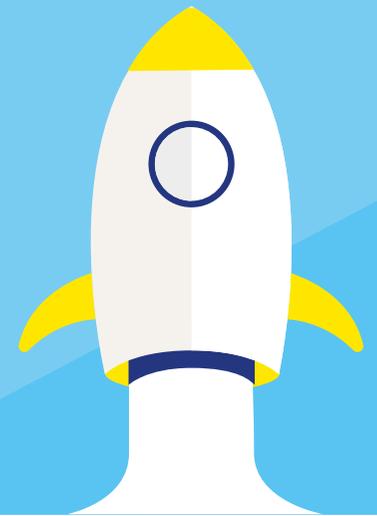


2019

Sustainability Report

The entrepreneurial effect



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Letter from the CEO



Marcos Galperin
CEO and President of Mercado Libre Inc

In 2019, we celebrate the first 20 years of Mercado Libre, a path that we forged with a challenging purpose: to democratize commerce and money.

The entrepreneurial DNA that drove us from a garage in Saavedra neighborhood, in Buenos Aires, remains in force and unalterable. That is the spirit that defines us: constant innovation in our ecosystem with a wholistic approach.

Our evolution over these two decades has made us part of the lives of millions of people in Latin America. Our multiplier effect in 18 countries of the region is immense: more than 600 thousand families make their livelihoods by operating in Mercado Libre. In 2019 more than 378.9 million products were sold on our platform and we reached 838 million transactions using Mercado Pago, 115% more than the previous year. Our Mercado Credito solution continues to grow, surpassing US\$534 million in loans in Mexico, Brazil and Argentina.

We continue to revolutionize the democratization of payments and the inclusion of small and medium sized merchants in the financial system.

In 2019, we hit a milestone of more than 2.9 million users who incorporated our Point payment-as-a-service solution to process electronic payments with debit and credit cards, when many of them previously did not have the means to do so.

We have also continued to scale what we believe is our most disruptive service: the mobile wallet. In Argentina, Brazil and Mexico we launched the functionality of investment fund and, in every country where we operate, QR-code payments are a reality with 4.5 million users in 2019. With these solutions, we seek to end the cash economy including segments of the population that have historically been abandoned by the traditional financial system.

In regard to e-commerce, today we are committed to delivering our packages within 48 hours. To make this possible, we are working to improve our logistics system and make it more efficient, opening our own storage centers in Argentina, Brazil and Mexico. As part of this ongoing effort, we opened our first distribution center in Argentina in 2019. It employs more than 600 youngsters, for many of them, this is their first formal job.

We aim to improve every day, not only taking into account the growth of our business, but also its environmental and social impact. Under this premise and within the framework of our 20 years in business, we launched the first permanent section of sustainable products. The goal is to provide entrepreneurs that generate positive impact with a channel that will give them scale to grow their business.

In this report, we share the progress of the commitments we have made, aware that we will continue to take risks and bet on our long-term impact, along with a team of more than 9700 employees in the region.

My thanks to everyone who forms part of Mercado Libre.

A handwritten signature in black ink, consisting of a stylized 'M' and 'G' followed by a period.

Marcos Galperin
CEO and President of Mercado Libre Inc

02

Company profile

We are Mercado Libre

Economic performance

Our contribution to socioeconomic development

Financial inclusion

Our value chain

We are Mercado Libre

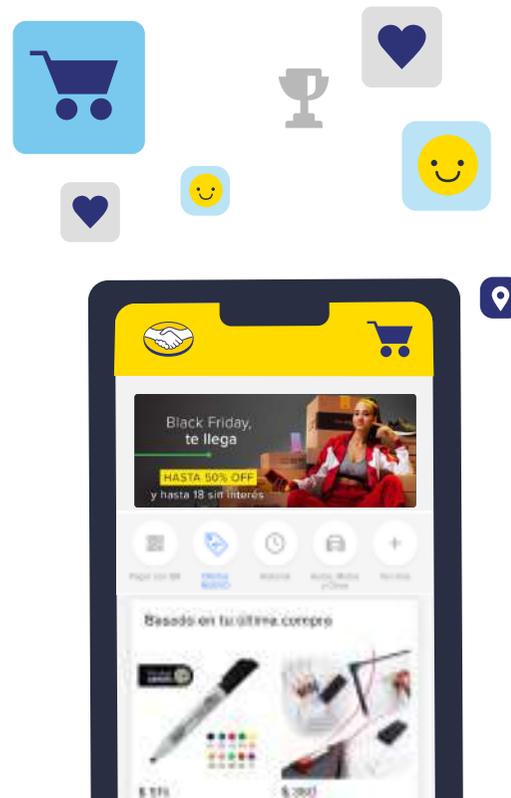
Two decades ago, four young entrepreneurs saw on the Internet an opportunity to bring together people who wanted to buy or sell their goods and services, overcoming geographical gaps and empowering small Latin American entrepreneurs. This purpose quickly became the democratization of commerce and money in the region.

Today, Mercado Libre is the e-commerce platform chosen by more than 320 million users to advertise, sell, buy, pay for and send their goods and services over the Internet. We lead one of the most dynamic industries today. We are the leading e-commerce company in Latin America. We are listed on the Nasdaq stock exchange and, since 2017, we are part of the Nasdaq 100 index.

To get here, we broaden our horizon and created an ecosystem of integrated solutions that enhance and help Latin American entrepreneurs to grow. Mercado Pago, Mercado Shops, Mercado Libre Publicidad and Mercado Envios provided solutions of e-commerce, payment, credit and Internet logistics, unheard of in the region, with efficiency and security. And, in 2017, Mercado Credito was incorporated to democratize access to credit and enhance financial inclusion.

We were born with the purpose of democratizing commerce and money by breaking the geographical and economic gap so as to equalize the opportunities among large companies and small entrepreneurs.

Our platform is the most visited e-commerce site in Latin America with the highest number of registered users in Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Peru, Uruguay and Venezuela. Our solutions are also available in Bolivia, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Paraguay and the Dominican Republic.





The best is yet to come

“It is very exciting for me to celebrate 20 years of Mercado Libre and look back with you so many lessons learned. There were many successes and mistakes, many abrupt changes, discussions and uncertainties, but there was always a DNA that marked the path and ensured we’d get where we actually arrived: our entrepreneurial gene, that gene that looks with more enthusiasm what is to come than what has been achieved and that, far from sitting down to rest, it is thinking about what is missing, what is coming, what is new, and what need we are not addressing,” says Marcos Galperin.

Our ecosystem of solutions

We have developed an ecosystem of solutions to expand the ability to buy, sell, pay, deliver items and access credit on the Internet, empowering the entrepreneurial community in Latin America.



Leading e-commerce platform in Latin America, where buyers and sellers meet to transact a wide range of goods and services. In 2019, we incorporated two permanent categories, one for sustainable products and the other one for fashion without gender. More information in the [Community chapter](#).

378.9 million products sold
53.2 million new users
12 purchases per second



Technological transformation enhances the democratization of commerce and money. Currently Mercado Pago is one of the main drivers in the region in terms of digital payments, allowing users to process online payments, and send and receive money safely, easily and quickly. It is available in Argentina, Brazil, Chile, Colombia, Mexico, Peru, Venezuela and Uruguay.

In 2019, the Mercado Puntos program for Mercado Pago was incorporated in Brazil, which allows users to accumulate points for each purchase and obtain benefits.

838 million transactions
USD 28,389.9 million processed

Mercado Crédito

We know that an entrepreneur without financing will find it difficult to grow and develop, which is why we have our credit alternative proposal for our user base. We have developed proprietary credit risk models with unique data, which differentiates our rating from traditional financial institutions. In addition, we can significantly reduce delinquency risk given that the transactions of the creditor users flow through Mercado Pago.

In Argentina, Brazil and Mexico, we provide working capital loans to merchants who also adopt our Point and QR code payment solution, given that we have pinpointed an opportunity similar to the demand for consumer credit.

Because an important segment of the Latin American population does not have access to installment financing for family consumption, and knowing that installments are an important tool for consumers when purchasing high-ticket items, we began to proactively offer consumer loans to our users who buy in Mercado Libre or with Mercado Pago in Argentina, Brazil and Mexico.

USD 534 million in loans granted in 2019

Mercado Pago and its solutions, such as the Mobile Wallet and Mercado Crédito, are our main tool to promote financial inclusion and access to credit in the region.

