

Independent Limited Verification Report

To the Board of Directors of Grupo Herdez, S.A.B. de C.V.:

Scope of our Work

We have undertaken an independent limited verification of the information and performance indicators included in **Annex A** and presented in the Annual Integrated Report (the "Report") of Grupo Herdez, S.A.B. de C.V. ("Grupo Herdez" or the "Company") corresponding to the year calendar 2018, in accordance with the reporting criteria set forth in the GRI Standards (the "Criteria").

The preparation of this report is the responsibility of Grupo Herdez's Management. Grupo Herdez's Management is also responsible for the information and the assertions contained therein, defining the scope of the Report and the management and control of the information systems that provided the reported information.

Our work was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). This standard requires that we plan and perform our engagement to obtain limited assurance about whether the report is free from material misstatement and that we comply with ethical requirements, including the independence requirements included in the Code of Ethics of the International Ethics Standards Board for Accountants (IESBA).

Standards and verification procedures

The verification procedures performed focused on the following:

- Interviews with the individuals responsible for the information to understand the activities performed and the procedures used to gather the information.
- Review of the structure and content of the Report in accordance with the GRI Standards.
- Understanding of the procedures used in compiling and consolidating quantitative and qualitative data, as well as their traceability.
- Review of the support documentation through analysis and recalculations, as well as sampling, to increase the certainty of the indicators reported.

It is worth mentioning that the scope of this review is substantially less than a reasonable assurance engagement. Therefore, the assurance provided is also less. This Report shall in no way be considered an audit report.

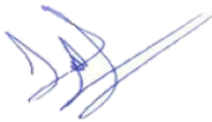
Conclusions

Based on our work described in this Report, nothing has come to our attention that causes us to believe that the information and performance indicators selected are not presented, in all material respects, in accordance with the applicable criteria.

This report has been exclusively prepared for the Board of Directors of Grupo Herdez, S.A.B. de C.V., in accordance with the terms of our engagement agreement.

Mancera, S.C.

A Member Practice of Ernst & Young Global Limited



Saúl García Arreguín

Partner

April 17th, 2019; Mexico City

Annex A: Verified information and performance indicators

Disclosures

GRI	Title	GRI	Title
102-9	Supply chain	102-36	Process for determining remuneration
102-18	Governance structure	205-1	Operations assessed for risks related to corruption
102-20	Executive-level responsibility for economic, environmental, and social topics	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices
102-22	Composition of the highest governance body and its committees	303-1	Interactions with water as a shared resource
102-24	Nominating and selecting the highest governance body	303-2	Management of water discharge-related impacts
102-25	Conflicts of interest	404-2	Programs for upgrading employee skills and transition assistance programs
102-35	Remuneration policies	417-1	Requirements for product and service information and labeling

Performance indicators

GRI	Title of the disclosure or performance indicator	Scope of the information	Reported information	Unit
102-8	Information on employees and other workers	Grupo Herdez S.A.B. de C.V.	9,762	Total number of employees
			4,712	Total number of permanent men employees
			3,604	Total number of permanent women employees
			853	Total number of temporary men employees
			593	Total number of temporary women employees
			2,498	Total number of permanent employees at the corporate office
			3,497	Total number of permanent employees at plants
			2,321	Total number of permanent employees at distribution centers
			168	Total number of temporary employees at the corporate office
			1,118	Total number of temporary employees at plants
			160	Total number of temporary employees at distribution centers
204-1	Proportion of spending on local suppliers	Grupo Herdez S.A.B. de C.V.	91.85	Percentage of spending on raw material suppliers
			74.6	Percentage of spending on packaging suppliers
205-2	Communication and training about anti-corruption policies and procedures	Grupo Herdez S.A.B. de C.V. ¹	9	Total number of governance body members that the organization's anti-corruption policies and procedures have been communicated to (100%)
			9	Total number and percentage of governance body members that have received training on anti-corruption (100%)
			129	Total number of employees that have received training on anti-corruption (1%)

¹ Scope of GRI compliance: Clauses a, d, and e.

