

Our broad portfolio helps us capture demand and top line growth across different market segments



12% of our revenues come from licensed brands\*

\* Includes the distribution of recognized third party brands such as Yoplait®, Oscar Mayer, Grill Mates among others



# Multiple channels to reach consumers



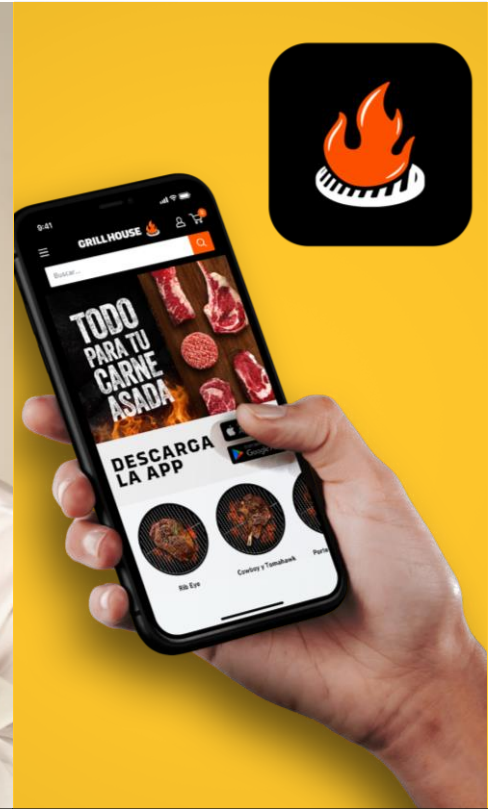
Modern



Traditional



Foodservice



E-commerce

# A unique story of transformation: Growth + Profitability

Net Sales  
(US\$ B)

Countries

Facilities

Employees

Net sales breakdown  
By geography By category

■ Europe ■ Mexico ■ Cooked Meats ■ Dairy  
■ U.S. ■ Latam ■ Dry Meats ■ Other

## National Leadership

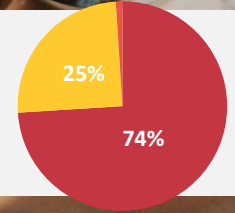
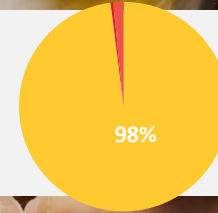
2000

\$0.8

4

8

12,500+



## International Expansion

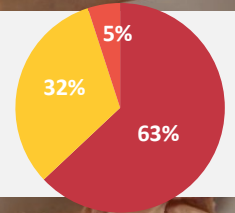
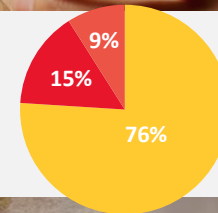
2010

\$2.6

9

34

29,000+



## Glocality

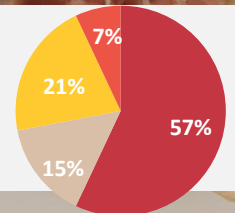
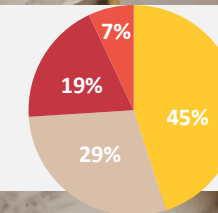
2022

\$7.4

18

64

44,000+





# Extensive supply chain and distribution network



**64** Manufacturing Facilities



**179** Distribution Centers



**680K+** Points of Sale



**Mexico**

	24
	119
	375K+
	6,000+



**Europe**

	20
	13
	53k+
	990+



**USA**

	8
	16
	164K+
	100+



**LATAM**

	12
	31
	95K+
	880+



## Consumer centric innovation supported by proprietary R&D platform

### Consumer Research

**180,000+** Contacts / year

Proprietary Mathematical Models

### Iterative innovation process based on Design Thinking

**1,800+** New Product Launches in the last 36 months

**9%** of Revenue comes from innovations

### Research and Development (R&D)

**2** Technological Centers (Mexico & Spain)

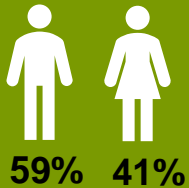
**200+** Specialists

**40** Patents & IP

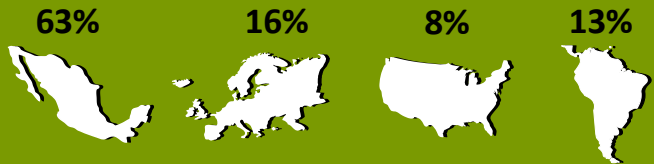


# Diverse Workforce

60+ Nationalities



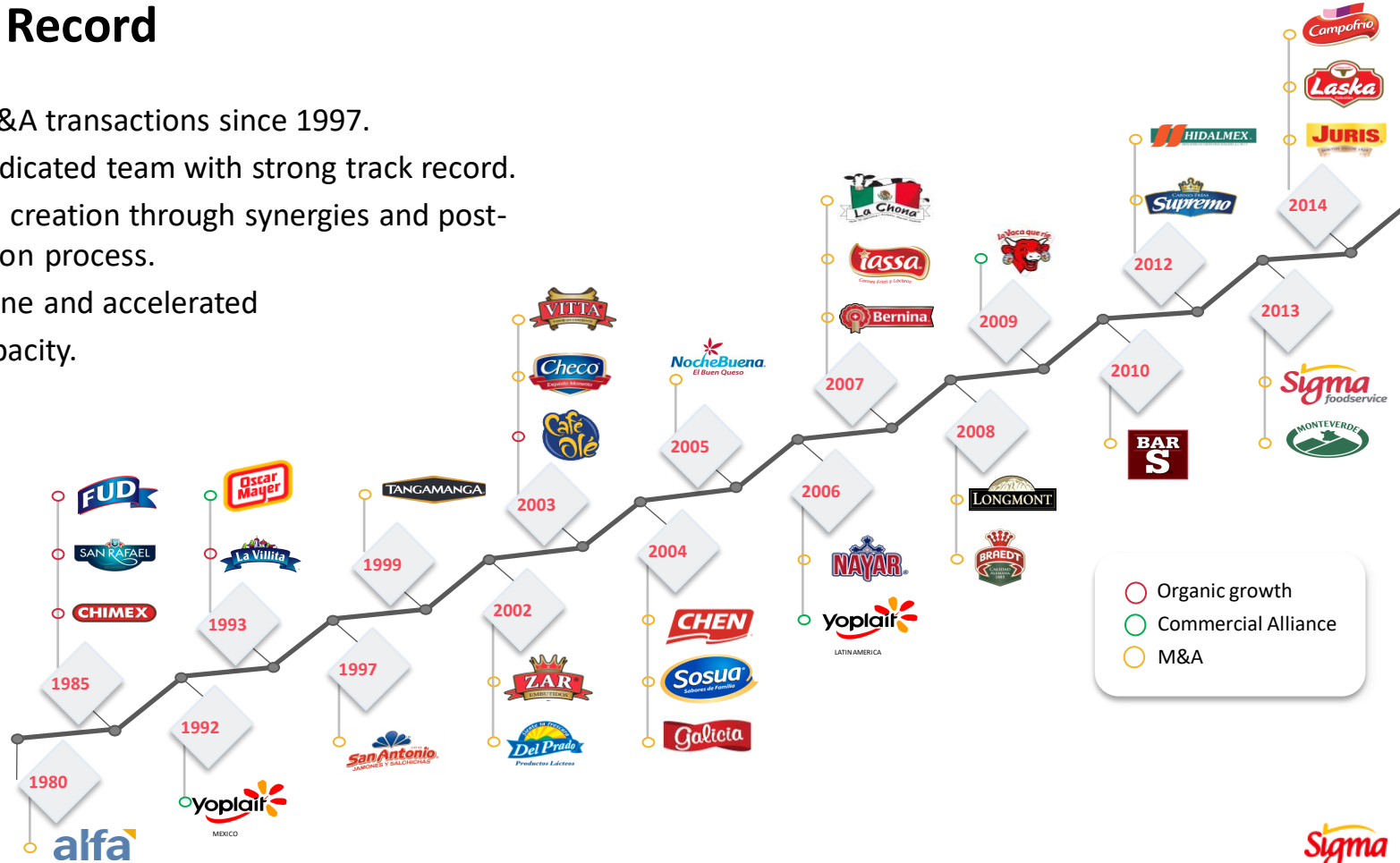
46,000+ Employees





# M&A Track Record

- 31 successful M&A transactions since 1997.
- Experienced, dedicated team with strong track record.
- Significant value creation through synergies and post-merger integration process.
- Financial discipline and accelerated deleveraging capacity.



# Experienced Management Team

Proven top management with an average of 23 years of experience across business areas

## CEO

### Rodrigo Fernández

Sigma CEO  
MBA Wharton

24

## Business Units

### Eugenio Caballero

CEO Mexico  
MBA Harvard

21

### Ricardo Doehner

CEO Europe  
MBA Michigan

26

### Jesús Lobo

CEO USA  
MBA Cornell University

19

### Sergio Ramos

CEO Latin America  
MBA University of Texas at Austin

35

### Gerardo Carcoba

CEO Foodservice  
MBA DUXX

21

## Central Functions

### Roberto Olivares

CFO – Finance  
MBA Duke

15

### Gregorio de Haene

CRISO - Research, Innovation and Sustainability  
MBA ITESM

41

### Beatriz Patrón

CTCO – Talent & Culture  
MBA IPADE

17

### Alejandro Suárez


CIO – Information Technology  
Master in Operations Research  
George Washington University

31

### Daniel Alanis

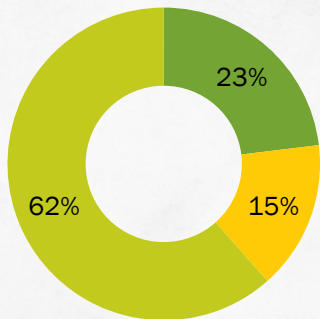
CGO - Growth  
MBA & Msc. University of Michigan

2

 Years in the company

# Advisory Board

Member Type



- Independent
- Proprietary Independent
- Related Proprietary

Member	Background
<b>María Teresa Arnal*</b>	Entrepreneur; 25+ years of experience in tech (Google, Twitter & Microsoft)
<b>Diego Calderón</b>	Proprietary Independent
<b>María Eugenia Casar*</b>	Former Assistant Executive Director - <b>The World Food Program, UN</b>
<b>Juan Enriquez*</b>	Chairman and CEO - <b>Biotechonomy, LLC</b>
<b>Álvaro Fernández</b>	President - <b>ALFA</b>
<b>Armando Garza</b>	Chairman of the Board of Directors - <b>ALFA</b>
<b>Brenda Garza</b>	Proprietary Independent
<b>Ángel Losada*</b>	Executive President and Chairman - <b>Grupo Gigante</b>
<b>Eduardo Padilla*</b>	Former CEO - <b>FEMSA</b>
<b>Anthony Pralle*</b>	Former Partner and Managing Director – <b>BCG, Consumer and Operations in Spain</b>
<b>Alejandro Ruiz</b>	Proprietary Independent
<b>Ricardo Saldívar*</b>	Former CEO and President - <b>Home Depot Mexico</b>
<b>Silvia Sonneveld*</b>	SVP Corporate and Nutrition Strategy - <b>DSM</b>



\* Independent member





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**02**    **Into the Future**

**03**    **Financial Performance**

**04**    **ESG**

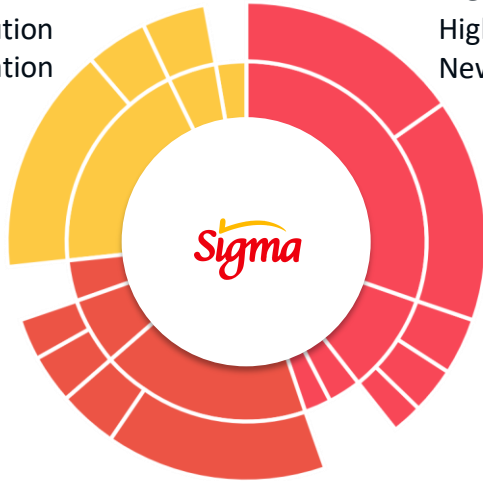
# Into the Future

Mid-to-high single-digit EBITDA target organic growth, boosted by M&A opportunities

Going forward, we are focusing on 3 pillars:

## Growing the core

Consumer Insights, Execution  
and Optimization



## New sources of revenue

High Potential Opportunities Global  
New Categories and Business Models

## Strengthening the organization through enablers

Improve the way we think, work and interact





# Grow the Core

---

Through the years we have developed a **successful business** that we continue to strengthen through:

- **Deep consumer knowledge, innovation, and brand equity** to exceed changing consumers' needs.
- **Execution with excellence and efficiency** to deliver a winning value proposition.
- **Margin Expansion** based on revenue growth, cost-saving initiatives, portfolio optimization, and leveraging on scale.