Mobile Wallet

With Mercado Pago, we are building the largest mobile wallet in the region. Users can pay in physical stores with a QR code or Point, use a prepaid card, take out a loan from their cell phone and invest their savings.

With the use of QR codes, Mercado Pago seeks to massify digital payments in a fast, secure and economic manner, improving our user experience. In 2019, we took another step in the democratization of payments in the region, launching our QR code solution in Chile, Uruguay, Peru and Colombia.

Point is a physical point-of-sale solution to process credit and debit cards that allows small merchants, SMEs and microentrepreneurs to receive these forms of payment and offer their customers installments. The device has no rental costs and includes competitive transaction rates to entrepreneurs. In addition, it is integrated with the Mercado Pago application and the prepaid card, with no need for a bank account. It is available in Argentina, Brazil, and Mexico.

In Argentina, Brazil, and Mexico, we expanded the functionalities of the virtual wallet with Mercado Fondos. It is a totally disruptive savings and investment solution that allows users to obtain a real return on their savings, in an agile and 100% digital manner.

838 million transactions
USD 28,389.9 million processed
71 million active payers



Online shop solution that allows users to configure, manage and promote their own e-commerce stores hosted on Mercado Libre's servers. This service is fully integrated with all of the ecosystem's solutions. Available in Argentina, Brazil, Chile, Colombia, Mexico, and Venezuela.

234,000 active Mercado Shops



An advertising platform where users can promote their products and services, increasing their visibility on our websites and associated sites in the region. Each user can promote their business in the categories that best suit their products. They just pay for the clicks received. Available in every country where Mercado Libre is present.

+100,00 advertisers



As part of the shopping experience on our marketplace, shipping plays a critical role in achieving a great experience. That is why our Mercado Envíos unit constantly develops new processes and technological tools to always fulfill the promise of delivery in a timely manner.

Mercado Envíos is available in Argentina, Brazil, Chile, Colombia, Mexico and Uruguay. We offer sellers on our platform cost-effective integration at competitive prices, with third-party suppliers of logistics and shipping services, as well as dispatch and warehousing services.

For our logistics operation, we have distribution centers in Argentina, Brazil and Mexico, improving the user experience by sending their products in less than 48 hours.

306.9 million shipments made
+38.4% vs 2018



Mercado Libre in figures

320.6 million
registered users

378.9
million
products sold



18
countries

9703
employees

1 of 50

most visited internet sites
in the world

#1

internet business platform
in Latin America

#7

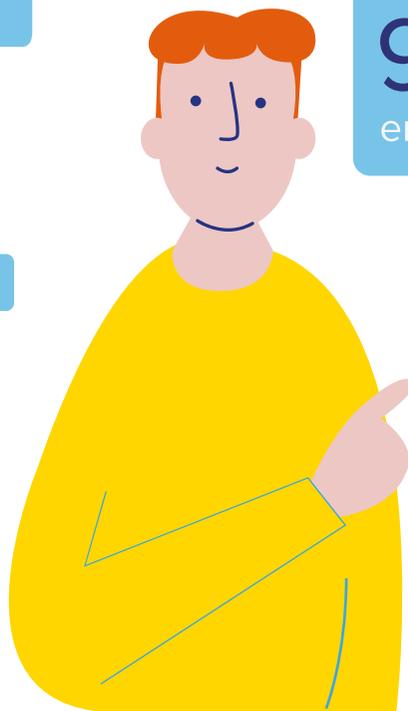
worldwide



USD 2.3 billion
in net sales



+ USD 26 billiones
in market capitalization



The e-commerce platform with the
highest number of unique visitors in
each country where it operates

Source: Company data and ComScore 2018

Participation in industry organizations

Entities that we formed part of during 2019, as members and with a leadership role.

International

Asociación Latinoamericana de Internet (ALAI)

International Chamber of Commerce (ICC)

International Trademark Association (INTA)

Argentina

Cámara Argentina de Comercio Electrónico (CACE)

Cámara Argentina de Comercio y Servicios (CAC)

Cámara Argentina de Internet (CABASE)

Cámara Fintech

Brazil

Associação Brasileira de Internet (ABRANET) Associação Brasileira das Relações Empresa-Cliente (ABRAREC)

Associação Brasileira de Crédito Digital (ABCD)

Associação Brasileira de Propriedade Intelectual (ABPI)

Associação Brasileira de Online to Offline (ABO2O)

Câmara Brasileira de Comércio Eletrônico (CAMARA E NET)

Associação Brasileira de Comércio Eletrônico (ABCOMM)

Centre for Information Policy Leadership (CIPL)

Interactive Advertising Bureau (IAB BRASIL)

Associação Brasileira de Logística (ABRALOG)

Conselho de Comércio Eletrônico da Fecomércio/SP

Coalizão Empresarial Brasileira da Confederação Nacional da Indústria (CNI)

Câmara de Comércio Internacional (ICC)

Associação Brasileira de Automação para o Comércio (AFRAC)

Chile

Cámara de Comercio de Santiago

Cámara Fintech

Colombia

Cámara Colombiana de Comercio Electrónico (CCCE)

Cámara Colombiana de Informática y Telecomunicaciones (CCIT)

Colombia Fintech

Peru

Cámara de Comercio de Lima

Uruguay

Cámara de Economía Digital del Uruguay (CEDU)

Cámara Nacional de Comercio y Servicios (CNCS)

Venezuela

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

Economic performance

We provide buyers and sellers with a solid, reliable environment that promotes the development of an e-commerce community in Latin America, a region that has more than 640 million inhabitants, featuring one of the fastest growing Internet penetration rates in the world.

Economic performance is essential to the company's sustainability. For this reason, Mercado Libre targets business growth, scaling competitive advantages and strengthening its position as the chosen trading and payment platform in the markets where it operates.

We also intend to maintain our leadership by taking advantage of the growing base of potential users thanks to the rising Internet penetration rate in Latin America. We aim to achieve these objectives through organic growth, introducing our business in new countries, entering new category segments, launching new transactional business lines and also through possible strategic business acquisitions.

Economic value Generated and Distributed (in millions of USD)

	2017	2018	2019
Generated Economic Value	1262.4	1481.7	2409.8
Sales	1216.5	1439.7	2296.3
Financial revenue	45.9	42	113.5
Sale of assets	-	-	-
Distributed Economic Value	1403.2	1518.4	2581.9
Operating costs	1123.3	1226.6	2064.8
Salaries and benefits	238.8	265.3	386.4
Payments to providers of capital (financial expenses and dividends)	26.5	56.2	65.9
Payments to governments as taxes	40.3	-28.7	64.8
Community investments	0.3	-	-
Retained Economic Value	167.8	36.7	- 172.1

Mercado Libre Fund

Mercado Libre Fund is the investment fund managed by Mercado Libre. Since 2013, it has invested in start-up tech companies that have a clear impact on the e-commerce ecosystem, as well as companies in more advanced stages of development engaged in innovative technological solutions.

USD 4.7 million
invested in start-ups in the region

28 companies
 12 Argentina 9 Brazil
 20 companies active in our portfolio
 3 Chile 3 Mexico

More information in [mercadolibre.com/fund](https://www.mercadolibre.com/fund)

Our contribution to socioeconomic development

We are fulfilling our purpose of contributing to Latin America's sustainable development by promoting the democratization of commerce and money in the region. We capitalize on technology to power ideas and businesses that drive commerce and multiply jobs.

Our Mercado Envíos distribution centers, located in satellite locations of large cities, boost the generation of indirect value, creating employment opportunities and sales of required services. When businesses grow, SMEs and entrepreneurs are the first ones to incorporate employees and generate development opportunities in their communities, empowering the local economy.

