mercado libre

Impact Report 2023

We act today for the best to come

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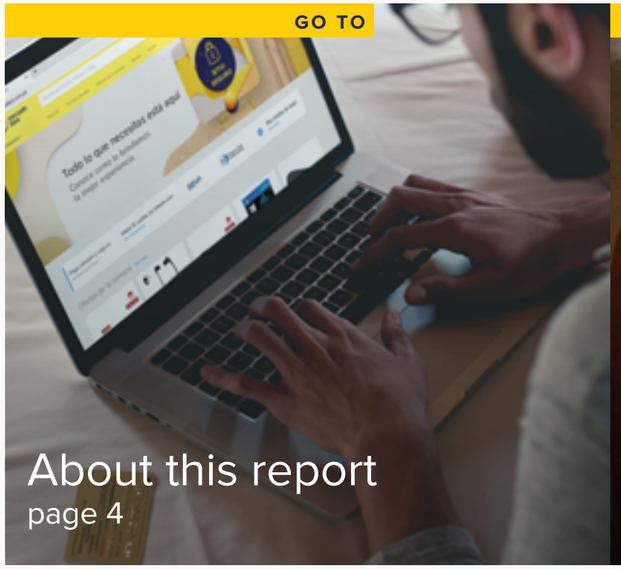
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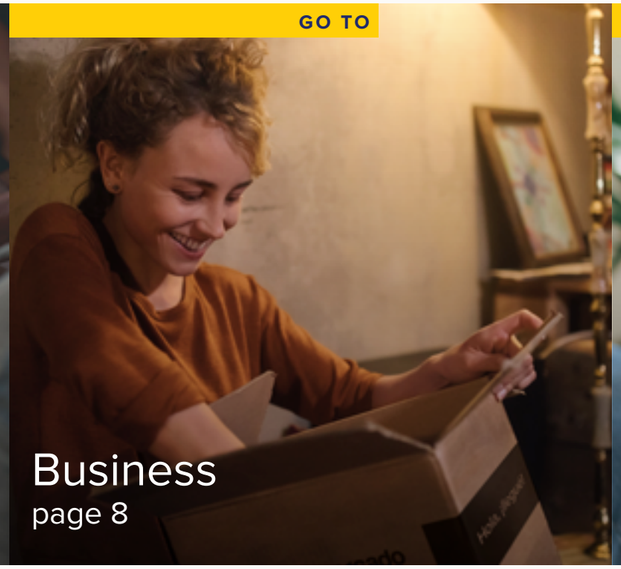
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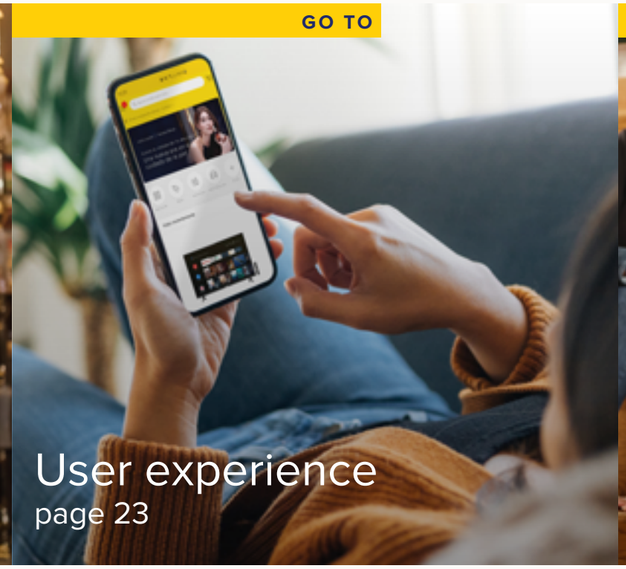
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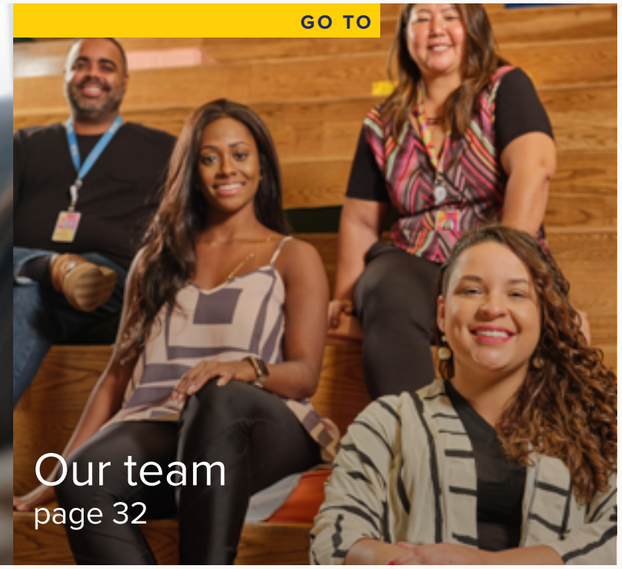
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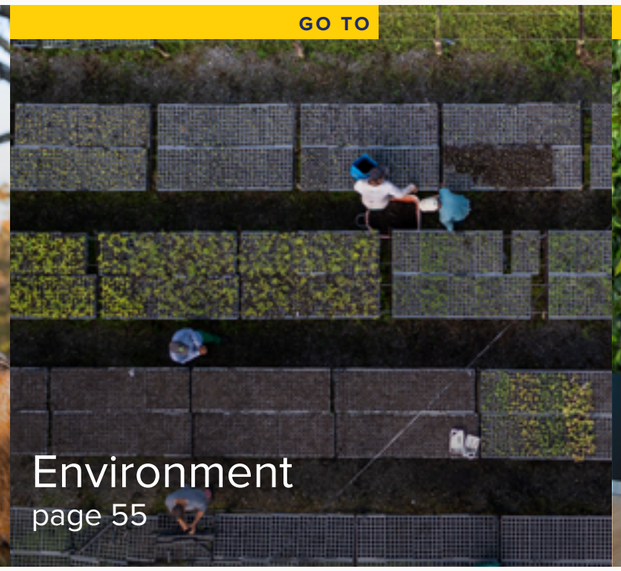
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Letter from Marcos Galperin

In 2023, we had another year of challenges and exceptional results. Our end of the year report offers a great chance to reflect on the decisions we have made, and not just the ones leading to positive actions. In Mercado Libre's history, decisions not to pursue certain actions proved to be equally, if not more, significant. Today the company's 25th anniversary is almost upon us, and our impact continues to reach millions of people throughout Latin America, proving to us that performance means having the conviction to take decisions every day.

A survey we undertook jointly with Euromonitor International found that more than 1.8 million families in the region see our platform as their main source of income. It currently enables more than 574,000 small and medium-sized enterprises to trade, and provides more than half their revenues for 40% of them. The multiplier effect of our ecosystem for these entrepreneurs, with more than 70% being family businesses, continues to grow. In 2023, we exceeded 84 M unique purchasers for the first time, with over 1,404.4 M products sold for a total volume of 44.7 billion.

These results go hand in hand with a constant improvement in the user experience, especially in terms of logistics: 94.4% of shipments now come from our distribution centers. On time deliveries also reached record levels in Brazil, Mexico, Chile and Colombia, and of the total volume of goods, 75.7% was delivered within 48 hours in the region and almost 20% on the same day, or the day after purchase.

This is possible thanks to a long-term investment plan, steadily reducing the geographical barriers: in 2023 we opened 25 new logistics centers.

We also reinforced our commitment to do all of this while being as efficient as possible in environmental terms: we have migrated 13 new sites to 100% renewable energy, ending the year with 44% of our entire operation powered by renewable energy. At the same time, we continued to enlarge our electrical fleet to a record number of 2,321 vehicles, consolidating the largest such fleet in Latin America, which has enabled us to ship over 22 millions packages through sustainable modes of transportation.

In addition to our strategies for reducing our carbon footprint, we continue to invest in nature-based solutions to face up to climate change. "*Regenera América*", our program to finance biome restoration and conservation projects in Latin America, reached a total of US$23.5 million invested in nine projects in 2023, contributing to the recognition of our entrepreneurial efforts in the biodiversity agenda by Thomson Reuters #BiodiversityChampionAward. It is a matter of great pride for us to confirm that, a mere three years since its launch, it initiated restoration and conservation processes for more than 14,500 hectares of native forest, the equivalent of more than 13 million trees restored or conserved.

Mercado Pago continued to establish itself as an integrated financial services platform, democratizing financial inclusion for thousands of individuals and enterprises that had been locked out of the traditional system: more than 68.8 million unique users executed 300 transactions per second, with over 30.4 million users investing through our digital bank. We achieved a 35.6% increase in the volume of credits granted to individuals and businesses, up to 13.6 billion USD, and we launched our first credit card in Mexico. We reached 9.73 million life and accident insurance policies, including services such as telemedicine and reimbursements for drugs.

We also launched a tool permitting users to better organize their expenses flows and plan their budget, and Reservas, our new savings tool.

We never tire of innovating. With the ambition of having the best loyalty program in the region, we have launched Meli+, our new subscription program that offers the largest and most comprehensive package of benefits in Latin America, tailored to the needs and profiles of our users. We also have Mercado Play, our streaming platform that provides millions of people with free access to a full catalog of movies, series, documentaries, reality TV and content for kids.

I get huge satisfaction from the results we have achieved. And at Mercado Libre we make it clear that nobody acts alone. None of our achievements would be possible without the commitment and entrepreneurial spirit of the more than 58,000 people who make up our team.

We have the privilege of being architects of our own destiny, taking decisions as a team and creating solutions from and for Latin America. We are aware of the challenges but also of the enormous potential of the region, and that is why we will never be quite satisfied, and never lose the will to do new things and exceed new targets.

This is what our work entails every day: continuing to take risks, exploring and opening up new horizons, but above all, having fun and believing in the future.

Marcos Galperin

About this report

Report parameters
Our stakeholders
Materiality process
Value creation model

Download

Report parameters

This 2023 Impact Report has been prepared in accordance with the International Integrated Reporting Framework drawn up by the International Integrated Reporting Council and the Global Reporting Initiative (GRI) Universal Standards 2021. We also used the materiality map of the Sustainability Accounting Standards Board (SASB) to report the key indicators for the e-commerce industry. The report includes our contribution to the UN Sustainable Development Goals (SDGs).

This is our 12th annual Impact Report. It describes MercadoLibre, Inc.'s activities related to sustainability management, including the subsidiaries under its control.

The report covers the period of January 1st to December 31, 2023. During this period, the company did not undergo any major organizational changes that would affect comparability. The company has decided to publish sustainability reports annually, at the same time as our 10-K financial situation filing with the U.S. Securities and Exchange Commission (SEC), as part of our obligations as a public company with shares traded on the NASDAQ. The latest report published was for the year 2022.

Contact

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Our stakeholders

We have a fluid and transparent relationship with all the individuals and organizations that are part of the organization's value chain, in order to be aware of their expectations and concerns and translate them into strategically valuable information for managing the business.

Dialogue and interaction with every stakeholder enable us to identify the current and potential impacts of our organization, and determine the responses or actions necessary to prevent and mitigate the potential negative impacts, and to harness positive ones.

The identification of stakeholders is carried out internally according to our level of interaction with them and their impact on the business. We encourage each group to participate through different formal dialogue mechanisms.

STAKEHOLDER GROUP	DIALOGUE MECHANISM
Users of the solutions ecosystem	— Customer service area — Marketing surveys — Training and breakfast sessions with the Commercial and Sustainability areas
Mercado Libre team	— Mailing — Workplace — Talks with the CEO — Internal communication at end of quarter — Q&A with leadership — Business climate survey and feedback
Supply chain	— Virtual meetings — Mailing
NGOs and civil society organizations	— *Mercado Libre Solidario* Program — In-person meetings
Shareholders	— Meetings with Investor Relations and Sustainability departments

Materiality process

In line with the GRI Universal Standards 2021, the contents of this Report represent our most significant impacts on the economy, the environment and people.

To identify the material topics for our organization, we were guided by the 2022 materiality exercise described in this year's Impact Report.

Material issues

	TOPIC	SDG
1	Information privacy and security	
2	Products and service trust and security	
3	Ethics and transparency	
4	Occupational health and safety	
5	Team formation and development	
6	Contribution to socio-economic development	
7	Financial inclusion and education	
8	Education for digital inclusion	
9	Diversity and equal opportunities	
10	Empowering entrepreneurs, SMEs and NGOs	
11	Economic performance	
12	Product innovation and development	
13	Climate change: energy, mobility and packaging	

Value creation model

INPUTS

ECONOMIC

- **USD 14,473 M** Revenue
- **NASDAQ MELI**
- **2** Business units

INTELLECTUAL

- **84.6 M** Unique e-commerce Buyers
- **68.8 M** Unique fintech active users
- **15,638** People in technology

HUMAN

- **+45%** Staff numbers vs. 2022
- **44%** Women
- **56%** Men

SOCIAL

- **USD 44,750 M** Total volume of products sold
- **+574,000** SMEs in e-commerce
- **USD 13,679.3 M** In credits

ENVIRONMENTAL

- **USD 10.9 M** Invested in regeneration and conservation
- **+2,300** Total electrical vehicles logistics fleet
- **145.4 GWh** Electricity consumption

BUSINESS MODEL

mercado libre

PURPOSE

To democratize commerce and financial services in Latin America.

ADN MELI

STRATEGY

- Go to Corporate Governance
- Go to Business Strategy
- Go to Sustainability Strategy

OUTPUTS

- **+37.4%** Revenue vs. 2022
- **+85.6%** Share value vs. 2022
- **USD 227.6 B** Sold products and processed payments
- **45** Mercado Libre purchases per second
- **300** Mercado Pago transactions per second
- **4,762** Potential incidents blocked
- **90%** Pride in working at MELI
- **-8 points** Reduction in IT turnover 5% 2022 vs. 13% 2021
- **28%** Women in management
- **+1,800,000** Families depend on MELI as their main source of income
- **10.4 M** Sales of sustainable section products
- **>45 M** Loans granted to entrepreneurs and SMEs
- **14,587 ha** Under conservation and/or restoration
- **+191%** Increase of electric vehicles vs. 2022
- **44%** Renewable energy

CONTEXT

- **40%** Of the planet's biodiversity
- **99%** Of companies are SMEs
- **12%** Of capital invested in SMEs
- **73%** SMEs headed by women are without financing
- **39%** Of the population of Latin America depend on informal employment[1]
- **48%** Deficit in digital workforce[2]

1 ECLAC, 2023. Social Panorama of Latin America and the Caribbean 2023. Labor inclusion as a key axis of inclusive social development.
2 IDC, 2022. PageGroup, 2022. Skill gap in technology in Latin America.

Economic capital

Business

We use technology to transform lives
Balanced growth
We act today for the development of Latin America
Corporate governance
Responsible corporate conduct

Download

PRODUCT INNOVATION AND DEVELOPMENT

We use technology to transform lives

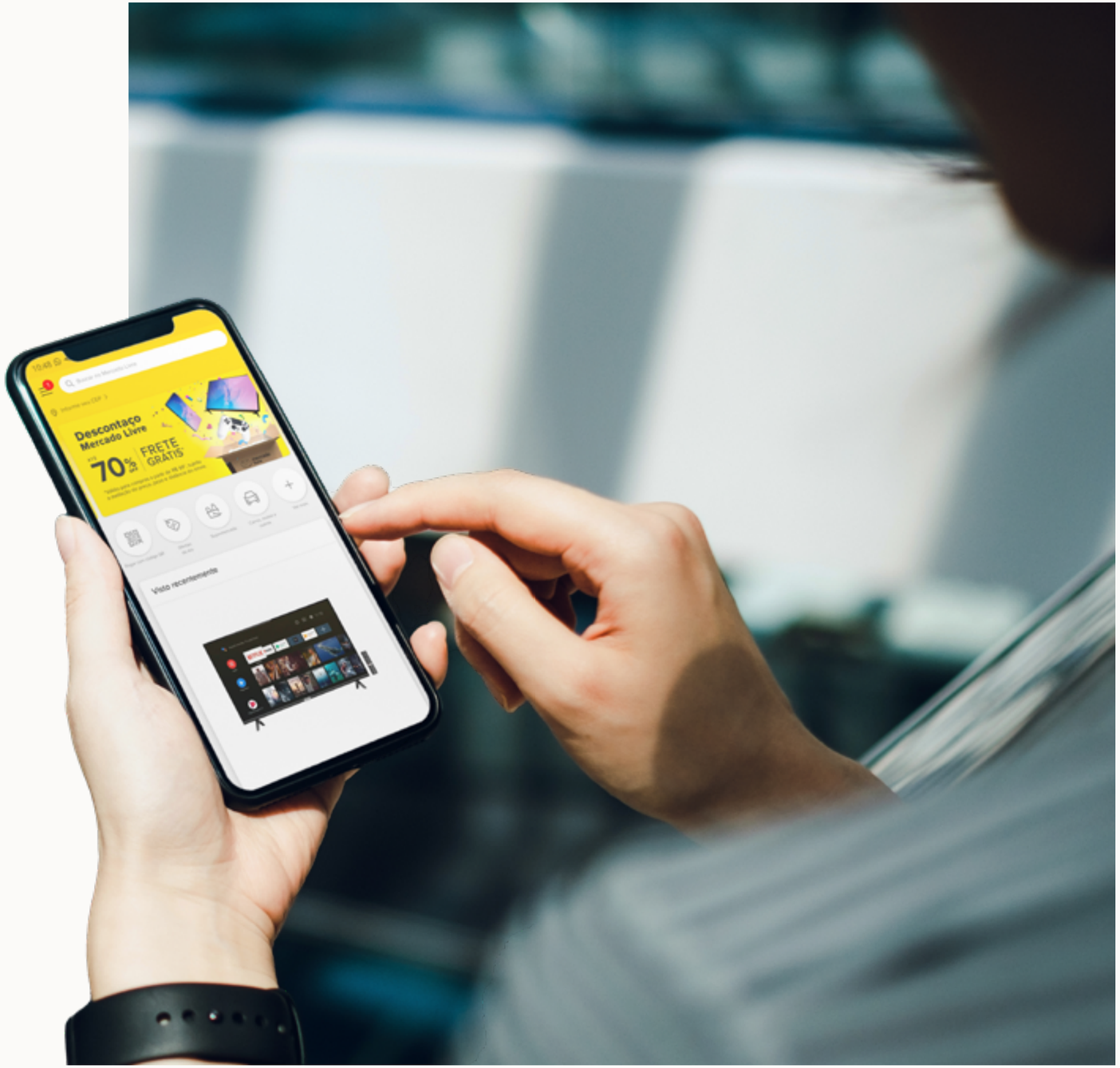
For over 20 years, we have been using technology to democratize commerce and financial services in Latin America, and this has led to a profound transformation in the lives of millions of people.

We have created a reliable, agile and people-centered solutions ecosystem, consisting of Mercado Libre, our e-commerce business, and Mercado Pago, our fintech. Through them, we cover 18 countries in the region: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Uruguay and Venezuela.

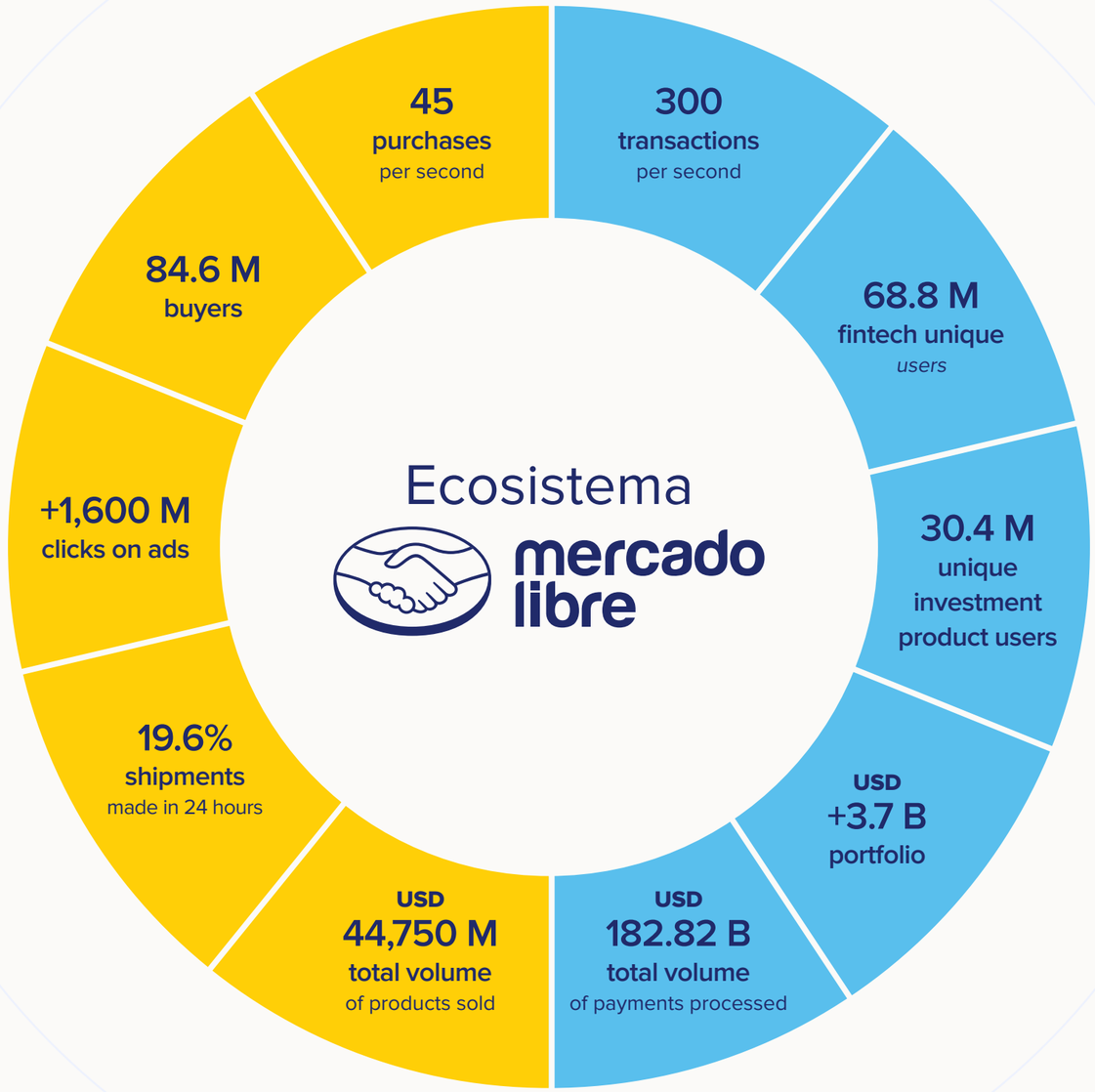
We make a positive impact connecting e-commerce with financial services in the region.

We contribute to the progress of Latin America through commerce and financial services that permit sustainable, shared growth with a positive impact. We create value hand in hand with thousands of individuals, enterprises and SMEs that choose our services every day, and we watch them grow and prosper in a region still marked by social and economic inequalities.

Our shares are traded on NASDAQ and have been included in the NASDAQ-100 Index since 2017. Moreover, in 2023, Time Magazine recognized us as one of the most influential companies, and we are the only Latin American company in the Kantar BrandZ 100 most valuable global brands. We are extremely proud of our results. And they challenge us to keep going and to reach new heights.



The impact of our ecosystem



mercado libre

The e-commerce platform with the region's widest range of products on offer and the quickest, most accessible deliveries for millions of people who buy and sell on our network.

SOLUTIONS

- Marketplace
- Retail
- Logistics
- Advertising
- Classified ads

mercado pago

The fintech ecosystem in which we develop pioneering innovations for the future of financial services.

SOLUTIONS

- Digital account
- Payment processing
- Loans
- Investments
- Insurance

Our value chain

We overcome the geographical, cultural and financial barriers in the region together with the people, organizations and companies that are part of our value chain, to reach all those who choose us quickly and reliably.

This way we create a virtuous circle: while helping us to deploy our solutions, the opportunities for growth and development multiply for all included in the chain. From the creation of indirect jobs by our partners in the logistics operation to the training and development of our own staff, we generate value within every link of the chain.

Supply chain

We contract virtual infrastructure services, such as cloud services and software; and physical infrastructure services like energy, water, maintenance, cleaning and office leases. We also have a broad network of selling and administration services suppliers, such as marketing, human resources consultants, advertising, and accounting and auditing services.

We have introduced a Sustainable Purchasing Policy that encourages internal areas to contract firms that are committed to positive impact. It outlines our proposal for differentiated prices and payment conditions for organizations that meet social and environmental criteria.

7,200
supply companies

88%
investment in local suppliers

Operations and logistics

We provide a way of buying and selling a wide range of products while working together with strategic partners in the logistics industry to make deliveries throughout Latin America.

>12,000
jobs created by the growth of logistics in the region[1]

Team

We encourage members of our team to venture into the exciting world of entrepreneurship so that we can achieve our purpose. We promote autonomy in their training and development, and provide a diverse, safe and inclusive workplace.

>58,000
people on our team

Users

We develop solutions to enable more and more people to sell, buy, send and receive payments, donate and invest in Latin America. We do this through safe, reliable products and services with the best customer experience.

BUYERS

84.6 M
on Mercado Libre

68.8 M
single Mercado Pago users

1 Figures from the Euromonitor 2022/23 Report, based on a business impact analysis in Argentina, Brazil, Chile, Colombia and Mexico.

ECONOMIC PERFORMANCE

Balanced growth

Our business strategy is aimed at boosting growth, balancing significant investment in technology for product development against profitability. Our focus is on strengthening the more mature elements in our business portfolio to help us keep growing; while also remaining innovative, assuming risks to identify business opportunities that allow us to continue growing in the future.