# Margin Expansion in Europe

## Footprint Optimization



- Increase capacity utilization
- Restructure end-to-end supply chain
- Remove less-profitable SKUs
- Flexibility through technology substitution

## Strategic Initiatives



- Adjacent categories and white-spaces
- New channels
- Snacking and Plant-Based
- Leverage existing capabilities

## International Business Unit (IBU)



- Focus on high-margin markets
- Tailored products as a winning proposition

## New Sources of Revenue: High Potential Opportunities

Cross-fertilization to attend high-value opportunities identified in each region:

- Chorizos, Spreads, etc.



- Lunch Meats, Sausages, Foodservice, etc.



- Traditional Channel, Foodservice, etc.



- Ready Meals, Dry Sausages, Fresh Meat





# New Sources of Revenue: Growth Business Unit



## **What is *Growth BU*?**

Independent BU focused on building new categories and business models. Autonomous to ensure flexibility, and with access to Sigma's capabilities.

- Cross-functional global team + local champions
- Rapid iteration; low-cost experiments
- Leveraging internal and external resources
- Reward productive failures
- Entrepreneurial and Agile skills
- Linked to startup ecosystem



# Growth BU | Initiatives

## Global Categories



## New Business Models



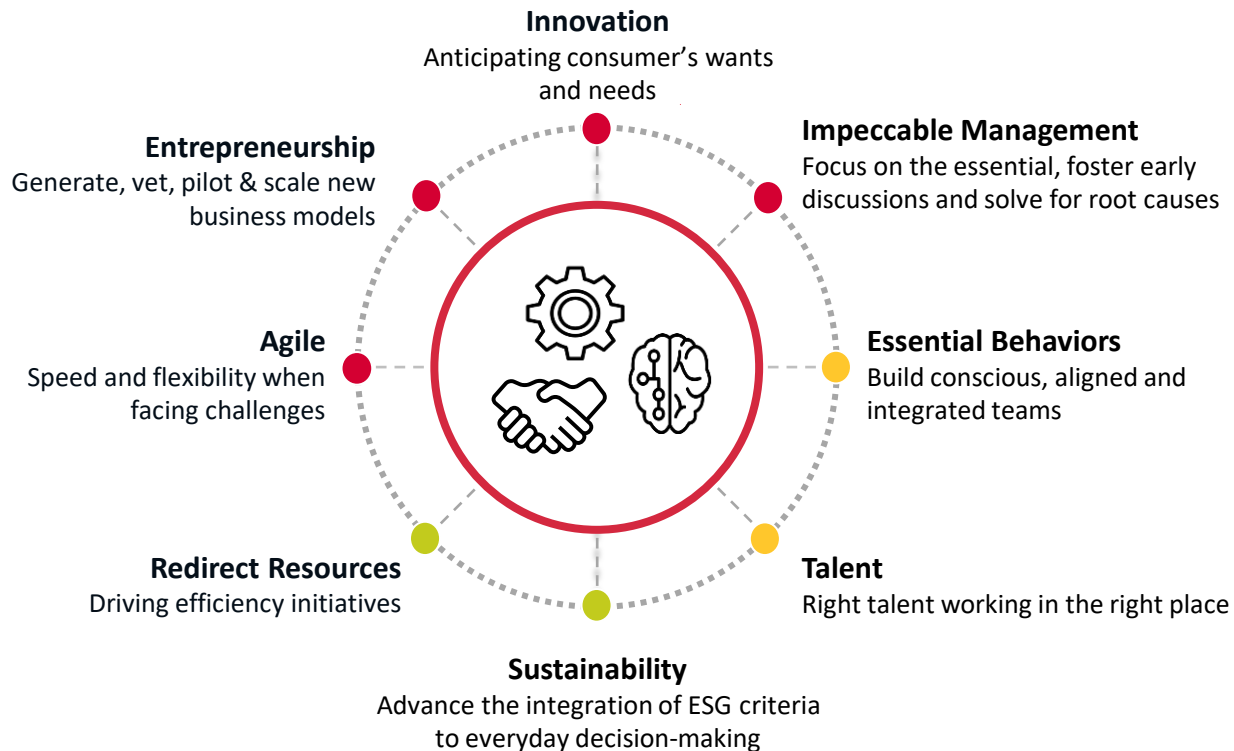
## Entrepreneurial Ecosystem



- Smart Manufacturing
- Future Foods
- Power Connections
- Green Tech

**Tastech** By *Sigma*

# Strengthening the organization through enablers



The way we  
**think**



The way we  
**work**



The way we  
**interact**





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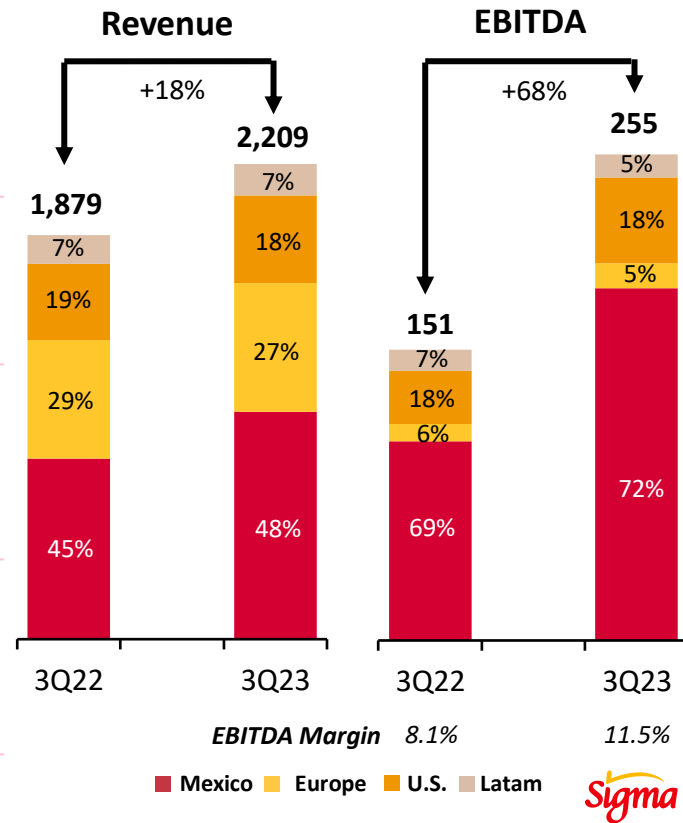
**04**    **ESG**



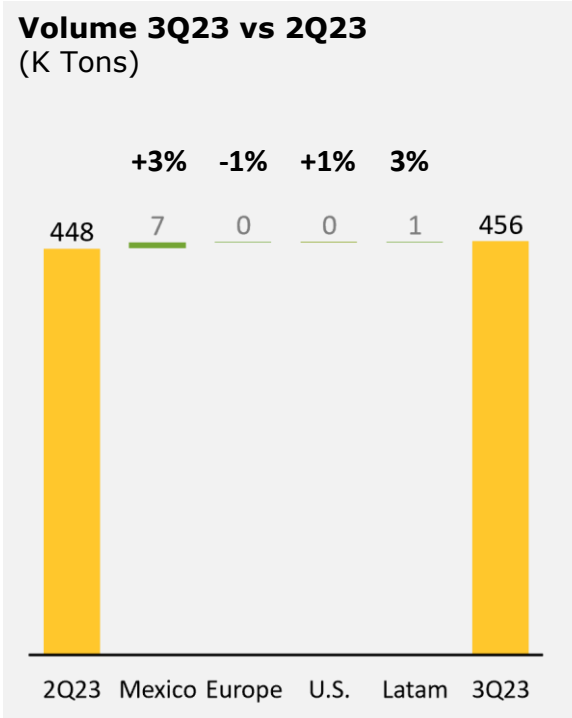
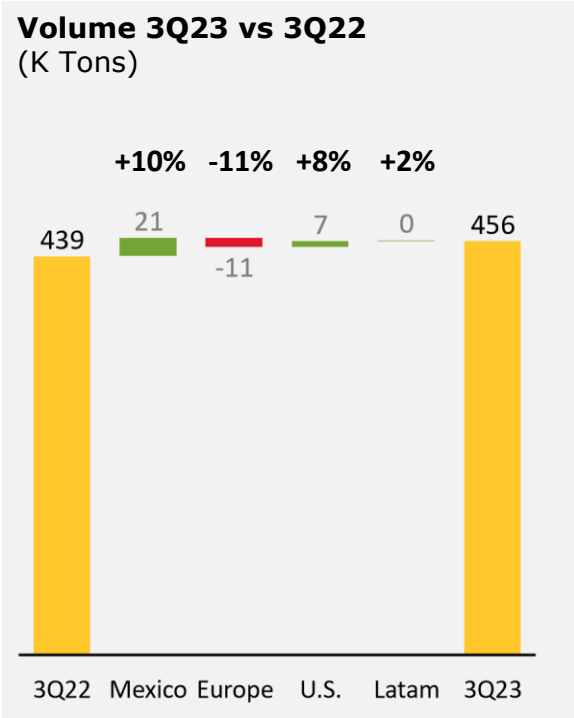
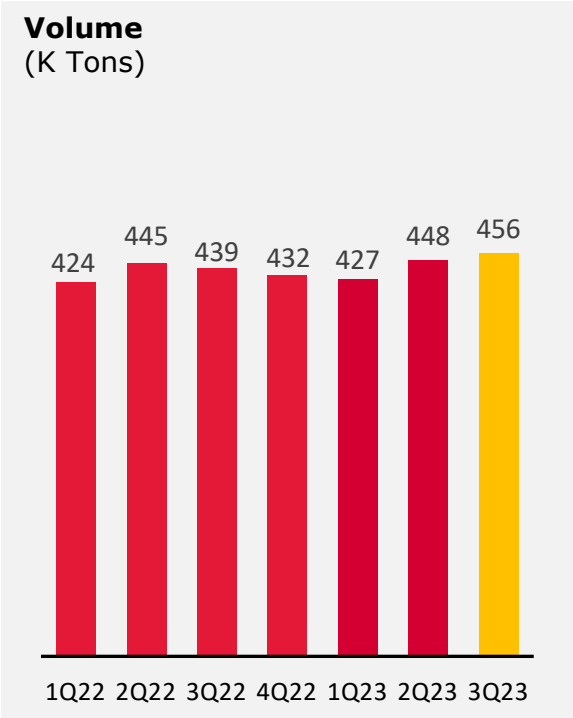
# 3Q23 Highlights

US \$ Millions

- Sigma**
  - Record quarterly consolidated Volume and Revenues. Tenth consecutive quarter of year-on-year Revenue growth
  - Record quarterly EBITDA, up 68% year-on-year, boosted by double-digit growth in all regions
  - Sustained improvement of Net Debt to EBITDA Ratio; 2.5 times at the close of 3Q23 vs 2.8 times in 2Q23
- Mexico**
  - Record quarterly Revenue and EBITDA, driven by solid demand, Foodservice Channel results, and the appreciation of the Mexican Peso
  - All-time high quarterly volume boosted by growth across all categories and channels
  - 3Q23 Foodservice Channel Revenue and EBITDA up 30% and 42% year-over-year, respectively
  - Record quarterly Volume and Revenue, up 8% and 14% year-over-year, respectively
  - 3Q23 EBITDA up 61%, primarily driven by Hispanic Brands and the Los Altos acquisition
- U.S.**
  - Ramp-up of new production lines at the recently acquired Iowa plant, and completion of the 100-day post-merger integration of Los Altos Foods, with better-than-expected results
  - Quarterly Revenue up 9% year-over-year driven by pricing actions to mitigate sustained inflationary pressures
- Europe**
  - Divested all operations in Italy to optimize Sigma's footprint and enhance profitability in the region, driving year-over-year growth in 3Q23 EBITDA
  - Quarterly EBITDA growth versus 3Q22 also driven by improving results on the Fresh Meats business
- Latam**
  - All-time high third quarter Revenue and EBITDA, mainly driven by improvements in Costa Rica and Ecuador