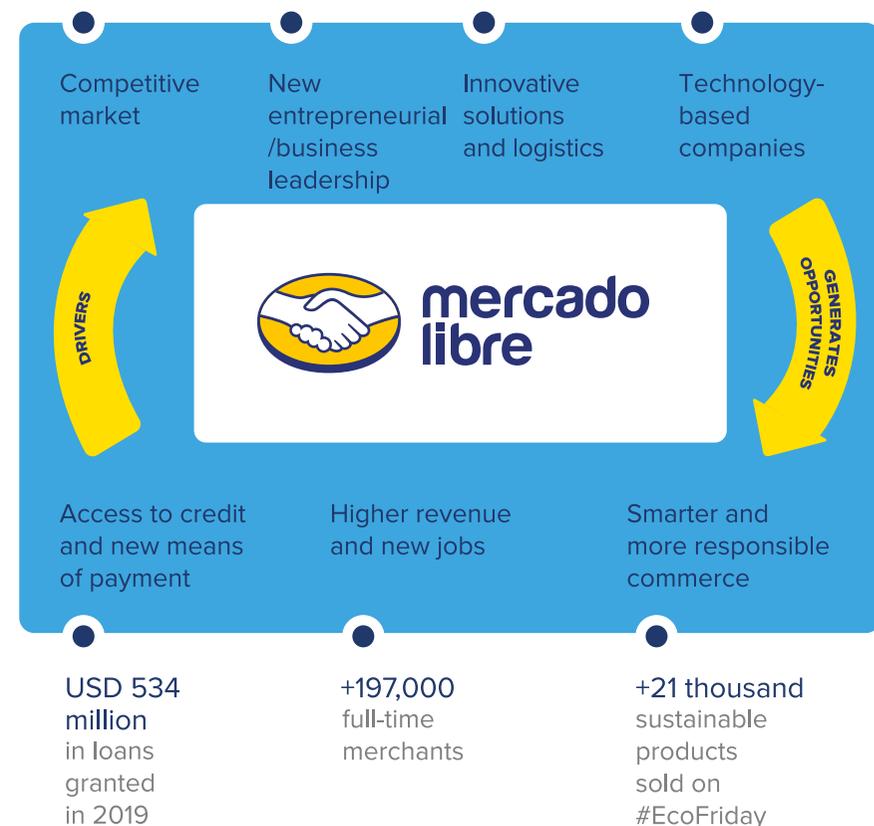
The Mercado Envíos distribution network has a growth projection that prioritizes national expansion throughout each country, extending to increasingly distant points and, at the same time, staying close to users.

Every two years, we measure the impact of our business and the opportunities derived from it through a study we commission from consulting experts.

We know that the tools of our ecosystem have the potential to generate new opportunities for thousands of Latin Americans.

We are proud of the results, which inspire us to continue working to enhance the entrepreneurial effect of our model. In 2019, more than 44 million vendors capitalized on our platform to develop their businesses and generate employment opportunities, which were enhanced with the USD 534 million that we awarded in loans.

In 2020, we will be working on a survey that will let us know the direct and indirect impact generated by Mercado Libre on people's lives.



Financial inclusion

Financial inclusion guarantees millions of people access to basic human rights and generates new opportunities for entrepreneurs. The merger of technology and finance opens up a huge range of possibilities, of local and individual solutions, which respond to global problems.

In Latin America, there are still 30 million adults who do not have access to formal financial services, and yet 90% of them have a cell phone. These figures clearly show the huge opportunity created by technology to include people in financial matters.

We understand that not having to depend on cash for all payments and financial transactions has a tremendous impact on the lives of individuals, families and business people, in terms of security, predictability, and opportunities. Today, many benefits, opportunities for financing, and promotions are found exclusively in the digital world. Our focus is on ensuring that Mercado Pago's solutions are simple, accessible and secure.

With Mercado Pago we help people grow their business or finance their purchases, promoting financial inclusion.

In addition, we are committed to strengthening the capabilities of entrepreneurs, providing them with reports containing strategically valuable information for the management of their business. Beyond the solution's transactional use, they can obtain key metrics, reconcile transactions with their balance sheet, and view any withholdings that may have applied.

With this information, entrepreneurs can analyze their ability to take out loans to invest in business growth. The integration of Mercado Pago and Mercado Credito gives them access to money in an agile, flexible and simple manner, seeking the financial inclusion of those who must overcome more barriers to access credit in the traditional system in Latin America. This is possible thanks to the innovation and investment we have made in machine learning and big data, and on innovative proprietary scoring model based on the history of each person.

USD 534 million in loans granted in 2019

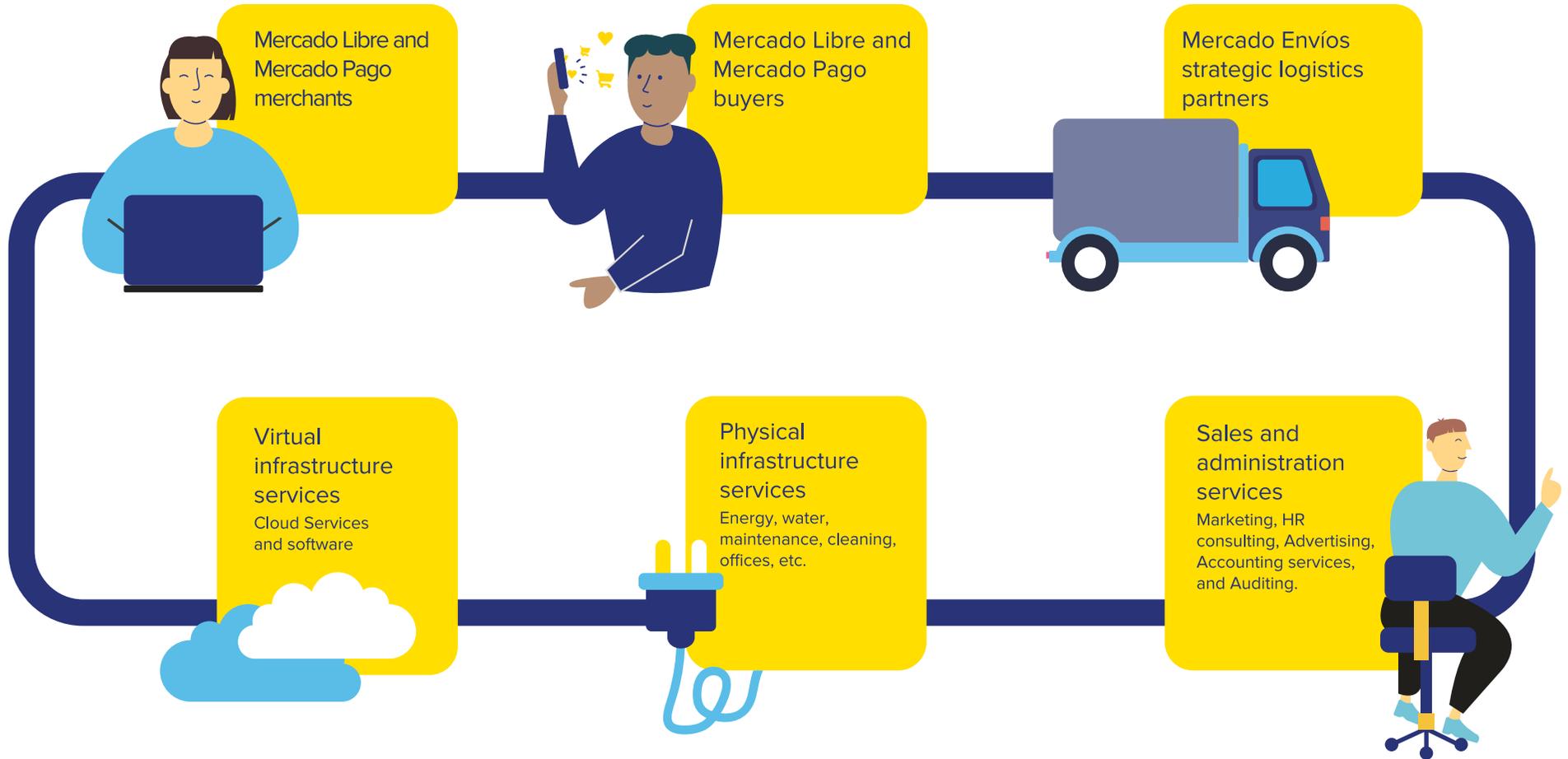
2.9 million
Point users

4.5 million
QR code payments processed

Our value chain

We are committed to multiplying the impact of our value chain, which includes the ecosystem's entrepreneurs and our suppliers.

98% of our suppliers are local.



Sustainable purchases

The choices regarding the purchasing power of a company like ours can boost a local economy and, in particular, entrepreneurs driven by a commitment to have a positive environmental and/or social impact. These include microenterprises, social enterprises, cooperative associations and NGOs producing goods and services to address situations of poverty, exclusion, unemployment and labor discrimination, among other challenges. There are also companies with an environmental objective, incorporating products or processes that care for and regenerate ecosystems.

Our sustainable purchasing policy expands every year. In 2019, it was implemented in all the countries across the region.