We know that focusing on users is the best strategy: the people shopping on our e-commerce; the people making payments and using our fintech solutions; and sellers on Mercado Libre or users of Mercado Pago tools. We are always in beta mode, reviewing the way we execute this strategy, so that we can adjust it to the ever-changing context.

We pursue this strategy to make the most of the transversal capacities of our business, which help us learn more quickly how to boost our efficiency day by day.

PURPOSE

Democratize commerce and financial services to transform the lives of millions of people in Latin America

Consumers **MERCADO LIBRE**	Individuals **MERCADO PAGO**	Sellers **MERCADO LIBRE AND MERCADO PAGO**
Provide an international-grade purchasing experience with a wide range of offers at competitive prices. Ensure the utmost convenience in deliveries through a more sustainable shipping operation. Exceed market growth and ensure profitability for sustainable long-term development. Encourage the growth of products with favorable margins. Continue to reinforce our brand and our positioning in Latin America.	The best user experience for bank accounts, guaranteeing profitability for long-term sustainable development. One-stop payments. Accessible and simple investment, savings and money management. Insurance to protect people's assets and wellbeing. Broad access to credit for people throughout our ecosystem.	International-grade advertising platform. Be sellers' preferred online and offline payment processor. Insurance to protect sellers. Help sellers grow by providing access to credit. Always offer sellers and businesses that use our solutions a first-class experience.

LOYALTY

Have the most comprehensive and valuable benefits program in Latin America, as the principal engagement and retention tool for our solutions ecosystem.

CROSS-CUTTING CAPACITIES

Focus on the user | World-class products and technology | Growth, profitability and efficiency | Exponential leadership impact

Meli+ and Mercado Play

We want to have the region's most highly regarded loyalty program. With this aim in mind, in 2023, we launched Meli +, our new subscription program offering the largest and most comprehensive package of benefits in Latin America, linked to the needs and profiles of our users. The first stage of the launch was in Brazil and Mexico: a Meli+ subscription gives users access to millions of products shipped free of charge and with deliveries scheduled at their convenience, and to the content of the best streaming and music platforms under a single membership system.

We also launched Mercado Play, a region-wide platform giving users of our ecosystem free access to a full catalog of movies, series, documentaries, reality TV and content for children.

Mercado Play will operate as an entertainment hub and can also be used as a catalog integrator for the leading global streaming platforms linked to our platform through our loyalty program.

Our users will therefore have one-stop access to both the free content and to these other platforms, to which they can subscribe directly with a discount from our site.

Economic performance

USD
15,196 M
Generated

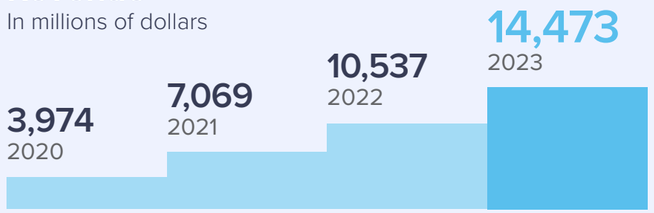
USD
14,798 M
Distributed

USD
398 M
Retained

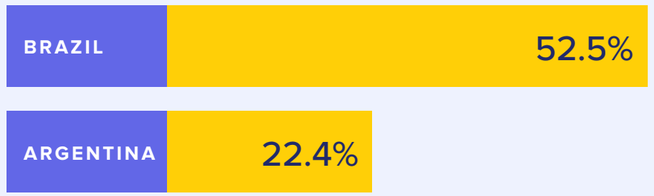
Economic worth
In millions of dollars

	2022	2023
Revenue	10,537	14,473
Financial revenue	265	723
Asset sales	-	-
Economic value generated	**10,802**	**15,196**
Operating costs	8,008.3	10,216
Payroll and benefits	1,296.7	1,818.6
Suppliers	321	378
Taxes	1,499.6	2,385
Economic value distributed	**11,125.6**	**14,798**
Economic value retained	**-323.6**	**398**

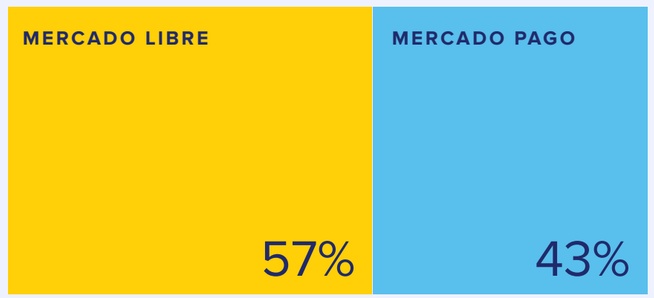
Revenue
In millions of dollars



BY COUNTRY



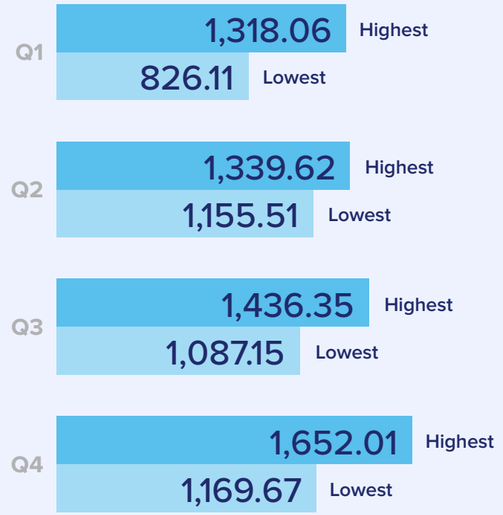
BY TYPE OF BUSINESS



Market value

USD
1,571.54
Share value
on 12/29/2023

SHARE PRICE PERFORMANCE
By quarter in dollars



Liaison with industry

We are part of an industry with significant opportunities for growth in Latin America. We take an active role in dialogue with peers and sector players in a number of regional entities and chambers.

International

— Asociación Latinoamericana de Internet (ALAI)
— Asociación Latinoamericana de Privacidad (ALAP)
— Asociación Interamericana de Propiedad Intelectual (ASIPI)
— Business at OECD (BIAC)
— Centre for Information Policy Leadership (CIPL)
— International Chamber of Commerce (ICC)
— International Trademark Association (INTA)
— International Association of Privacy Professionals (IAPP)

Argentina

— Argencon
— Asociación Argentina de Agentes de Propiedad Industrial (AAAPI)
— Cámara Argentina de Comercio Electrónico (CACE)
— Cámara Argentina de Comercio y Servicios (CAC)
— Cámara Argentina de Internet (CABASE)
— Cámara Argentina de la Industria del Software (CESSI)
— Cámara Fintech
— Unión Industrial Argentina (UIA)
— Red de Acción Política (RAP)
— Cámara de Comercio Exterior de Córdoba (CACEC)
— Cámara Insurtech Argentina

Brazil

— ALAI BR (Asociación Latinoamericana de Internet)
— AIA (Aliança pela Internet Aberta)
— Associação Brasileira de Comércio Eletrônico (ABComm)
— Associação Brasileira de Internet (ABRANET)
— Associação Brasileira de Logística (ABRALOG)
— Associação Brasileira de Propriedade Intelectual (ABPI)
— Associação Brasileira de Relações Empresa Cliente (ABRAREC)
— Movimento Inovação Digital (MID)
— Câmara Brasileira de Comércio Eletrônico (Camara-e.net)
— Fórum de Autorregulação do Mercado Publicitário (CENP)
— Conselho Nacional de Autorregulamentação Publicitária (CONAR)
— Federación del Comércio de São Paulo (FecomércioSP)
— Interactive Advertising Bureau (IAB Brasil)
— International Chamber of Commerce (ICC)
— Instituto de Cidadania Digital (ICD)
— Zetta
— Associação dos Iniciadores de Transação de Pagamentos (INIT)
— Associação Brasileira de Anunciantes (ABA)
— Pacto Global
— Movtech
— Conselho Empresarial Brasileiro para o Desenvolvimento Sustentável (CEBDS)

Chile

— Asociación FinteChile
— Asociación Latinoamericana de Internet (ALAI)
— Cámara Nacional de Comercio (CNC)
— Sociedad de Fomento Fabril (SOFOFA)
— Asociación Chilena de Tecnologías de la
— Información (ACTI)
— Cámara Chilena Norteamericana de Comercio (Amcham)
— Cámara de Comercio de Santiago (CCS)
— Asociación Logística de Chile (Alog)

Colombia

— Cámara Colombiana de Comercio Electrónico (CCCE)
— Federación Nacional de Comerciantes (Fenalco)
— Colombia Fintech

Mexico

— Asociación de Agregadores de Medios de Pago (ASAMEP)
— Asociación Insurtech México
— Asociación Fintech (FTMX)
— Asociación Latinoamericana de Internet (ALAI)
— Asociación Mexicana de Ventas Online (AMVO)
— Cámara Internacional de Comercio (ICC)
— American Chamber Of Commerce of Mexico (AmCham)
— Asociación Nacional De Tiendas De Autoservicio y Departamentales (ANTAD)

Uruguay

— Cámara de Economía Digital del Uruguay (CEDU)
— Cámara Nacional de Comercio y Servicios (CNCS)
— Cámara Uruguaya de Tecnologías de la Información (CUTI)
— Cámara Uruguaya de Logística (CALOG)
— Cámara Uruguaya de Fintech
— Cámara de Zonas Francas del Uruguay

Peru

— Cámara de Comercio de Lima
— Cámara Peruana de Comercio Electrónico (CAPECE)
— Asociación Latinoamericana de Internet (ALAI)

Ecuador

— Camara de Innovación y Tecnología Ecuatoriana (CITEC)
— Asociación Latinoamericana de Internet (ALAI)

Venezuela

— Cámara Venezolana de Empresas de Tecnologías de la Información (CAVEDATOS)

SUSTAINABILITY STRATEGY

We act today for the development of Latin America

Our purpose from the beginning has been to democratize commerce and financial services in Latin America. We are inspired by the mission to multiply opportunities and reduce geographical and socioeconomic differences, with the conviction that the best is still to come. We believe that this better future is being built today, through cooperation. We have therefore taken our role and the opportunity we have to address the region's social and environmental challenges.

We place our solutions ecosystem at the service of positive impact, so that more people can access the jobs and entrepreneurial opportunities offered by technology and the knowledge industry. We are also aware that as we grow we have to become more efficient in our strategies to reduce the environmental impact of our entire value chain. These social and environmental opportunities and challenges are the basis of our sustainability strategy, which we execute by focusing on three courses of action:

Socioeconomic development and inclusion

We promote enterprises and triple-impact brands within our ecosystem, helping their commercial development and providing visibility, specifically in segments where geographical distance or digital, gender or racial factors make it harder to access our platforms. We also aim to drive female entrepreneurship through education and financial inclusion, addressing one of the major hurdles that persist for female entrepreneurs when scaling their businesses. And our solutions ecosystem is a key factor for the digital inclusion of social organizations, as well as boosting their ability to raise funds.

Social Empowerment

We want to broaden access not just to the solutions on our platform, but also to the technological industry in general, providing thousands of opportunities to study, do business or work for individuals. We believe that the best way to democratize these opportunities is through education: and we therefore seek to bring a wide choice of educational content to thousands of young people in the region, enabling them to develop skills and imagine possible futures in the broad universe of technology, in collaboration with their peers.

Managing environmental impact

We recognize that our growth creates its own environmental challenges. We assume these tensions, concentrating on the best we can do today in order to grow sustainably. Measuring our carbon footprint enables us to identify the key impacts of our operations and their value chain. The environmental strategy to reduce them is based on sustainable mobility, energy management and material circularity; in addition to the regeneration and conservation of Latin America's iconic biomes.

We are on a path of constant improvement in a challenging context, but we believe in the potential of our achievements and the impact of technology. Our focus is clear: the time to act is now.

Recognition for our programs

Mercado Libre stood out in the Biodiversity Champion Award category of the Responsible Business Awards 2023, organized by Thomson Reuters. The recognition was achieved through performance in the biodiversity front, focusing on two projects aimed at promoting the green economy in Latin America: Regenera América and Biomes in a Click. Reuters assesses clear and concise metrics and results, along with measurable evidence of innovation, impact, scalability, relevance, and commitment to long-term sustainable transformation.

Additionally, we were recognized by the ECO Award from the American Chamber of Commerce - Amcham Brasil, for three initiatives: climate strategy - decarbonization and regeneration (sustainable mobility, energy management, materials management, and biome restoration); promotion of triple impact entrepreneurship through e-commerce (sustainable product section and training of positive impact entrepreneurs); and the Conectadas program (girls' inclusion in technology). We were the first company to achieve three awards in a single edition in the 40 years of the Eco Award.

In Mexico, our *Regenera América* program was recognized by Los Bóscares in the Forests, Climate Change and Carbon category. These awards are part of the *Reforestamos México* initiative and UN Development Program that recognizes the work done by leading companies in the preservation and care of forests.

Alliances to combine efforts

In 2023, we joined the Brazilian Corporate Council for Sustainable Development (CEBDS) and the United Nations Global Compact in Brazil, to underline our commitment to the sustainable development agenda and collaborative efforts to generate large-scale impact.

The Global Compact is a United Nations initiative to engage business in adopting the 10 Universal Principles of Human Rights, Labor, Environment and Anti-Corruption. It is the world's largest corporate sustainability initiative, with more than 16,000 members, including companies and organizations from 160 countries.

Mercado Libre Fund

Since 2013, we have been managing an investment fund to support companies in Latin America that leverage technology, enhance the digital ecosystem and contribute to democratizing trade and access to capital.

We invest in companies that are newly established or growing, and help entrepreneurs scale up their business by adding value as a strategic partner of Mercado Libre.

Sustainability Bond

We believe in the power of the market to speed up the transition to a new economy that will prosper in harmony with society and the environment. In 2021, on the basis of this conviction, we issued our first Sustainability Bond, with the aim of fostering projects with a positive environmental and social impact.

The Sustainability Bond was issued in January 2021 amounting to USD 400 million. It is repayable after 5 years, and there is a fixed coupon of 2.375% p.a. In the three years since issue, USD 247.61 million or 100% has been used to finance triple-impact initiatives to support the sustainable development of our business and the region.

62.10%
allocation of the Bond proceeds

Bond Report

Corporate governance

Board of Directors

Marcos Galperin | 52
President of the Board and CEO

Alejandro Nicolás Aguzin | 55
Member of the Audit, Nomination and Corporate Governance Committees. Independent Director.

Emiliano Calemzuk | 50
President of the Compensation, Nomination and Corporate Governance Committees

Henrique Dubugras | 28
Independent Director

Nicolás Galperin | 54
Director

Andrea Mayumi Petroni Merhy | 48
Independent Director

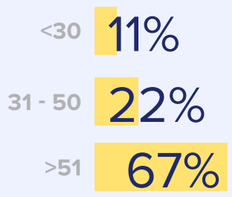
Richard Sanders | 52
Independent Director

Susan Segal | 71
Member of the Audit and Compensation Committees. Independent Director.

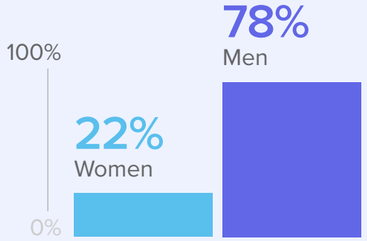
Mario Eduardo Vázquez | 88
President of the Audit Committee and Member of the Compensation, Nomination and Corporate Governance Committees. Independent Director.

Distribution

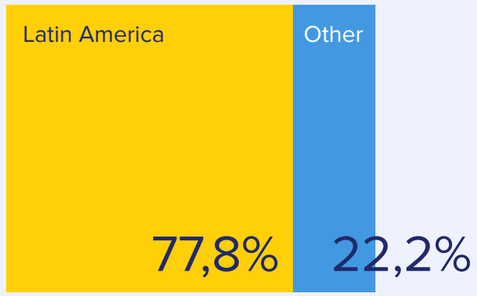
BY AGE



BY GENDER



BY GEOGRAPHICAL ORIGIN



More information

Executive Team

Marcos Galperin | 52
CEO

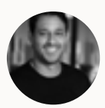
Martín De Los Santos | 54
Senior Vice-president & CFO

Osvaldo Giménez | 54
President of Fintech

Daniel Rabinovich | 46
Executive Vice-president & COO

Sean Summers | 49
Executive Vice-president, Marketing

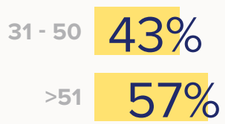
Juan Martín de la Serna | 57
Executive Vice-president, Corporate Affairs



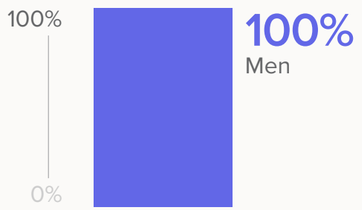
Ariel Szarfsztejn | 42
Executive Vice-president, Commerce

Distribution

BY AGE



BY GENDER



Governance guidelines

The Board of Directors is the highest governing body of Mercado Libre. The Nominating and Corporate Governance Committee proposes its members for election by the Shareholders' Meeting. The Nominating and Corporate Governance Committee assesses candidates in accordance with its statutes and the Corporate Governance Guidelines.

The Corporate Governance structure includes an Audit Committee that supervises the accounting processes and financial information, the functioning of internal controls, and compliance with the laws and regulations of each country, and controls the evaluation and effective management of financial risks; a Compensation Committee, which designs and oversees company philosophy relating to the compensation of its executive team; and a Nominating and Corporate Governance Committee, which identifies and nominates individuals to be appointed to the company Board.

The Senior Vice-president & Chief Financial Officer (CFO) is the person responsible for financial, environmental and social matters at executive level. At each quarterly Board meeting, the heads of the business units present their financial results, the social context of operations and progress with strategy. In addition, once a year the Board discusses the overall performance of the company with people at managerial level in the organization, including the managers of subsidiaries.

Independent members of the board of directors receive an annual compensation, consisting partly of a cash payment and partly of a payment in the company's shares. The annual remuneration is recommended by the Compensation Committee and reviewed and approved by the Board.

More information

Conflict of interest prevention

Reporting the existence of any situation of potential conflict of interest, real or apparent, is a duty for everyone who works in Mercado Libre. This can be done using the Conflict Check Form, which is then analyzed by the Ethics & Compliance area. Anyone reporting a conflict of interest must abstain from participation in decision-making and/or access to information connected to the situation giving rise to the conflict of interest.

Organization leaders must complete a Conflict Check Form once a year, without fail. The form includes questions about direct or indirect economic interests in suppliers, business partners or competitor companies of Mercado Libre, external work activities, links between people who report to each other, and invitations for trips received by members of our value chain, in addition to other matters.

Members of the Board of Mercado Libre Inc. must issue a quarterly declaration on related parties in compliance with Regulation S-K of the SEC and ASC 850 of U.S. GAAP. They must also provide information on their activities as board members or in other areas of other companies, where they are in a position to influence operating and economic policies.

ETHICS AND TRANSPARENCY

Responsible corporate conduct

We innovate, impact and produce major transformations in line with ethical values that define our way of being and acting.

We always choose the right path, with no shortcuts - the path of hard work, dedication, excellence and meritocracy. And we do so based on integrity, honesty and respect. Integrity is one of our cultural principles and guides everything we do, so that we can grow in line with our purpose.

We work to ensure that Human Rights are respected in all our relationships. We include this commitment in our Code of Ethics, which is aligned with the UN Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

We believe in mutual respect and every person's dignity. We take care to provide respectful workplaces, free of harassment, discrimination, ill-treatment and violence. We also act to ensure that the people included in our value chain are treated with dignity, fairness and respect.

MELI Code

In 2023, we relaunched our Code of Ethics, now known as the MELI Code, a guide to behavior for everyone during their career with the company.

The document accompanies the evolution and growth of our team and business ecosystem, which is increasingly challenging and diverse.

The MELI Code is a guide to help make decisions and take risks mindfully, encouraging us to put our cultural principles into practice, with particular focus on responsibility and ethical commitment. In drafting it we took into account regional aspects encompassing the cultural values of each market in which we operate.

The MELI Code synthesizes the attributes that are part of our DNA: honesty, transparency and integrity.

The MELI Code provides guidelines and concrete examples, in simple language, to guide us in our daily work. To achieve this we considered real cases submitted to MELI Complaints, we consulted the departments of Ethics & Compliance and People, and we held workshops with stakeholders.

The MELI Code also provides an integrated system of existing internal policies and procedures. The internal policies are clearly outlined, arranged and accessible in a single document. They include the Anticorruption Policy and the Policies for Purchases, Donations and Conflicts of interest.

Everyone working in Mercado Libre has to sign the MELI Code and the main policies of the Ethics & Compliance area upon joining the organization. We have interactive control dashboards for each country that let us follow up the status of signatures on the document.

All third party service suppliers operating in the name of, as representatives of or for the benefit of Mercado Libre, that deal with government officials or bodies, and supplier organizations in general, must sign the MELI Code.

The document is revised periodically as changes to the regulations occur.

85%

of the people on our team have signed the MELI CODE

MELI Code

Learning platform focused on integrity

In 2023, we developed a new e-learning module of the MELI Code. The objective is to create awareness of integrity issues, with the management team taking a leading role in training. We obtained exceptional content by means of a practical dynamic, with cases and videos to make these issues more relatable and accessible to everyone.

The third parties providing services on behalf, representation or benefit of Mercado Libre to public officials or bodies also receive mandatory training on anti-corruption and integrity. The objective is to make them aware of the key anti-corruption risks that MELI is exposed to, ways to mitigate them, and the principal obligations relating to ethics and anticorruption that they have as suppliers to the company. We also tell them about the MELI Complaints for them to report irregularities.

63%
of people completed the MELI Code e-learning program

Corruption Prevention

At Mercado LIbre we have zero tolerance to corruption in any of its forms. We exercise prevention and control so that no one in our ecosystem can make or offer inappropriate payments or any object of value with a view to obtaining an undue benefit or preferential treatment for the company, or that could be perceived as a bribe.

We comply with the United States Foreign Corrupt Practices Act (FCPA) and the anti-corruption regulations of all the countries in which we operate or do business. To comply with our undertaking sustainably and effectively, we have an Anti-corruption Policy and a risk-based program to prevent, detect and remedy acts of corruption.

We also have a Third Party Anti-corruption Risk Management Program aimed at mitigating potential situations associated with major impact risks. All third parties providing services on behalf, representation, or benefit of Mercado Libre to public officials or bodies must comply with a specific onboarding process that includes a due diligence exercise, anti-corruption training and declarations, alert monitoring, among other measures.

445
companies and organizations monitored by the Third Party Anti-Corruption Risk Management Program

Communication and training are central components of our anti-corruption strategy. Throughout 2023, we disseminated information via Workplace addressing various topics to all individuals working at Mercado Libre, such as conflict of interest, confidentiality, use of MELI Complaints, and anticorruption, among others. We held monthly training courses on ethics, integrity and anti-corruption for people in jobs with a high risk of exposure to corruption. In 2023, we detected no cases of corruption.

4,465
people trained in anti-corruption procedures

221
suppliers signed anti-corruption material since the start of the program

Prevention of money laundering & terrorist financing

We have developed a Program for Anti-Money Laundering & Terrorist Financing and Sanctions Program Compliance (AML/FT and Sanctions) to meet the applicable regulations, ensure cooperation with the competent authorities, avoid Mercado Libre being used as a vehicle for illegal activities and to foster a culture of AML/FT throughout the company.

Among other elements, the program includes specific policies and procedures, a structure specializing in AML/FT and Sanctions, a system of control and monitoring for customers and their operations, and constant regular and random training courses for all company employees.

Due diligence processes

Our due diligence processes are designed for each of our stakeholder groups, to boost our positive impacts and avoid, mitigate and reduce negative ones.

Each of these processes is described in the various sections of the MELI Code. The scope of the processes includes management of respectful, diverse and inclusive workplaces; relations with communities and environmental impact; intellectual property rights; use of personal information from users of our solutions; information protection; and preservation of personal and sensitive data.

The Internal Investigations area analyzes any violation of the MELI Code, in line with the Complaint Management Protocol. Every investigation follows the principles of confidentiality, legality, independence, objectivity and no reprisals.

Cases of non-compliance are classified according to criticality, and sanctions are applied as the law requires. Employees of Mercado Libre are also subject to warnings, suspension and/or dismissal. Members of the value chain can be given warnings or penalized with contractual sanctions and suspension or termination of the contract. If a law is broken we cooperate with the authorities.

Exceptions for board members and executives can only be approved by the Mercado Libre Board of Directors. Such exceptions also have to be submitted to the US SEC under the regulations. Exceptions for any other person in the value chain must be approved by the Ethics Committee according to the regulations.

The dispute resolution team is responsible for handling complaints from consumers, or related to enquiries or court cases. User complaints not resolved by the Customer Experience area are analyzed and submitted to external review. We also have an Agreements Policy with guidelines for resolving cases, permitting greater flexibility and efficiency. For strategic processes related to complaints from consumers or suppliers, or administrative proceedings with public authorities, we make a more detailed analysis and consider possibilities for litigation.

Channels for queries and whistleblowing

We use the MELI Code for conversations, enquiries and complaints. Any violation of its principles and values must be reported. If something is worrying us, we can talk to one of the Mercado Libre leaders, to the People area or to Ethics & Compliance. We have also created a bot for queries and advice on matters related to the MELI Code and notifications about courses and policies.

We have MELI Complaints, an anonymous and confidential channel, which anyone working in Mercado Libre or in our value chain can use. MELI Complaints is administered by an external firm and the company Internal Investigations team is responsible for investigating and following up on every complaint received. People can report ethics violations with confidence and without fear of reprisals.