GRI	Title of the disclosure or performance indicator	Scope of the information	Reported information	Unit
205-3	Confirmed incidents of corruption and actions taken	Grupo Herdez S.A.B. de C.V.	6	Confirmed cases of corruption
			13	Employees dismissed for corruption cases
			13	Cases of contract termination
			0	Public legal cases
302-1	Energy consumption within the organization	Plants: Barilla, El Duque, México, Industrias, Santa Rosa Tomates, Santa Rosa Vegetales, Celaya, Chiapas, Nutrisa, Helados Nestlé. Distribution centers: Tijuana, Monterrey, San Luis Potosí, Guadalajara, Cuautitlán, Mérida. Tuna fleet.	1,282,135	GJ of total energy consumption
			997,920	GJ of fuel consumption
			284,215	GJ of electric energy consumption
302-3	Energy intensity	Plants: Barilla, El Duque, México, Industrias, Santa Rosa Tomates, Santa Rosa Vegetales, Celaya, Chiapas, Nutrisa, Helados Nestlé. Distribution centers: Tijuana, Monterrey, San Luis Potosí, Guadalajara, Cuautitlán, Mérida. Tuna fleet.	2.51	GJ/ metric ton produced
302-4	Reduction of energy consumption	Excludes corporate offices; Plants: Intercafé, Sabinas; Distribution centers: Vallejo, Lagos de Moreno, and Nutrisa stores.	71,654	GJ of energy consumption reduced
303-3	Water withdrawal	Plants: Barilla, El Duque, México, Industrias, Santa Rosa Tomates, Santa Rosa Vegetales, Celaya, Chiapas, Nutrisa, Helados Nestlé. Distribution centers: Tijuana, Monterrey, San Luis Potosí, Guadalajara, Cuautitlán, Mérida. Tuna fleet.	1,464	ML Total water withdrawal
			657	ML Rivers and lakes
			777	ML Groundwater (wells)
			7	ML Municipal water
			22	ML Others
		Plants: Barilla, El Duque, México, Industrias, Santa Rosa Tomates, Santa Rosa Vegetales, Celaya, Nutrisa, Helados Nestlé. Distribution centers: Tijuana, Monterrey, San Luis Potosí, Guadalajara, Cuautitlán	1279	ML Total water withdrawal – areas with water stress
			657	ML Rivers and lakes - areas with water stress
			598	ML Groundwater (wells) - areas with water stress
			2	ML Municipal water - areas with water stress
			22	ML Others - areas with water stress
303-4	Water discharge		865	ML Total water discharge
			513	ML Rivers and lakes (Federal water-bodies)

GRI	Title of the disclosure or performance indicator	Scope of the information	Reported information	Unit
		Plants: Barilla, El Duque, México, Industrias, Santa Rosa Tomates, Santa Rosa Vegetales, Celaya, Chiapas, Nutrisa, Helados Nestlé Distribution centers: Tijuana, Monterrey, San Luis Potosí, Guadalajara, Cuautitlán, Mérida.	285	ML Municipal sewer system
			67	ML Others (subsoil)
			865	ML Total other water discharge (> 1,000 mg /L total dissolved solids)
			743	ML Total other water discharge (> 1,000 mg /L total dissolved solids) - areas with water stress
303-5	Water consumption	Plants: Barilla, El Duque, México, Industrias, Santa Rosa Tomates, Santa Rosa Vegetales, Celaya, Nutrisa, Chiapas, Helados Nestlé. Tuna fleet.	608	ML total water consumption
			161	ML Rivers and lakes
			420	ML Groundwater (wells)
			5	ML Municipal water
			22	ML Others
		Plants: Barilla, El Duque, México, Industrias, Santa Rosa Tomates, Santa Rosa Vegetales, Celaya, Nutrisa, Helados Nestlé	534	ML total water consumption - areas with water stress
			161	ML Rivers and lakes - areas with water stress
			361	ML Groundwater (wells) - areas with water stress
			12	ML Others - areas with water stress
305-1	Direct (Scope 1) GHG emissions	Plants: Barilla, El Duque, México, Industrias, Santa Rosa Tomates, Santa Rosa Vegetales, Celaya, Chiapas, Nutrisa, Helados Nestlé. Distribution centers: Tijuana, Monterrey, San Luis Potosí, Guadalajara, Cuautitlán, Mérida. Tuna fleet.	69,913	Metric tons of CO ₂ equivalent
305-2	Energy indirect (Scope 2) GHG emissions	Plants: Barilla, El Duque, México, Industrias, Santa Rosa Tomates, Santa Rosa Vegetales, Celaya, Chiapas, Nutrisa, Helados Nestlé. Distribution centers: Tijuana, Monterrey, San Luis Potosí, Guadalajara, Cuautitlán, Mérida. Tuna fleet.	25,929	Metric tons of CO ₂ equivalent
305-5	Reduction of GHG emissions	Excludes corporate offices; Plants: Intercafé, Sabinas; Distribution centers of Nutrisa stores.	5,023	Metric tons of CO ₂ equivalent
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Excludes corporate offices; Plants: Intercafé; Distribution centers: Vallejo, Lagos de Moreno and Nutrisa stores.	858.77	Metric tons of NO _x
			0.55	Metric tons of VOC
			34.49	Metric tons of CO
			2.26	Metric tons of SPM