As a result, Mercado Libre made 49% more purchases from suppliers chosen based on social and/or environmental criteria. These entrepreneurs also benefit from a 30-day payment cycle on purchase orders.

**+49% purchases from suppliers
with environmental and/or social impact**

Measure What Matters: In Focus

In the spirit of measuring and managing sustainability in our value chain, we joined the Sistema B organization to develop the program “Measure What matters: In Focus.” The goal is to measure the social and environmental impacts of SMEs and companies in our value chain.

We invited a group of strategic suppliers from Argentina and Brazil to participate in a series of face-to-face meetings. Companies from various sectors participated. They included suppliers of products and services to our areas of Marketing, IT, People, Office Management and Sustainability.

Sistema



03

Sustainability strategy

The entrepreneurial effect

Materiality Analysis

About this report

The entrepreneurial effect

Given our DNA, we believe entrepreneurs are the vehicle to achieve a more equitable and democratic economy, spearheading an authentic transformation in society and on the planet.

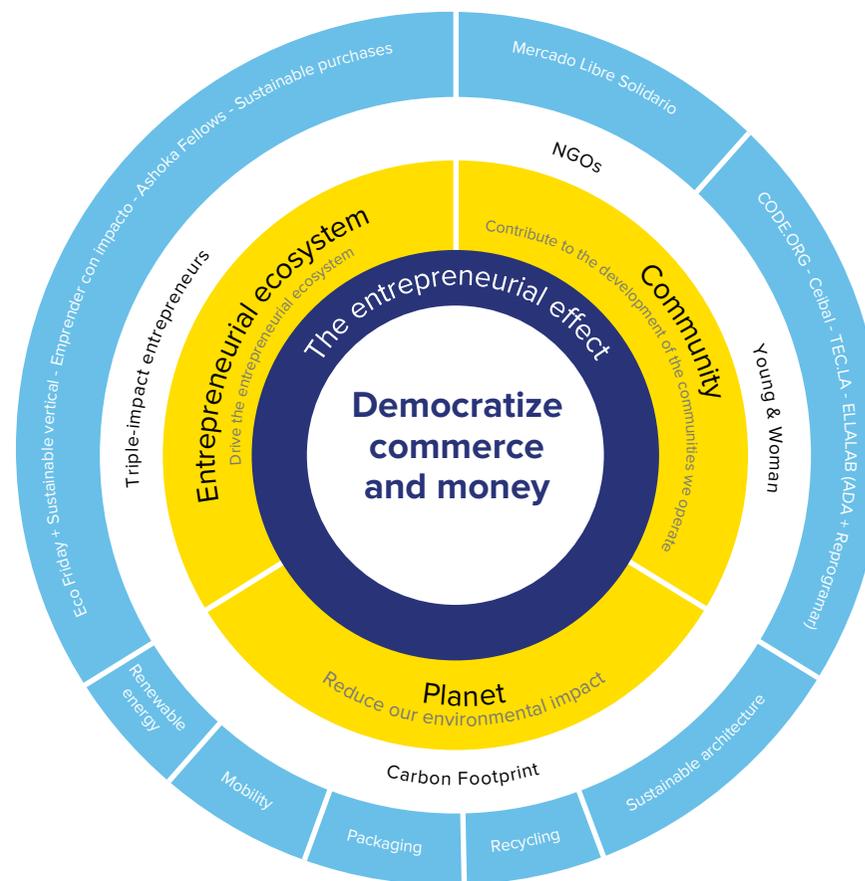
The Entrepreneurial Effect is our strategy to promote the development of the entrepreneurial ecosystem in the region. Its focus is the purpose with which Mercado Libre was born: to democratize commerce and money, equaling out the opportunities between large companies and small entrepreneurs by reducing geographical and economic gaps. The pillars of our sustainability strategy are to boost the entrepreneurial ecosystem, contribute to the communities where we are present, and reduce the environmental impact of our operations.

The entrepreneurial effect is the ideas and businesses businesses that technology creates, driving trade and multiplying job creation.

Our triple impact measurement

We know that to manage our economic, social and environmental impacts it is very important to know the relevant information of our organization. For this reason, since 2017 we work together with Sistema B in measuring our impacts in-depth, in order to implement improvement plans for the opportunities that present to us.

Strategic Focus



Stakeholder groups

We maintain a fluid and transparent relationship with our stakeholders to stay abreast of their expectations and concerns and translate them into information of strategic value for the management of our business. We carried out an internal process to identify and select our stakeholders based on the criteria of interaction and impact on the business.

In November, we held a closing meeting of the year of sustainability in our offices in Buenos Aires, which was attended by more than 100 representatives of our stakeholders. In the event, we share with them the spotlights of our strategy, the efforts made and the results achieved.

The following table summarizes the dialogue mechanisms with each stakeholder group.



Stakeholder	Dialog mechanisms
An ecosystem of entrepreneurs and platform users	<ul style="list-style-type: none"> - Customer service area - Marketing surveys - Training and breakfasts conducted by the Commercial and Sustainability area
Employees	<ul style="list-style-type: none"> - Face-to-face meetings with HR and managers - Mailings - Facebook at Work - Talks and breakfasts with the CEO - Quarter-end in-house statement - Q&A with directors - Corporate climate survey and feedback
Suppliers	<ul style="list-style-type: none"> - Face-to-face meetings and mailing
NGOs and not-for-profits	<ul style="list-style-type: none"> - Mercado Libre Solidario program with the sustainability team
Management and directors	<ul style="list-style-type: none"> - Audit committee and board meeting
Thought and opinion leaders	<ul style="list-style-type: none"> - Meetings and periodic informative mailings - Quarterly results report
Government	<ul style="list-style-type: none"> - Meetings with the area of government relations and sustainability
Shareholders	<ul style="list-style-type: none"> - Meetings with investors and the area of investor relations

Materiality Analysis

To understand our stakeholders' vision of the most relevant sustainability issues, we conducted a Materiality Analysis, taking into account the recommendations of the Global Reporting Initiative and SASB.

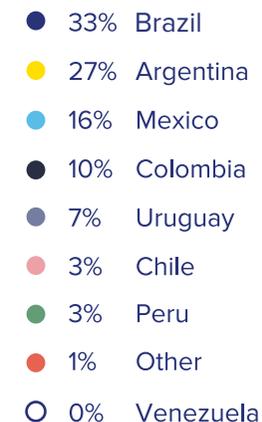
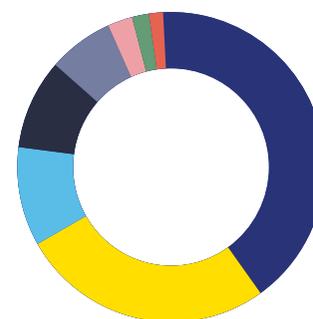
In 2019, we reviewed the issues of the previous period and decided to change the name of the topic "Indirect economic value" to "Contribution to socioeconomic development," with the aim of defining more precisely the scope of this aspect.

The topics were prioritized internally and validated through an online survey that was answered by 19,963 representatives of the different stakeholder groups. For the analysis, the difference in the sizes of each sample was taken into account so as not to affect the general results.

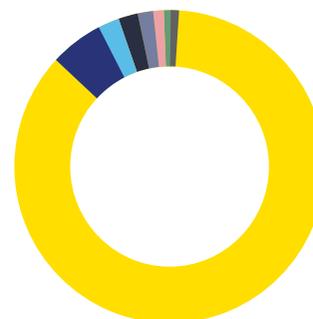
The questionnaire included an open-ended question asking stakeholders to indicate any critical issues and concerns they felt should be included. Most of the answers could be framed in one of the material topics listed, such as mitigating emissions of shipments and packaging (Environmental footprint), the sale of prohibited articles (Buyer and merchant behavior), retained payments and security in purchases (User trust and security).