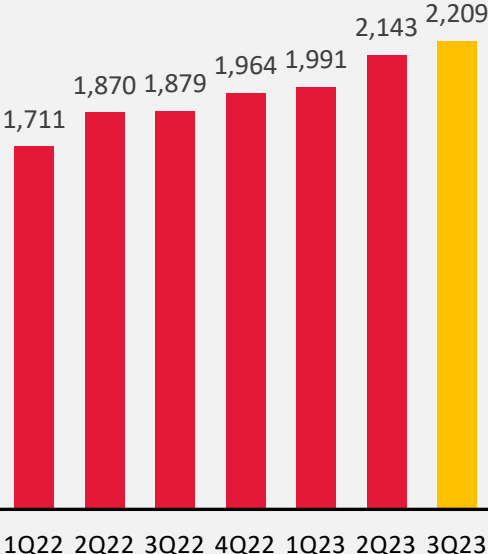


# Quarterly Volume

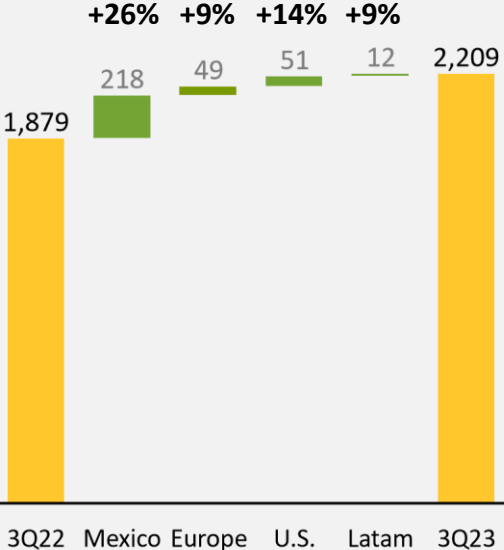


# Quarterly Revenues

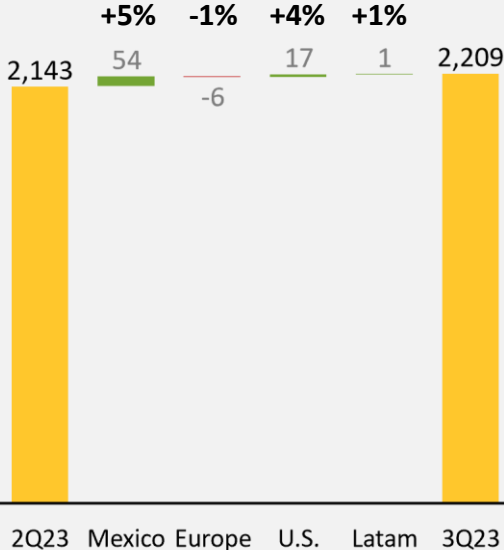
**Revenues**  
(US \$ Million)



**Revenues 3Q23 vs 3Q22**  
(US \$ Million)



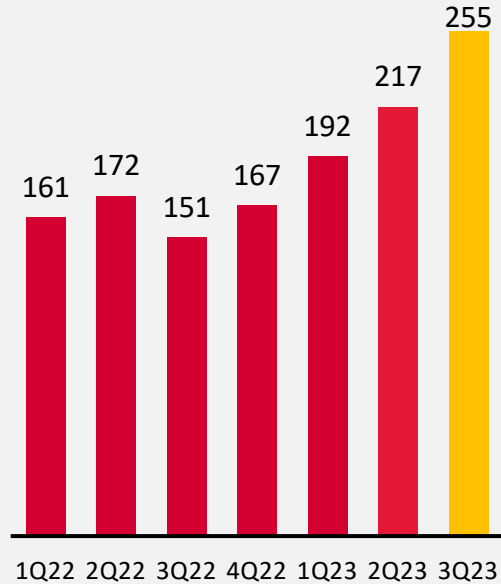
**Revenues 3Q23 vs 2Q23**  
(US \$ Million)



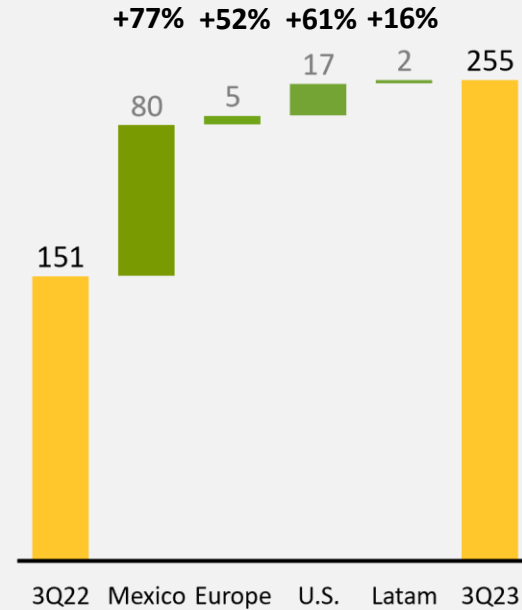


# Quarterly EBITDA

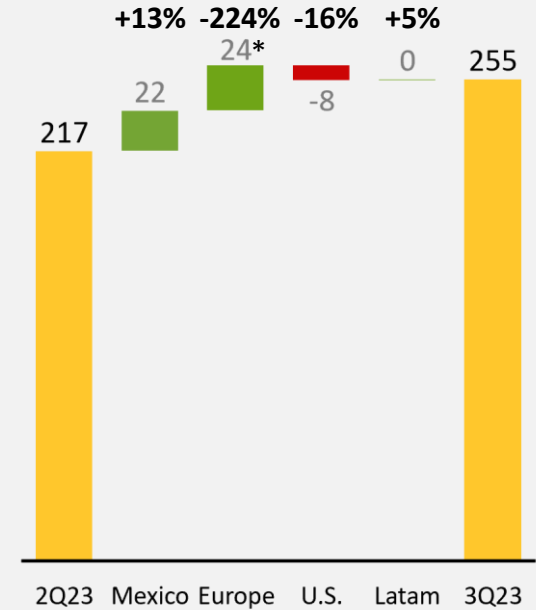
**EBITDA**  
(US \$ Million)



**EBITDA 3Q23 vs 3Q22**  
(US \$ Million)



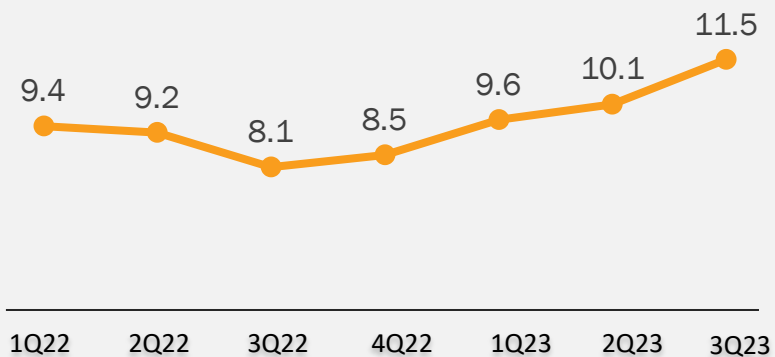
**EBITDA 3Q23 vs 2Q23**  
(US \$ Million)



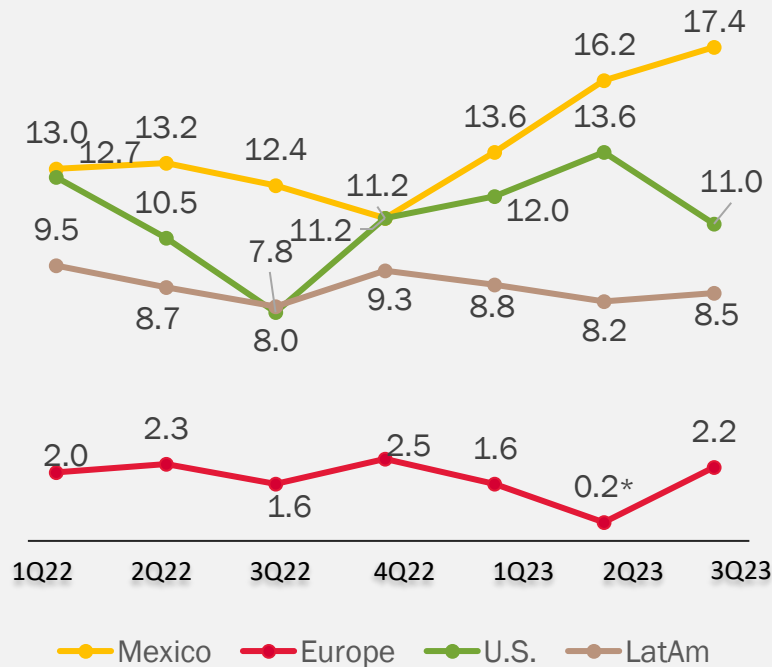
\*Includes the non-recurring expense of a major restructure in the region (US \$12 M) during 2Q23

# Quarterly EBITDA Margins

## EBITDA Margins (%)



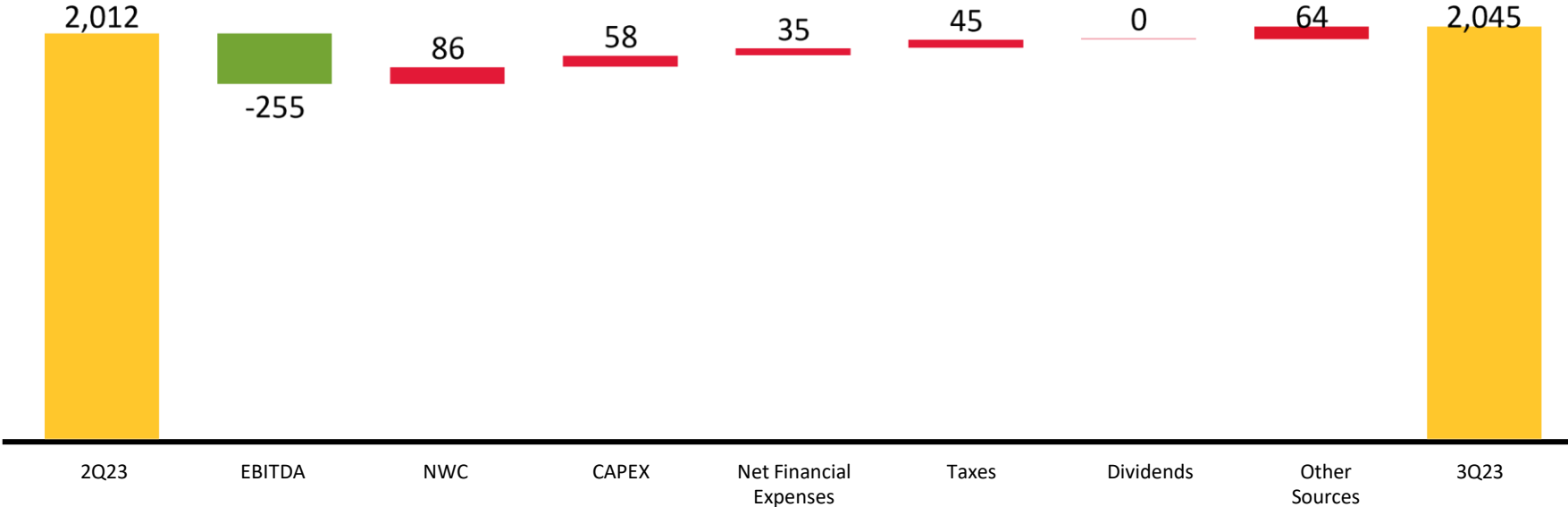
## EBITDA Margins (%)



\*Excludes the non-recurring expense of a major restructure in the region (US \$12 M)