GRI	Title of the disclosure or performance indicator	Scope of the information	Reported information	Unit
			2.51	Metric tons of TOC
			4,284.78	Metric tons of SO ₂
			0.82	Metric tons of SO ₃
			4,285.60	Metric tons of SO _x (SO ₂ +SO ₃)
			6.34	Metric tons of SPM _{FILTERABLE}
			0.41	Metric tons of NMVOC's
306-1	Water discharge by quality and destination	Excludes corporate offices; Plants: Intercafé; Distribution centers: Vallejo, Lagos de Moreno, and Nutrisa stores.	864,819.42	Total m ³
			513,425.00	Total m ³ to federal sewage systems
			284,879.58	Total m ³ to municipal sewage systems
			66,514.84	Total m ³ to subsoil
			5.78	Metric tons of Oil and Grease
			57.59	Metric tons of BOD ₅
			213.58	Metric tons of COD
			25.98	Metric tons of TSS
			119.65	Metric tons of TDS
			0.20	Metric tons of SS
306-2	Waste by type and disposal method	Excludes corporate offices; Plants: Intercafé; Distribution centers of Nutrisa stores.	23,867	Metric tons of recycled non-hazardous waste
			10,275	Metric tons of non-hazardous waste to landfill
			49	Metric tons of recycled hazardous waste
			41	Metric tons of hazardous waste sent to controlled final disposal
308-1	New suppliers that were screened using environmental criteria	Grupo Herdez S.A.B. de C.V.	0	Percentage of new suppliers that were screened
401-1	New employee hires and employee turnover	Grupo Herdez S.A.B. de C.V. ²	3,260	New employee hires
			1,577	New men employee hires
			1,683	New women employee hires

² Excludes temporary employees

GRI	Title of the disclosure or performance indicator	Scope of the information	Reported information	Unit
			363	New employee hires at the corporate office
			532	New employee hires at plants
			2,365	New employee hires at distribution centers
			2,692	New hires <30 years
			519	New hires 30-50 years
			49	New hires >50 years
			4,752	Employee layoffs
			2,275	Men employee layoffs
			2,477	Women employee layoffs
			405	Employee layoffs at the corporate office
			764	Employee layoffs at plants
			3,583	Employee layoffs at distribution centers
			3,685	Employee layoffs <30 years
			947	Employee layoffs 30-50 years
			120	Employee layoffs >50 years
			49	General turnover rate
403-8	Workers covered by an occupational health and safety management system	Grupo Herdez S.A.B. de C.V. ³	100%	Workers covered by an occupational health and safety management system
ID	Types of accidents and frequency rates of accidents, lost days, absenteeism and number of deaths due to work-related accidents or occupational diseases	Grupo Herdez S.A.B. de C.V.	98	Number of accidents - Men
			81	Number of accidents - Women
			1.41	Accident frequency rate - Men
			1.55	Accident frequency rate - Women
			1843	Lost days - Men
			934	Lost days - Women

³ Includes all external personnel who work or are inside the facilities of Grupo Herdez

GRI	Title of the disclosure or performance indicator	Scope of the information	Reported information	Unit
			26.54	Lost day frequency rate - Men
			17.83	Lost day frequency rate - Women
404-1	Average hours of training per year per employee	Grupo Herdez S.A.B. de C.V. ^{4,5}	16	Average employee hours.
			28	Average men employee hours
			38	Average women employee hours
			42	Average unionized employee hours
			26	Average non-unionized employee hours
404-3	Percentage of employees receiving regular performance and career development reviews	Grupo Herdez S.A.B. de C.V. ⁴ .	38	Percentage of employees evaluated
			23	Percentage of men employees evaluated
			15	Percentage of women employees evaluated
			18	Percentage of operational employees evaluated
			18	Percentage of operational / normative employees evaluated
			3	Percentage of tactical employees evaluated
			0	Percentage of strategic employees evaluated
405-1	Diversity of governance bodies and employees	Grupo Herdez S.A.B. de C.V.	9	Members of the board of directors
			7	Men in the board of directors
			2	Women in the board of directors
			8	Members over 50 years of the board of directors
			1	Members between 30 and 50 years of the board of directors
			8272	Number of employees at the operational level
			1264	Number of employees at the operational / normative level
			203	Number of employees at the tactical level

⁴ Excludes temporary employees

⁵ The scope of information corresponds only to non-unionized employees

GRI	Title of the disclosure or performance indicator	Scope of the information	Reported information	Unit
			23	Number of employees at the strategic level
			4083	Number of employees under 30 years
			4834	Number of employees between 30-50 years
			845	Number of employees over 50 years
			1	Number of employees with disabilities
405-2	Ratio of basic salary and remuneration of women to men	Grupo Herdez S.A.B. de C.V. ⁶	78%	Percentage – Operational level employees
			99%	Percentage – Operational / normative level employees
			93%	Percentage - Tactical level employees
			105%	Percentage - Strategic level employees
416-1	Assessment of the health and safety impacts of product and service categories	Nestlé	4	Percentage assessed products
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Grupo Herdez S.A.B. de C.V.	1	Incidents of non-compliance
417-2	Incidents of non-compliance concerning product and service information and labeling	Grupo Herdez S.A.B. de C.V.	4	Incidents of non-compliance
417-3	Incidents of non-compliance concerning marketing communications	Grupo Herdez S.A.B. de C.V.	1	Incidents of non-compliance

⁶ Excludes Nutrisa information