20,000 representatives
of our stakeholder groups
participated in the materiality analysis

By country



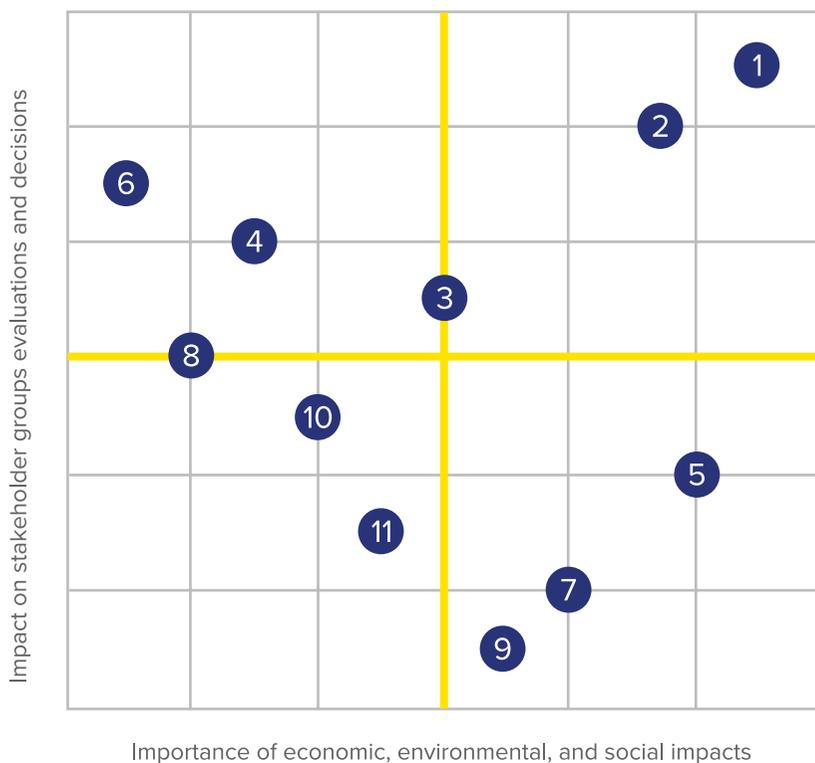
By stakeholder group



Material issues and contribution to the SDGs

The following list presents the material issues prioritized by the company and validated with the stakeholders, which were used to draft this report. Based on these issues, we also analyzed our contribution to achieving the objectives set out in the United Nations Sustainable Development Goals (SDGs).

Materiality Matrix



Issues and coverage

- 1

User trust and security
External


- 2

Ethics and transparency
Internal and external


- 3

Contribution to socioeconomic development
External


- 4

Diversity and equal opportunities
Internal and external



- 5

Human capital and talent attraction
Internal and external


- 6

Buyer and merchant behavior
External


- 7

Economic performance and positioning
Internal and external



- 8

Education and digital inclusion
External





- 9

Financial inclusion
External


- 10

Environmental footprint
Internal and external


- 11

Boost of entrepreneurship
External



About this report

This sustainability report was drafted in accordance with the Comprehensive option of the Global Reporting Initiative's reporting guidelines.

We also included recommendations from the Sustainability Accounting Standards Board (SASB). This document reflects our seventh reporting period. It describes the activities related to sustainability management of Mercado Libre Inc and its controlled companies.

Mercado Libre is listed on NASDAQ and incorporated under the laws of Delaware, United States. All the entities included in the consolidated financial statements are disclosed in form 10k, exhibit 21-01.

Mercado Libre's headquarters are located at Arias 3751 in Buenos Aires, Argentina. The firm has operations in Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Peru, Uruguay, Venezuela, Dominican Republic, Honduras, Nicaragua, El Salvador, Panama, Bolivia, Guatemala, and Paraguay.

The report covers activities carried out between January 1 and December 31, 2019. During this period the company has not undergone any significant organizational changes. The company presents a sustainability report annually; the prior report corresponds to the year 2018.



Contact

Please feel free to write to sustentabilidad@mercadolibre.com with any questions or feedback about our Sustainability Report.

04

Ethics and transparency

Corporate governance

Risk management

Ethics and integrity

Corporate governance

Governance structure

The Board of Directors is composed of nine members, of which seven are independent outside directors, in line with Nasdaq's requirements. The board monitors the internal control system, acting independently of management. The Nominating and Corporate Governance Committee proposes board members, who are then ratified by the Shareholders Assembly.

Our corporate governance style reflects our core values: integrity, transparency, and autonomy.

Mercado Libre's Board of Directors establishes the principles that guide the conduct of the company's employees, officers and directors. It is responsible for supervising the administration of the business and acting as a fiduciary for the shareholders. Among its functions, the board reviews and approves financial objectives, operational plans and activities, keeping updated about the company's business activities and supervising the control and reporting procedures. In addition, it monitors and controls the identification and evaluation of risks as well as the effectiveness of the company's risk-management processes.

Each year, it carries out a performance evaluation, in which the members reflect on the lessons learned in the period, the improvements that the group needs to make and, if pertinent, those of each individual director.

The Chief Financial Officer (CFO) is responsible for economic, environmental and social issues at an executive level. Four times a year, the heads of each business unit present the economic results, the social context of the operations and the progress of the business strategy to the Board of Directors.

Board of Directors

Marcos Galperin
Chairman of the Board and
CEO

Nicolás Galperin

Susan Segal*

Mario Eduardo Vázquez*

Alejandro Nicolás Aguzin*

Meyer Malka*

Emiliano Calemzuk*

Roberto Balls Sallouti*

*Independent

Executive Team

Marcos Galperin (49)
CEO

Pedro Arnt (46)
Executive Vice President and
CFO (Chief Financial Officer)

Stelleo Tolda (52)
Executive Vice President and
COO (Chief Operating Officer)

Oswaldo Giménez (50)
Executive Vice President of
Payments

Daniel Rabinovich (42)
Executive Vice President and
CTO (Chief Technology Officer)

Marcelo Melamud (48)
Executive Vice President and
Chief Accounting Officer

Committees

Audit Committee

The audit committee supervises accounting and financial information processes, the proper functioning of internal control, and compliance with the laws and regulations of each country. It is responsible for evaluating and managing financial risks effectively. Periodically, the committee consults with an independent external auditor to assess the control of the financial information and the fullness and accuracy of Mercado Libre's financial statements. This is done without the intervention of the company's management. The committee reviews and discusses the integrity of the company's internal control systems with management and the auditors. It also regularly reviews all member practices and policies.

The committee must inform the Board of Directors about any matter that may require its attention or may affect Mercado Libre's financial situation. In this process, it must evaluate the related risks and the planned actions to manage them.

Nominations and Corporate Governance Committee

This committee recommends qualified personnel to form part of the Board of Directors, taking into account skills, competencies, experience, reputation, integrity, independence, and potential conflicts of interest. It identifies candidates for the board taking into account recommendations made by shareholders, and other Mercado Libre stakeholders. It may hire a third-party firm to assist in the identification of potential candidates and evaluate all applications based on the merits of each proposed member.

This committee periodically reviews the company's Code of Conduct and Ethics, which defines the values and purpose of our company, in order to adapt its policies as needed. It is also in charge of supervising fulfillment of the obligations related to the organization's governance.

Compensation Committee

It offers recommendations to the Board of Directors regarding the strategy and the compensation and benefits programs, applicable to the members of the Board of Directors, executives and employees. The Compensation Committee develops and maintains a compensation policy for senior executives, which has a direct relationship with the company's payment levels, corporate performance and shareholder performance. The committee monitors the results of the policy to ensure competitive levels of payment, create adequate incentives to improve shareholder value, reward good performance and account for the returns available to shareholders.

Board members who are not employees receive annual compensation, which may take the form of a yearly retention bonus, a stock grant n annual stock option subsidy, a stock option award, or a fee to attend board meetings.

Composition of the Committees

Director	Audit Committee	Nominations and Corporate Governance Committee	Compensation Committee
Emiliano Calemzuk		President	Member
Meyer Maika	Member		President
Susan Segal	Member		
Mario Vázquez	President	Member	Member
Nicolás Aguzin		Member	

This information is used by SEC Reporting and Internal Audit to analyze compliance with regulations and applicable policies for Mercado Libre employees. The findings are discussed between Internal Audit, the CFO, the Senior Vice President of Legal & Government Relations and the Senior Vice President of Human Resources. Finally, a summary of the information is sent to the SEC Reporting Manager to analyze whether to include it in the financial statements.

To learn more about Mercado Libre’s governance, the professional profiles of the board members or executive team, as well as the committees, visit our investor relations website, developed in compliance with the requirements of the Securities and Exchange Commission (SEC).

More information in investor.mercadolibre.com

Conflicts of interest

To avoid and manage conflicts of interest of the highest governance body, the Investor Relations, Legal & Government Relations Area sends a statement once a year to the directors and those shareholders with a stake higher than 5 percent of Mercado Libre Inc so that they disclose their related parties. Any conflict of interest is reported to the Senior Vice President of Human Resources, the General Counsel and Internal Audit. Additionally, supervisors and higher-ranking executives are requested to declare their related parties and report any transactions with them that involved Mercado Libre.