In 2023 1,913 reports were registered and dealt with, 935 of which consisted potential breaches of Human Rights, including cases of moral or sexual harassment; discrimination; non-compliance with regulations and laws; and physical safety. 43 came from Argentina; 639 from Brazil; 27 from Chile; 12 from Colombia; 202 from Mexico; 9 from Uruguay and 1 from Venezuela. In 2 of the reports, it was not possible to identify the country of origin. Out of the 935 reports filed for potential violations of human rights, 836 were closed, with 108 being fully or partially verified. Complaints not resolved during the year do not represent a material risk for the company.

89%
complaints closed

MELI Complaints

Intellectual capital

User experience

Technology with a human perspective
Use of our platforms
Secure purchases and sales
Reliable financial transactions
Fast and efficient service
Responsible personal data management

Download

PRODUCT INNOVATION AND DEVELOPMENT

Technology with a human perspective

We have designed a user experience such that every person who uses our solutions to buy, sell, ship, pay, save, invest or get a loan can do so efficiently and securely.

Our user experience is in constant beta mode: constantly being reviewed and developed, focused on generating value for users, improving our platforms and growing.

We believe in the potential of technology to reach more people every day, bringing innovation, quality and security. However, it is the people who bring ingenuity, creativity and effort to improve the products, guarantee a unique experience and generate trust.

The Technology (IT) team of over 15,000 people work every day with this commitment and challenge. IT has different divisions, teams in charge of the various business units and others that provide cross-team support to departments such as Security, Fraud Prevention, Business Intelligence, Machine Learning, Infrastructure and Applications Architecture.

We assess user experience using the Net Promoter Score (NPS), a key indicator to measure our innovations and product development, allowing us to listen to what users have to say. The Analytics team, part of the Customer Experience structure, checks the survey indicators, identifies opportunities for improvement and works with the different areas of the company to get better results.

Technology for a better experience

Our product development is based on our own technology. This lets us move quickly, obtain scalability and provide a service with high international standards.

We work to reduce the need for user assistance and increase the agility and the fluidity of their experience. We also rely on artificial intelligence to improve our response processes. In 2023, we introduced improvements in the experience for both of our businesses.

At Mercado Pago, we launched the *Reservas* section, allowing users to separate savings for projects or specific expenses. We also relaunched the main welcome screen of the app, to make it easier and more intuitive to use. Through these changes, we increased the visibility of Credit, Insurance, and Reservas products due to the prioritization of new accesses.

At Mercado Libre, we designed a set of innovations to improve the selling, buying and shipping experience for platform users:

SUGGESTIONS FOR SELLERS

An AI-based tool with suggestions for replies to queries addressed to buyers.

REPUTATION PER PRODUCT

A new metric to detect ratios of defective or different products in complaints, based on their impact on the buying experience.

MORE LIKE THIS

A new feature to find similar products based on visual AI and help shoppers improve their searches.

REVIEWS

We have added verticalized questions and the possibility of uploading photos to the reviews. Starting in 2023, reviews can be requested via email, push notifications, a new access in My Purchases, and a Review Hub to complete all pending reviews.

REASONS FOR NON-DELIVERY

We have added reasons for non-delivery to the buyer: no one at home, incorrect address, error in processing the shipment or the shipment was damaged.

DOMAIN ACTIVATION AND CATALOG EXPANSION

Starting from the mass activation of domains with low structuring on BuyBox, we used ChatGPT to create a catalog with descriptions and main features (“what you need to know about the product”). Additionally, we progressed with product replication to and from Mercado Livre Brazil with Spanish-language sites.

>11 M
products replicated

>1.9 M
products created with ChatGPT in unstructured domains

MORE FLEXIBILITY IN SHIPPING OPTIONS

We are giving sellers more time to change products and quantities after a shipment has been scheduled. In Brazil and Mexico we allow the addition of products to post-split shipments, and we have reduced the tolerance percentage when a shipment is different from the declaration and eliminated the maximum payable for a no-show.

DELIVERY TIMES

We have included a delivery schedule section so that the seller can inform the buyer when the shipment will arrive.

REAL-TIME TRACKING

We have introduced this option to increase deliveries and reduce the indicator for lack of information on shipments.

GROUPING OF SHIPMENTS AND DELIVERY DATES

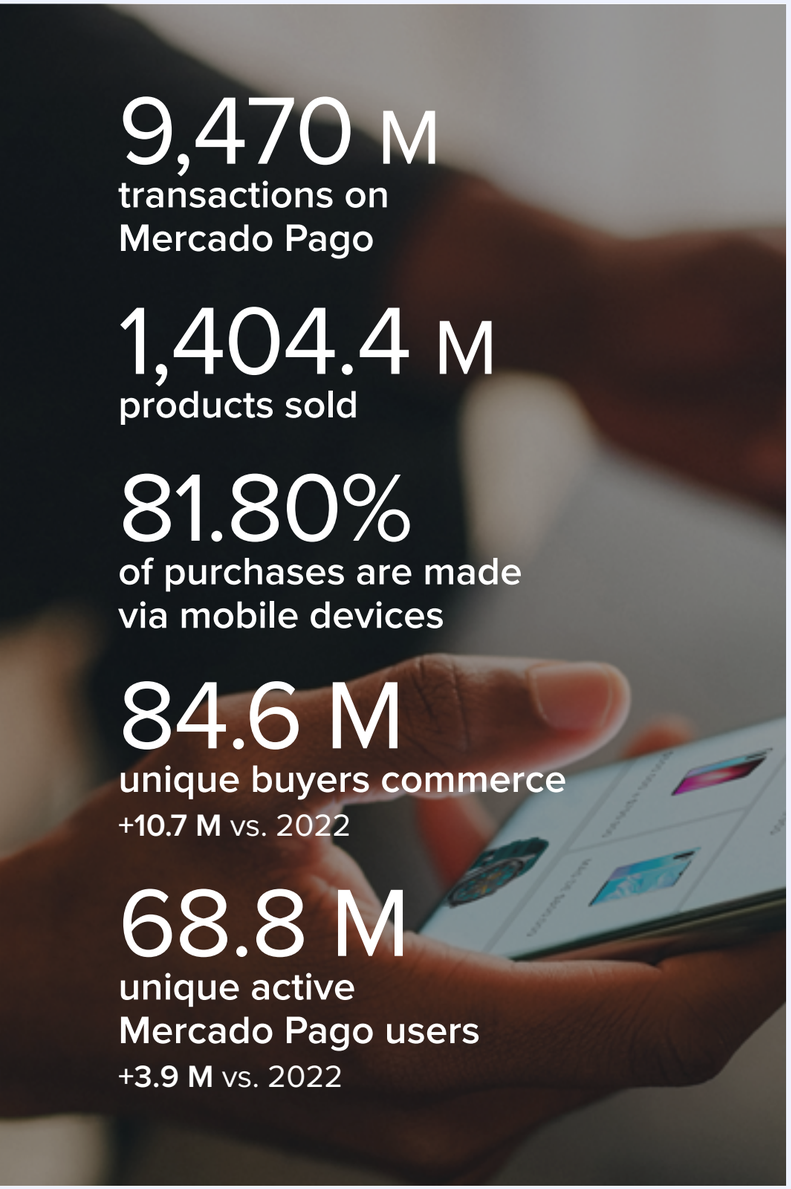
We offer buyers the possibility of receiving their orders together and selecting a delivery date, when purchases in a single basket have different delivery dates, by making a single shipment. This way we optimize our delivery logistics and reduce environmental impact.

Inclusive solutions

We promote inclusive access to our solutions in order to reduce the potential barriers in our procedures and screens. We have an internal Accessibility Handbook with guidelines, tools, and best practices for our development, design, content, and investigation teams.

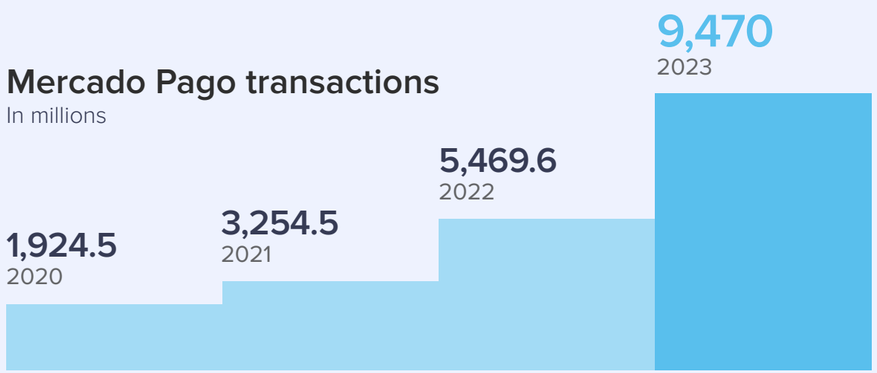
We are constantly analyzing our solutions to identify opportunities for improvement in accessibility and enhance assisted technology support. These digital tools, in software or physical format, allow us to substitute, complement or facilitate abilities for people with disabilities.

Use of our platforms



Mercado Pago transactions

In millions



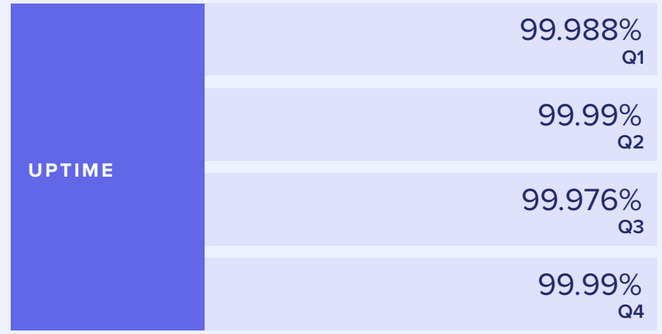
Items shipped

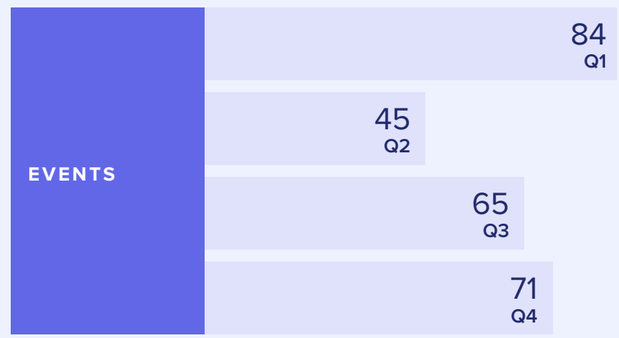
In millions

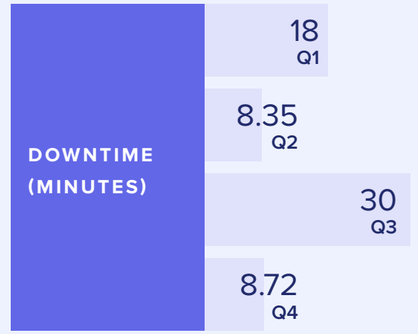
Volume of merchandise sold

In billions of USD

Marketplace availability







PRODUCTS AND SERVICE TRUST AND SECURITY

Secure purchases and sales

We have designed processes to guarantee secure sales for seller brands and individuals, and a reliable, agile and efficient buying experience for shoppers on our e-commerce platform.

Sellers of products on our marketplace must comply with Mercado Libre publication policies. We do not allow marketing of products prohibited by law, or those that do not meet our Terms and Conditions. To protect the health and safety of those using our solutions, we prohibit more than 40 categories of products and services, such as firearms and narcotics. We also ensure that all the products offered by Mercado Libre own stores meet the requirements for information and labeling.

We use technology and AI to reduce exposure to ads that run counter to a good user experience.

We have implemented technologies to prevent activities that affect our services. In less than a second, our systems can analyze more than 5000 variables to pause or eliminate ads that violate our Terms and Conditions. In addition, all advertisements have a Report button for products that violate the legislation or our publication policies.

Listings that do not meet our conditions are withdrawn. Sanctions for non-compliance can range from cancellation of the ad, suspension or cancellation of the account, or a report of illegal activities to the authorities.

We have put effective controls and mechanisms in place to prevent frauds and avoid counterfeit products. Since 2020, we have had a program for documenting sellers that enables us to check the identity of those using the platform and avoid potential frauds. We have also updated the reputation rules for sellers to include the possibility of reputation per article, penalizing the exposure of products with poor performance.

>250,000
sellers documented

+2.3 points
increase in quality perception due to reputation rule changes

Intellectual property protection

We have designed a Brand Protection Program (BPP) to help protect the intellectual and industrial property of the owners of these rights on our e-commerce platform. It consists of a program for reporting ads in violation of our site.

The program is supported by automatic tools based on AI and machine learning that learn from complaints to identify trends or infringing patents, helping us remove publications proactively. We also cooperate with authorities, associations and industrial chambers for them to also report violations of this kind.

We take care of user experience to ensure that our platform is secure and free from counterfeit products.

As part of this commitment, we support the Mercado Libre Anti-Counterfeiting Alliance (MACA), a regional coalition with the participation of global brands to combat the offer of counterfeit and pirate products in e-commerce. Thanks to this initiative, we have successfully removed 17 times more publications than those reported by these brands on our BPP and initiated 21 court cases against infringing users.

We have also trained over 2,000 of our IT staff in intellectual property. Our legal team, jointly with the IT department, has developed a course to reinforce the protection of Mercado Libre's intellectual property assets, and to comply with third party software licenses.

Lastly, in the framework of our participation and sponsorship of the global "UNREAL CAMPAIGN" of the International Trademark Association (INTA), we trained over 120 students from primary schools in Argentina and Mexico on the importance of brands and the danger associated with the consumption of counterfeit products. The campaign is communicated through in-person and virtual presentations in schools and universities, and through content on social networks.

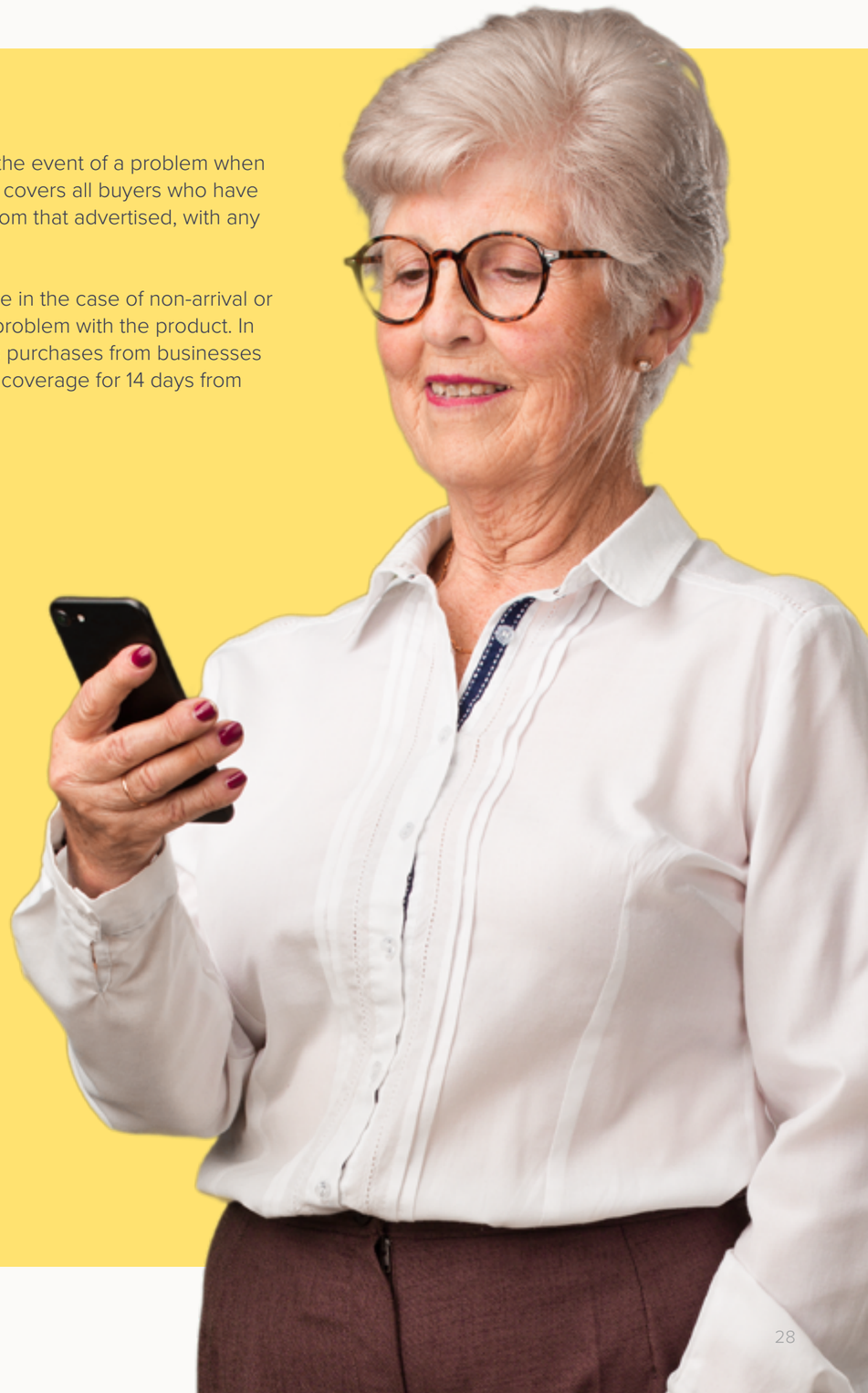
Protected Purchase

With Protected Purchase we guarantee a refund in the event of a problem when receiving a product from our platform. The program covers all buyers who have not received an item, have received one different from that advertised, with any defects, or require a return.

Coverage remains in force for 21 days after purchase in the case of non-arrival or for 30 if the buyer changes their mind or there is a problem with the product. In Mexico and Brazil, in addition, the program includes purchases from businesses that use Mercado Pago as payment processor, with coverage for 14 days from purchase for non-delivery.

85%
of the claims resolved satisfactorily

81%
of cases resolved with buyer coverage



PRODUCTS AND SERVICE TRUST AND SECURITY

Reliable financial transactions

We take the responsibility implicit in our purpose of democratizing financial services in Latin America and we therefore work to gain the trust of sellers and buyers who use our fintech solutions.

We are transparent in communicating the terms and conditions of use for each of the services we offer: advance of funds, Mercado Pago Point, QR code, personal loans, Mercado Crédito, prepaid card and investments. All users can access them on the Mercado Pago website in their country.

We care for people's integrity. We have a list of activities, products and services whose processing is prohibited by Mercado Pago due to internal policies or to ensure compliance with the law. In cases where it is identified that a user uses Mercado Pago for processing products or services that violate our policies, we establish restrictions on payment processing requests or penalties on the user's account.

A guaranteed experience

We have designed the Mercado Pago user experience around the need to protect the money of the people who choose us. Therefore, we have developed a series of security tools to enable people to transfer, pay and purchase with confidence and peace of mind.

Biometric method to unblock the app

Fingerprints and faces are unique identification characteristics for protecting users' accounts in the event of loss or theft of their phone.

Trusted persons

Nomination of trusted persons via the app to report loss or theft of a phone.

Verification methods

We also offer verification through a QR code to provide more protection against the theft of a phone or account.

Security alerts

Serve to control account movements. Received by email, WhatsApp, SMS or notification. Enable you to take preventive action by notifying users of unrecognized activities in their account.

We build trust in our services by means of constant communication with users through various supports and methods of contact.

PRODUCTS AND SERVICE TRUST AND SECURITY

Fast and efficient service

We aim to ensure rapid, easy and efficient contact with the Customer Service Center. Our team consists of over 2,700 specialized individuals distributed across four solution centers in Argentina, Brazil, Colombia, and Uruguay.

All complaints are addressed and handled providing a prompt response and solution. We encourage self-management with machine learning-based tools to shorten times, offer the best solutions and avoid long processes that may frustrate users.

In 2023, we introduced new procedures for users to resolve their concerns without the need for direct contact. For instance, in the event of theft or loss of a mobile phone, we enable users or designated individuals to report and disconnect the account from all the devices, without the need to talk to anyone. The user can initiate a session on another device with FaceTec facial recognition technology.

We have created the Claims Collections product and included it with the Assisted Service procedure, accounting for 85% of complaints on our platform. We have introduced new versions to improve the assignment of cases and modified the contextualization to enable Collections to be selected instead of Sales. This product can show feedback instantaneously and transfers the option “I would prefer to talk to a person” to a later stage.

Contact methods

ONLINE
Online chat
WhatsApp
Phone

OFFLINE
Email
Social networks

HELP PORTAL
FAQs
+ “We will call you” Option

VIRTUAL ASSISTANT
Conversational tool offering solutions for self-management or from a specialist agent

INFORMATION PRIVACY AND SECURITY

Responsible personal data management

At Mercado Libre we consider protection of personal data as an opportunity to create value for our users. We therefore work to ensure their privacy and process personal data securely and responsibly.

Mercado Libre has implemented an information security and personal data protection program consisting of monitoring and evaluating risks for users, thus complying with the regulations in the countries where we operate.

We guarantee confidentiality, integrity and availability of all the personal data that people entrust to us.

All users who register with our platforms are subject to a Privacy Statement, which is available on the home page of each local website. The statement explicitly and comprehensively informs users about the personal data we process and the purposes for which we do so.

We make a point of explaining at all times what personal data we collect, what we do with it, and in what cases we share it, including the use of data related to Artificial Intelligence and Machine Learning. We have therefore produced a specific web page with a clear and simple explanation of the use we make of personal data; and make effective channels available to our users so they can exercise their ARCO rights (Access, Rectification, Cancellation, and Opposition).

In turn, we have a strict internal compliance program and collaborate with various bodies to align our operation with the highest regional standards in terms of privacy.

Transparency Report

Cybersecurity

We work to ensure the protection of personal data and the continuity of the business in the face of cyber attacks. We have introduced a Security Policy to guide us in the protection of the flows and processes associated with the data of the business and of users of our platforms.

We embrace the principles of Zero Trust, Decentralization, Automatic Response and Behavior Analysis, to enable us to guarantee the security of our ecosystem. In this way, we work to prevent any information leaks and cyber attacks before they happen. In addition, we are part of the Payment Card Industry (PCI) Data Security Standard Compliance, and we hold the PCI-DSS and PCI-PIN certifications.

The area responsible for managing confidentiality, availability and integrity for our platforms is Information Security. This team consists of specific verticals focused on each business unit, as well as areas providing transverse coverage of all security practices. This work scheme allows us to scale up a proactive model for prevention and detection of threats and risks.

Every new business procedure is analyzed by a process that includes security criteria and assessments at every stage, along with quality and security control of its code. These processes are based on international standards such as the NIST Cybersecurity Framework, designed by the National Institute of Standards and Technology.

We constantly oversee the performance of our platforms to assess the effectiveness of the plans and actions, and to be able to adjust the processes in the shortest time possible. In this way we identify the key vulnerabilities that may affect our platforms and make decisions to ensure their protection. The Incident Response team, in turn, undertakes a continual improvement process of evaluation of the identified security events, to optimize our responses.

231
people trained in data privacy

2,442
phishing cases blocked

1,128
denial of service attempts blocked automatically

4,762
potential security incidents mitigated and remediated promptly and effectively

0
cases of non-compliance identified by regional and international bodies

Cybersecurity risk management program

We designed this program to understand, prevent, and neutralize threats and vulnerabilities associated with different business processes as well as our ecosystem as a whole. To deal with cybersecurity risks, we follow the NIST 800-30 methodology (Risk Management Guide for Information Technology Systems) and a Third-Party Risk Management process. This process helps us evaluate crucial third parties (suppliers, integrators, partners, and vendors) in terms of security, identify risks, and notify the relevant areas.

Human capital

Our team

A team in constant beta mode
Training and development of our teams
Diversity and equal opportunities
Our people's wellbeing

Download

Melicidade | Brazil

A team in constant beta mode

Only by attracting, engaging and developing the best talent can we lead in every market where we operate and uphold our purpose. Each year we evolve to stay ahead and respond to challenges more quickly. This is why we say that being constantly in beta mode is part of our culture. We are continually assessing our practices and our value proposition to design the best experience and enable our staff to fulfill their potential.

Being part of MELI means outdoing ourselves every day and feeling proud of the impact of our actions.

We operate in a challenging context. And while the world's largest technology companies have reduced their headcount or froze hiring, at Mercado Libre, we have continued with our plans for growth. In 2023, over 23,000 more people experienced the fabulous adrenaline rush of entrepreneurship, increasing our numbers by 45.9% over the previous year. And as a result, we have grown into a team exceeding 58,000 people!

This year we focused on strengthening our talent for growth in technology and logistics. We designed work dynamics that respond to our training and adapt to the context, we developed leaders and broadened our work practices to become a more diverse company every day. All this aimed at gaining efficiency and continuing to grow sustainably.

We are extremely proud of our results. In a context of hypergrowth of the team and the business, our efforts resulted in record levels of staff commitment: 90% of engagement and 89% of execution with excellence. We also had the lowest turnover rate in our history. In a challenging sector like technology, we ended the year with 5% of voluntary turnover, far below the 13% from the previous year.

This year we also raised our standards and started to measure our reputation as employers in open participation rankings. Qualifications of this type, mostly spontaneous recall exercises, allow us to compare ourselves with the best companies in the market and identify opportunities to improve our employer brand.