# Change in Net Debt

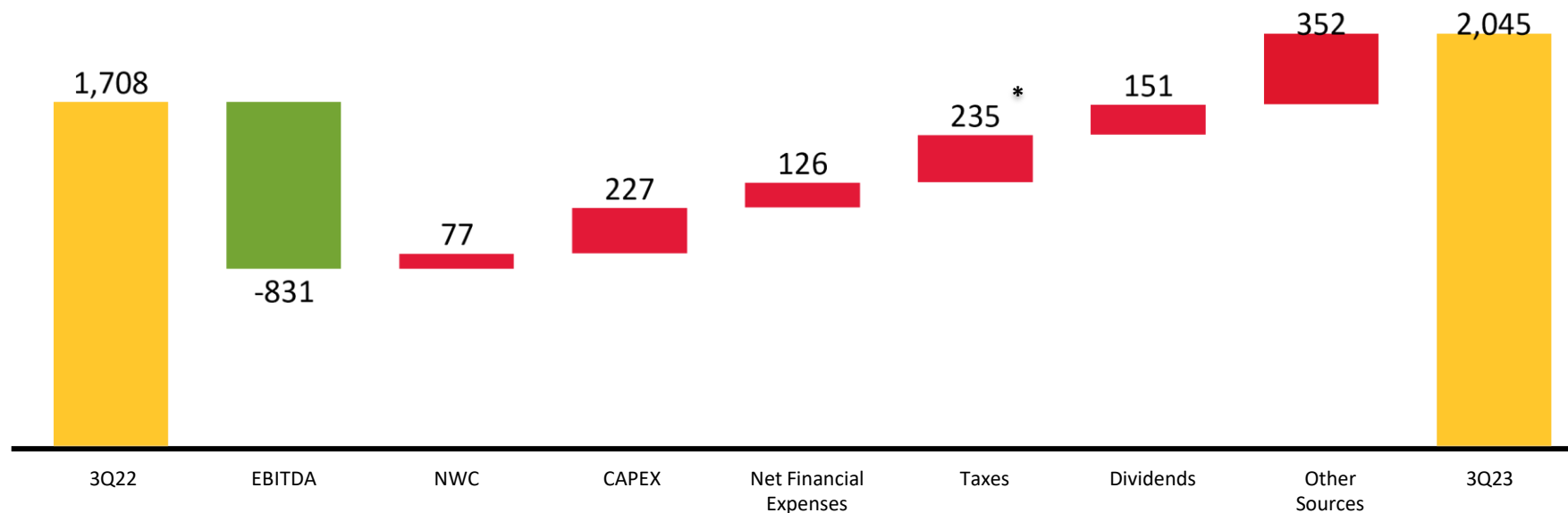
Change in Net Debt 3Q23 vs 2Q23  
(US \$ Million)





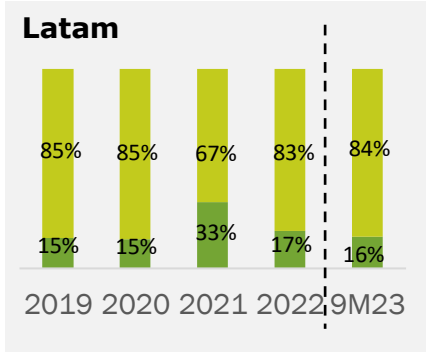
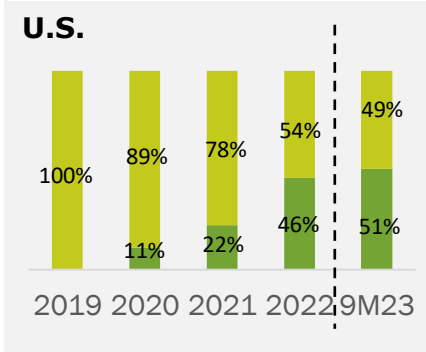
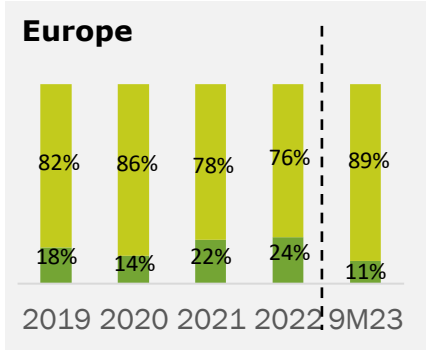
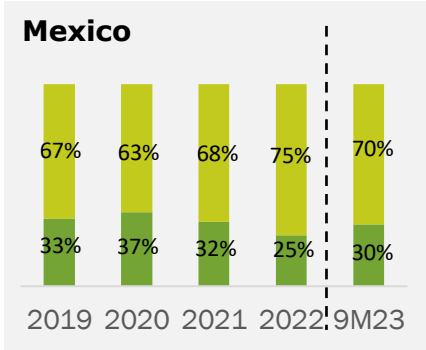
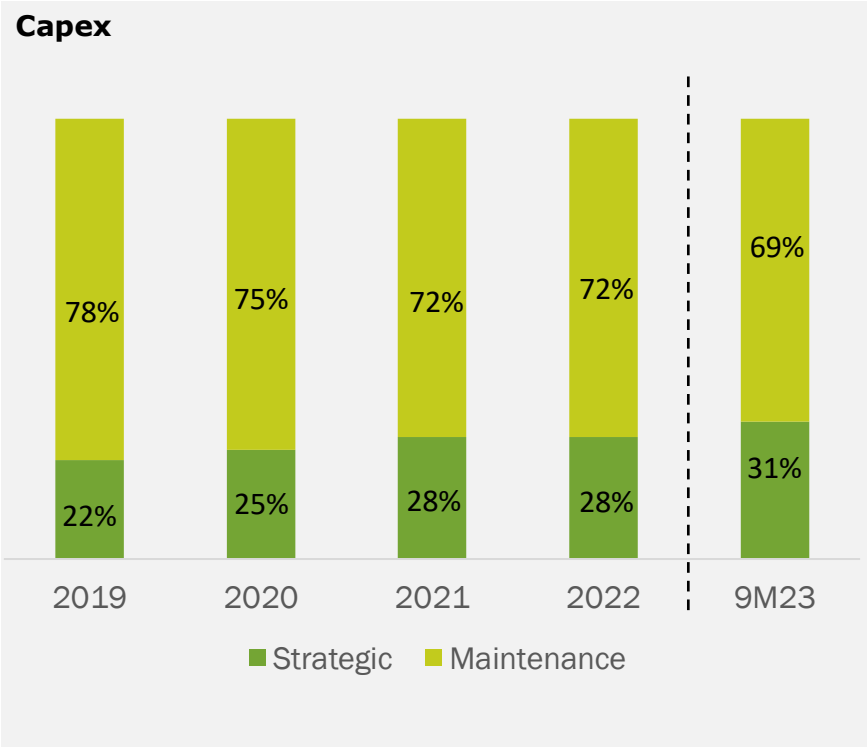
# Change in Net Debt

## Change in Net Debt 3Q23 vs 3Q22 (US \$ Million)



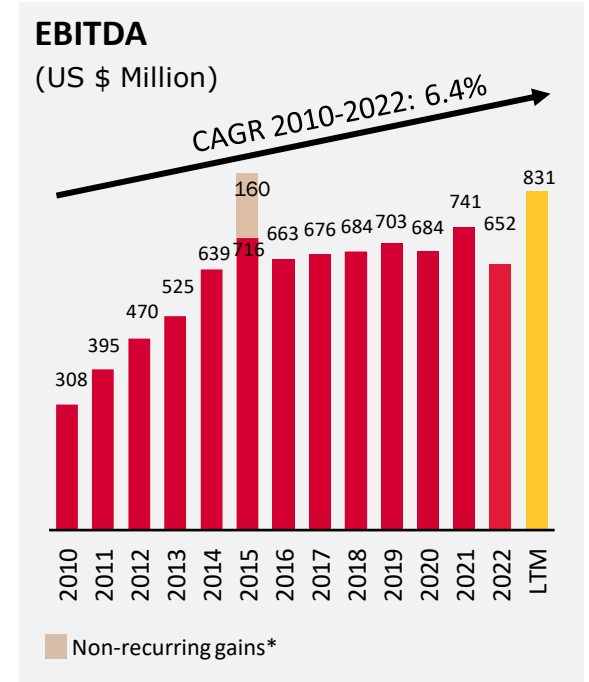
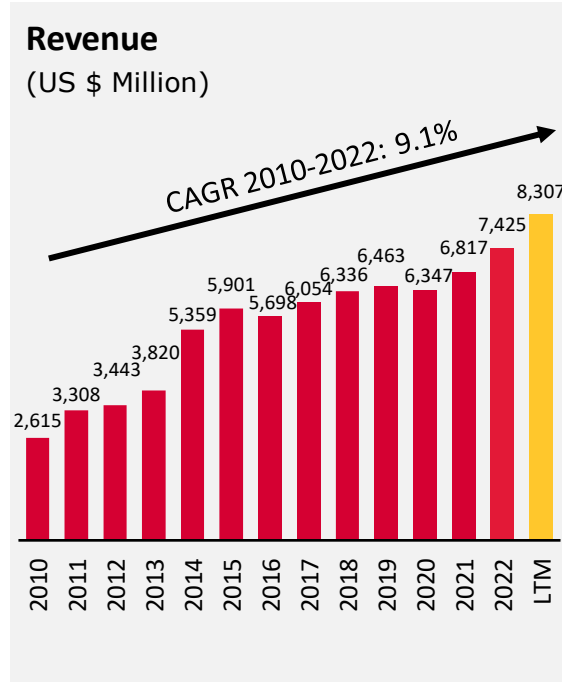
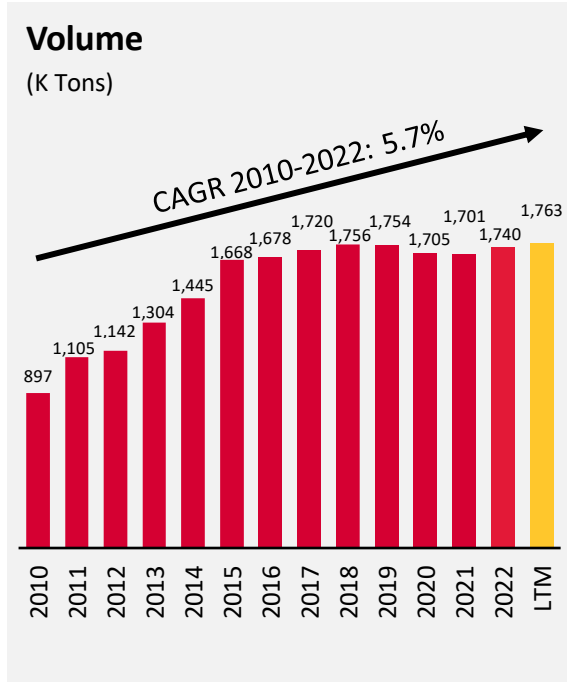
\* Sigma made the decision to voluntarily abandon the optional tax regime; payment of the income tax was made during 2Q23 for the year 2022.