Our Code of Ethics and Conduct

We conduct ourselves as good corporate citizens, with integrity and transparency. We expect everyone who forms part of Mercado Libre to carry out their functions according to the highest ethical and behavioral standards. Likewise, we have the same expectations of our suppliers, partners and customers. We work to ensure that values of honesty, fairness, and respect prevail in all our relationships.

To ensure these expectations are met, we have a Code of Conduct and Ethics, which is available on the Investor Relations site to the general public. The document outlines our commitment to comply with laws and regulations, and establishes best practices related to internal information management, company assets and digital media. It also includes guidelines for the prevention of conflicts of interest; policies of gifts and business courtesies; rules on corporate opportunities, privileged information and competition; external work activities and competitive businesses; and policies related to anticorruption, prevention of money laundering and terrorist financing.

We also have policies that contribute to the good behavior of people who work at Mercado Libre and members of the value chain. These policies cover diversity and inclusion; donations, events and sponsorships; and travel expenses and entertainment. Policies for each topic are developed by the specialized areas and authorized by the Board's Ethics Committee.

The main policies contained in the code of ethics are communicated periodically through internal channels and training initiatives with key areas. All employees are given a copy of the code of ethics to sign when they join the company. In 2019, we redrafted the contents to make them more accessible and relevant, reflecting Mercado Libre's communication style when addressing its employees.

To ensure consistency with our vision and values, we evaluate ethical conduct and integrity in an efficient and transparent manner. Every year, the Internal Audit area conducts special evaluations to assess compliance with laws applicable to the company's employees and the Sarbanes-Oxley (SOX) Act. A report with the findings from each review is sent to those individuals responsible for the process and the CFO. We also have procedures for reviewing compliance with the policies and provisions of the Code of Ethics. Finally, we prepare quarterly reports for the Board's Audit Committee about the findings detected in each of the reviews.

Complaint hotline

When a situation arises that call into question about its legality, we expect the people who work at Mercado Libre and the members of our value chain to be proactive and report it. We have created trustworthy channels so that people can report issues immediately, without fear of reprisals.

The [complaint hotline](#), which is managed by an external service provider, is anonymous and confidential. It is available to employees, members of the value chain, and third parties outside the company. Complaints are received and analyzed by Internal Audit and the Ethics Committee, which evaluate and corroborate the information, issue a report and recommend measures to rectify the situation or control irregularities

Anti-corruption policies and procedures

Our anti-corruption policy establishes that no employee or member of Mercado Libre's value chain may make or offer payments, money or valuable goods to an individual, company or organization, including public officials, directly or through intermediaries, to improperly obtain a preferential treatment or a benefit.

We are aligned with the Foreign Corrupt Practices Act (FCPA) of the United States, the Brazilian Anti-Corruption Law, the Law on Criminal Liability of Legal Entities of Argentina, and all anti-corruption laws in every country where we operate.

We are aware that we are present in countries with a high level of perception of corruption, and our administrative and commercial areas have contact with public officials in all of them. For this reason, we abide by several prevention and detection procedures. We do not tolerate acts of corruption. Our risk management process monitors the risk of corruption, among other risks, and annual audits include the evaluation of this aspect in all of the company's operations. In 2019, no corruption cases were registered in our organization.

The corporate anti-corruption policy is included in the Code of Ethics, approved by the Board of Directors. All employees are given a copy to sign when they join the company. In addition, on a yearly basis, supervisors and managers are informed of our anti-corruption procedures, representing a total of 1900 people in 2019 (+42.5 percent than in 2018).

Suppliers are required to familiarize themselves with our anti-corruption policy during the registration process before they can begin to operate with Mercado Libre. In addition, we include anti-corruption clauses in the

contracts with the main commercial partners and those with the greatest risk exposure, under which they undertake to comply with our policies and applicable laws

Compliance and fair competition

Our corporate governance policies were designed to ensure compliance with the required levels of control in our organization.

Compliance with the law and respect for competition are critical aspects of sustaining market leadership and to achieving our vision of democratization of access to commerce and money in the region.

In 2019, the Commission of Promotion and Defense of the Competition of Uruguay filed a complaint against Mercado Libre, which was resolved by the close of the year of this report; and in Mexico, the Federal Commission of Economic Competition (Comisión Federal de Competencia Económica, COFECE) is conducting an investigation into the market of services of e-commerce platforms.

Risk management

The strategic risks faced by our business are related to the continuous growth of online commerce in Latin America; our ability to expand and adapt our operations; updates of infrastructure and information technology; and possible system interruptions. Other risks include Internet regulations and laws; the sale of regulated and prohibited articles on our platform; violations of intellectual property rights; dissemination of information and material on our platform; and security breaches and data leaks. Likewise, user fees and consumer trends constitute risks.

The company has areas dedicated to risk management, as well as risk management policies in place. Mercado Libre uses the SAP GRC Risk Management application to identify, analyze, respond to and proactively monitor risks throughout the company.

As a consequence of this implementation, a corporate Risk Committee was established. Its responsibilities include: discuss and validate the levels of impact and probability of occurrence of the identified risks; incorporate changes proposed by Management or Internal Audit; address queries related to risk responses; review the performance of the risk management process and take corrective actions if applicable; undertake an annual review of the risk map; evaluate the performance of the owners of each risk and the associated management process.



05

User oriented

The security of our users

User behavior and their protection

The security of our users

Millions of Latin American users choose us every day to buy, sell, pay and finance their activities with our solutions. They are the true protagonists of the entrepreneurial effect. We want to offer them a superior experience in an agile and secure platform, aligned with the highest e-commerce standards.

There are two fundamental aspects to our commitment to users: our positioning as a leading digital meeting point between buyers and sellers, and the usefulness of the platform's tools.

A vision of integral security

Our security policies seek to protect the confidentiality, integrity and availability of all flows and processes associated with our own business data and that of our users.

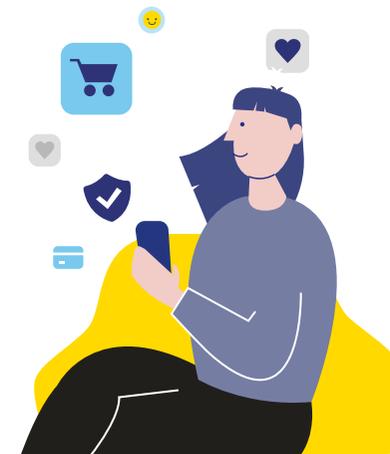
As an innovation-oriented company, we incorporate the vision of security in all instances of the development of business flows, even before going to market. We have automated and continuous management processes in place to control the quality of the code developed in terms of security. Likewise, we have automatic protection systems against cybersecurity attacks, which prevent, alert and provide traceability of this type of event, guaranteeing the availability of data flows.

The confidentiality of our clients' data is ensured and controlled by classification and monitoring processes, which we apply according to the types of data involved.

We are committed to ensuring the security of the information, processes and technologies that give life to the products and services of Mercado Libre's ecosystem.

There is a cross-cutting vision to our security management that applies to all of the company's business units. Therefore, the security area is organized in different sectors such as Application Security, Cloud Security, Monitoring, Incident Response, Compliance, Data Protection, Office Security and Identity Management. This organization supports the entire company in terms of access, prevention and detection of malicious software, as well as in the security of the infrastructure that supports Mercado Libre's ecosystem.

We apply a strategy focused on cybersecurity, following the principles of zero trust, automation and decentralization, behavior analysis, and automatic response. With this approach we seek to avoid any type of information leakage, preventing and detecting computer attacks.



The annual strategy and planning of IT security includes projects and initiatives, which are grouped into “tracks” and “focus on” categories. Each track has sponsors, who are the managers. The initiatives are carried out by the different security teams, which may or may not belong to the management team that leads them. The different “focus on” categories are: external threats, prevention of data leaks, zero trust and regulations. This strategy is redesigned on a quarterly basis.

We measure our management based on key performance indicators (KPIs), with metrics for each central objective of the area to evaluate their effectiveness and take corrective action immediately if needed. The team conducts a quarterly evaluation of its objectives to present to the Director, who, in turn, presents an annual executive summary to the Auditing Area.

Protection of information

We work to guarantee our users’ personal and financial data, and that their transactions are managed securely.