+58,000
people on the Mercado Libre team
in 2023

Awards that strengthen our reputation as an employer

ARGENTINA

#1 Randstad
3rd consecutive year
Most attractive company to work in

#1 Merco Talent
3rd consecutive year
Best company for attracting and retaining talent

#1 LinkedIn
Top companies
Best company to work and develop in

#1 Opening
4th consecutive year
Best employers

#2 Argentina
Young Person's Dream Company
By Compañía de Talentos

MEXICO

#1 Merco Talent
Best e-commerce company for attracting and retaining talent
#4 Overall ranking
#1 Company >3000 employees

CHILE

#1 Merco Talent
Best tech company for attracting and retaining talent
#10 Overall ranking

#3 Top of Mind
Technology (=)
Favorite company of young people in technology

The fabulous adrenaline rush of entrepreneurship

The experience of working at MELI is challenging, cheerful and fun. A combination that inspires people to achieve extraordinary results. It is an environment that encourages taking risks and going that extra mile, reinventing oneself to evolve, and do things with excellence as part of a team.

The culture is reflected in every decision we make. When someone joins the team, in addition to considering their technical or specialist knowhow, we give them marks for learning quickly, including learning from their mistakes, and for how keen they are to adopt our culture.

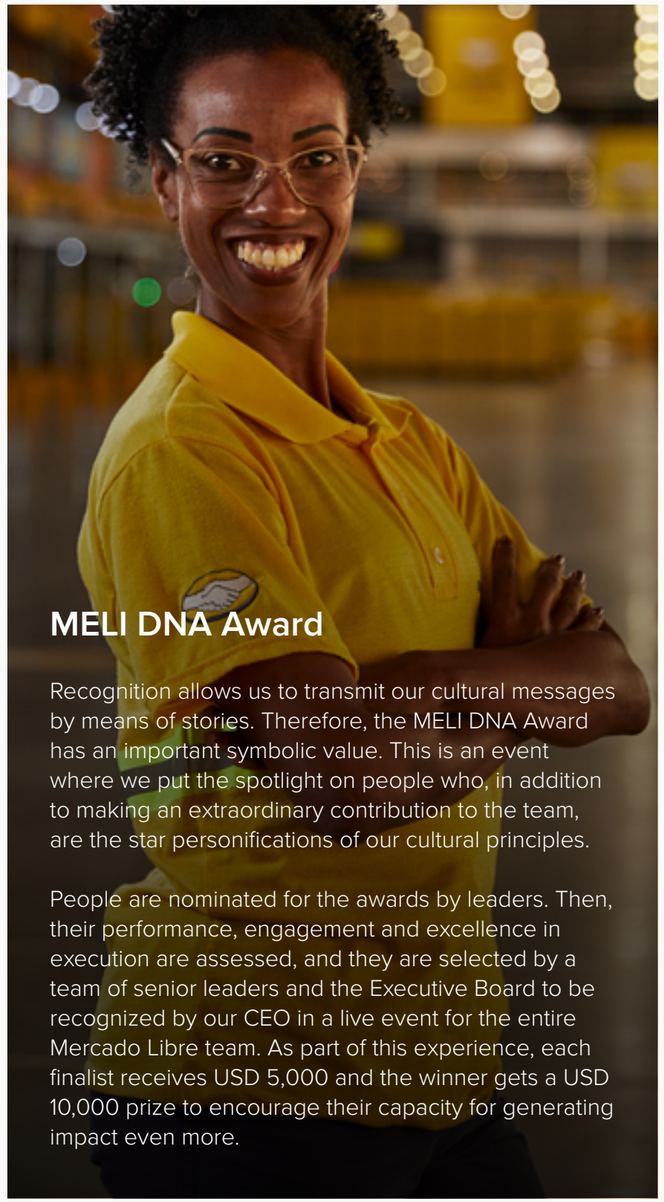
We invite each person to take control of their own development.

The way we make decisions is a distinctive and innovative element of our culture. We use a scheme we call "your 90-10". This means that in 90% of cases people have the power to make their own decisions. This makes execution quick and dynamic. The remaining 10% refers to decisions where reversing them would be very costly, and which are therefore taken as a team.

Regular employee pulse checks provide valuable information for leaders to build up the effectiveness and experience of their teams. Our culture also encourages open, transparent and horizontal dialogue through our communication channels Workplace and Slack.

We arrange open question-and-answer sessions with company leaders, both virtually and in person. A few days in advance we hold a survey where people can suggest questions, and the ones with the most votes are addressed. Our CEO is available to answer questions from the whole organization every 3 months.

We use artificial intelligence to assist with our cultural processes. From the selection of candidates for our searches, and analysis and interpretation of qualitative comments in our large-scale surveys or focus groups, to the evaluation of replies in the chat.



MELI DNA Award

Recognition allows us to transmit our cultural messages by means of stories. Therefore, the MELI DNA Award has an important symbolic value. This is an event where we put the spotlight on people who, in addition to making an extraordinary contribution to the team, are the star personifications of our cultural principles.

People are nominated for the awards by leaders. Then, their performance, engagement and excellence in execution are assessed, and they are selected by a team of senior leaders and the Executive Board to be recognized by our CEO in a live event for the entire Mercado Libre team. As part of this experience, each finalist receives USD 5,000 and the winner gets a USD 10,000 prize to encourage their capacity for generating impact even more.

A new way of working

Our challenge is to instill our culture in the different work modalities. Currently, 50% of the team works on-site in our logistics operations, while the other 50% follows a hybrid model.

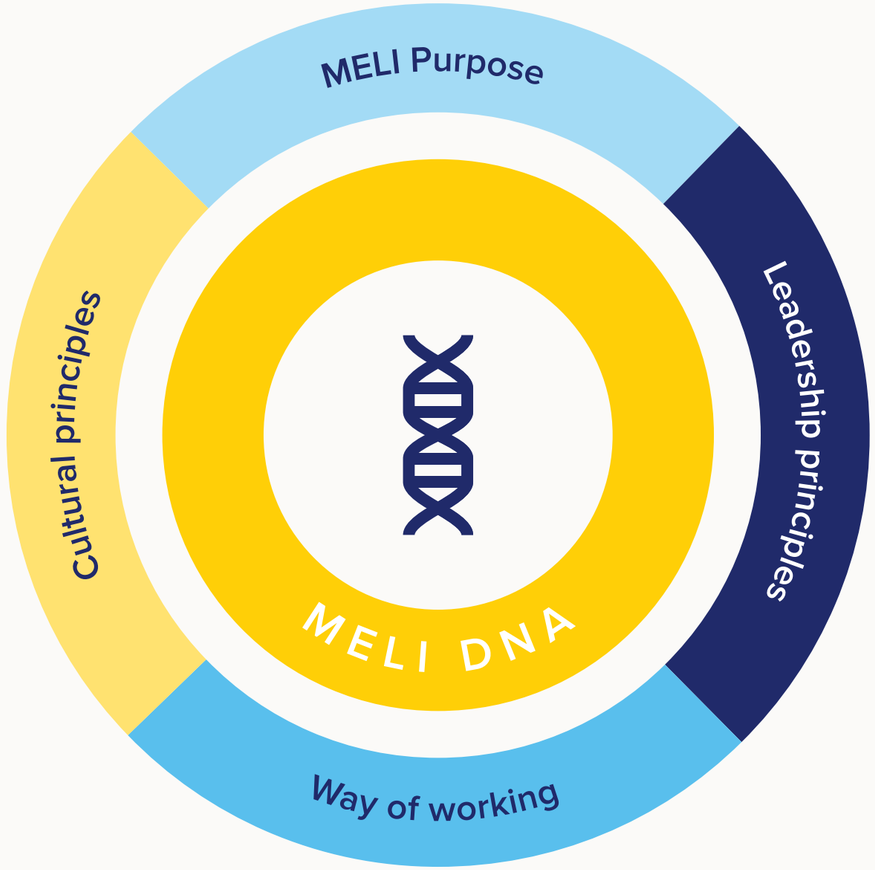
We recognize the many benefits of this hybrid work scheme. It makes it easier to attract talent and encourages flexibility – one of the aspects that staff appreciate most. An example of this is that more than 400 people have taken advantage of our "Work from Anywhere" benefit. This initiative offers the possibility to work from anywhere in the world for 90 days each year, for those on a hybrid model contract. At the same time, the arrangement has produced excellent levels of productivity and very positive business results.

We promote our culture with a flexible work model that benefits from the best elements of in-person and remote working.

A big challenge is to ensure the transmission and propagation of our culture in this flexible context. In 2023 we therefore decided to continue fine-tuning our work model: senior managers spend at least 20% of their time each quarter on our sites. This is because we believe in the value of leading by example. And when the leader calls, the teams come together.

This way we achieve an effective combination of three elements. Firstly, the individual dimension, maintaining flexibility in our work and so reinforcing engagement. Next, in the labor market, we can present an attractive offer, avoiding strict demands for in-person working that require so many days in the office each week. And lastly, the organizational dimension that ensures effective work dynamics with good coordination and preserves our culture.

ADN MELI



MELI PURPOSE

To democratize commerce and financial services to transform the lives of millions of people in Latin America

LEADERSHIP PRINCIPLES

- Drive sustainable results
- Make bold decisions
- Embrace disruption
- Succeed through talent
- Break down silos
- Lead by example

WAY OF WORKING

- Decision-making
- Effective meetings

CULTURAL PRINCIPLES

- We create value for our users
- We take entrepreneurial risks
- We execute with excellence
- We are in continuous beta mode
- We compete as a team to win
- We give our best and have fun

OWNboarding

Our induction experience is aimed at transmitting our culture to everyone joining the team. We call this process OWNboarding, and the aim from day 1 is to empower people to plot their own path in the organization. The experience consists of four mechanisms:

MELI OWNBoarding

A welcome to connect people with our DNA, focusing on cultural principles and the way we work. It is shared by all MELI new hires, regardless of their area or position.

Buddy Program

A mutually enriching process where one employee accompanies a new hire and helps them integrate into MELI during their first month at the company. At the same time, the accompanying employee builds up their people development skills.

OWNBoarding Leaders

A program in hybrid format to connect people to our leadership principles over a 100-day period in which we amplify their abilities to manage excellence, to create work teams, to encourage talent, to understand the ecosystem and to multiply the MELI DNA.

Functional Boarding

An eight-week training period run by each business unit, to speed up preparation and alignment of our new hires. They are given the knowledge and technical skills needed to understand their role, the team they are to work with and the business unit to which they belong.

23,939
new hires
in 2023

48.6%
women
in new hires

5%
annual staff turnover

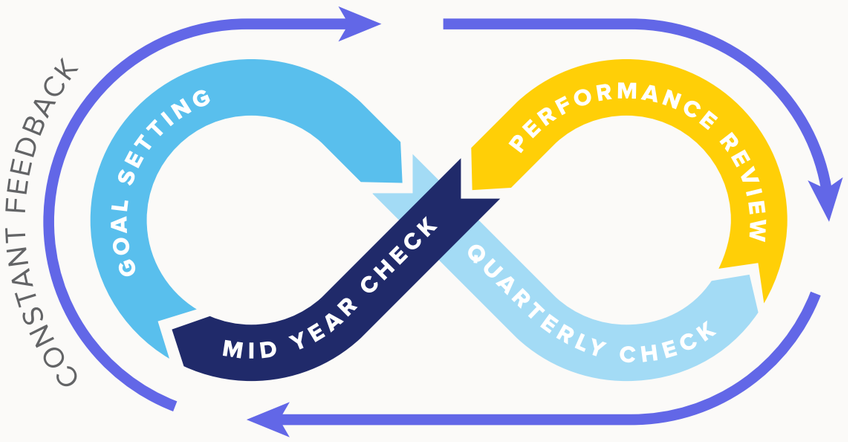
Training and development of our teams

Our talent management strategy has an integrating and disruptive focus to improve the performance and development of our team members.

We promote both formal and informal forums for conversation between people to align objectives, expectations and identify strengths and areas for improvement. Feedback sessions between each manager and their team are enriched by reverse feedback.

We actively encourage these conversations throughout the year and reinforce them once per quarter, as well as in the middle and end of year. Appraisals are based on both the achievements and business results, and on putting our cultural principles into action. In this way we permanently raise the bar for talent, ensuring that every decision we take is based on our culture, to achieve business results.

100% of the people working at Mercado Libre receive regular feedback on their performance.



Constant learning

We are all in on disruptive learning management, in line with the essence of our industry. In contrast to more traditional methods, we encourage the creation of communities and networks to produce knowledge and learning in a collaborative and entrepreneurial way. We therefore measure impact not in training hours, but rather in the contribution to concrete business results.

Our focus is on the development of leadership skills and culture with the aim of transforming knowledge into abilities related to our principles, way of working and both transversal and critical technical skills impacting each business unit.

At MELI we learn through enterprise and risk-taking.

A highlight of the year was our IT Bootcamp intensive training program for people joining our technology team as newcomers. Eight weeks of aligning technical knowhow and immersion in our way of working, so that those experiencing the program could provide more effective support to their colleagues from day 484 people attended the IT Bootcamp in 2023.

In March, we also arranged an AI Hackathon attended by more than 1500 IT professionals. Over 200 working prototypes were presented and 8 were selected for implementation to improve user experience, task assistance and content generation: for example, instant summaries of product reports or automatic replies to frequently-asked questions.

USD

8.5 M

investment in training and development

Leadership development

We believe in leaders who boost sustainable results, embrace disruption and make bold decisions. That is why we focus on their training and development, providing them with the tools they will need to act according to our leadership principles.

We measure and monitor the performance of each leader through Leadership Effectiveness Objectives. These take into account their engagement and level of commitment, the embodiment of our culture, the diversity of their teams and turnover, among other variables. For this they have real-time access to a dashboard that consolidates information and enables them to make data-based decisions.

During the year we supported team leaders with a range of training courses:

DNA Workshop

This is part of the OWNboarding process for people in leadership roles. It consists of a two-day learning experience to develop the mindset and skills to put our culture into action and multiply it among the staff. This workshop is run by Mercado Libre leaders who put our culture into action and inspire by example.

1,282
participants

Leadership Development Program

Held jointly with Stanford University, its aim is to reinforce the impact of senior management. It develops their ability to scale up our business and ensure sustainable results, improves their long-term vision and teaches them simplicity in designing new business initiatives.

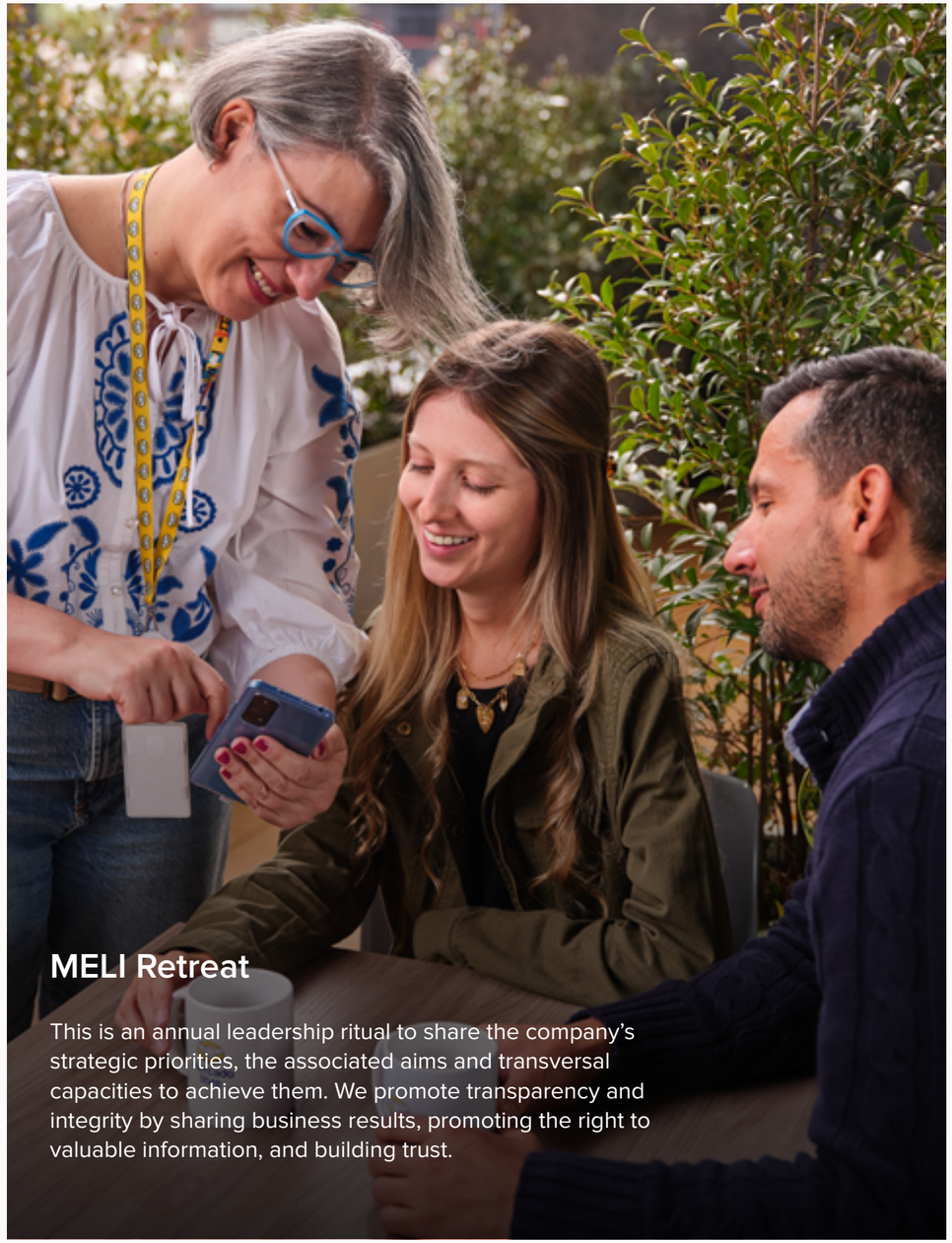
1,782
participants

Shipment Leadership Program

A program to accompany the growth of our shipment network, based on three pillars: people management, safety and operations management. It is run by the heads of the operation.

With the growth we have experienced in our logistics operation and our significant geographical coverage, this program has become fundamental for preserving our culture and entrepreneurial DNA in every corner of Mercado Libre.

1,968
participating leaders



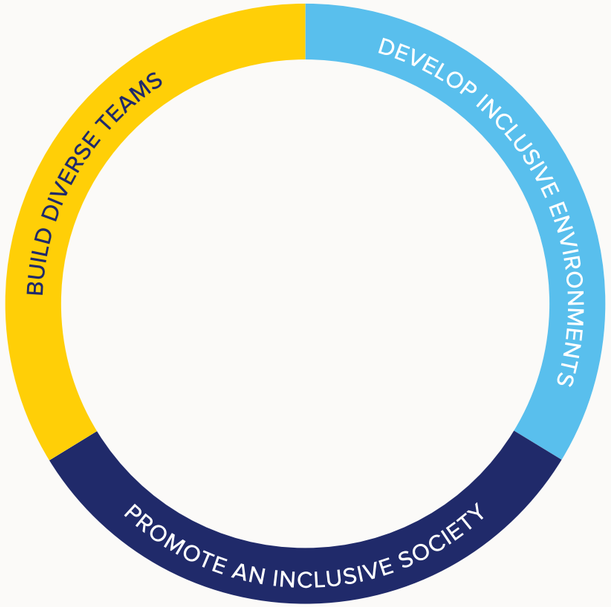
MELI Retreat

This is an annual leadership ritual to share the company's strategic priorities, the associated aims and transversal capacities to achieve them. We promote transparency and integrity by sharing business results, promoting the right to valuable information, and building trust.

Diversity and equal opportunities

We consider that diversity is a competitive advantage: a source of innovation for us to continue being disruptive. This is why Mercado Libre is constantly working to broaden its perspectives and include different outlooks in its team.

Our Diversity, Fairness and Inclusion strategy is based on three complementary pillars that reinforce each other: building diverse teams, developing inclusive environments and driving a more inclusive society. This last pillar is described in the chapter on Social Impact.



BUILD DIVERSE TEAMS

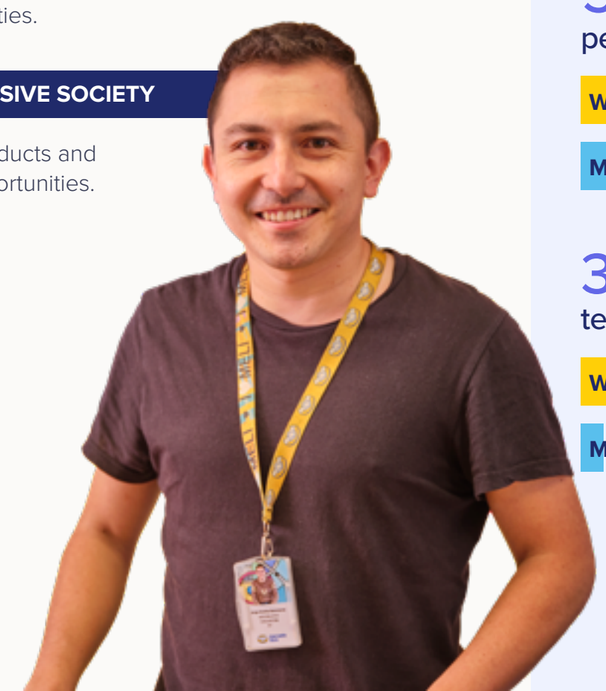
Seeking complementarity through different profiles to create innovative products that connect and reflect the diversity of users.

DEVELOP INCLUSIVE ENVIRONMENTS

Respecting and valuing differences and ensuring fair treatment and equal development opportunities.

PROMOTE AN INCLUSIVE SOCIETY

Promoting inclusive products and services and equal opportunities.



PEOPLE BY CONTRACT TYPE AND GENDER

54,600
full-time

WOMEN 23,315
MEN 31,285

3,713
part-time

WOMEN 2,263
MEN 1,450

PEOPLE BY JOB TYPE AND GENDER

8,497
management

WOMEN 2,819
MEN 5,678

15,638
technology and product

WOMEN 3,731
MEN 11,907

PEOPLE BY CONTRACT TYPE AND GENDER

54,612
permanent

WOMEN 23,701
MEN 30,911

3,701
temporary

WOMEN 1,877
MEN 1,824

32,878
logistics

WOMEN 16,386
MEN 16,492

9,788
rest of MELI

WOMEN 5,457
MEN 4,331

Building diverse teams

Every open position is an opportunity to introduce a new way of thinking, a unique person who complements a current member of our team. This helps us be more innovative and develop enhanced products that address the needs and expectations of millions of different users.

AI technology, for example, lets us compare candidates for their skills and experience, ignoring information that can activate unconscious bias; such as name, gender or age.

Our focus is on five action fronts: ethnicity, LGBTIQ+, people with disabilities, women, and from 2023, different generations.

We use different outlooks to innovate

24%
women in IT

17%
in senior leadership positions in IT

12%
of our team belong to the LGBTQIAP+ community

Women
All MELI

2022	41%
2023	44%

Ethnicity
Afro-Brazilians

2022	42%
2023	48%

Women
Senior management positions

2022	27%
2023	28%

Ethnicity
Afro-Brazilians in leadership positions

2022	11.4%
2023	12%

People with disabilities
All MELI

2022	1.8%
2023	1.8%

Generations

Age is no limitation for talent. In 2023, people over 40 represented 14% of our staff. We decided to dig deeper into the experience of this group and understand the size of the challenge, with data and information from the teams, to comprehend our own biases and their impact.

We held a live-streamed discussion on “Challenges for the over-40 generation in the workplace” for our community with two experts: Márcia Monteiro and Flora Proverbio. We also created guidance for managers aimed at incorporating and developing individuals over 40 in their teams.

14%
people in MELI are over 40 years old

DISTRIBUTION BY GENERATION

26,025
Centennials
1995-...
44.6% of the team

769
leaders
3% of the generation

27,772
Gen Y/Millennials
1981-1994
47.6% of the team

6,205
leaders
22% of the generation

4,516
Gen X/Baby Boomers
1961-1980 / 1946-1960
7.7% of the team

1,212
leaders
27% of the generation

Women

Women account for 44% of our workforce. And although we know this is 6% times more than the average in technology companies, we are not stopping there.

We want more women to make a career at MELI. To achieve this, we have introduced practices that encourage shared parenting and equal opportunities. We have extended maternity leave to 5 paid months. We have also introduced a 20-day leave for pregnancy loss to allow for the physical and emotional recovery of the families. All these leaves are inclusive and apply equally for adoption and same-sex couples.

In addition, we have been offering a special benefit: egg freezing for women who choose or need to prolong their fertility cycle. We bear 70% of the cost of the process.

We are pioneers in the region in offering this benefit of helping women with the cost of egg freezing.

FAMILY LEAVE

Parental leave	Women	Men	Total
Employees with the right to parental leave	25,516	32,677	**58,193**
Employees who took parental leave	801	1,169	**1,970**
Employees who returned to work after taking parental leave	731	1,070	**1,801**
Employees who returned to work after taking parental leave and were still with the company 12 months later	731	1,070	**1,801**
Rate of return to work of employees taking parental leave	100%	100%	**100%**
Retention rate of employees taking parental leave	91%	92%	**91.5%**

Developing inclusive environments

We promote respectful workspaces where differences are valued, by ensuring equal opportunities and that everyone is heard and can express themselves, share opinions, propose ideas for innovating and challenge their team with new perspectives.

We try to eliminate bias and make leadership roles multiplier factors in creating a diverse and inclusive culture. We encourage open, collaborative dialogue with Affinity Groups, which are communities consisting of all those people prepared to give willingly of their time, knowledge and ideas to accelerate our agenda of Diversity, Equity and Inclusion.