# Capital Expenditures (Capex)



# Financial Results

US \$ Million

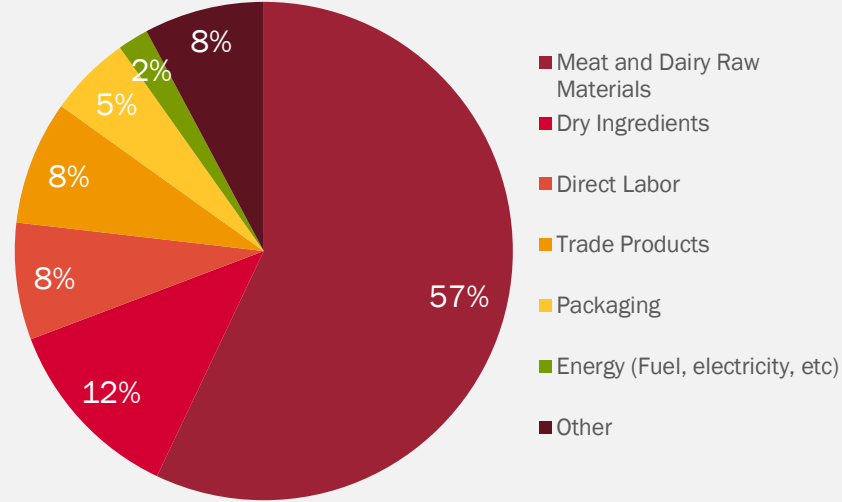


\*EBITDA excludes US\$ 160 million from property damage insurance compensation

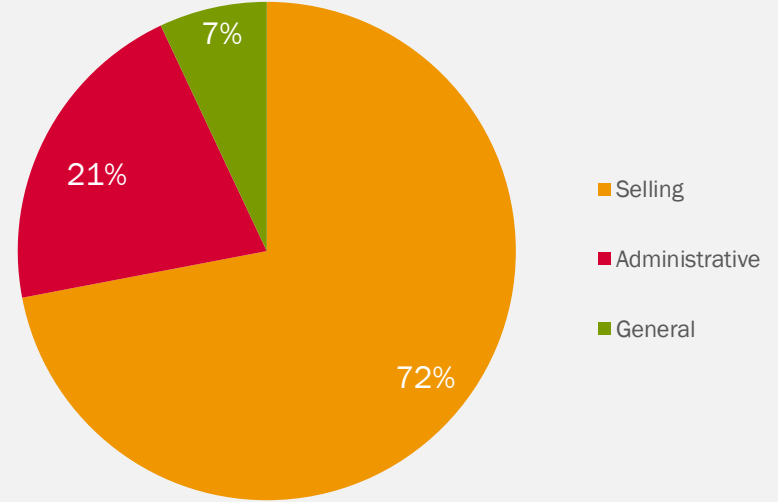


# Cost and Expense Structure LTM

**Costs of Goods Sold (COGS)**  
(US \$ Million)



**Selling, General and Administrative Expenses (SG&A)**  
(US \$ Million)



**COGS:**

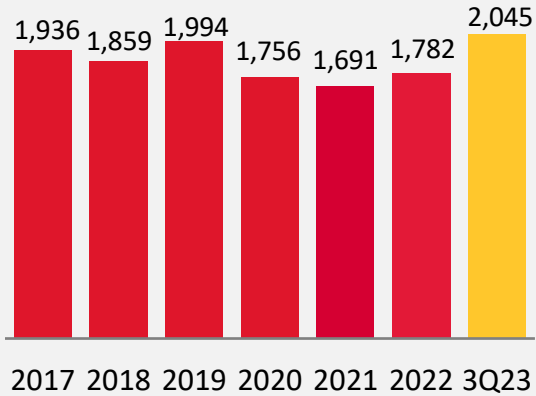
- Meat and Dairy raw materials – Pork, Turkey, Chicken, Beef, Milk Class III, Block Cheddar Cheese, NFDM, etc.
- Dry Ingredients – Seasonings and other non-meat or dairy raw materials
- Trade Products – Product purchases distributed in the Traditional and Foodservice channels.
- Packaging – Plastic Film, Labels, Capsules, Bottles, Lids, etc.
- Direct Labor – Compensation directly related to food production.
- Energy – Fuel, Electricity, Gas, etc.
- Others – Depreciation, Maintenance, etc.

**SG&A:**

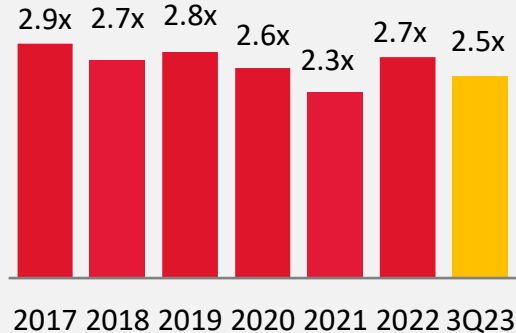
- Selling – Distribution, marketing, wages, sales commissions
- Administrative – Wages, rents, utilities
- General – Other minor expenses

# Leverage Ratios

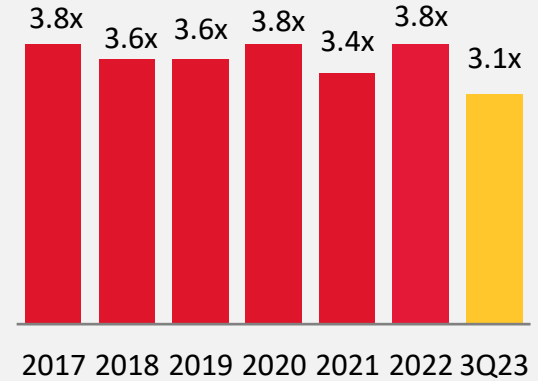
## Net Debt



## Net Debt / EBITDA\*\*



## Gross Debt / EBITDA\*\*

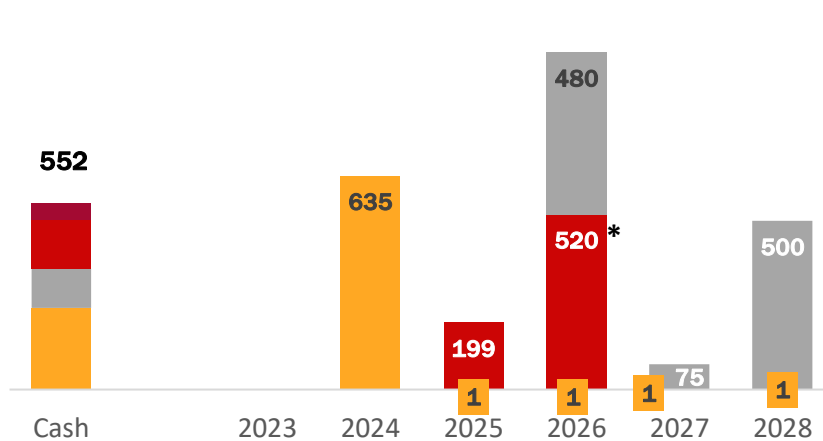


# Debt Profile

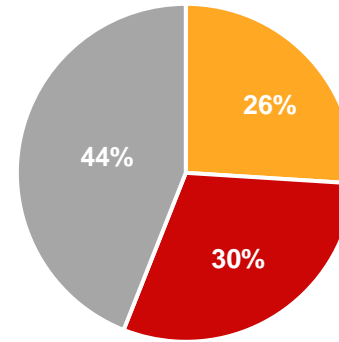
Average life: 2.4 years

Average rate: 5.74 % (including CCS)

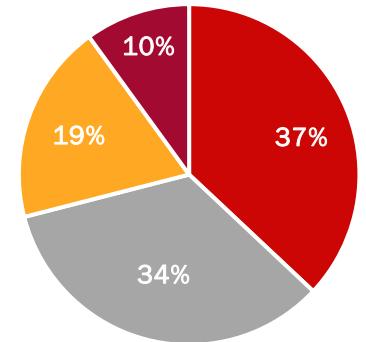
## Debt Maturity Schedule (US \$Million)



## Debt Mix (Including CCS)



## Cash Mix

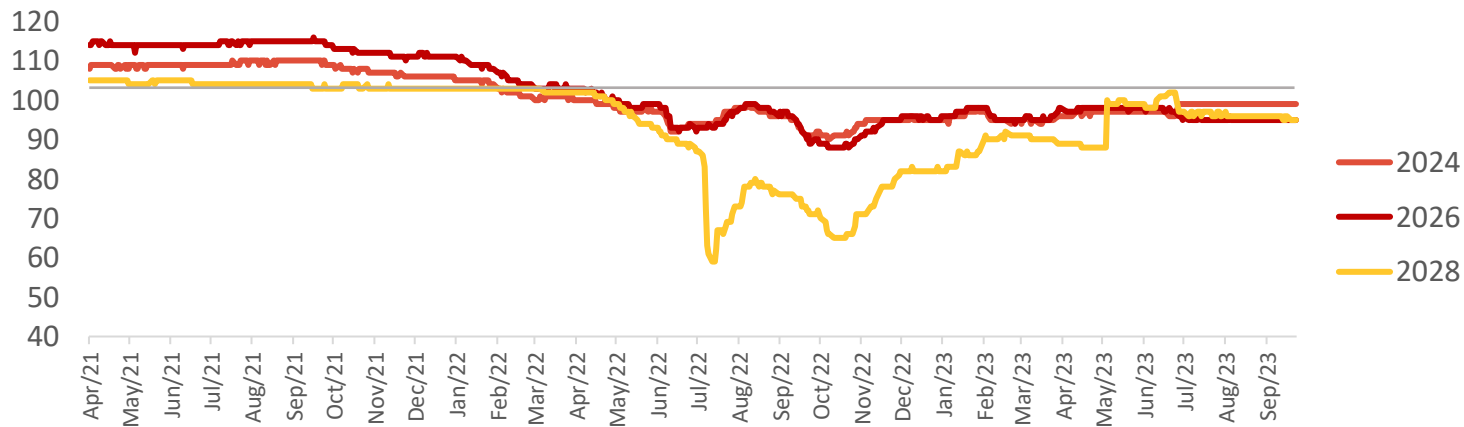


■ MXN ■ USD ■ EUR ■ OTHER

\*US \$520 million MXN-USD Cross Currency Swap (CCS) agreement for 2026.  
Does not include US \$186 million mainly from financial leases, notes payables, and accrued interest.



# Outstanding Bonds



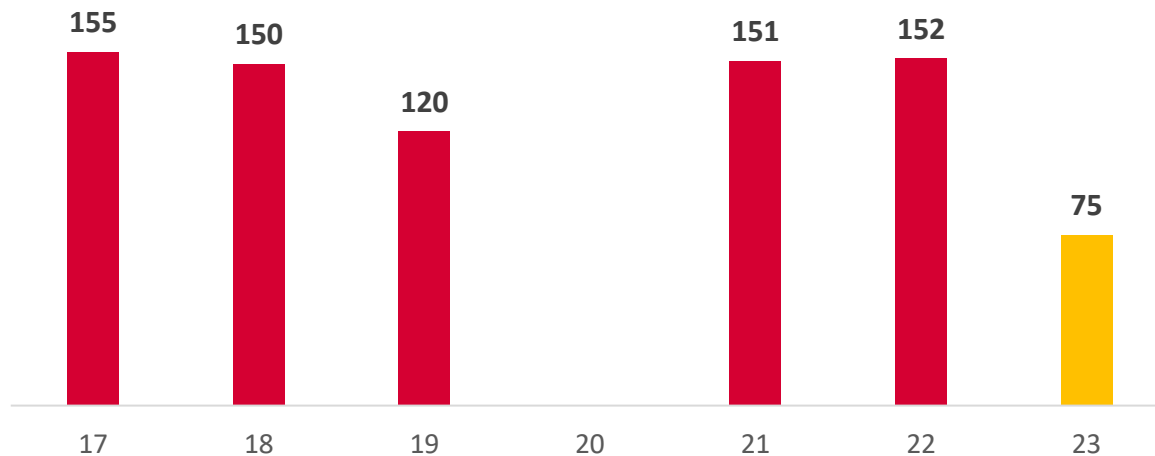
Bond	Amount (US \$ M)	Rate	YTM	Maturity Date	S&P Global Ratings	Fitch Ratings	MOODY'S
2024	€640	2.625%	5.168%	Feb - 2024	BBB- *	BBB	Baa3
2026	\$1,000	5.125%	6.347%	May - 2026	Outlook: <b>Stable</b>	Outlook: <b>Stable</b>	Outlook: <b>Stable</b>
2028	\$500	4.875%	6.068%	Mar - 2028			

\*Credit Rating capped at parent company level per S&P's methodology. Sigma's Stand Alone Credit Profile is 'bbb'



# Dividends

Paid Dividends (US \$ Million)



Quarter	Amount (US \$ Million)
1Q23	0
2Q23	75
3Q23	0

In 2020 no dividends were paid. The graph shows the approved amounts for each year.