So that our users can carry out their operations in an agile and secure manner, Mercado Libre requires personal information. All users who register on our platform do so in accordance with our privacy and confidentiality policies, accessible on the navigation screen of each local site.

The protection of information is one of the most sensitive aspects in the current digital context and one of the issues that most matter to our users when choosing their trading platform.

Our privacy policy clearly and explicitly describes the uses made of information for primary purposes, related to the provision of the services offered by Mercado Libre. These include contacting the seller and

buyer to conclude the agreed transaction, making electronic payments, managing the virtual wallet and granting credit, among others. It also describes the secondary purposes of the use of information, such as conducting internal studies to improve or develop new services, optimize commercial or promotional initiatives, send relevant information to the user, provide information to entities involved in dispute resolution, programs that protect intellectual property, and carry out fraud prevention actions and ensure legal compliance, such as anti-bribery or anti-money laundering laws.

Audits of suppliers that manage information

Suppliers that process our platform data must adhere to the requirements of the SSAE 16 (Statement on Standards for Attestation No. 16) audit, which analyzes their reputation and control procedures.

The standard was issued by the Auditing Standards Board (ASB) of the American Institute of Certified Public Accountants (AICPA). This documentation is requested by companies such as Mercado Libre, which offer third-party services that have contact with or impact another organization’s data. The purpose of the statement is to independently audit the security controls of our suppliers and ensure the integrity of the site’s data.

Also, we review all transactions that exceed USD 50 thousand to prevent money laundering.

Platform performance

One of the reasons why millions of users choose us is because we are always online. We maintained the good results of the previous period with 99.76% of the data traffic sustained by the infrastructure developed in the cloud.

99.76% platform
platform uptime in 2019

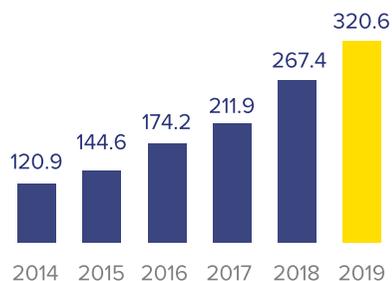
1st quarter
99.6%
82 events
512 minutes
downtime

2nd quarter
99.89%
102 events
150 minutes
downtime

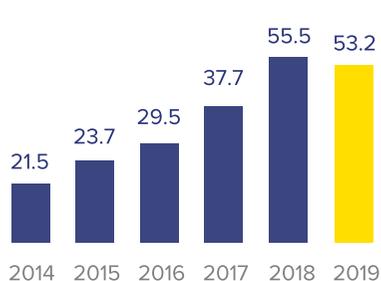
3rd quarter
99.78%
166 events
288 minutes
downtime

4th quarter
99.76%
132 events
322 minutes
downtime

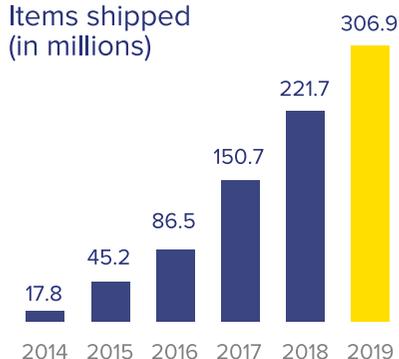
Registered users
(in millions)



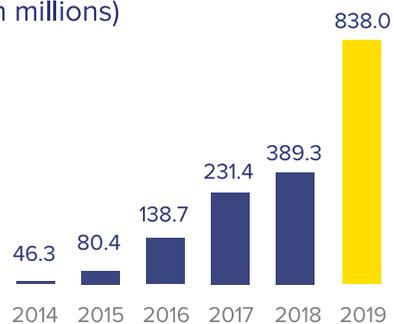
New users
(in millions)



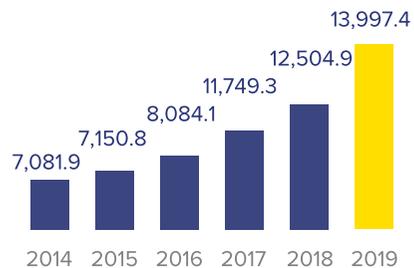
Items shipped
(in millions)



Mercado Pago transactions
(in millions)



In merchandise sold
(in millions of USD)



How is our platform used?

5 out of 10 users

register from a mobile device

 +19 million app downloads

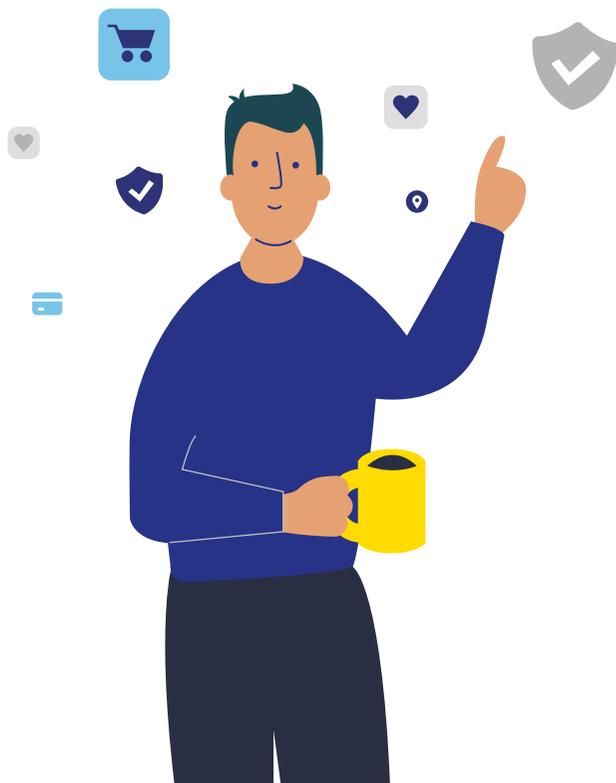
 66% of sales come from mobile devices

320.6 million registered user
53.2 million new users in 2019

838 million of transactions

 96% transactions are between merchants and consumers

 100% of transactions are for new products



User behavior and their protection

We are very careful to validate that the businesses that use our platform comply with the regulations in force in each country. Each regional site has special procedures in place to prevent illegal transactions. In particular, we emphasize ethical behavior and the protection of individuals' rights.

Our moderation team is responsible for overseeing compliance. Its mission is to monitor the site and keep it safe, and provide fair treatment to the user community.

Depending on the type of infraction committed or the number of times, the sanction may lead to the user's expulsion from the platform and/or a complaint filed with the pertinent authorities.

Compliance with our terms and conditions and publications policy is mandatory for anyone who uses our platform and they apply to all published articles in every category.

Each Mercado Libre site in the region implements its own measures for preventing illegal commerce transactions. In Brazil, for example, we have policies in place to prevent violence and discrimination, limiting the types of goods or services and permitted listings. There are also prohibitions related to products that may threaten the protection of historical and cultural heritage. In the other countries, there are similar policies regarding prohibited items. Users can access them in the "help section," under the link "prohibited articles."

Types of infractions to our terms and conditions that can result in the removal of a publication:

- Prohibited article: items whose sale are prohibited by law (drugs, medication, weapons); and products Mercado Libre has decided to ban; and other agreements with authorities or restrictions analyzed by our Legal Affairs Department.
- Intellectual property: articles that infringe upon the rights of intellectual property holders.
- Personal data: publications that include contact information.
- Prohibited practices: publications that in any way infringe our terms and conditions.

Protection of intellectual property

We created a tool so that the holders of Intellectual Property Rights can report listings that infringe upon their rights. The owner or holder can protect their rights on our site by adhering to the program to request the removal of the listings that infringe upon their rights.

06

Our team

Entrepreneurial DNA

We are an organization that prioritizes entrepreneurial talent

Performance and professional development

Diversity and equal opportunities

My MELI experience

Our DNA: we are entrepreneurs

Co-creating in Mercado Libre is much more than working a job. It is experiencing firsthand the fabulous adrenaline of undertaking a new venture: it is to feel pride in what is done, learned, and achieved.

We are transforming not only the way people sell, buy, pay, and ship, but also their way of working

Being part of MELI, as we internally refer to the company, is an ever dynamic, evolving, collaborative, inspiring experience full of opportunities. That is why MELI attracts people who have something in common: their entrepreneurial DNA. And it seeks to activate that fiber in every challenge it proposes.

We build a genuine and outperforming culture that spreads around, attracts and brings meaning to our daily work, connecting our entrepreneurial DNA with each of our actions and taking risks intelligently.