92%

of the individuals
see their leaders as promoters of inclusive and diverse environments

OCCUPATIONAL HEALTH AND SAFETY

Our people's wellbeing

We address well-being in its entirety, covering physical and emotional health, social connection and financial wellbeing.

Since 2020, we have held our annual Wellbeing Summit, a virtual event to develop healthy habits and find inspiration in leaders of sport, science and the economy. At the 2023 event, over 16,000 team members heard from speakers like Paula Pareto and Estanislao Bachrach, in addition to other wellbeing gurus from Latin America. 90% graded it as a very good or excellent activity, in which they experienced our culture in action.

Throughout the year, we arranged activities with specialists in overall wellbeing such as Gabriel Brenner, Maritchu Seitún and Pablo López. We held a workshop specifically for multigenerational conversations on emotional health, focused on young people and teenagers.

To encourage prevention and physical care, we arranged general and ophthalmological check-ups for our team members in the offices. In Argentina, nearly 60% of those who took these check-ups said that they would not have gone to a clinic, which underlines the importance of this type of preventive action in our operation.

At some of our sites, we also introduced special labeling in the dining halls to encourage healthy eating. We also offer a 70% discount on meals as a benefit for our entire team. The discount works in our offices and all the supermarkets and restaurants where the Mercado Pago QR code can be used for payment.

We think that wellbeing also applies to financial issues. Therefore, our compensation policy is based on meritocracy and recognizing individuals with sustained performance and learning agility. We apply salary bands and monitor the market constantly to keep our scales competitive. People have access to a performance bonus, depending on overall business results, specific country results, and a multiplier based on each individual's performance. We also have a Long Term Retention Program, in the form of a long-term compensation scheme in hard currency, tied to the performance of the Mercado Libre share price, for the leadership and critical positions.

Occupational health and safety

We take care of the health and safety of our people by following the current legislation in each country in which we operate, meeting the requirements for coverage and components of the management system.

Our integrated safety plan aims to create and promote safe, healthy workplaces and a standardized management framework for our operation. Its area of focus includes developing leadership skills; training healthcare, safety and hygiene professionals and safety references; risk perception; and observation of behavior. Management is based on procedure and standard development, incident investigations, health, safety and hygiene inspections, and project and change management.

In 2023, the plan was implemented in some Mercado Libre warehousing center operations and in transport operations in Latin America. In all, 3,975 hours of training were provided for 265 members of the Safety team and 55,400 hours to train 11,080 people in the leadership and supervisory team.

We employ local occupational safety firms to carry out physical controls and provide medical assistance to our staff, if necessary. In 2023, there were no fatalities resulting from occupational accidents, occupational illness or disease.

MANAGEMENT TOOLS TO ENSURE STAFF HEALTH AND WELLBEING

— Standards and format for Hazard Identification and Risk Assessment (HIRA).
— Hazards are identified and assessed on a risk matrix.
— Incident Reporting and Investigation Standard.
— Safety Occurrences Report (SOR) Form.
— In-house flow procedure for recording, investigating, and reporting occurrences pursuant to local requirements.
— Contractor management procedure, including requirements for access to our organization's facilities, ensuring compliance with current legislation.
— Medical and nursing services that provide occupational and medical assistance to all MELI personnel, in addition to urgent and emergency care, including third parties.
— Medical attention through outsourced health centers for transportation service.
— Multidisciplinary health plan for the entire team.
— Electronic medical record system called SOC, covering all places of work, kept up-to-date in line with current standards and laws.
— Learning and awareness spaces at our Knowledge Library.
— Wellbeing Groups with opportunities for physical activity and emotional care.
— Quality of life and wellbeing campaigns.
— Occupational Health Medical Control Program (PCMSO) to minimize occupational risks and provide guidance on prevention.

0.22
total rate of reportable incidents
Employees
-21% vs. 2022

0.84
rate of lost-time incidents
Weighted average
-71% vs. 2022

Social capital

Social impact

The socioeconomic impact of our ecosystem
Taking control of finances
Democratizing knowledge and opportunities

Download

Yerbate producers from Cooperativa El Colono | Argentina
Part of our Biomes program

CONTRIBUTION TO SOCIO-ECONOMIC DEVELOPMENT

The socioeconomic impact of our ecosystem

It fills us with pride to know that every time someone chooses to buy a product on our e-commerce platform, makes a payment with our digital wallet or makes a shipment through our logistics operation, a value chain swings into action that drives the development of Latin America.

Our objective today is to multiply the opportunities and reduce the socioeconomic and geographical gaps in Latin America.

We have engaged the consultancy firm Euromonitor International to measure this impact in concrete terms and guide our future efforts. In 2023, we joined them in undertaking an impact study focused on Argentina, Brazil, Chile, Colombia and Mexico.

The research included more than 4,000 surveys of people who sell through Mercado Libre, consultants who provide them with services and Mercado Pago resellers; in-depth interviews on the logistics operation and the distribution chain; and an analysis of macro and microeconomic variables within the countries in question. The results enabled us to measure our direct and indirect socioeconomic impact and the extent to which the Mercado Libre solutions ecosystem drives development in the region.

Galvanized by the purpose of democratizing commerce and financial services in Latin America, we are committed to growing this impact, adding more people and entrepreneurs each day. We are particularly interested in adding those promoting positive socio-environmental impacts, or facing greater barriers due to geographical, economic, digital, gender, or racial disparities in accessing our ecosystem or the opportunities offered by the technology world.

Euromonitor Report 2023

+1,800,000
families depend on Mercado Libre as their main source of income

40%
generate more than half their income through the platform

27
new jobs per hour generated by the SMEs

+574,000
SMEs offer their products on the platform

+234,000
people hired by SMEs of the Mercado Libre ecosystem
In 2022

60%
only sell through e-commerce

75%
of the SMEs selling on our platform are family businesses

90%
succeeded in expanding beyond their city of origin

1 in every 5
of them is headed by a woman

50%
received their first offer of credit through Mercado Pago

+95,000
use Mercado Pago as a payment tool

A better future starts here

Positive-impact consumption is growing and attracting more people eager to adopt a more sustainable lifestyle. The Mercado Libre Sustainable Products section is part of this transformative movement and integrates our strategy to boost the positive impact of SMEs and enterprises in Latin America.

Created in 2019 to democratize access to products that benefit people and the environment, and to promote a new economy, this permanent section is available on our platform in six countries: Argentina, Brazil, Chile, Colombia, Mexico and Uruguay.

The choices we make today define tomorrow. A better future begins with the promotion of enterprises that offer positive-impact products for the whole region.

We have more than 30 categories of sustainable products, carefully analyzed by curators using social and environmental impact criteria.

We work in partnership with regionally influential organizations and groups of entrepreneurs, such as *Origens Brasil*, the *Movimento Amazonia em Casa* and B Corp, to increase the offering. In Argentina, Brazil, Mexico and, since 2023, in Chile, we have a B Gondola, a section exhibiting products of Certified B Corporations.

To boost the positive-impact offer, we also provide sales training courses for triple impact and socio-biodiversity enterprises and hold visibility and awareness campaigns for their products, such as *EcoWeek* and *Biomes in a Click*. Lastly, we have an open channel for people to suggest products with impact that they would like to find or sell on the platform.

930,000
unique publications of sustainable products

5.8 M
people purchased at least one positive-impact product
+27% vs. 2022

67,700
positive-impact enterprises and brands
+17% vs. 2022

+10.4 M
positive-impact products sold
+57% vs. 2022

Trends for positive-impact consumption

Just as we are democratizing access to products, we want to share the valuable information we get from analyzing the dynamics of our Sustainable Products section. Every year, we carry out a study of trends for online positive-impact consumption based on Mercado Libre in-house data and surveys of users who bought at least one positive-impact product.

The study's results serve as input for more regional brands and organizations to take informed decisions on promoting sustainable lifestyles. As a result, we share a report with overall data for Latin America and a report for each of the countries where we have an active Sustainable Products section.

Report on positive-impact consumption trends 2023

The best of our biomes is arriving

We bring people closer to the flavors and ancestral wisdom, helping to conserve the socio-biodiversity of Latin America.

The *Biomes in a Click* program was created to boost the sales of socio-biodiverse products, generating sustainable incomes for individuals, cooperatives and communities that contribute to preserving Latin-American biomes. The long-term objective is to ensure the survival of people in the territories and perpetuate the region's traditional wisdom as well as its sustainable production processes.
In 2023, the program was introduced in Argentina, Brazil and Mexico, in collaboration with the Avina Foundation, the consultancy firm Giral and other regional organizations. Our contributions were recognized by Reuters Events Sustainable Business in the category "Biodiversity Champion Award" for promoting entrepreneurial actions that integrate biome conservation with regional development and the promotion of the bioeconomy.

128
organizations supported

+47,600
sold products

+34,600
local producers indirectly benefited

8
iconic Latin American biomes represented

Support for local economies from SMEs

We place the best of our solutions at the service of SMEs in Latin America. We liaise with public sector entities in Argentina, Brazil and Mexico to provide tools and training in e-commerce and finance for small businesses. The aim is to give them the same opportunities as big companies and in this way help the local economies within our region.

In Argentina, since 2020 and in alliance with the provincial governments, we have organized the Provinces Official Stores program: an exclusive site in our marketplace where companies, SMEs and entrepreneurs that make regional products can sell them and showcase the local identity. We support them by providing training in efficient store management, sales and digital payments.

In Brazil, since 2021, we have had a partnership with the Ministry of Economic Affairs to support the digital and financial inclusion of artisans who are part of the Brazilian Handicrafts Program. We help create jobs and income by means of training, the sale of products in our marketplace through an official store and financial solutions.

In Mexico, jointly with local governments, we have created the "*Viva México*" project that promotes the digitalization of MSMEs through official stores on our marketplace.

ARGENTINA

370
SMEs involved in the Official Stores program

>3,500
regional products on sale

BRAZIL

+1,000
products

198
artisans participating

MEXICO

USD 16.7 M
in sales through Official Government Stores

40,000
enterprises qualified

32
stores created

Afro-entrepreneurship

Since 2018, we have been partnering with Preta Hub to support businesses led by Black entrepreneurs in Brazil, contributing to their digital inclusion and income generation, and the promotion of Black entrepreneurship, culture, and creativity.

To this end, we place our tools and know-how about online sales strategies at the disposal of participants of Afrolab, an initiative for the acceleration of Afro-entrepreneurs led by Preta Hub. We showcase their stories and products on our platform through an official, exclusive Feira Preta store and promotion and cultural appreciation campaigns.

We assist the digital transformation of Afro-enterprises in Brazil.

We also support various *Preta Hub* initiatives, such as its co-working spaces in Bahia and São Paulo; the *Pretas Potências* Award, that has recognized more than 150 initiatives of the black creative economy in Brazil; the *Feira Preta* Festival and Afrolab, which have provided training for more than 190 entrepreneurs throughout Brazil.

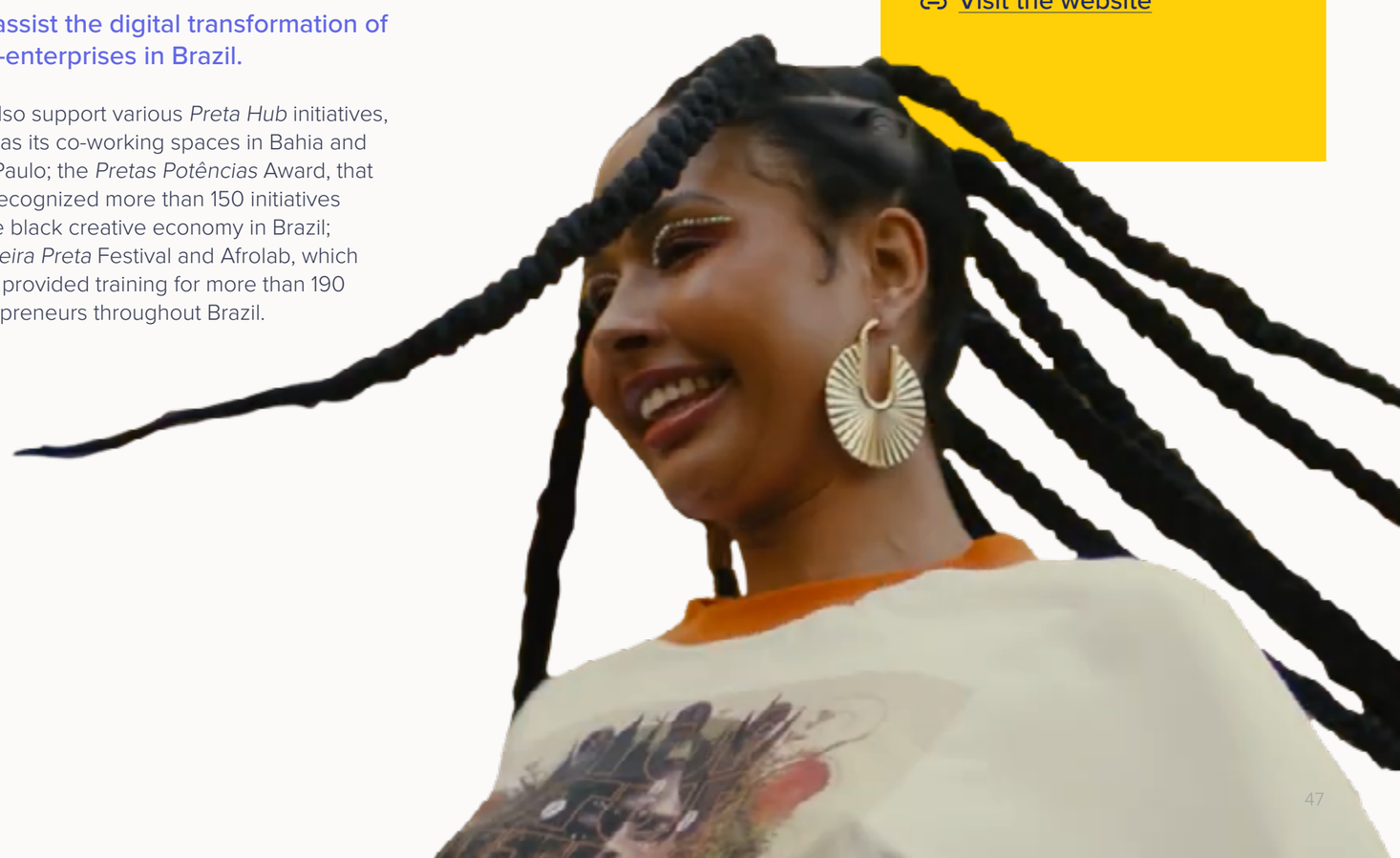
192
Afro-entrepreneurs received trained in Brazil

1,250
products sold by the official Feira Preta store on Mercado Libre

TEDx Amazonia
Brazil

In 2023, we sponsored the return of TEDx Amazonia as part of our commitment to support agents of socio-biodiversity in the region. The event was held in November in Manaus, Brazil, and included more than 40 talks on issues such as bioeconomics, income generation, territorial development, science, entrepreneurship, archeology, the rights of nature, technology, combating deforestation and conserving biodiversity.

Visit the website



EDUCATION FOR DIGITAL INCLUSION

Taking control of finances

Financial inclusion is growing everywhere in the world, but still faces major challenges in our region. According to World Bank figures[1], ten years ago, 51% of adults had a bank account and, in 2021, this had risen to 76%. In developing countries, 71% of the population has an account of this type.

The Mercado Pago value proposition helps to power this transformation in Latin America. With the aim of democratizing financial services in the region, our fintech solution proposes a complete offer based on our own data and technology, focused on including segments of the population that usually do not have traditional bank accounts.

From a digital account to insurance and payment processing, Mercado Pago offers both buyers and sellers friendly, secure and accessible solutions. In 2023, we expanded our cryptocurrency trading business in Chile, gave users of our virtual wallet in Mexico the chance to own a credit card, and since the launch of our insurance platform we had sold more than 9.73 million policies.

During 2023, we continued to work on developing tools to give people control over their finances and enable them to make informed and responsible decisions. We launched in Argentina, Mexico and Brazil, a solution for reviewing personal expenses and analyzing consumption, to provide opportunities for savings or investment. We also offer Reservas, a tool for separating money from the account for savings and to provide investment income, with the possibility of withdrawing it at any time without incurring charges.

How we promote financial inclusion

PAYMENTS AND COLLECTIONS

Money transfers -easy and accessible.

Charges: Point, payment device for credit card, debit card or QR code for small businesses; QR codes, payments links, and online integrations. **Credit cards**, with no issue or maintenance charges;transfers, in-app payments.

667.9 M
payments with QR code

30 M
unique wallet payers

116 B
total payment volume Acquiring (MPOS, QR, payment link)

66.9 B
total payment volume digital account

LOANS

Financing solutions for those with no access to credit in the traditional financial system. Instant and simple online loans, with tech-driven solutions and AI-based scoring systems.

13.6 B
granted in credit

>45 M
loans granted to entrepreneurs and SMEs

SAVINGS AND INVESTMENT

Invest and earn income, with low risk and the money available when needed. With the guarantee of a common investment fund administered by and in the custody of financial system companies. Buying and selling of cryptocurrencies. Reserve tool to separate amounts of money with a predetermined goal.

30.4 M
people investing with Mercado Pago in Argentina, Brazil and Mexico

LIFE AND ACCIDENT INSURANCE

Insurance for personal accidents and life coverage; theft and damage to phones; and comprehensive protection for people who have never had this type of protection before.

9.73 M
Insurance policies issued

1 World Bank, 2021. Global Findex 2021.

Financial education for financially rewarding inclusion

With Mercado Pago we have created the conditions to empower people to assume full control of their financial lives and operate in the formal economy. We also provide thousands of SMEs and entrepreneurs with the possibility of adding new collection channels and expanding their capacity to generate income.

But there are still major gaps in access to the system because of gender, income or educational level. In Latin America, although overall access to bank accounts has increased, the gender gap has widened by some 3 percentage points. And this is not the case just in access and usage, but also in the knowledge and skills needed for proper inclusion. This is why we are taking action now. We support financial education initiatives to make inclusion effective and rewarding.

We promote initiatives that encourage good practices in financial and social education, especially for women entrepreneurs and young people. Our programs are aimed at improving users' comprehension of financial products and concepts to develop the skills and confidence needed to be more aware of financial risks and opportunities.

We have reinforced the social role of Mercado Pago with initiatives to promote financial inclusion among communities with more educational disadvantages or difficulties in accessing the financial system.

Personal finance for young people

In 2021, Mercado Pago revolutionized personal finances in Argentina by offering digital accounts to 13 to 17-year-olds. Young people require the authorization of an adult to activate accounts; and can be used to deposit money, make payments with a QR code and obtain a prepaid debit card. In 2023, teenagers were also offered the possibility of investing in a Common Investment Fund, with the financial services ecosystem BIND as administrator and custodian. More than 1 million teenagers use Mercado Pago.

It is still a challenge to reduce educational gaps and ensure responsible usage of the accounts, and help young people to make informed decisions about their own finances. We therefore continue working with Junior Achievement, a personal finance program aimed at students in public schools in the region. It consists of an online course in three modules to be completed in one month with consulting rooms, a virtual campus and content on budgets, savings, insurance, borrowing and investment. A certificate is issued to those who complete the course.

>3,400
young people trained in finance

118
schools reached

79%
consider themselves competent to handle their personal finances in physical and/or digital environments

69%
consider themselves competent to compare prices

Financial, digital and leadership skills are critical for women entrepreneurs to plan, develop and promote their businesses.

Empowering women entrepreneurs

Latin America is the region with most enterprises headed by women in the world, according to The Global Entrepreneurship Monitor. There are more than 7 million MSMEs in the region and more than 50% of them are run by women.

In spite of being promoters of the economy and generators of employment, women entrepreneurs in Latin America are the ones who face most barriers to financial management services and tools, which are key to the formalization and growth of their businesses. 73% of Latin SMEs headed by women fail to obtain sufficient funding to grow their companies or are completely excluded from financial institutions (International Finance Corporation, 2017).

There are other factors limiting the creation of a fair financial ecosystem for female entrepreneurs in the region, such as gender-role perceptions; the lack of business education; discrimination due to gender, socioeconomic level or race; and the shortage of gender-focused products and services.

We know that education is a key factor enabling other dimensions of financial inclusion, such as financial wellbeing and productive development.

Mercado Pago has partnered with *Pro Mujer en Hispanoamérica* and with *Aliança Empreendedora* and Barkus, in Brazil, to improve the financial education of women entrepreneurs in the region. The initiative is focused on boosting their income-generation capacity and helping them plan a sustainable future for their business. In this way, the women gain access to educational content at each stage of their enterprise, acquire digital skills for leadership, personal development, finance and sales, connect with other female entrepreneurs in the region, and receive advice and personalized support. This alliance is with them throughout the development cycle of their business, and through it we seek to create a network of female entrepreneurs in Latin America.

3,160
certified entrepreneurial women
+5,000 since the start of the program
In 2022

64%
improved their financial skills

86%
adopted the use of budgeting in their businesses

85%
claims to have incorporated digital channels and/or online payment solutions

Culture of giving

We support the construction of supportive digital citizenship by reinforcing the ability of social organizations in Latin America to raise and manage funds.

Mercado Libre Solidario is our program to help civil organizations in Latin America raise funds and assist them in scaling up their proposal to construct a fairer, more caring and more equal society.

Mercado Libre Solidario uses technology to connect NGOs with millions of supportive people. It operates in Argentina, Brazil, Chile, Colombia, Mexico, Peru, Uruguay and Venezuela.

When joining the program, the organizations get access to training and digital tools to simplify fundraising and management. They receive donations through Mercado Pago, subsidized sales of products or services, financial management of operations, investment of funds available in their digital wallet, connection with other organizations in Latin America and participation in campaigns sponsored by Mercado Libre.

USD
>33.2 M
transacted through *Mercado Libre Solidario*

>3,900
organizations signed up

Donate Button

We created the Donate Button to multiply the impact of the best initiatives and add our support to important social and environmental causes. It is a permanent feature within Mercado Pago that permits users to channel donations to different NGOs quickly, transparently and securely through the app.

The button, which is available in Argentina, Brazil and Mexico, has a special role in emergency situations, like fires and floods. In 2023, we used it to raise funds for the populations affected by an extratropical cyclone in Rio Grande do Sul, Brazil, and Hurricane Otis in Acapulco, Mexico. It is also intended to help strengthen the everyday donation culture, supporting the work of NGOs of different sizes and causes, for which donations account for a major part of their financial planning.

We use our solutions to promote the digital donation culture and take action in the event of social or environmental emergencies.

USD
356,166
raised for the NGOs supported by the Donate Button

We believe that education in technology has the potential to be a powerful engine for socioeconomic growth in the region.

EDUCATION FOR DIGITAL INCLUSION

Democratizing knowledge and opportunities

We want people to be able to take advantage of the thousands of possibilities for studying, starting businesses or working offered by the science and technology industry. And we know that education is the best way to democratize these opportunities.

According to World Bank estimates, 149 million new jobs will have been created in the technology industry worldwide by 2025. In our region, the reality falls far short of being able to meet this demand. Only 26% of university students in Latin America are doing Science, Technology, Engineering and Mathematics (STEM). A closer look shows that women account for less than 30% of those in engineering and technology careers in the region.

We know that the technology industry is and will continue to be one of the big generators of job and business opportunities in the world. We want to close gaps and increase access to the knowledge and skills that will permit our young people to take advantage of these opportunities. We therefore focus our education initiatives on democratizing access to quality educational proposals, to let young people start their journey in technology, deepen their knowledge and make their projects and ideas a reality.

Beta Hub

Active education that is technology-based and centered on the person has the potential to empower new generations and promote their autonomy in designing their own projects to make their voices heard and prioritize their interests. Accordingly, in 2023, we launched Beta Hub, a learning community aimed at encouraging teenagers in Latin America to use technology to change their world.

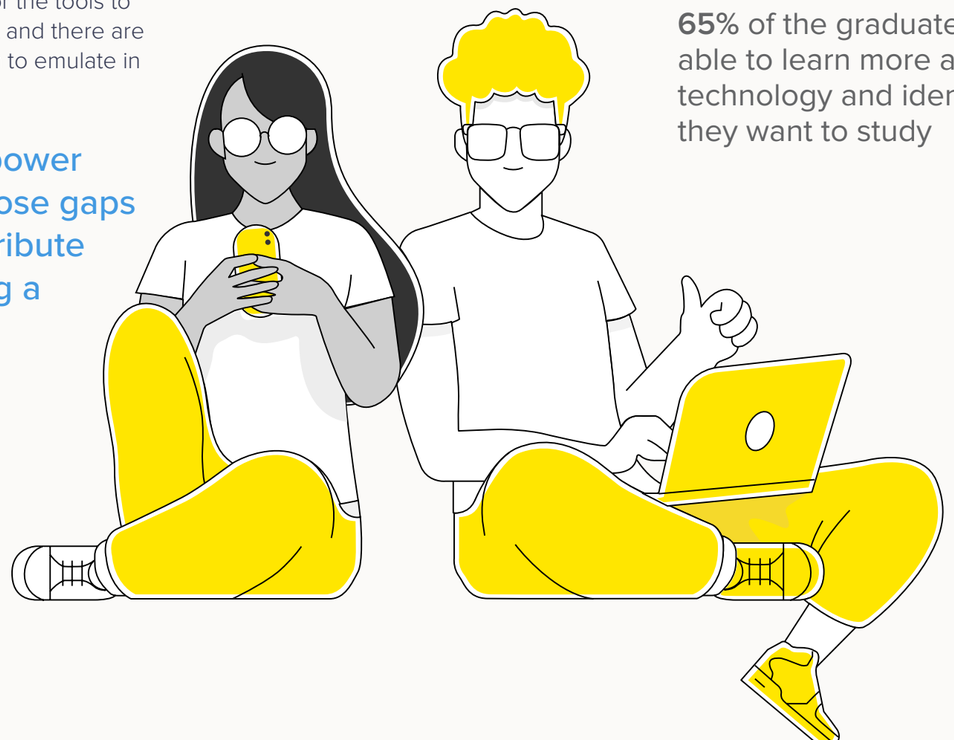
Training in tech-related skills is a challenge for the region. In Latin America there are more than 44 million young people aged 15 to 18 (PAHO, 2018) with potential to create projects involving technology. However, when they leave school, at the stage where they are most open to exploring, learning and discovering their passions, they show little interest or ability to develop in this environment. Digital learning at school does not give them the guidance or the tools to develop transformatory skills, and there are no examples nearby for them to emulate in wanting to do so (ILO, 2022).