# Income Statement

	(Thousands of pesos)		(Thousands of U.S. Dollars)	
	III Quarter 23	III Quarter 22	III Quarter 23	III Quarter 22
Revenue	37,675,657	38,025,114	2,208,903	1,878,911
Cost of sales	(26,071,510)	(28,642,644)	(1,528,628)	(1,415,354)
<b>Gross profit</b>	<b>11,604,147</b>	<b>9,382,470</b>	<b>680,275</b>	<b>463,557</b>
Selling expenses	(6,354,649)	(5,830,571)	(372,521)	(288,081)
Administrative expenses	(1,872,109)	(1,517,743)	(109,768)	(75,010)
Other income (expenses), net	(2,013,047)	17,773	(118,756)	869
<b>Operating profit</b>	<b>1,364,342</b>	<b>2,051,929</b>	<b>79,230</b>	<b>101,335</b>
Financial Income	111,883	83,321	6,553	4,119
Financial expenses	(880,177)	(647,518)	(51,575)	(31,986)
Gain (loss) due to exchange fluctuation, net	(634,684)	98,507	(37,511)	4,813
<b>Profit before income tax</b>	<b>(38,636)</b>	<b>1,586,239</b>	<b>(3,303)</b>	<b>78,281</b>
Income tax	(578,874)	(694,774)	(34,172)	(34,391)
<b>Net consolidated profit</b>	<b>(617,510)</b>	<b>891,465</b>	<b>(37,475)</b>	<b>43,890</b>
Profit (loss) attributable to:				
<b>Controlling interest</b>	<b>(618,985)</b>	<b>891,465</b>	<b>(37,563)</b>	<b>43,890</b>
<b>Non-controlling interest</b>	<b>1,475</b>	<b>0</b>	<b>88</b>	<b>0</b>



# Balance Sheet

	(Thousands of pesos)		(Thousands of U.S. Dollars)	
	Sep '23	Sep '22	Sep '23 <sup>(1)</sup>	Sep '22 <sup>(2)</sup>
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents	9,724,319	14,187,750	551,907	698,704
Restricted cash	6,500	6,500	369	320
Customers and other accounts receivables, net	9,492,076	8,724,946	538,726	429,678
Income tax recoverable	549,976	437,820	31,214	21,561
Inventories	16,651,767	19,138,313	945,076	942,505
Other current assets	2,804,254	3,028,494	159,156	149,144
Derivative financial instruments	173,522	10,224	9,848	503
<b>Total current assets</b>	<b>39,402,414</b>	<b>45,534,047</b>	<b>2,236,296</b>	<b>2,242,415</b>
<b>NON-CURRENT ASSETS:</b>				
Property, plant and equipment, net	28,512,560	29,771,792	1,618,239	1,466,172
Intangible assets, net	11,235,456	12,687,355	637,672	624,815
Right-of-use asset, net	2,497,336	1,846,658	141,737	90,942
Goodwill	12,461,328	12,307,546	707,246	606,110
Deferred income tax	2,236,426	2,118,237	126,929	104,317
Derivative financial instruments	365,948	557,481	20,770	27,454
Investments in associates and joint ventures	117,700	137,225	6,680	6,758
Other non-current assets	173,824	126,780	9,865	6,244
Restricted cash	0	6,500	0	320
<b>Total non-current assets</b>	<b>57,600,578</b>	<b>59,559,574</b>	<b>3,269,138</b>	<b>2,933,132</b>
<b>Total assets</b>	<b>97,002,992</b>	<b>105,093,621</b>	<b>5,505,434</b>	<b>5,175,547</b>

## LIABILITIES AND STOCKHOLDERS' EQUITY

### CURRENT LIABILITIES:

Current debt	11,190,120	0	635,099	0
Accrued interest payable	579,600	611,777	32,895	30,128
Financial Leases	392,943	460,991	22,302	22,702
Suppliers and Other Accounts Payables	24,849,444	28,016,242	1,410,338	1,379,716
Income tax payable	1,902,279	581,491	107,964	28,637
Provisions	181,366	66,084	10,293	3,254
Derivative financial instruments	1,493,524	484,241	84,765	23,847
Other current liabilities	2,513,382	2,645,538	142,648	130,285
<b>Total current liabilities</b>	<b>43,102,658</b>	<b>32,866,364</b>	<b>2,446,304</b>	<b>1,618,569</b>

### NON-CURRENT LIABILITIES:

Non-current debt	31,107,152	45,641,712	1,765,496	2,247,718
Notes payables	42,956	241,770	2,438	11,906
Financial Leases	2,247,250	1,539,902	127,543	75,836
Deferred income taxes	3,019,821	3,853,433	171,391	189,770
Employees benefits	1,653,589	1,343,484	93,850	66,163
Provisions	6,574	73,459	373	3,618
Income tax payable	0	1,048,584	0	51,640
Derivative financial instruments	167,577	0	9,511	0
Other non-current liabilities	49,662	35,129	2,819	1,730
<b>Total non-current liabilities</b>	<b>38,294,581</b>	<b>53,777,473</b>	<b>2,173,421</b>	<b>2,648,381</b>

**Total liabilities** **81,397,239** **86,643,837** **4,619,725** **4,266,950**

### STOCKHOLDERS' EQUITY

Total controlling interest:	15,543,606	18,449,784	882,182	908,597
Total non-controlling interest:	62,147	0	3,527	0
<b>Total stockholders' equity</b>	<b>15,605,753</b>	<b>18,449,784</b>	<b>885,709</b>	<b>908,597</b>
<b>Total liabilities and stockholders' equity</b>	<b>97,002,992</b>	<b>105,093,621</b>	<b>5,505,434</b>	<b>5,175,547</b>

(1) Translated into U.S. Dollars, solely for the convenience of the reader, using an exchange rate of Ps. 17.6195 per U.S. Dollar, the exchange rate published by the Mexican Central Bank for payment of obligations denominated in U.S. dollars on September 30, 2023

(2) Translated into U.S. Dollars, solely for the convenience of the reader, using an exchange rate of Ps. 20.3058 per U.S. Dollar, the exchange rate published by the Mexican Central Bank for payment of obligations denominated in U.S. dollars on September 30, 2022

# Cash Flow

	(Thousands of pesos)		(Thousands of U.S. Dollars)	
	III Quarter 23	III Quarter 22	III Quarter 23	III Quarter 22
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Profit before income tax</b>	<b>(38,636)</b>	<b>1,586,239</b>	<b>(3,303)</b>	<b>78,281</b>
Depreciation and amortization	914,837	1,013,042	53,631	50,059
Impairment of fixed assets and intangible assets	2,066,497	(2,483)	121,890	(115)
Costs associated with seniority premiums and pension plans	267,646	121,560	15,697	6,006
Gain on sale of property, plant and equipment	(11,197)	(24,269)	(655)	(1,197)
Financial cost, net	524,632	534,325	30,744	26,393
Foreign exchange, net	634,684	(98,507)	37,511	(4,813)
(Increase) Decrease in customers and other accounts receivable	(1,282,494)	(130,466)	(77,511)	(4,606)
(Increase) decrease in inventories	441,335	(690,973)	25,894	(34,384)
Increase (decrease) in suppliers and other accounts payable	(656,801)	843,739	(41,551)	46,302
Income tax paid	(773,194)	(469,310)	(45,283)	(23,222)
Other operating expenses	(62,459)	(48,812)	(3,862)	(2,408)
<b>Cash flows from operating activities</b>	<b>2,024,850</b>	<b>2,634,085</b>	<b>113,202</b>	<b>136,296</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Business acquisitions, net of cash acquired	(521,233)	0	(30,763)	0
Interest received	88,299	52,940	5,169	2,612
Acquisition of intangible assets	(7,674)	(105,105)	(403)	(5,219)
Acquisition of property, plant and equipment	(991,886)	(1,120,207)	(58,204)	(55,361)
Sale of property, plant and equipment	11,197	24,269	655	1,197
Restricted cash and other assets	6,500	19,500	383	956
<b>Cash flows from investing activities</b>	<b>(1,414,797)</b>	<b>(1,128,603)</b>	<b>(83,163)</b>	<b>(55,815)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from loans and debt	1,072,704	0	63,781	0
Payments of loans and debt	(1,106,627)	(19,500)	(64,481)	(956)
Financial leases	(168,482)	(177,541)	(9,881)	(8,773)
Derivative financial instruments	(913,064)	(245,037)	(53,573)	(12,120)
Interest paid	(376,957)	(412,120)	(21,967)	(20,489)
<b>Cash flows from financing activities</b>	<b>(1,492,426)</b>	<b>(854,198)</b>	<b>(86,121)</b>	<b>(42,338)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(882,373)</b>	<b>651,284</b>	<b>(56,082)</b>	<b>38,143</b>
Exchange gains (losses) in cash and cash equivalents	210,527	64,457	(971)	(13,555)
Cash and cash equivalents at the beginning of the period	10,396,165	13,472,009	608,960	674,116
<b>Cash and cash equivalents at the end of the period</b>	<b>9,724,319</b>	<b>14,187,750</b>	<b>551,907</b>	<b>698,704</b>

# Guidance

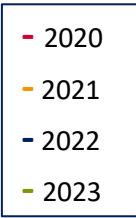


US \$ Millions	Revised 2Q23	Original 2023
Revenues	\$8,600	\$8,100
EBITDA	\$880	\$705
Capex*	\$240	\$280

\*These figures do not include recent acquisitions



# Meat Raw materials – Pork and Poultry



## U.S.

## Europe

USD / Lb

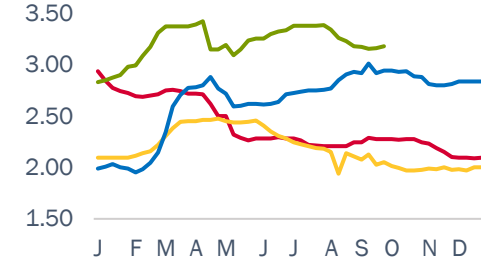
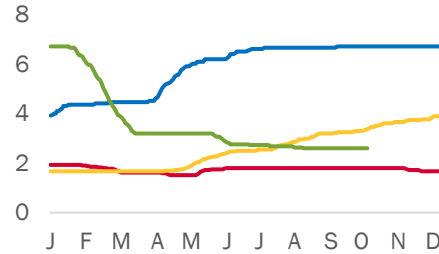
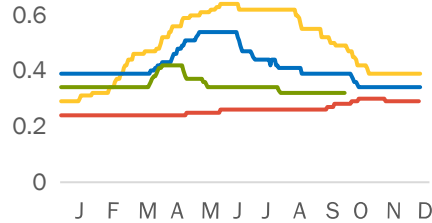
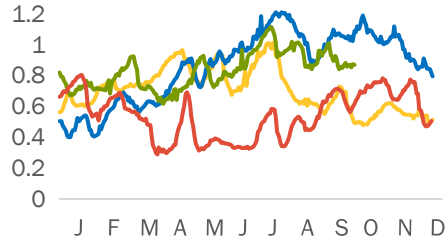
Eur / kg

Pork Ham

Chicken MSC

Turkey Breast

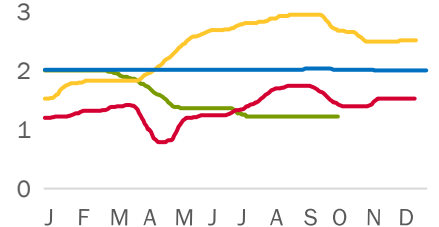
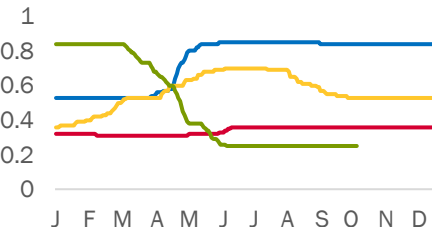
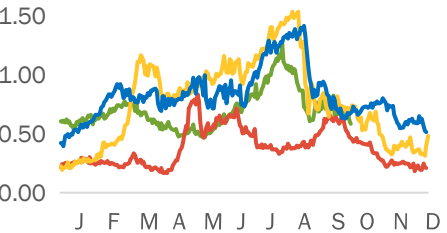
Pork Ham



Pork Trimmings - 42%

Turkey MST

Turkey Thigh



Sources:  
 U.S. - USDA; See Appendix A for additional information regarding U.S. raw material reference prices  
 Europe - Weighted Average of Bone in Ham Prices in Spain, France and Germany



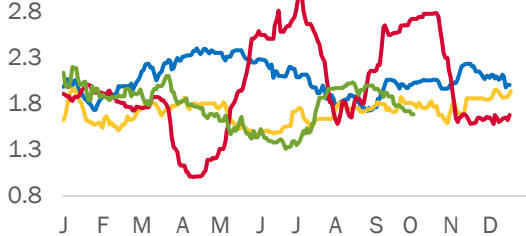
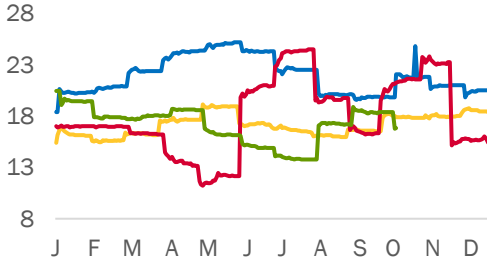
# Meat Raw Materials – Dairy

U.S.

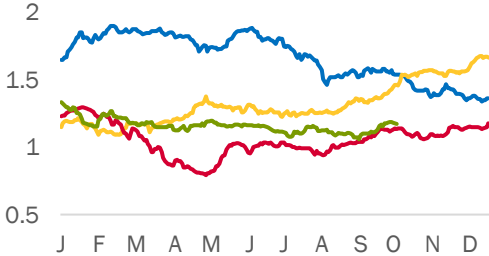
USD / Lb

Milk Class III

Block Cheddar



NFDM



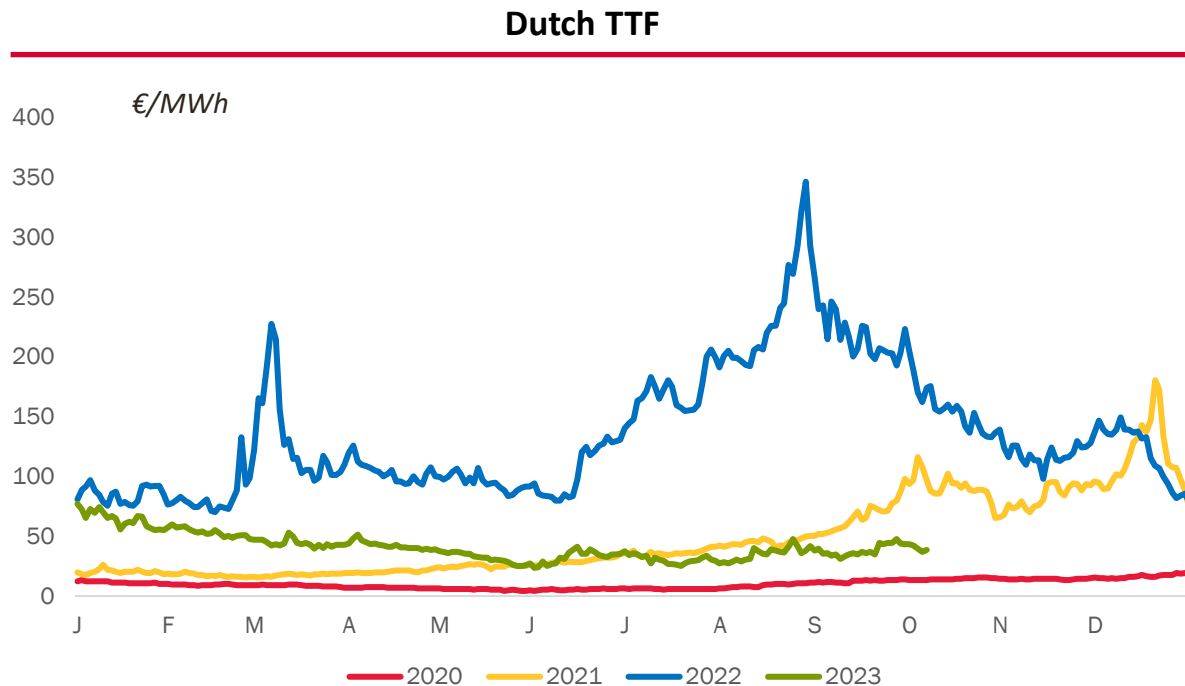
- 2020
- 2021
- 2022
- 2023



Sources: U.S. - USDA; See Appendix A for additional information regarding U.S. raw material reference prices

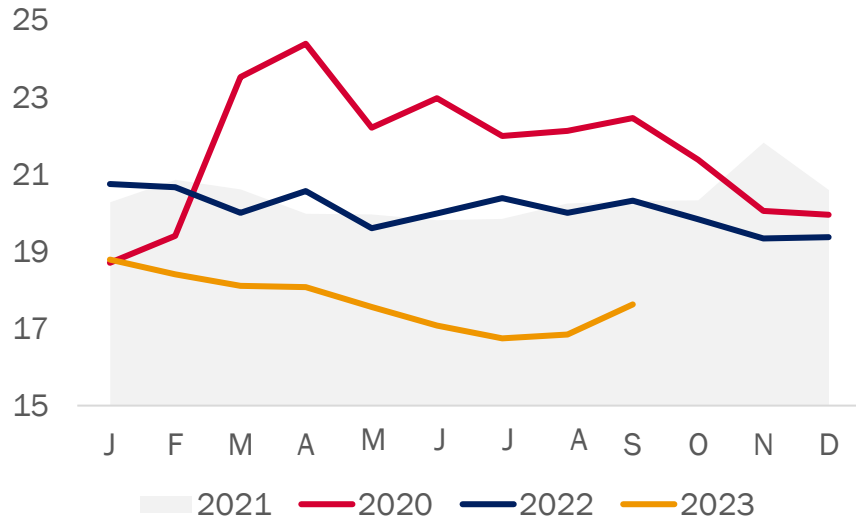
# European energy utility price reference

- ▼ Dutch TTF (Title Transfer Facility), is a virtual trading point for natural gas in Netherlands and is the primary gas pricing hub for the European market

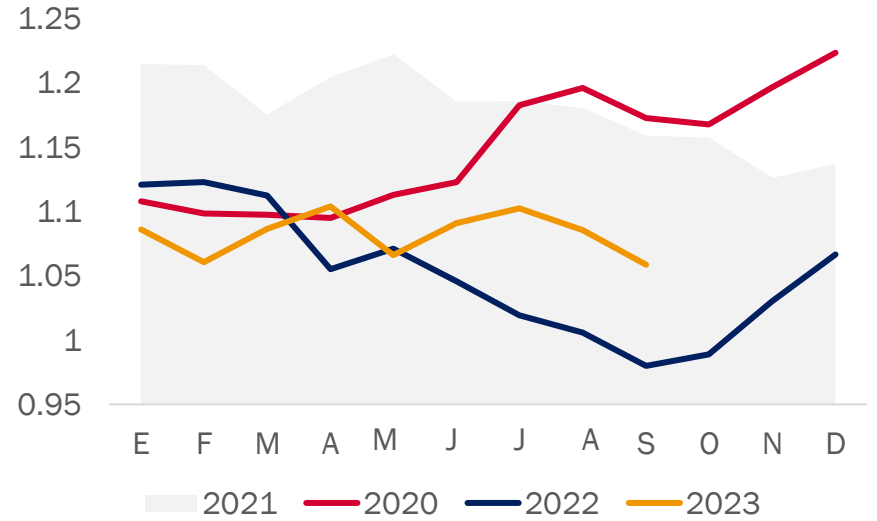


# Exchange rates

U.S. Dollar – MXN Peso



U.S. Dollar - Euro







## **Content**

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**01**    **Sigma at Glance**

**02**    **Into the Future**

**03**    **Financial Performance**

**04**    **ESG**

# Sigma's ESG journey

1st materiality analysis and GRI Report

**2025**  
SUSTAINABILITY  
COMMITMENTS

Aligned to the  
2025  
Sustainability  
Commitments

Updated the  
materiality  
analysis



SBTi Targets  
Approved



<2015

2016

2018

2019

2020

2021

2022

2025

Company-wide  
Sustainability Strategy,  
materiality analysis,  
and GRI report

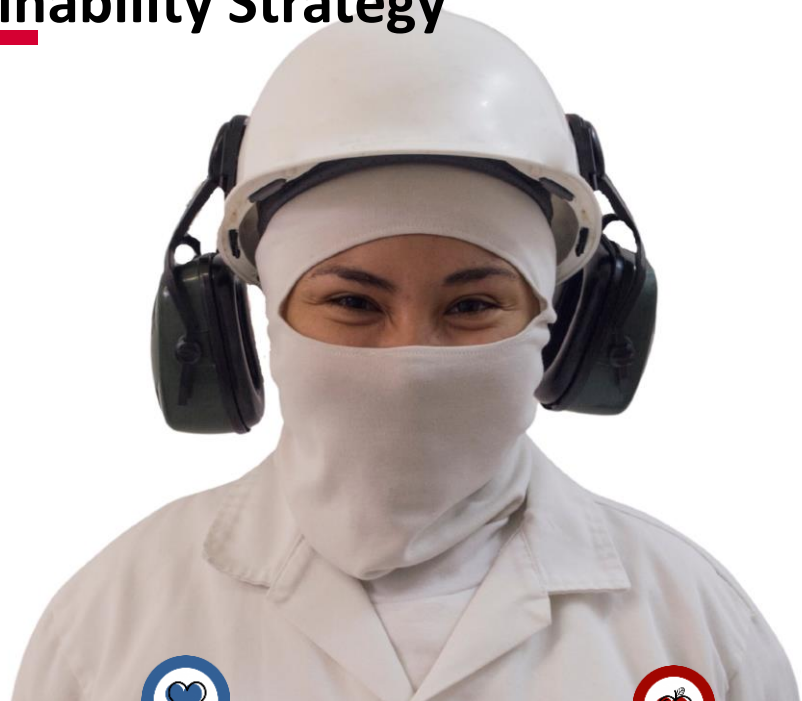
Established the  
Sustainability  
Community  
(260+ employees)



- Sustainability report reviewed by GRI
- Joined:
  - United Nations Global Compact
  - CDP Supply Chain Program



# Sustainability Strategy



## 4 pillars of Actions

Aligned with the  
UN Sustainable Development Goals

260+ employees involved



### Wellbeing

We commit to establishing conditions that motivate and make it easier for people to adopt habits that improve their quality of life.



### Health & Nutrition

We promote healthy lifestyles through our innovative and high-quality products..



### Shared Value





































We create economic and social value through our strategic practices and share it to stimulate development and strengthen our value chain.



### Enviromental

We focus on reducing our environmental impact by using natural resources more efficiently.

# 2025 Sustainability Commitments

Action pillars	Commitments	KPIs	SDGs	SDG goals	2022 results	2025 goal	Progress
 <b>Environment</b>	 <b>Climate Action</b>	Reduction in CO <sub>2</sub> e emissions related to our plants and transportation fleet, per ton of food produced (compared to 2015).	  	7.2, 9.2, 9.4, 13.2, 13.3	<b>16%</b>	<b>20%</b>	<b>80%</b>
	 <b>Water Management</b>	Reduction in water consumption per ton of food produced (compared to 2018).		6.3, 6.4	<b>12%</b>	<b>20%</b>	<b>60%</b>
	 <b>Cleaner Energy</b>	Percentage of electricity used in our plants coming from cleaner and renewable sources.	 	7.2, 9.4	<b>62%</b>	<b>67%</b>	<b>93%</b>
 <b>Wellbeing</b>	 <b>Health and Safety</b>	Reduction in the accident rate at our operations (compared to 2018).	 	3.8, 8.5, 8.6, 8.8	<b>43%</b>	<b>22%</b>	<b>100%</b>
	 <b>Professional Development</b>	Increase in the number of training hours per employee (compared to 2018).		4.3, 4.4, 4.5, 4.6, 4.7	<b>67%</b>	<b>11%</b>	<b>100%</b>
	 <b>Volunteering</b>	Percentage of employees participating in volunteering activities.		17.5, 17.15, 17.17	<b>8%</b>	<b>10%</b>	<b>80%</b>
 <b>Health &amp; Nutrition</b>	 <b>Sustainable Innovation</b>	Double the sales of products launched under the Health and Wellness portfolio* (compared to 2019).	  	2.1, 2.2, 2.4, 2.5, 2.a, 2.c, 3.8, 8.2, 8.3, 9.2, 9.4, 9.5	<b>1.8x</b>	<b>2x</b>	<b>90%</b>
	 <b>Food Safety</b>	Percentage of our plants with GFSI-endorsed certification (acquired as of 2018).	 	2.5, 2.c, 3.8	<b>94%</b>	<b>100%</b>	<b>94%</b>
	 <b>Nutritional Information</b>	For markets without a local mandatory labeling regulation as of 2018: Packaged products portfolio with nutritional facts on label.	 	2.c, 3	<b>90%</b>	<b>95%</b>	<b>95%</b>
 <b>Shared Value</b>	 <b>Responsible Sourcing</b>	Percentage of purchases from suppliers with enhanced sustainability practices.	 	8.2, 8.4, 12.2, 12.3, 12.5, 12.6	<b>8%**</b>	<b>80%</b>	<b>10%</b>
	 <b>Food Donations</b>	Tons of food donated (since 2015).	 	2, 2.1, 17.15, 17.17	<b>21,100 tons</b>	<b>25,000 tons</b>	<b>84%</b>



\* Amid challenges brought about by COVID-19, additional hygiene measures have increased water consumption per ton produced, resulting in atypical water consumption levels

\*\*Suppliers that comply with criteria from both of the evaluations carried out.