We believe in the power of technology to close gaps in access and contribute towards developing a fairer society.

Beta Hub offers free training and content to young people aged 16 to 18, and an interactive space where teenagers of both sexes are challenged to progress from being users to becoming creators of technology-based solutions. The community provides a connection with specialists, leaders in the area and peers with similar interests, providing them with tools and inspiring them to make their ideas a reality.

We support this community with education and technology organizations in Latin America which share our views on diversity and inclusion and the DNA for project, agility, opening up, collaboration and work in the ecosystem.

Online platform



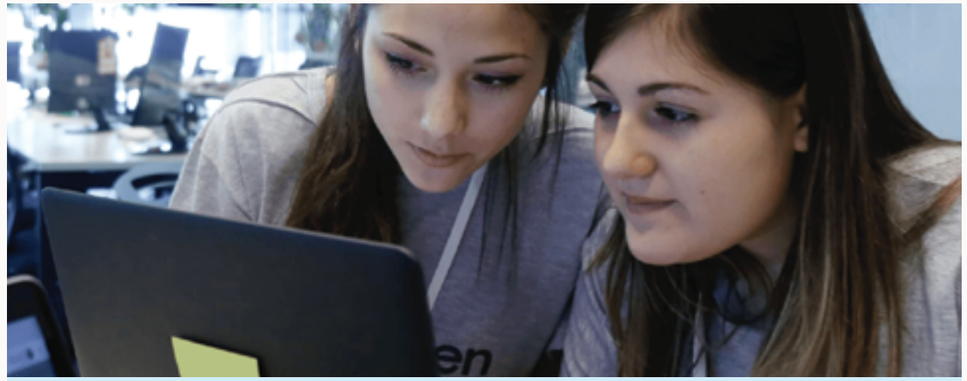
9,000
young people registered on the platform

2,218
scholarships granted

10
partner organizations

1,180
young people graduated

65% of the graduates were able to learn more about technology and identify what they want to study



Conectadas

Our program to bring more girls and young women to technology had its third anniversary in 2023. It is an immersive, online, free-of-charge initiative targeting 14 to 18-year-old women, aimed at providing them with tools and contact with positive references in the world of technology, to develop their self-confidence and empower them to create solutions for the challenges they identify in the region.

We have introduced the program in Argentina, Brazil, Chile, Colombia, Mexico, Peru and Uruguay. We are working in partnership with *Chicas en Tecnología*, an organization promoting the construction of technology that contributes to gender equality; and with {*reprograma*}, a Brazilian social company that teaches women programming, prioritizing the black and trans communities.

929
young people in Latin America took part in *Conectadas*
In 2023

145
projects of impact devised by the participants

84%
discovered that they enjoy studying, investigating and working in the technology area

93%
learned about the options for training and professional development in technology

Certified Tech Developer

The job market is calling for more and more people with knowledge of programming. But, according to the Inter-American Development Bank (IDB), there is a shortage of more than a million people with this ability in Latin America to meet estimated demand for 2025.

In the face of these facts, in 2021, we joined forces with Globant and Digital House to co-create the Certified Tech Developer program and help give more people the best training to take advantage of opportunities in the knowledge economy. The initiative provides grants to young people for technology careers in Argentina, Brazil, Chile, Colombia, Uruguay and, starting in 2023, Mexico, Peru and Ecuador.

We capitalize opportunities in the knowledge industry by unlocking digital talent in the region.

The training course, which is online, lasts for two years. It uses agile methodologies with an emphasis on practice and the needs of the technology jobs market. On completion students receive a technical grade certificate which gives access to the technology jobs market at a competitive salary level. In June 2023, 29 graduates were awarded their Professional Developer diploma.

2,538
graduates

>7,800
students completed the program
39% women

>1,100
scholarships
45% to women

Tax incentives

Brazil

We use the tax incentives under Brazilian law to channel funds to initiatives aligned with our strategic objectives in the areas of culture, sport, health and defense of the rights of children, adolescents and the elderly.

USD 4.6 M
allocated to supported projects

Natural capital

Environment

The challenge of sustainable growth
Carbon footprint
Sustainable mobility
Circularity of materials
Energy management
Regeneration and conservation

Download

Pau Brasil | Brazil Biomes

CLIMATE CHANGE: ENERGY, MOBILITY AND PACKAGING

The challenge of sustainable growth

In 2023, 84.6 M people made 1.4 billions purchases on our platform and we delivered 1.37 billion packages, 31% more than in the previous year. Such growth would not have been possible without a modern, innovative logistics system, dedicated to ensure that each order reaches its destination safely, quickly and in good condition.

But we know that as our business grows and reaches more people, our environmental impact also increases. And so does our commitment to the sustainable development of the region.

We are a technology company with a robust logistics force, and the main environmental impact comes from our operations and the value chain. We liaise with entrepreneurs, solutions providers, local government and specialists to overcome technological, cultural and infrastructural barriers in the region in which we operate.

For this we need teamwork. We create alliances with the key players in the regional logistics chain to implement techniques and facilitate development of disruptive solutions that can be scaled up in our market and industry: to achieve the best results.

We combine existing solutions with potential innovations to feed our long-term environmental strategy.

Environmental strategy

We have designed a strategy to minimize our negative environmental impact and maximize the positive elements, as we grow and extend our reach to more people. In designing the strategy we took into account the opportunities for improvement identified through measuring our carbon footprint, and the risks and opportunities related to climate change in our business.

Most of our Scope 1 (direct) emissions come from the logistics fleet and in the case of Scope 2, from the energy consumed by the distribution centers (DCs). Accordingly, the focus of action of our environmental management, aimed at reducing and mitigating these impacts, is based on three axes: energy management, circularity of materials and sustainable mobility. These pillars are intrinsically bound up with the logistics operation and are centered on actions with high potential for reducing emissions.

Environmental strategy

Carbon footprint measurement

Reduction and mitigation of emissions

SUSTAINABLE MOBILITY

We are reducing the impact of our logistics operations, mainly through an increase in our fleet of electric and low-emission fueled vehicles, with alliances that let us adopt innovative solutions throughout the value chain.

CIRCULARITY OF MATERIALS

We have introduced processes for the recovery of materials and goods generated in our operations, testing and introducing innovative, scalable packaging solutions to reduce the impact of the use of resources.

ENERGY MANAGEMENT

We have boosted our energy efficiency and the consumption of energy from renewable sources, and our aim is to shift 100% of our DC operations to clean energy.

Conservation and regeneration

We finance initiatives for the conservation and regeneration of iconic Latin-American biomes, contributing to the future generation of carbon credits, the preservation of biodiversity and the wellbeing of the communities.

CLIMATE DISCLOSURE

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

CDP DISCLOSURE INSIGHT ACTION

Disclosure of impact on the climate

We supplement our strategic vision by working with international outfits that enable us to get a deeper understanding of our impact on the climate and back up our initiatives for cutting emissions.

TASK FORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURES

We are Latin America's first e-commerce company to publish a TCFD (Task Force for Climate-Related Financial Disclosures) Report, which helps us identify and evaluate the current and potential climate risks and opportunities of our business.

TCFD Report

CARBON DISCLOSURE PROJECT

Since 2020, we have been completing the Carbon Disclosure Project (CDP) questionnaire on climate change, which helps us identify risks and opportunities, as well as following up and making a comparative assessment of our progress.

cdp.net

CLIMATE CHANGE: ENERGY, MOBILITY AND PACKAGING

Carbon footprint

Since 2016, we have been measuring our carbon footprint equivalent in each of the three scopes, using internationally recognized methods such as Value Chain (Scope 3) of the GHG Protocol, The GLEC Framework, DEFRA, IEA and IPCC. Each year we improve the calculation, making it more accurate and compatible with the reality of our business.

Apart from accurately measuring the environmental impact of our operations, we take into account the emissions of our entire value chain, including a robust Scope 3 inventory. With a state-of-the-art approach, we have developed a strategy for our road, maritime, and air transport providers that includes measurement and reporting of their carbon footprint as an integral part of our commercial partnerships. This way, we can measure and effectively manage our environmental impact, ensuring transparent and responsible relationships throughout the supply chain.

A detailed assessment of our emissions inventory enables us to identify where we must concentrate today to effect a transformation.

GEI Inventory

Scope 1
Direct emissions

567,156
tCO_2e

vs. 2022 | 78.27%

LOGISTICS FLEET
Vehicles under the operational control of Mercado Libre

COMPANY VEHICLES

AIR-CONDITIONING
Fugitive gases

FUEL FOR BACKUP GENERATORS

Scope 2
Direct emissions, from electricity consumption

16,864
tCO_2e

vs. 2022 | -5.49%

ENERGY CONSUMPTION
At worksites and offices

Scope 3
Indirect emissions

1,375,455
tCO_2e

vs. 2022 | 26.09%

PURCHASE OF PRODUCTS AND SERVICES
Office supplies and inputs for logistics operations

TRANSPORT AND DISTRIBUTION
Outsourced services where Mercado Libre does not have operational control, such as sea and air transport and transport services operators

WASTE
Emissions generated by recycling, composting and transporting to landfills of our operations waste

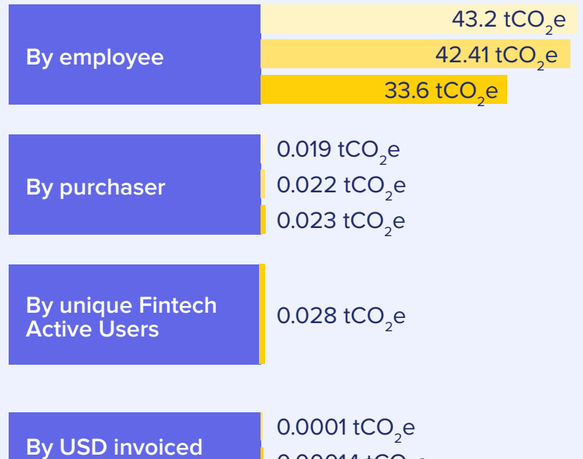
BUSINESS TRIPS

EMPLOYEE MOBILITY

MANUFACTURE, USE AND DISPOSAL OF PRODUCTS SOLD
Direct sale products, payment machines and Mercado Pago cards

TOTAL
1,959,475 tCO_2e

Emission intensity



2021 | 2022 | 2023

Emission of greenhouse gasses
In tCO_2e

	REPORTED 2021	2022	ADJUSTED 2022	2023
Overall estimate	**1,293,925**	**1,694,430**	**1,426,856**	**1,959,475**
Scope 1	343,554	469,550	318,140	567,156
Scope 2	11,510	17,844	17,844	16,864
Scope 3	938,861	1,207,037	1,090,872	1,375,455

CLIMATE CHANGE: ENERGY, MOBILITY AND PACKAGING

Sustainable mobility

Getting our products to their destination is one of the main sources of direct emissions of our operations. To ensure safe, quick and efficient deliveries, we use a mix of methods including road, maritime, urban and air transport. We are firmly committed to reducing emissions and mitigating the environmental impact associated with each of them.

The projects we execute are beset by challenges, such as the limitations of the electromobility market and the lack of freight infrastructure throughout the region. As a result our sustainable mobility initiatives are also focused on developing and expanding facilities of this sort, to boost development of the market throughout the region.

We are also aware that this transition represents a major opportunity for the region, and we therefore work with members of the regional logistics chain to find the best solutions for local challenges as a team.

+22 M
packages delivered through sustainable mobility

We engage the entire logistics chain in the challenge of achieving sustainable mobility based on low-emission fuels.

Faithful to our undertaking, in 2023, we multiplied our investment by 288% in this pillar of our environmental strategy, employing it in initiatives divided into three axes: logistics efficiency, alternative fuels & fleet and technology.

Logistics efficiency

From the moment someone clicks the “Buy” button until they receive their order, a state-of-the-art logistics operation is activated. In 2023, it ensured that 75.7% of shipments reached their destination in less than 48 hours.

Every time someone buys a product, our technological solutions check whether the item is stored in one of the Mercado Libre “fulfillment” centers, which is what we call our huge warehouses. From the fulfillment center, depending on the routes, the shipment is transferred to a cross-docking center, from which the middle-mile delivery trucks depart. At this stage we use artificial intelligence to optimize routes and select the delivery method, improving speed and fuel-use efficiency. In addition, the installation of real-time data meters in the fleet has improved the accuracy of information relating to safety and environmental matters. Real-time follow-up facilitated by telematics technology means more rapid deliveries and permits efficient operational planning.

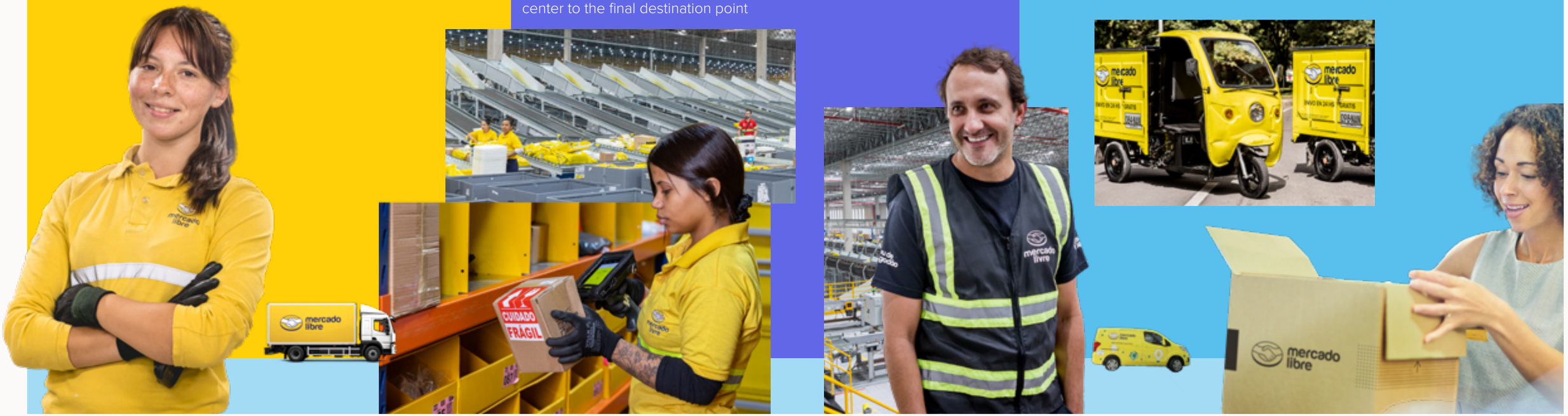
With direct routes and the most efficient vehicles we reduce the environmental impact of our shipments.

The order is about to arrive. The product is transported from a cross-docking center to a service center: the site closest to the final destination. From there, it is taken to the delivery address by one of a fleet of last-mile urban vehicles. This is the stage where we are adding more and more electric vehicles.

FIRST MILE
Transportation of products from sellers to fulfillments or large facilities

MIDDLE MILE
Transportation of products from fulfillments to cross-docking facilities located in key cities of the region and from there to the nearest service center to the final destination point

LAST MILE
Shipment from nearest service center to the arrival point



Electric fleet

We are on the look-out for the latest innovations in the market so that our fleet can continue to grow and modernize. The company plans to increase its fleet of electric vehicles to 10,000 in the next few years. We approach our undertaking from a comprehensive perspective with the aim of not just including electric vehicles, but also establishing robust charging facilities in all the countries in which we operate.

2,321
electric vehicles
+191.2% vs. 2022

2,430
tCO_2 reduction
vs. diesel

In 2023, we multiplied our electric fleet by about three times compared to 2022, thanks to the joint effort with the main players in the logistics sector of Latin America and the enormous effort of internal teams, becoming the largest electric fleet in the region.

In 2023, we had 2,321 electric vehicle deliveries in Brazil, Mexico, Colombia, Chile, Uruguay and Argentina. This type of transport lets us cut 90% of carbon emissions for deliveries compared to similar diesel vehicles, depending on the country of operation. As added value, electric vehicles are less noisy, which improves the quality of life in cities.

Distribution of electric fleet

Brazil
VANS 940
UFVs [1] 66
TRICYCLES 3
1,009
Total
Brazil

Mexico
VANS 870
MOTORBIKES 30
900
Total
Mexico

Chile
VANS 301
301
Total
Chile

Colombia
VANS 87
TRICYCLES 17
104
Total
Colombia

Uruguay
VANS 2
2
Total
Uruguay

Argentina
VANS 5
5
Total
Argentina

1 Urban Freight Vehicles

Alternative fuels

Another effective way of cutting emissions from our logistics is to use low-emission or renewably-sourced fuels. We have therefore invested in developing a fleet of trucks running on natural gas, a fuel that emits around 18% less carbon than diesel, and biomethane, a fuel made from organic waste, that has the potential to significantly reduce emissions in comparison with diesel.

169
vehicles use natural gas

14
vehicles use biomethane among other fuels

Innovation to speed up low-carbon logistics

Innovation is in the DNA of everyone who works in Mercado Libre. The challenges drive us to think up new, disruptive solutions. And our entrepreneurial and collaborative spirit inspires us to make alliances with the best partners. This is what we have done while seeking answers to pointing the logistics context of Latin America towards the future.

We have joined up with Newlab, a US-based innovation laboratory that encourages collaboration between entrepreneurs, scientists and engineers to develop cutting-edge technologies. We carried out a collaborative study with this organization to explore and integrate emerging logistics technologies with low carbon emissions sourced from worldwide enterprises and new companies.

We concentrated on testing prototypes and implementing innovative solutions for last-mile distribution of shipments, and potentially the middle mile, with special emphasis on high-traffic deliveries and densely populated regions.

In 2023, we issued an invitation to startups around the world working on sustainable mobility, and received replies from 128 organizations, 62% of them in Latin America. In 2024 we will analyze the results and start implementing some projects.

The invitation was for projects focusing on:

MICROMOBILITY
Use of lightweight electric vehicles for efficient urban deliveries and navigation.

RETROFITTING
Conversion of vans with internal combustion engines into profitable, high-yield electric mobility solutions.

SHARED PRIVATE FREIGHT
Installation of freight solutions using electric vehicles in shared parking lots.

PORTABLE CHARGERS
To provide portable electric chargers that are reliable, smart and cost-effective.

LIVE PLANNING AND OPTIMIZATION PLATFORMS
Real-time optimization of form and infrastructure factors for electric vehicles, routes and fleet management.

AIR DELIVERY
Use of drones and unmanned flying vehicles for rapid, economical results.

128
projects submitted

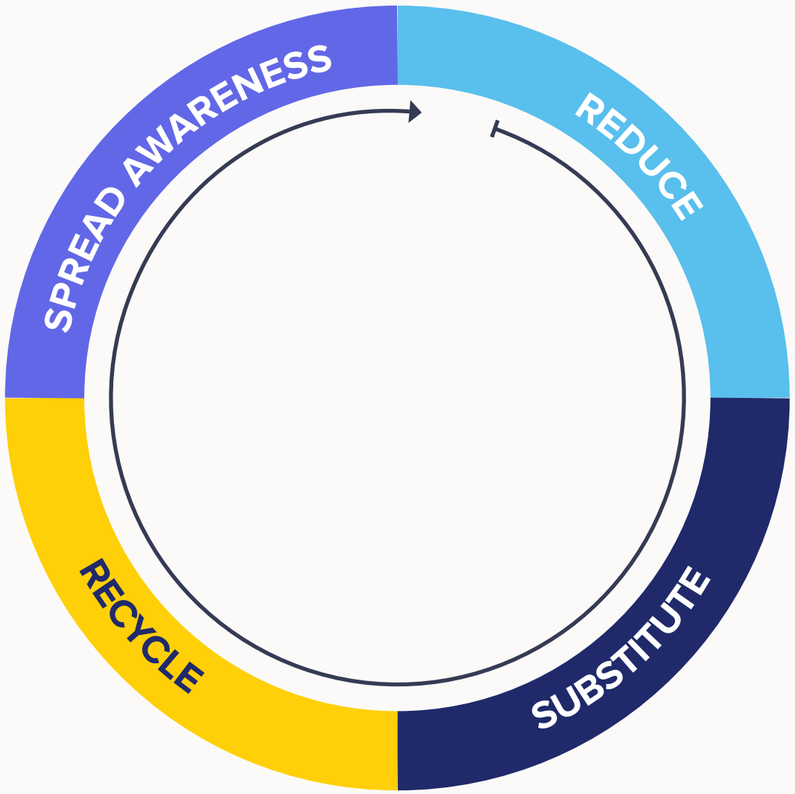
80%
qualified to participate

CLIMATE CHANGE: ENERGY, MOBILITY AND PACKAGING

Circularity of materials

The entire logistics, technological and support operation for buying and selling on our e-commerce platform, and transporting items generates waste. And this represents 1.11% of our carbon footprint.

We seek solutions for minimizing the volume of material sent to landfills and for reinserting it in the productive cycle, encouraging the circularity of materials. We are working on three fronts: reduce, substitute and recycle, as well as making people in our value chain aware of the issue.



Reduce

Efficient use of inputs

— Shipping products in primary packaging.
— Lower grade bags without affecting strength.
— Bigger selection of boxes to improve fit.
— Reconditioning of wooden pallets.
— Elimination of the tubes inside rolls of plastic film.

Substitute

Substitution of essential materials by others with lower environmental impact

— Use of recycled cardboard and plastic in our packaging, instead of virgin raw material.
— Substituting durable containers for disposable ones.
— Designing bags that can be reused in the product line.

Recycle

We have sponsored a regional recycling program, with separation, selective collection and recovery of waste at source, such as cardboard, paper, plastic and pallets. More than 85% of the dry material from our distribution centers is recovered in collaboration with local organizations.

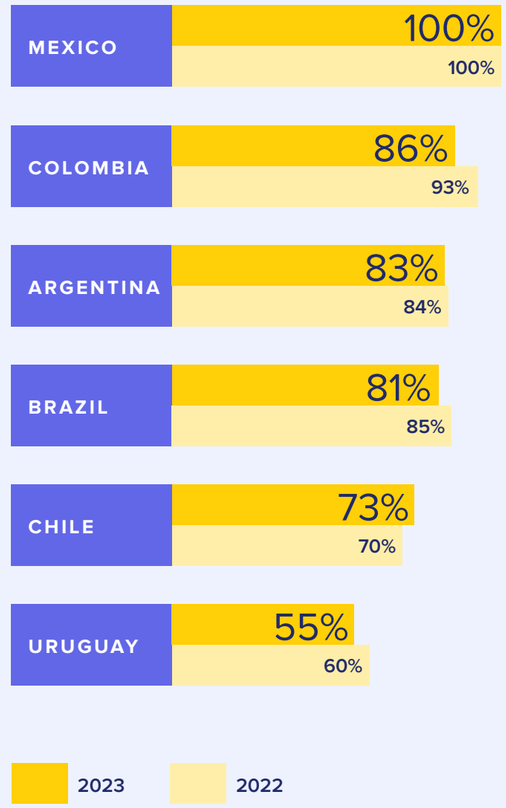
In the case of organic waste, at our headquarters in Osasco, Brazil, we have two industrial composters managed in collaboration with Empresas B. These composters transform about a ton of organic waste per week into rich fertilizer that is donated to the Coopernatuz Cooperative for its community orchards programs which provide more than 70 jobs.

Spread awareness

We invite buyers on our marketplace to join the circular economy. We give them recommendations on how to best dispose of the packaging materials in their homes, through a QR code on the shipment labels.

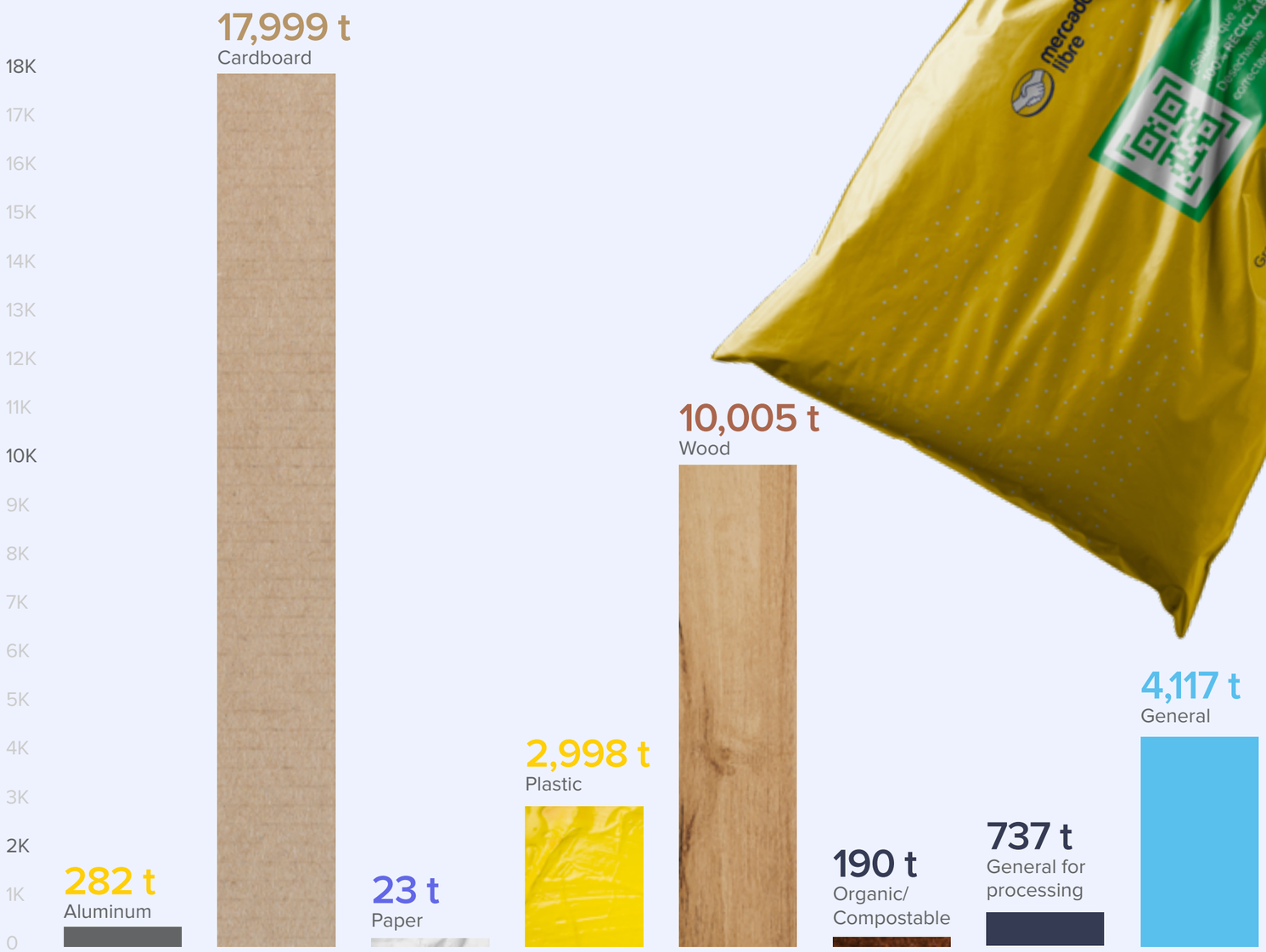
88%
waste recovery rate

By country
From highest to lowest



Waste management

Composition of waste generated



Reverse logistics

For products that are returned to us for any reason, we have a reverse logistics program that executes a rigorous evaluation of each item, to optimize inventory management and minimize the amount of material scrapped. Each product is assessed and classified, in order to return it to the value chain through donations, resale to other companies or recycling.

Thanks to this program, we recover 97% of all products returned, preventing those materials going to landfills.

97%
of exchanged or returned items recovered

Innovative packaging

We ensure that every shipment has the optimum packaging to protect both the product and the environment. So we analyze its size, materials and recyclability. We use technology and creativity to find solutions to give users a better experience while reducing the environmental impact.

Our DCs have a smart solution that measures the volume of each item to define the ideal package size and ensure safety without wasting material.

100% of the packaging of the products leaving our DCs is recyclable, reusable or compostable.

We ensure the circularity of materials encouraging the reuse of recycled content in our packaging. All the boxes used in our operations are made of at least 30% of recycled cardboard. In 2023, 80% of the boxes contained 50% of recycled material. In addition, the cardboard we use for packaging is traceable in its value chain, and certified or in the process of certification by the Forest Stewardship Council (FSC). This seal guarantees that the product was manufactured under responsible forest management.

In the case of the plastic bags used for shipments, in Argentina and Mexico, we have reached 50% of their content being recycled. And we are committed to reformulating the composition of the bags to steadily reduce their percentage of virgin plastic. Thanks to this initiative, in 2023 we successfully prevented the use of 900 tons of plastic.

At the same time, since 2020, we have promoted the shipping of certain products in their primary packaging, without further packaging. This way, we contribute to the reduction of materials, optimizing space and, with it, the fuel used for transport. In 2023 this type shipment continued to grow, reaching 15% of products.

100% recyclable, reusable or compostable

BOXES

BRAZIL

20%
minimum recycled content

40%
average recycled content

ARGENTINA

39%
minimum recycled content

95%
average recycled content

MEXICO

50%
minimum recycled content

55%
average recycled content

CHILE

69%
minimum recycled content

69%
average recycled content

BAGS

ARGENTINA

30%
minimum recycled plastic

Up to
50%
average recycled plastic

MEXICO

50%
minimum recycled plastic

Up to
50%
average recycled plastic

CHILE

100%
compostable

PRIMARY PACKAGING

BRAZIL

16%
of shipments

ARGENTINA

26%
of shipments

MEXICO

13%
of shipments

CHILE

14%
of shipments

CLIMATE CHANGE

Energy management

Every shipment we handle requires energy to reach its destination. One of our main sources of emissions is in the logistics system, especially in the DCs. This is because of the energy required for the high degree of automation of the shipping processes, guaranteeing top quality and speed.

In analyzing this element of our consumption, we find two areas of opportunity for a reduction in emissions: energy efficiency through smart measurement and a transition to the use of energy from renewable sources.

Energy efficiency through smart measurement

We have installed smart measurement systems that use sensors with IoT technology, which give us a remote, accurate and real-time picture of the energy consumption of our DCs throughout Latin America. Smart sensors and dashboards provide information for us to create engineering projects to optimize the energy efficiency of our operations.

103 distribution centers have smart measurement sensors throughout the region.

Electricity consumption (in KWh)

COUNTRY	2022	2023
Argentina	13,096,407 kWh	13,736,461 kWh
Brazil	59,369,393 kWh	73,935,216 kWh
Chile	4,187,383 kWh	6,344,907 kWh
Colombia	2,016,167 kWh	1,837,799 kWh
Mexico	25,724,048 kWh	48,610,917 kWh
Peru	-	39,606 kWh
Uruguay	753,475 kWh	780,948 kWh
Venezuela	57,335 kWh	87,245 kWh
Total offices and DCs	105,204,209 kWh	145,373,099 kWh
Energy intensity (KWh/m²)	**51 KWh/m²**	**55.6 KWh/m²**
Energy intensity (KWh/package)	**-**	**0.106 KWh/package**

ENERGY CONSUMPTION WITHIN THE ORGANIZATION	2022	2023
Total consumption of fuel from non-renewable sources within the organization in gigajoules, including types of fuel used (Diesel)	5,786,705 GJ	7,929,037 GJ
Total consumption of fuel from renewable sources within the organization in joules or multiples, including types of fuel used		
Total electricity consumption (in Gwh)	105.21	145.37
Total electricity consumption (in gigajoules hour)	378.76	523.34
Heating consumption (in joules, watt-hours or multiples)	0	0
Cooling consumption (in joules, watt-hours or multiples)	0	0
Steam consumption (in joules, watt-hours or multiples)	0	0
Total energy consumption within the organization, in gigajoules	6,165,461 GJ	7,929,560 GJ

Transition to renewable energy

We are speeding up the energy transition of our operations, with the aim of reaching 100% supply from renewable sources. We are applying two tactics: power purchase agreements for clean energy generated outside our facilities (PPA and distributed generation) and the installation of solar energy plants at our sites.

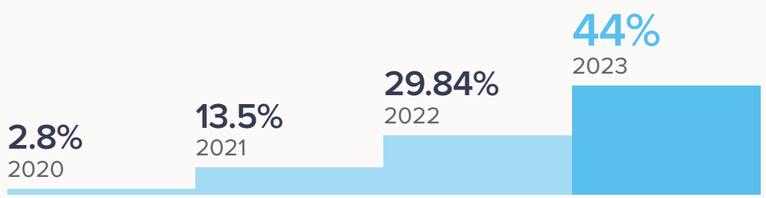
Because of the high degree of mechanization and automation at the fulfillment centers, they consume a lot of energy. The largest centers represent 20% of operations and around 52% of our energy consumption. So this is where we concentrate our initiatives for efficiency and transition to clean energy.

Our aim is to shift 100% of our DC operations to clean energy sources by 2035.

In 2023, 6 sites in Brazil were supplied from the free energy market and more than 7 from distributed generation, totaling around 63% of our consumption in the country. In Chile, 82% of the total energy consumption of our sites comes from renewable energy, and in Mexico, around 26%.

At the close of each year, we purchase I-REC certificates for all the renewable energy consumed during the period. These certificates ensure total traceability of the renewable energy we use in our operation and avoid multiple accounting or sales to a number of players at the same time.

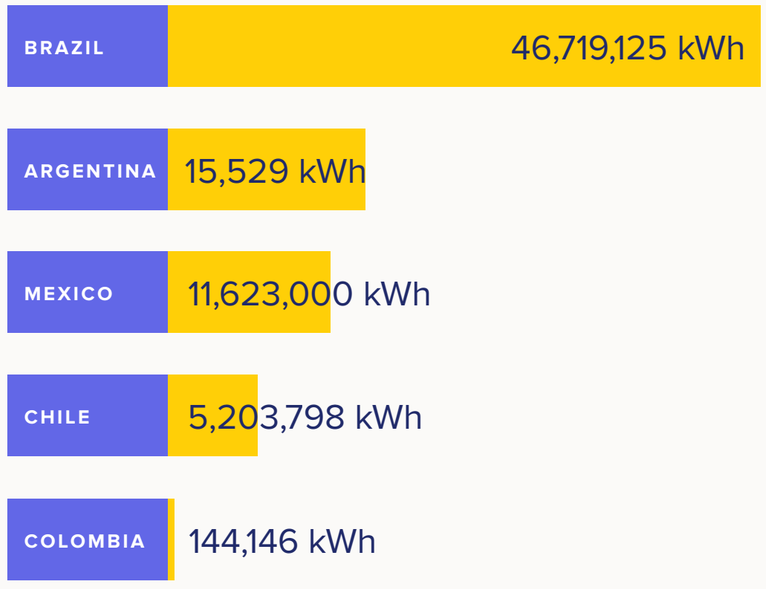
RENEWABLE ENERGY IN OUR OPERATION



63,705,598 kWh
total renewable energy

13
distribution centers and offices migrated 100% to renewable energy

32
distribution centers and offices supplied partially from clean sources



Solar energy in Colombia

In 2023 we inaugurated a photovoltaic system at the Storage and Distribution Center (CAD) located in the Funza Operations and Logistics Zone (ZOL), in Bogotá, consisting of 1,088 solar panels.

The system generates more than 550,000 kWh a year, supplying more than 50% of operational energy needs.

The energy generated by the solar panels at the Funza CAD contributes to a reduction of CO_2 equivalent to the carbon absorbed by 15,000 trees.

CLIMATE CHANGE: ENERGY, MOBILITY AND PACKAGING

Regeneration and conservation

Our *Regenera América* program supports projects for the regeneration and conservation of native ecosystems in Latin America, home to some 40% of global biodiversity. These initiatives, which supplement our efforts to cut emissions, will be part of a project to generate carbon credits in the short, medium and long term.

Since 2020, the program has financed projects combining protection of biodiversity with carbon capture from the atmosphere. We join forces with local communities, specialists and producers and, by applying cutting-edge technology and encouraging nature-based solutions, we help mitigate the impacts of climate change, and preserve biodiversity and people's wellbeing.

The program connects the entire chain of people and organizations to complete each stage of these initiatives. This means starting with the design of a carbon project, planning and implementing the restoration or conservation activities – selection, signing and preparation of lands; collection of seeds; planting and raising trees during the early years to ensure their survival – to monitoring the project to quantify and check its progress, and subsequently issuing carbon credits, ensuring that they are traceable.

We have established a strategic alliance with Pachama for this purpose, and they help us connect the whole chain with local people and organizations in the region who are involved in the project. In addition, this Silicon Valley start-up is developing technological tools, based on artificial intelligence and satellite data, to provide close-up monitoring of the projects transparently and scalably.

In 2022, we issued the first invitation for bids for regeneration and conservation projects under the scope of Regenera América. We received more than 100 proposals from 9 countries and 16 biomes in Latin America and we selected three initiatives which were supported: Curuá, in the Paraense Amazon, in partnership with Future Carbon; Novas Florestas, in the Atlantic Forest of São Paulo, in partnership with the NGO Pick-upau; and Corredor Campeche, in the Mexican Mayan Jungle, in partnership with the NGO Toroto. In addition to these initiatives, we expanded support for the projects Águas do Rio, with the NGO ITPA, Corredores Pau Brazil, with the NGO Natureza Bela, and Café Apuí, with IDESAN, initiated in Brazil the previous year.

In Mexico, we collaborated with Toroto, an organization that designs forest and regenerative agricultural projects to facilitate carbon compensation and help develop local communities that are prepared to manage their lands sustainably. In Brazil, we are working with the environmental NGO Pick-upau and the Future Carbon Group on new projects in the country.

Regenera América in figures

USD
23.5 M
of investment
>**USD 5.9 M** in 2023

14,587
hectares in restoration and conservation
>**8,200** in 2023

1.8 M
trees to be planted
>**810,000** in 2023

13.8 M
trees in restoration or conservation
>**3.2 M** in 2023

>1.1 M tCO_2e
captured in 30 years
247,645 tCO_2e captadas in 2023

3 M tCO_2e
avoided in 30 years

New projects

Curuá

BIOME
Amazonia

REGION
Pará, Brazil

Project for forest conservation and creation of alternative sources of income for local communities, associated with greater vigilance in the face of the agents of deforestation. Project Curuá, developed in collaboration with Future Carbon, protects the habitat of species of animals and plants under threat in the region, such as the white-lipped peccary, in one of the most densely forested areas in Amazonia.

7,200
hectares of Amazon forest in conservation

1.8 M
trees in conservation

3 M
tCO_2e of emissions avoided in 30 years
Potential emission avoided

Corredor Campeche

BIOME
Maya Forest

REGION
Yucatán, Mexico

Project for restoration of Central America's largest tropical forest, in collaboration with Toroto NGO. Connects forest restoration activities with the conservation of biodiversity. It will also give the local administration greater ability to undertake an integrated management of the landscape and benefit the community, by creating permanent and temporary job opportunities and fostering local skills.

720
hectares of forest in restoration

180,000
native trees planted

Novas Florestas

BIOME
Atlantic Forest (Mata Atlántica)

REGION
São Paulo, Brazil

Forest restoration project, developed in collaboration with the Pick-upau NGO, home to more than 20,000 species of plants and 1700 species of vertebrates, many of them not found elsewhere. The forest also performs an important role in the region's water cycle, providing a vital source of drinking water for millions of people.

155
hectares of forest in restoration

279,000
native trees planted

Expansion of projects

Aguas do Río

BIOME
Mata Atlántica

REGION
Rio de Janeiro, Brazil

We are expanding this restoration project which provides work for local families and helps protect the region's river basins. This project, in partnership with the ITPA NGO, is run in collaboration with three nurseries and generates 20 direct and 50 indirect jobs locally.

100
new hectares in restoration

166,700
native trees planted

Corredor Pau Brasil

BIOME
Mata Atlántica

REGION
Bahia, Brazil

We are expanding the restoration of this biome by planting trees to help create a biological corridor between two national parks. The project also involves indigenous communities in the region through associations producing trees for the restoration work. This, in turn, helps three nurseries operate and provides 10 direct local jobs. The initiative is carried out in collaboration with the NGOs Natureza Bela, Café Apuí, and IDESAM.

100
new hectares in restoration

166,700
native trees planted

Café Apuí

BIOME
Amazonia

REGION
Apuí, Brazil

We have expanded the restoration project by including agroforestry systems for native species and coffee, in one of Amazonia most widely deforested regions. The project helps support the work of local families who make money by selling organic coffee and the carbon absorbed by their agroforestry systems.

10
new hectares in restoration

20,000
native trees planted

GRI, SASB & IR

GRI standards
SASB standards
Integrated Report Contents

Download

Polo Dot | Argentina

GRI Standard

STATEMENT OF USE	Mercado Libre has reported in accordance with the GRI Standards for the period January 1-December 31, 2023.
GRI 1 USED	GRI 1: Foundation 2021
APPLICABLE GRI SECTOR STANDARD(S)	Not applicable.

GRI STANDARD	CONTENT	ANSWER OR OMISSION		SDG	PAGE
GRI 2: GENERAL DISCLOSURES 2021					
The organization and its reporting practices					
GRI 2: General Disclosures 2021	2-1 Organizational details	MercadoLibre, Inc. is a company traded on NASDAQ, incorporated as a Corporation under the laws of the State of Delaware, USA. Its head office is at Dr. Luis Bonavita 1294 unit 1733, Tower II, WTC Free Zone, Montevideo, Uruguay.			
	2-2 Entities included in the organization's sustainability reporting	MercadoLibre S.R.L.	**ARGENTINA**		
		DeRemate.com de Argentina S.A.			
		Meli Log S.R.L.			
		First Label S.R.L			
		Tech Pack S.R.L.			
		MercadoPago Servicios de Procesamiento S.R.L.			
		Interface Solutions S.R.L			
		MercadoLivre.com Atividades de Internet Ltda.	**BRAZIL**		
		Mercado Pago Instituição de Pagamento Ltda.			
		eBazar.com.br Ltda.			
		Mercado Envios Serviços de Logística Ltda.			
		Meli Developers Brasil Ltda.			
		Mercado Crédito Holding Financeira Ltda.			
		Mercado Crédito Sociedade de Crédito, Financiamento e Investimento S.A.			
		Mercado Pago Corretora de Seguros Ltda.			
		Kangu Transportes Ltda.			
		Kangu Participações S.A.			
		K2I Intermediação Ltda.			
		MercadoLibre Chile Ltda.	**CHILE**		
		Mercado Pago Emisora S.A.			
		KANGU CHILE LIMITADA			
		Mercado Pago Corredores de Seguros SpA			
		Mercado Pago Crypto S.A.			
		Red de Pagos del Comercio Limitada			
		Mercado Pago Lending Limitada			
		Mercado Pago Operadora S.A.			
		MercadoLibre Colombia Ltda.	**COLOMBIA**		
		MercadoPago Colombia Ltda.			
		Mercadopago S.A. Compañia de Financiamiento			
		Kangu Tecnología Logistica S.A.S.			

GRI STANDARD	CONTENT	ANSWER OR OMISSION		SDG	PAGE
		MercadoLibre Costa Rica S.R.L.	**COSTA RICA**		
		MercadoLibre Ecuador Cia. Ltda.	**ECUADOR**		
		Meli Participaciones, S.L.	**SPAIN**		
		MercadoLibre, S.A. de C.V., Institución de Fondos de Pago Electrónico (pending publication of the authorization to act as IFPE)	**MEXICO**		
		(Former name: MercadoLibre, S. de R.L. de C.V.)			
		DeRemate.com de México S. de R.L. de C.V.			
		PSGAC, S. de R.L. de C.V.			
		Mercado Lending, S.A. de C.V.			
		Meli Operaciones Logísticas, S. de R.L. de C.V.			
		Meli Operaciones Logísticas II, S. de R.L. de C.V.			
		Meli Global Imports, S. de R.L. de C.V.			
		ITCoding Consultoría Tecnológica & Desarrollo, S.A. de C.V. (en liquidación)			
		MP Agregador, S. de R.L. de C.V.			
		Mercado Insurtech Agente de Seguros, S.A. de C.V.			
		KT transportes digitales, S. de R.L. de C.V.			
		MP Procesamiento de Pagos, S. de R.L. de C.V.			
		MercadoLibre Perú S.R.L.	**PERU**		
		MercadoPago Perú S.R.L.			
		Meli Uruguay S.R.L.	**URUGUAY**		
		Tech Fund S.R.L			
		Deremate.com de Uruguay S.R.L.			
		Kiserty S.A.			
		MercadoPago Uruguay S.R.L.			
		Dirpul S.A.			
		Hammer.com, LLC	**DELAWARE, USA**		
		Servicios Administrativos y Comerciales, LLC			
		MercadoPago, LLC			
		Global Selling LLC			
		(Former name: Mercado Pago International, LLC)			
		Autopark, LLC			
		Autopark Classifieds, LLC			
		Marketplace Investments, LLC			
		Classifieds LLC			
		SFSC, LLC			
		Meli Capital LLC			
		Meli Technology, Inc.	**CALIFORNIA, USA**		
		MercadoLibre Venezuela, S.R.L.	**VENEZUELA**		
		Meli Capital Ventures LLC	**CAYMAN ISLANDS**		
		MELI KaszeK Pioneer Sponsor LLC (50% owned)			
	2-3 Reporting period, frequency and contact point				5
	2-4 Restatements of information				5
	2-5 External assurance	No external verification has been undertaken			

GRI STANDARD	CONTENT	ANSWER OR OMISSION	SDG	PAGE
Activities and workers				
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships			11-1
	2-7 Employees			

EMPLOYMENT	ARG	BRA	CHI	COL	MEX	PER	URU	VEN	ECU	USA	TOTAL
People by contract type and gender											**58,313**
Permanent	**10,663**	**22,791**	**2,380**	**4,419**	**12,494**	**45**	**1,780**	**26**	**4**	**10**	**54,612**
- Women	3,859	11,412	884	1,235	5,635	19	638	16	1	2	23,701
- Men	6,804	11,379	1,496	3,184	6,859	26	1,142	10	3	8	30,911
Temporary	**0**	**0**	**0**	**0**	**3,701**	**0**	**0**	**0**	**0**	**0**	**3,701**
- Women					1,877						1,877
- Men					1,824						1,824
Non-guaranteed hours	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
- Women											0
- Men											0
By contract type and gender	**10,663**	**22,791**	**2,380**	**4,419**	**16,195**	**45**	**1,780**	**26**	**4**	**10**	**58,313**
Full-time	**9,908**	**21,254**	**2,380**	**4,037**	**15,574**	**45**	**1,362**	**26**	**4**	**10**	**54,600**
- Women	3,463	10,333	884	1,031	7,196	19	370	16	1	2	23,315
- Men	6,445	10,921	1,496	3,006	8,378	26	992	10	3	8	31,285
Part-time	**755**	**1,537**	**0**	**382**	**621**	**0**	**418**	**0**	**0**	**0**	**3,713**
- Women	396	1,079	0	204	316		268				2,263
- Men	359	458	0	178	305		150				1,450

GRI STANDARD	CONTENT	ANSWER OR OMISSION	SDG	PAGE
	2-8 Workers who are not employees			

	TOTAL
CALL CENTER: Companies that provide customer service - CX, through a call center.	11,448
FEED: Companies that provide recurring food services. For example, catering, on-site cafeteria.	415
SALESFORCE: Agencies selling Mercado Pago. Excludes “Resellers” (affiliates of the MP resale program) that are not mapped in Certronic.	437
CLEANING: Companies that provide recurring janitorial services.	1,326
LOGISTICS: Includes Full and Transportation, depending on the country.	30,440
MAINTENANCE: Companies that provide recurring maintenance services for spaces, equipment, and machinery.	339
COURIER SERVICES: Recurring messenger/courier services.	1
CONSTRUCTION: Companies/Contractors that provide resources for the development of construction projects.	65
OTHER PROFESSIONAL SERVICES / EXTERNAL RESOURCES: Includes consulting firms that provide external resources exclusively dedicated to Meli (possibly referring to Mercado Libre).	2,306
SECURITY: Companies that provide physical security services.	1,206
TRANSPORTATION: Employee transportation - Shuttle vans.	34
Total number of individuals who are not employees and whose work is controlled by the organization.	48,017

Governance				
GRI 2: General Disclosures 2021	2-9 Governance structure and composition			18
	2-10 Nomination and selection of the highest governance body	The Nominations & Corporate Governance Committee is responsible for nominating members of the Board of Directors for subsequent appointment by the Shareholders’ Meeting. Committee Statutes		
	2-11 Chair of the highest governance body			18
	2-12 Role of the highest governance body in overseeing the management of impacts			19
	2-13 Delegation of responsibility for managing impacts			19
	2-14 Role of the highest governance body in sustainability reporting	The highest governance body was involved in the material issues evaluation process that took place at the beginning of the year of the 2022 Report		
	2-15 Conflicts of interest			19
	2-16 Communication of critical concerns	If the Senior Vice-president & CFO considers that there is any critical concern, they must notify the Board members accordingly at one of the four annual meetings. The number of critical concerns reported formally to the highest governance body during the period has not been disclosed.		