# Sustainability Actions



Pacto Global  
Red México

United Nations  
Global Compact



Supply Chain  
Program



Carbon Emission  
Reduction Program



Aligned with the  
United Nation SDGs



SBTi Targets Approved

# ESG Ratings



Supplier  
Engagement

Water:  
A - F

Climate:  
A-F

Risk:

**2022**

A-

B

B

Medium

2020

D

C

C

High

**Industry  
Avg.**

C

B

C

High

# Four transformational topics

Evolve our direct sources & consumption of **energy** towards decarbonization.



Engage with the **value chain** to ensure sustainability compliance and benchmark best practices.



Execute the global **water stewardship** strategy to ensure a proper use of the resource.

Promote a **circular economy** to minimize the environmental impact of our products.

# Appendix A: Key raw material price references

This appendix provides a detailed explanation on how to obtain key raw material price references from public sources. This is not intended as an exhaustive list of the company's raw materials nor is it a direct representation of the company's actual costs.

## Pork

- USA – USDA PM Ham, 23-27# Trmd Sel Ham
- USA – USDA Pork Trimmings - 42% Trim Combo, FOB Plant

## Poultry

- USA – USDA Chicken - MSC, Some Skin, 15-20% Fat, Fresh
- USA – USDA Turkey - MST, Some skin, under 20% fat, Fresh
- USA – USDA Turkey - Breast, Young Tom, Boneless & Skinless, Fresh
- USA – USDA Turkey - Thigh Meat, Boneless & Skinless, Fresh

## Dairy

- USA – USDA Milk Class III
- USA – USDA Block Cheddar Cheese 40lb



# USA – USDA PM Ham, 23-27# Trmd Sel Ham

<https://mymarketnews.ams.usda.gov/filerepo/reports> ← 1

USDA United States Department of Agriculture  
Agricultural Marketing Service

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### Reports

Slug ID	Slug Name	Report Title	Published Date	Report Date	Market Types
2500				mm/dd/yyyy	- Any -

Apply

Slug ID	Slug Name	Report Title	Slug ID	Published Date	Report Date	Report Status	Document
2734	AJ_PY003	Shell Eggs: Daily New York Eggs	[Type in]	09-26-2023 12:35:45 pm	2023-09-26	Final	<a href="#">view report</a>

USDA National Weekly Pork Report FOB Plant - Negotiated Sales

Agricultural Marketing Service  
Livestock, Poultry, and Grain Market News  
Email us with accessibility issues regarding this report.

September 22, 2023  
LM\_PK610

**USDA Estimated Pork Carcass Cut-Out**  
Based on negotiated prices and volume of pork cuts delivered within 0-14 days and on average industry cutting yields. Values reflect U.S. dollars per 100 pounds.  
Calculations for 215 lb Pork Carcass. 55-56% lean, 0.55"-0.70" BF Last Rib

6  
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Ham

20-23# Trmd Selected Ham

23-27# Trmd Selected Ham

Slug ID	Slug Name	Report Title	Published Date	Report Date	Report Status	Document
<a href="#">2500</a>	AMS_2500	National Weekly Pork FOB Plant - Negotiated Sales (PDF) (LM_PK610)	09-22-2023 04:18:15 pm	2023-09-22	Final	<a href="#">view report</a>

Document  
[view report](#)

# USA – USDA Pork Trimmings - 42% Trim Combo, FOB Plant

<https://mymarketnews.ams.usda.gov/filerepo/reports>

1

USDA United States Department of Agriculture  
Agricultural Marketing Service

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### Reports

Slug ID Slug Name Report Title Published Date Report Date Market Types - Any -

2500 mm/dd/yyyy

Apply

Slug ID	Slug Name	Report Title	Published Date	Report Date	Report Status	Document
2500						
2734	AJ_PY003	Shell Eggs: Daily New York Eggs				

Reports

2

3

USDA National Weekly Pork Report FOB Plant - Negotiated Sales

Agricultural Marketing Service September 22, 2023  
Livestock, Poultry, and Grain Market News LM\_PK610  
Email us with accessibility issues regarding this report.

**USDA Estimated Pork Carcass Cut-Out**  
Based on negotiated prices and volume of pork cuts delivered within 0-14 days and on average industry cutting yields. Values reflect U.S. dollars per 100 pounds.  
Calculations for 215 lb Pork Carcass. 55-56% lean, 0.55"-0.70" BF Last Rib

5

[Pop - up]

6

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7

Trim

42% Trim Combo

65% Trim Combo

72% Trim Combo

Slug ID	Slug Name	Report Title	Published Date	Report Date	Report Status	Document
2500	AMS_2500	National Weekly Pork FOB Plant - Negotiated Sales (PDF) (LM_PK610)	09-22-2023 04:18:15 pm	2023-09-22	Final	<a href="#">view report</a>

4

Document

[view report](#)

# USA – USDA Chicken - MSC, 15-20% Fat, Fresh

<https://mymarketnews.ams.usda.gov/filerepo/reports>

1

5

[Pop – up]

USDA United States Department of Agriculture  
Agricultural Marketing Service

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### Reports

Slug ID Slug Name Report Title Published Date Report Date Market Types

3646 [Type in]

Apply

Slug ID	Slug Name	Report Title	Published Date	Report Date	Report Status	Document
3646	AMS_3646	Weekly National	09-22-2023 04:21:46 pm	2023-09-18 - 2023-09-22	Final	<a href="#">view report</a>

## USDA Weekly National Chicken Report

Agricultural Marketing Service  
Livestock, Poultry and Grain Market News

September 22, 2023

Email us with accessibility issues with this report.

Report For: 9/18/2023 to 9/22/2023

Special Note: Corrected Copy: Frozen MSC Export from 32.38 216 LBS to 33.10 210 LBS

6

[Ctrl + F, type in MSC, 15]

7

Leg quarters - Bulk:

Legs - Bone-in:

Livers:

**MSC, 15-20% Fat Content:**

Slug ID	Slug Name	Report Title	Published Date	Report Date	Report Status	Document
3646	AMS_3646	Weekly National Chicken Report	09-22-2023 04:21:46 pm	2023-09-18 - 2023-09-22	Final	<a href="#">view report</a>

4

Document  
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# USA – USDA Turkey - MST, Some skin, under 20% fat, Fresh

<https://mymarketnews.ams.usda.gov/filerepo/reports>

1

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### Reports

Slug ID Slug Name Report Title Published Date Report Date Market Types

3647 [Type in] [Apply]

Slug ID	Slug Name	Report Title	Published Date	Report Date	Report Status	Document
3647	AMS_3647	Weekly National Turkey Report	09-25-2023 08:42:47 am	2023-09-11 - 2023-09-15	Final	<a href="#">view report</a>

USDA Weekly National Turkey Report  
Agricultural Marketing Service  
Livestock, Poultry and Grain Market News

\*Report Correction on 9/15/2023\*\*  
September 25, 2023

Email us with accessibility issues with this report.  
Report For: 9/11/2023 to 9/15/2023

6

[Ctrl + F, type in 15 – 20]

7

Breast, Bone-in, Basted, 8-10 lb  
Breasts, Boneless/Skinless, Tom  
Drumsticks, Tom  
Frames, Pet Food  
Mechanically Separated, 15-20% Fat Content

Slug ID	Slug Name	Report Title	Published Date	Report Date	Report Status	Document
3647	AMS_3647	Weekly National Turkey Report	09-25-2023 08:42:47 am	2023-09-11 - 2023-09-15	Final	<a href="#">view report</a>

4

Document  
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# USA – USDA Turkey - Breast, Young Tom, Boneless & Skinless, Fresh

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1

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## Reports

Slug ID Slug Name Report Title Published Date Report Date Market Types [- Any -]

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Slug ID [Type in]

2

Apply

3

Slug ID	Slug Name	Report Title	Published Date	Report Date	Report Status	Document
<a href="#">3647</a>	AMS_3647	Weekly National Turkey Report	09-25-2023 08:42:47 am	2023-09-11 - 2023-09-15	Final	<a href="#">view report</a>



## Weekly National Turkey Report

Agricultural Marketing Service  
Livestock, Poultry and Grain Market News

\*Report Correction on 9/15/2023\*\*  
September 25, 2023

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Report For: 9/11/2023 to 9/15/2023

6

[Ctrl + F, type in *Boneless*]

7

Breast, Bone-in, Basted, 8-10 lb

Breasts, Boneless/Skinless, Tom

Drumsticks, Tom

Frames, Pet Food

Mechanically Separated, 15-20% Fat Content

Slug ID	Slug Name	Report Title	Published Date	Report Date	Report Status	Document
<a href="#">3647</a>	AMS_3647	Weekly National Turkey Report	09-25-2023 08:42:47 am	2023-09-11 - 2023-09-15	Final	<a href="#">view report</a>

4

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# USA – USDA Turkey - Thigh Meat, Boneless & Skinless, Fresh

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1

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### Reports

Slug ID Slug Name Report Title Published Date Report Date Market Types

3647 [Type in]

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Slug ID	Slug Name	Report Title	Published Date	Report Date	Report Status	Document
3647	AMS_3647	Weekly National Turkey Report	09-25-2023 08:42:47 am	2023-09-11 - 2023-09-15	Final	<a href="#">view report</a>

USDA Weekly National Turkey Report  
Agricultural Marketing Service  
Livestock, Poultry and Grain Market News

\*Report Correction on 9/15/2023\*\*  
September 25, 2023

Email us with accessibility issues with this report.

Report For: 9/11/2023 to 9/15/2023

6

[Ctrl + F, type in *Boneless*]

7

Gizzards,Defatted  
Necks, Tom  
Tails  
Thigh Meat,Boneless  
Skinless

Slug ID	Slug Name	Report Title	Published Date	Report Date	Report Status	Document
3647	AMS_3647	Weekly National Turkey Report	09-25-2023 08:42:47 am	2023-09-11 - 2023-09-15	Final	<a href="#">view report</a>

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# USA – USDA Dairy - CME, Milk Class III

https://mpr.datamart.ams.usda.gov/



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Commodity

- Cattle
- Hogs
- Sheep
- Beef
- Pork
- Lamb
- Dairy
- FMMOS

**DATAMART**  
Your one stop supermarket for MPR historical data.

- Pork
- Lamb
- Dairy
- FMMOS



Dairy Monthly National Report			
Week Ending Date	Report Date	Report Year	Report Month
08/26/2023	08/30/2023	2023	Aug



Detail				
Class 2 Price	Class 2 Butterfat Price	Advanced Skim Milk Class 2 Price	Class 3 Price	Class Skim Milk Price



All Dairy



(DY\_CL102) National Dairy Products Prices - Monthly



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# USA – USDA Dairy - Block Cheddar Cheese 40lb

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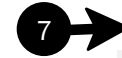
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Commodity

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- Sheep
- Beef
- Pork
- Lamb
- Dairy
- FMMOS

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- Pork
- Lamb
- Dairy
- FMMOS



Dairy Monthly National Report			
Week Ending Date	Report Date	Report Year	Report Month
08/26/2023	08/30/2023	2023	Aug



DM Monthly Average Price	Cheese Monthly Average Price	Cheese Monthly 40-Pound Block Price	Cheese Monthly 500-Pound Barrel Price
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All Dairy



(DY\_CL102) National Dairy Products Prices - Monthly



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*Sigma*