GRI STANDARD	CONTENT	ANSWER OR OMISSION	SDG	PAGE
	2-17 Collective knowledge of the highest governance body	The members of the Board of Directors may take part in industry venues, such as forums and events where they can broaden their knowledge of economic, environmental and social matters.		
	2-18 Evaluation of the performance of the highest governance body	The Board of Directors and each Committee undertake an annual self-appraisal of their effectiveness in fulfilling their obligations. This self-appraisal may include feedback from directors on the performance of their colleagues. The senior independent director follows up these comments and takes any additional measures that seem appropriate in the case of the directors in question.		
	2-19 Remuneration policies	Compensation Committee Charter		
	2-20 Process to determine remuneration	Compensation Committee Charter		
	2-21 Annual total compensation ratio	The information will be available in April 2024 and will be updated in this report.		
Strategy, policies and practices				
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy			3
	2-23 Policy commitments			19-21
	2-24 Embedding policy commitments			20-21
	2-25 Processes to remediate negative impacts			22
	2-26 Mechanisms for seeking advice and raising concerns			22
	2-27 Compliance with laws and regulations	During the Reporting Period, Mercado Libre had a total of 33 significant compliance cases with laws and regulations. In Brazil, the National Health Surveillance Agency (ANVISA) fined Mercado Libre $406,836.2 USD. 50% of these fines were imposed for selling products not registered with ANVISA. 33.3% were related to allegations of irregularities in advertisements, and 17.6% were for selling products prohibited by ANVISA. In the same country, the National Institute of Metrology, Quality, and Technology (INMETRO) imposed fines totaling $72,500 USD. 70% of these fines were due to the absence of information about the INMETRO seal visible in the advertisements. In 2023, in another administrative process initiated by ANATEL, a fine of $1,102,072.53 USD was imposed for selling non-homologated products on the electronic commerce platform, and another fine of $270,875.38 USD was imposed due to the existence of non-homologated products in a distribution center. In the state of Minas Gerais, the Public Ministry fined Mercado Libre for violating consumer legislation by charging undue amounts to a user whose purchase was canceled on the platform, totaling $372,000 USD. In the same state, the Public Ministry fined Mercado Libre for selling a product prohibited by ANVISA for $140,000 USD. In Mexico, two fines were recorded for non-compliance with the Protected Purchase Program. One of $42,500 USD is under appeal, and another of $25,000 USD was nullified after questioning. In Uruguay, a fine was recorded for providing seller data before purchase, totaling $4,000 USD. This case was appealed and, at the close of the Report, was not final. In Colombia, a fine was recorded by the Superintendence of Industry and Commerce for non-compliance related to the 2020 Tax-Free Day. The value of the fine was $40,422 USD, and at the close of the Report, it was under appeal. At the end of the period, 43 fines were paid, one of which corresponds to the SIC sanction in Colombia for user posts regarding Fisher Price products, equivalent to $5,600 USD reported in the previous period.		
	2-28 Membership associations			15

GRI STANDARD	CONTENT	ANSWER OR OMISSION	SDG	PAGE
Stakeholder engagement				
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement			5-1
	2-30 Collective bargaining agreements	**COUNTRY** / **2023** Brazil / 100% Argentina / 30.78% Uruguay / 100% Colombia / Venezuela / Peru / Chile / Mexico / 0%		
MATERIAL TOPICS				
GRI 3: Material topics 2021	3-1. Process to determine material topics			6-1
	3-2 List of material topics			6
MATERIAL TOPIC: Economic performance				
GRI 3: Material topics 2021	3-3 Management of material topic		8, 9	12-14
GRI 201: Economic performance 2016	201- 1 Direct economic value generated and distributed		8, 9	14
	201-2 Financial implications and other risks and opportunities due to climate change		8, 9	57
	201-3 Defined benefit plan obligations and other retirement plans	Mercado Libre complies with all the legal requirements for retirement plans in the countries in which we operate.	8, 9	
	201-4 Government's financial aid	In Argentina, Mercado Libre SRL is registered under the Knowledge Economy Law (Law 27.506 and its amendments), which enables obtaining tax deductions and credits. Additionally, in the Autonomous City of Buenos Aires, where Mercado Libre SRL is registered as a Technology company within the Technological District, we have tax exemptions. In Brazil, eBazar.com.br Ltda. benefits from a tax incentive linked to the Tax on Circulation of Goods, Interstate and Intermunicipal Transportation and Communication Services, granted by the State of Minas Gerais. Furthermore, Meli Developers Brasil Ltda. has gained access to the Regime of Social Contribution on Gross Income, which includes paying social security contributions at a rate of 4.5% of gross income, compared to 20% on employee remuneration.	8, 9	
GRI 202: Market presence 2016	202-1 Ratio of standard initial category salary by gender vs. local minimum wage	The information will be available in April 2024 and will be updated in this report.	8, 10	
	202-2 Proportion of senior management hired from the local community contratados de la comunidad local		8, 10	18
MATERIAL TOPIC: Contribution to the socioeconomic development				
GRI 3: Material topics 2021	3-3 Management of material topic		8	16, 45-47

GRI STANDARD	CONTENT	ANSWER OR OMISSION	SDG	PAGE
GRI 203: Indirect economic impacts 2016	203-1 Investment in infrastructure and supported services	During the reporting period we did not make significant investments in infrastructure and support services.	8	
	203-2 Significant indirect economic impacts		8	16, 45, 48
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers		8	11
GRI: 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	We identified no suppliers with a significant risk of cases of child labor during the period.	8	
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	We identified no suppliers with a significant risk of cases of forced or compulsory labor during the period.	8	
MATERIAL TOPIC: Team formation and development				
GRI 3: Material topics 2021	3-3 Management of material topic		8	37-38
GRI 401: Employment 2016	401-1 New employee hires and employee turnover		8	

2023	ARG	BRA	CHI	COL	ECU	USA	MEX	PER	URU	VEN	TOTAL
New hires	**1853**	**11,468**	**1071**	**1075**	**2**	**3**	**8,136**	**13**	**310**	**8**	**23,939**
Women	724	6,236	426	270	1	1	3,852	6	132	5	11,653
Less than 30	542	4,013	238	214		1	2,378	5	111	4	7,506
Between 30 and 50	180	2,116	179	56	1		1,405	1	20	1	3,959
Over 50	2	107	9				69		1		188
Men	1,129	5,232	645	805	1	2	4,284	7	178	3	12,286
Less than 30	794	3,613	315	513		1	2,858	4	119	3	8,220
Between 30 and 50	334	1,518	311	291	1		1,367	3	59		3,884
Over 50	1	101	19	1		1	59				182
Turnover rate											
Women	433	2,503	204	146	0	1	1281	6	119	1	4,694
Less than 30	272	1,632	128	102	0	0	786	5	107	1	3,033
Between 30 and 50	160	846	71	44	0	1	483	1	12	0	1,618
Over 50	1	25	5	0	0	0	12	0	0	0	43
Men	752	2,124	251	326	0	4	1,499	2	102	2	5,062
Less than 30	420	1,283	127	171	0	2	971	0	74	1	3,049
Between 30 and 50	329	804	115	152	0	2	518	2	28	1	1,951
Over 50	3	37	9	3	0	0	10	0	0	0	62
Type of turnover	**1185**	**4627**	**455**	**472**	**0**	**5**	**2,780**	**8**	**221**	**3**	**9,756**
Voluntary (resignation)	811	1,633	120	216	0	3	1,664	5	90	2	4,544
Involuntary (dismissal)	374	2,994	335	256	0	2	1,116	3	131	1	5,212

GRI STANDARD	CONTENT	ANSWER OR OMISSION	SDG	PAGE
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		8	41, 43
	401-3 Parental leave		8, 10	41
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee		8	37
	404-2 Programs for upgrading employee skills and transition assistance programs		8	36
	404-3 Percentage of employees receiving regular performance and career development reviews		8	37
MATERIAL TOPIC: Diversity and equal opportunities				
GRI 3: Material topics 2021	3-3 Management of material topic		8, 10	39-42
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees		8, 10	

Employee diversity	Reps + Team Leaders	Sales executives	Analyst and assistants	Supervisors	Managers/ Executive Assistant	Senior Managers	Director	VP/CEO	Total
By gender									**58,313**
Women	16,909	294	5,552	1,788	709	241	74	7	25,578
Men	15,157	320	11,575	3,544	1317	534	241	42	32,735
By age group									**58,313**
Less than 30	21,393	167	9,405	790	95	5	0	0	31,860
Between 30 and 50	10,006	433	7,671	4,484	1,907	746	302	42	25,594
Over 50	667	14	51	58	24	24	13	7	859

	405-2 Ratio of basic salary and remuneration of women to men	The information will be available in April 2024 and will be updated in this report.	8, 10	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		8, 10	22
MATERIAL TOPIC: Product and service trust and security				
GRI 3: Material topics 2021	3-3 Management of material topic		12, 9	27-30
GRI 416: Customer health and safety 2016	416-1 Assessment of the health and safety impacts of product and service categories		9	27
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	In addition to the cases reported in indicator 2-27 regarding impacts on the health and safety of products and services, in Brazil, the consumer protection agency PROCON opened an administrative procedure against MELI, applying a precautionary measure to prevent the commercialization of counterfeit products on the platform. Additionally, in Mexico, COFEPRIS warned us for allegedly storing products without the proper authorizations (oximeters).	9	

GRI STANDARD	CONTENT	ANSWER OR OMISSION	SDG	PAGE
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling		12	
	417-2 Incidents of non-compliance concerning product and service information and labeling	See the cases reported in indicator 2-27 related to product and service information and labeling.	12	
	417-3 Incidents of non-compliance concerning marketing communications	See the cases reported in indicator 2-27 related to marketing communications.	12	
MATERIAL TOPIC: Information privacy and security				
GRI 3: Material topics 2021	3-3 Management of material topic		9	31
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2023, we recorded 13 habeas data (judicial claims). Additionally, during the period, we had 19 incidents affecting some pillar of Confidentiality, Integrity, and/or Availability (CIA) of data, of which 5 privacy incidents specifically involved user data. In 2023, we received 2,111,690 exercises of rights by users and third parties through formal channels (both manual and automated). We also received a total of 12 claims from third parties submitted to the regulatory authority.	9	
MATERIAL TOPIC: Education for digital inclusion				
GRI 3: Material topics 2021	3-3 Management of material topic		8, 9, 10, 17	52-54
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs		8, 9, 10, 17	45-54
	413-2 Operations with significant actual and potential negative impacts on local communities	During the reporting period, we did not assess the negative impact of our operations on local communities.	8, 9, 10, 17	
MATERIAL TOPIC: Ethics and transparency				
GRI 3: Material topics 2021	3-3 Management of material topic		12	19-21
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption		12	21
	205-2 Communication and training about anti-corruption policies and procedures		12	20-21

TRAINING ON ANTI-CORRUPTION POLICIES FOR EMPLOYEES	ANALYSTS AND ASSISTANTS		SUPERVISORS		MANAGERS	
	Nº	%	Nº	%	Nº	%
Argentina	5,712	78%	1,996	68%	1,392	59%
Brazil	5,253	58%	3,369	46%	1,011	47%
Chile	1,150	67%	412	59%	189	51%
Colombia	3,095	83%	760	76%	183	69%
Ecuador	-	-	3	33%	1	-
Mexico	1,548	64%	1,568	38%	309	46%
Peru	23	57%	13	46%	8	25%
Uruguay	846	82%	312	73%	212	62%
Venezuela	17	47%	7	43%	2	100%

<table>
<tr><th>GRI STANDARD</th><th>CONTENT</th><th>ANSWER OR OMISSION</th><th>SDG</th><th>PAGE</th></tr>
<tr><td></td><td>205-3 Confirmed incidents of corruption and actions taken</td><td></td><td>12</td><td>21</td></tr>
<tr><td>GRI 206: Anti-competitive behavior 2016</td><td>206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices</td><td>At the close of this report, there are no formal investigations open against Mercado Libre.</td><td>12</td><td></td></tr>
<tr><td>GRI 415: Public policy 2016</td><td>415-1 Political contributions</td><td>During 2023, no contributions were made to political parties or representatives.</td><td>12</td><td></td></tr>
<tr><td colspan="5">MATERIAL TOPIC: Climate change: energy, mobility, and packaging</td></tr>
<tr><td>GRI 3: Material topics 2021</td><td>3-3 Management of material topic</td><td></td><td>13</td><td>56-71</td></tr>
<tr><td>GRI 301: Materials 2016</td><td>301-1 Materials used by weight or volume</td><td>RAW MATERIALS (PACKAGING) CONSUMPTION IN TONS
<table><tr><th>Material</th><th>Mexico</th><th>Argentina</th><th>Brazil</th><th>Chile</th><th>Colombia</th><th>Total</th></tr><tr><th></th><th>2023</th><th>2023</th><th>2023</th><th>2023</th><th>2023</th><th></th></tr><tr><td>Cardboard</td><td>9,757</td><td>914</td><td>9,900</td><td>757</td><td>239</td><td>32,916</td></tr><tr><td>Bioplastic</td><td>-</td><td>-</td><td>-</td><td>109</td><td>-</td><td></td></tr><tr><td>Plastico</td><td>6,424</td><td>679</td><td>5,730</td><td>424</td><td>136</td><td>17,897</td></tr><tr><td>Paper</td><td>198</td><td>77</td><td>2,631</td><td>111</td><td>2</td><td>3,816</td></tr><tr><td>Wood</td><td>24,893</td><td>1,929</td><td>2,510</td><td>263</td><td>68</td><td>42,010</td></tr><tr><td>Total</td><td>41,272</td><td>3,599</td><td>20,771</td><td>1,664</td><td>445</td><td>96,639</td></tr></table></td><td>13</td><td></td></tr>
<tr><td></td><td>301-2 Recycled input materials used</td><td></td><td>13</td><td>66</td></tr>
<tr><td></td><td>301-3 Reclaimed products and their packaging materials</td><td></td><td>13</td><td>66</td></tr>
<tr><td>GRI 302: Energy 2016</td><td>302-1 Energy consumption within the organization</td><td></td><td>13</td><td>67-68</td></tr>
<tr><td></td><td>302-2 Energy consumption outside of the organization</td><td></td><td>13</td><td>67-68</td></tr>
<tr><td></td><td>302-3 Energy intensity</td><td></td><td>13</td><td>67</td></tr>
<tr><td></td><td>302-4 Reduction of energy consumption</td><td></td><td>13</td><td>67-68</td></tr>
<tr><td></td><td>302-5 Reductions in energy requirements of products and services</td><td>We recorded no reduction in energy requirements for products and services during the reporting period.</td><td>13</td><td>67-68</td></tr>
<tr><td>GRI 303: Water and effluents 2018</td><td>303-1 Interactions with water as a shared resource</td><td>Water consumed in Mercado Libre is supplied by the local services where our offices and DCs are located. We analyze and measure consumption, but have not identified any negative impacts related to water. All decisions on work prioritize facilities and systems that help save water, such as the use of self-closing taps and dual-flush water closets.</td><td>13</td><td></td></tr>
<tr><td></td><td>303-2 Management of water discharge-related impacts</td><td>Mercado Libre has no industrial processes where discharges affect bodies of water.</td><td>13</td><td></td></tr>
<tr><td></td><td>303-3 Water withdrawal</td><td>The company does not extract water, but we use supplies from local utilities companies.</td><td>13</td><td></td></tr>
</table>

GRI STANDARD	CONTENT	ANSWER OR OMISSION	SDG	PAGE
	303-4 Water discharge	Mercado Libre has no production processes involving the use of water.	13	
	303-5 Water consumption	**WATER CONSUMPTION (IN LITERS)** / **2023** Municipal suppliers and other public or private water services: 585,229 liters Water extraction by source Surface water Underground water Rainwater collected and stored by the organization itself: 1,804 liters of rainwater collected and stored by the organization itself	13	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions		13	58-59
	305-2 Energy indirect (Scope 2) GHG emissions		13	58-59
	305-3 Other indirect (Scope 3) GHG emissions		13	58-59
	305-4 GHG emissions intensity		13	58-59
	305-5 Reduction of GHG emissions		13	58-59
	305-6 Emissions of ozone-depleting substances (ODS)	Emissions related to these sources are considered in the total calculation of the carbon footprint.	13	59
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	We do not have the measurement for the reporting period.	13	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts		13	64-65
	306-2 Management of significant waste-related impacts		13	64-66
	306-3 Waste generated		13	

TOTAL WASTE BY COMPOSITION IN METRIC TONS (T)	WASTE GENERATED (RECOVERED + UNRECOVERED)	NOT DESTINED FOR DISPOSAL (RECOVERED)	DISPOSED OF (NOT RECOVERED)
Aluminum + Scrap and other metals	282	282	0
Cardboard	17,999	17,999	0
Paper	23	23	0
Plastic	2,998	2,998	0
Wood	10,005	10,005	0
Organic/Compostable	190	190	0
General waste for co-processing	737	737	0
General	4,117	0	4,117
Hazardous Waste	354	0	354
TOTAL	36,705	32,234	4,471

GRI STANDARD	CONTENT	ANSWER OR OMISSION	SDG	PAGE
	306-4 Waste diverted from disposal	**WASTE NOT DESTINED FOR DISPOSAL [RECOVERED] IN METRIC TONS (T)**	13	

Recovered hazardous waste (e.g., lubricating oil, cooking oil, batteries, recovered or reused lighting)	**2023**
Reuse	0
Recycling	0
Recovery	0
Refinement	0
Power generation through co-processing	0
On-site storage	0
TOTAL	

Non-hazardous waste not destined for disposal [Recovered]	**2023**
Reuse	10,288
Recycling	21,020
Composting	190
Recovery	0
Power generation through co-processing	737
On-site storage	0
TOTAL	32,234

	306-5 Waste directed to disposal	**WASTE DESTINED FOR DISPOSAL [NOT RECOVERED] IN METRIC TONS (T)**	13

Unrecovered hazardous waste* Mainly small and large batteries, cooking oil, personal protection items, and other biological, oxidizing or corrosive materials.	**2023**
Incineration	0
Deep well injection	0
Landfill	0
Secure cell	354
Energy generation through co-processing	0
On-site storage	0
TOTAL	

Non-hazardous waste not destined for disposal [Not Recovered]	**2023**
Incineration	0
Deep well injection	0
Landfill	4,117
Secure cell	0
Energy generation through co-processing	0
On-site storage	0
TOTAL	4,117

GRI STANDARD	CONTENT	ANSWER OR OMISSION	SDG	PAGE
MATERIAL TOPIC: Financial inclusion and education				
GRI 3: Material topics 2021	3-3 Management of material topic		10	48-50
MATERIAL TOPIC: Empowering entrepreneurs, SMEs, and NGOs				
GRI 3: Material topics 2021	3-3 Management of material topic		8	51
MATERIAL TOPIC: Product innovation and development				
GRI 3: Material topics 2021	3-3 Management of material topic		12	24-26
MATERIAL TOPIC: Occupational health and safety				
GRI 3: Material topics 2021	3-3 Management of material topic		3	43
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system		3	43
	403-2 Hazard identification, risk assessment, and incident investigation		3	43
	403-3 Occupational health services		3	43
	403-4 Worker participation, consultation, and communication on occupational health and safety		3	43
	403-5 Worker training on occupational health and safety		3	43
	403-6 Promotion of worker health		3	43
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		3	43
	403-8 Workers covered by an occupational health and safety management system	100% coverage. No workers are excluded from the OHSM system	3	

GRI STANDARD	CONTENT	ANSWER OR OMISSION			SDG	PAGE
	403-9 Work-related injuries				3	

	2023	
Work-related injuries for all employees	**N°**	**Rate**
Deaths resulting from work-related injuries	0	0
Severe work-related injuries (excluding fatalities).	6	50%
Recordable work-related injuries disaggregated by gender		
- Women	336	58%
- Men	244	42%
Injury rate		0.22
The number of hours worked.	55,547,500	
The main types of work-related injuries	BURNS and CONTUSIONS	

	2023	
Work-related injuries for all non-employees whose work or workplaces are controlled by the organization	**N°**	**Tasa**
Deaths resulting from work-related injuries	0	0
Severe work-related injuries (excluding fatalities).	3	17%
Recordable work-related injuries disaggregated by gender		
- Women	239	60%
- Men	157	40%
Injury rate		0.32
The number of hours worked.	55,140,985	
The main types of work-related injuries	BURNS and CONTUSIONS	

403-10 Work-related ill health			3	

	2023	
Work-related illnesses and diseases for all employees	**N°**	**Tasa**
Number of fatalities resulting from a work-related illness or disease	0	0
Number of recordable cases of work-related illnesses and diseases disaggregated by gender	Women: 14	0.03%
	Men: 6	
The main types of work-related illnesses and diseases.	musculoskeletal diseases	
Work-related illnesses and diseases for all non-employees whose work or workplaces are controlled by the organization	**2023**	
Number of fatalities resulting from a work-related illness or disease.	0	0
Number of recordable cases of work-related illnesses and diseases	Women: 0	0
	Men: 0	
Number of hours of absenteeism as of December 31st	1,611,244	

SABS Standards

TOPICS FOR THE E-COMMERCE INDUSTRY

STANDARD	CONTENT	ANSWER	PAGE
ENVIRONMENT: HARDWARE INFRASTRUCTURE ENERGY AND WATER MANAGEMENT			
CG-EC-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable		67-68
CG-EC-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	**WATER CONSUMPTION (IN LITERS)** / **2023** Municipal suppliers and other public or private water services / 585,229 litros Rainwater collected and stored by the organization itself / 1,804 liters of rainwater collected and stored by the organization itself The company does not extract water, but we use supplies from local utilities companies.	
CG-EC-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Mercado Libre has no data centers of its own.	
SOCIAL CAPITAL: DATA PRIVACY & ADVERTISING STANDARDS			
CG-EC-220a.1	Number of users whose information is used for secondary purposes		31
CG-EC-220a.2	Description of policies and practices relating to behavioral advertising and user privacy		31
SOCIAL CAPITAL: DATA SECURITY			
CG-EC-230a.1	Description of approach to identifying and addressing data security risks		31
CG-EC-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	In 2023, we had 19 incidents that affected some pillar of Confidentiality, Integrity, and/or Availability (CIA) of data. 26% affected access to personal data of 100,000 users. In none of the cases was the risk significant enough to notify the data subjects.	31
HUMAN CAPITAL: EMPLOYEE RECRUITMENT, INCLUSION & PERFORMANCE			
CG-EC-330a.1	Employee engagement as a percentage		33
CG-EC-330a.2	(1) Voluntary and (2) involuntary turnover rate for all employees	**Type of turnover** / **1,185** / **4,627** / **455** / **472** / **0** / **5** / **2,780** / **8** / **221** / **3** / **9,756** Voluntary (resignation) / 811 / 1,633 / 120 / 216 / 0 / 3 / 1,664 / 5 / 90 / 2 / 4,544 Involuntary (dismissal) / 374 / 2,994 / 335 / 256 / 0 / 2 / 1,116 / 3 / 131 / 1 / 5,212	

STANDARD	CONTENT	ANSWER	PAGE
CG-EC-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees		

BY GENDER AND JOB TYPE

	ARG	BRA	CHI	COL	MEX	PER	URU	VEN	ECU	USA	TOTAL
Management											
- Women	1,081	914	155	227	312	5	119	5	1	0	2,819
- Men	2,162	1,580	350	648	551	17	358	4	3	5	5,678
Technology and product											
- Women	1,489	934	219	763	131	1	194				3,731
- Men	4,345	2,714	767	2,749	486	5	841				11,907
Total	5,834	3,648	986	3,512	617	6	1,035	0	0	0	15,638
Logistics											
- Women	838	8,067	455	83	6,940	1	2				16,386
- Men	984	7,067	501	111	7,820	1	6		1	1	16,492
Total	1,822	15,134	956	194	14,760	2	8	0	1	1	32,878
Rest of MELI											
- Women	1,532	2,411	206	389	441	17	442	16	1	2	5,457
- Men	1,475	1,598	223	324	377	20	295	10	2	7	4,331
Total	3,007	4,009	429	713	818	37	737	26	3	9	9,788
total country	10,663	22,791	2,371	4,419	16,195	45	1,780	26	4	10	58,313

BUSINESS MODEL AND INNOVATION: PRODUCT PACKAGING & DISTRIBUTION		
CG-EC-410a.1:	Total greenhouse gas (GHG) footprint of product shipments	59
CG-EC-410a.2	Discussion of strategies to reduce the environmental impact of product delivery	57-71

Integrated Report Contents

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Organizational overview and external environment	What does the organization do and what are the circumstances under which it operates?	Culture, ethics and values	19-22, 35
		Ownership and operating structure	5, 7, 18
		Principal activities and markets	9-11
		Competitive landscape and market positioning	12-16
		Position within the value chain	11
		Key quantitative information	7, 1, 00
		Significant factors affecting the external environment	12
Governance	How does the organization's governance structure support its ability to create value in the short, medium and long term?	Leadership structure, including the skills and diversity	18
		Specific processes used to make strategic decisions	19
		How the organization's culture, ethics and values are reflected in its use of and effects on the capitals	7, 9-11
		The responsibility those charged with governance take for promoting and enabling innovation	19
		How remuneration and incentives are linked to value creation in the short, medium and long term	19
Business Model	What is the organization's business model?	Inputs	7
		Business Activities	7
		Outputs	7
		Outcomes	7
Risks and opportunities	What are the specific risks and opportunities that affect the organization's ability to create value over the short, medium and long term, and how is the organization dealing with them?	Key risks and opportunities	11, 16, 45, 48, 59, 57
		Organization's approach to any risks that are fundamental to the ongoing ability of the organization to create value	11
Strategy and resource allocation	Where does the organization want to go and how does it intend to get there?	The organization's strategic objectives	11
		The strategies it has in place, or intends to implement, to achieve those strategic objectives	11
		The resource allocation plans it has to implement its strategy	11
		How it will measure achievements and target outcomes for the short, medium and long term.	11
Performance	To what extent has the organization achieved its strategic objectives for the period and what are its outcomes in terms of effects on the capitals?	Quantitative information	7
		Impact on capitals	7
		Relationships with stakeholders	5
		Linkages between past and current performance	7, 11

CONTENTS		ASPECTS	PAGE
Outlook	What challenges and uncertainties is the organization likely to encounter in pursuing its strategy, and what are the potential implications for its business model and future performance?	Organization's expectations about the external environment	11
		Mechanisms to address challenges and opportunities	11, 16, 45, 48, 59, 57
Basis of preparation and presentation	How does the organization determine which issues to include in the integrated report and how are these issues quantified or assessed?	Materiality	6-1
		Boundaries	5
		Frameworks	5
ECONOMIC CAPITAL			9-14
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HUMAN CAPITAL			33-43
SOCIAL CAPITAL			45-54
NATURAL CAPITAL			56-71

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