We promote a unique culture based on six principles that come to life in a special work experience, which makes us one of the best places to work not only in Latin America but worldwide.



An entrepreneurial team

9703
employees

3846
women
39.64%

5857
men
60.36%

Women (by country)



Men (by country)



Age distribution

5851 | 60.3%%
under 30

3833 | 39.5%
between 30 and 50

19 | 0.2%
over 50



Digital, collaborative and scalable management

In 2019, we evolved toward a digital, collaborative and scalable management of people, which puts people first, elevating them to the role of co-creators, and employs the transformative power of technology for a better experience.

We believe in people. We encourage them to be empowered and surpass their own limits to grow at MELI's pace.

We rely on the transformative power of technology

In Mercado Libre, leadership is synonymous with high-performance, diverse teams with levels of commitment associated with objectives that must be measured effectively.

To meet the management objectives, which are increasingly challenging with each year, we strengthen our ecosystem of technological solutions with innovative, integrated and custom-designed tools.

We consolidated an Analytics platform to monitor and predict behaviors in critical variables like recruitment, employee commitment and turnover, among others.

Technological solutions at the service of the MELI experience



Mobile



Cloud



Bots



Workplace

We use Facebook's Workplace platform to connect, boost and provide feedback about the MELI experience from a place of communication and collaboration. Network management is decentralized: all people can consume, and also produce and publish information, comments and news, as well as create private groups for projects and activities. In addition, there are central groups about MELI that people follow to keep updated. These are groups of high relevance, since we do not use mass emails for internal communication: we prefer that each member can access what they need or are interested in knowing.

In 2019, we were recognized by the Workplace Transform Awards for the case "How Mercado Libre's leaders activate the conversation with their teams taking advantage of the potential of technology" and for "Best automation strategy" using bots on the platform.

9626 accounts
7698 monthly active users
412 monthly active groups

Bots

We have automated bots that support our processes and programs. The interview Feedback bot integrated to Workplace; the Quarterly Feedback bot to schedule meetings; the Be DNA and DNA MELI Awards bots that help to drive recognition programs; and the Opportunities@MELI bot that allows you to apply for internal recruitment opportunities. Through these automated assistants, in addition to maximizing the scope, we ensure the transparency and efficiency of processes.

People Chat

Channel to funnel queries and concerns from MELI team members. All feedback received is analyzed and followed up on to guarantee the quality of the service.

Live broadcasts

From Workplace, we organize live broadcasts where we share first-hand information about the leaders of the most relevant projects. There are monthly events with the CEO, and twice a year with the Senior Vice President of People, as well as others held periodically with other leaders. They answer the most voted questions for the period asked days before the event by MELI people from across the region via Workplace. The quarterly results of the different areas are also broadcast live and recorded so that all teams can see them.



A co-created communication

We generate opportunities and means to talk, meet, collaborate and share opinions from wherever we may be physically located. Our internal communication is co-created by everyone. Formal and informal leaders get involved and support their teams with an open-door policy and fluid communication. We promote a flexible and communicative culture. Our work spaces are horizontal, open, with common areas that foster collective intelligence.

We promote rituals of celebration and recognition of merit, so that achievements are enjoyed, in instances that liven up the workplace, relax and spread good energy.

We make technology available to everyone to promote flexibility when it comes to work. Open Workplaces allows our people to work from anywhere with an internet connection, maximizing their impact and optimizing their time.



Onboarding the best entrepreneurial talent

We are an entrepreneurial talent organization, we aim to attract, select and add the best talent to lead electronic commerce and the fintech industry in Latin America.

In 2019, we achieved one of the greatest challenges in terms of talent acquisition in our history: onboarding more than 4500 people. To achieve this ambitious goal, we focused on executing our model with excellence, collaboratively and consolidating our structured interview methodology, which allows us to make decisions based on specific evidence and free of bias.

With this format, we manage to have in-depth conversations with more than 9700 people a year. Besides being able to perform their job functions competently, we are seeking out people who truly identify with MELI's culture and demonstrate an agility for learning that allows them to transcend their job position, accompanying Mercado Libre's growth.

We attract, select and hire the best talent to lead the e-commerce and fintech services industry in Latin America.

All our leaders have human capital goals. They are empowered and prepared to be part of structured interviews with a focus on identifying MELI DNA and learning agility, always raising the bar.

4500 people joined the team in 2019

OWNboarding

We want people to take over their development from the first moment of their journey as part of Mercado Libre. OWNboarding is an open invitation to live “the fabulous adrenaline rush of entrepreneurship.” It consists of a 90-day itinerary that allows those who join the company to familiarize themselves with the main projects, establish value relationships and identify with MELI's culture, leading their own development plan.

As part of this experience, each group that joins MELI is hosted for a full day, guided by an internal ambassador so they can discover and experience the MELI Ecosystem, the activation of our culture principles, and the value proposition we offer them.

137 days of OWNboarding
4522 people hosted



New hires

	ARG	BRA	CHI	COL	MEX	PER	URU	VEN	Total
Women	747	686	28	112	66	1	175	-	1815
Under 30	585	514	10	95	25	1	164	-	1394
Between 30 and 50	161	172	18	17	41	-	11	-	420
Over 50	1	-	-	-	-	-	-	-	1
	ARG	BRA	CHI	COL	MEX	PER	URU	VEN	Total
Men	1538	724	91	121	112	5	116	-	2707
Under 30	1003	441	34	99	45	3	91	-	1716
Between 30 and 50	534	283	57	22	67	2	25	-	990
Over 50	1	-	-	-	-	-	-	-	1

Turnover rate

	ARG	BRA	CHI	COL	MEX	PER	URU	VEN	Total
Women	435	1037	46	191	95	1	346	71	2222
Under 30	373	863	20	177	44	-	329	54	1860
Between 30 and 50	62	174	25	14	50	1	17	17	360
Over 50	-	-	1	-	1	-	-	-	2
	ARG	BRA	CHI	COL	MEX	PER	URU	VEN	Total
Men	1019	935	56	198	101	1	258	62	2630
Under 30	733	659	26	171	39	1	242	48	1919
Between 30 and 50	286	276	30	27	61	-	16	14	710
Over 50	-	-	-	-	1	-	-	-	1

Protagonists of their own development

We believe that each person is the protagonist of their own development and career path. With this belief we challenge ourselves to lead, reinvent ourselves, innovate, learn and evolve.

We encourage all people to co-create their development in a proactive experience. And we provide the means for them to do so, constantly evolving in the design and functionality of these tools.

Our talent management strategy has an integrative and disruptive approach that addresses performance and career development together. We have an annual, cyclical and continuous performance management process. Everyone at MELI manages their own annual performance process, evolving in each cycle.

Performance Management is an integral process, where self-assessment and evaluation are the natural consequence of what has been worked on and undertaken jointly throughout the year.

The focus of Performance Management is on continuous feedback, but there are also instances on a quarterly basis that are examined and related to one another, which ensure an ongoing flow of a critical conversation, review and performance measurement of all MELI people.

We facilitate processes so that along with the business goals (performance), each person defines their development goals, with both aspects integrated in the same conversation as they mutually enhance each other. We suggest that employees frame their development goals in a 70/20/10 learning model: 70% focused on experiences, 20% on exposure through mentoring, and 10% on training and formal knowledge.

We challenge people to “learn to learn,” to move beyond their mistakes, flow with knowledge to grow together and without limits.



Talent review

The talent review process consists of an annual session in which the leaders, together with the People Team, map their team profiles, analyze performance variables, learning agility and career aspirations. Succession plans for roles of supervisors and above are also formulated as part of this process.

During the talent review session, the profile of each person is examined based on these variables. Leaders are given guides and recommendations about suggested development actions for each individual. Once the session is finished, participants receive personalized feedback. Development actions emerge from these sessions.

We use a meritocratic criterion to manage promotions. Job searches are published in the Opportunities@MELI group and in the talent review stage we carry out calibration sessions where our leaders, working with the People Team, decide on promotions. In addition, we give our reasons for each promotion awarded and celebrate the achievements of each person.



Development and learning programs

Open Learning

We innovated upon the traditional dynamics of passive learning in the classroom, through self-led, collaborative value experiences, undertaken from attitudes that depend on the individual person. Open Learning is a Workplace community to discover, connect, propose, share and expand value knowledge.

There you can access online courses, organize and join gatherings, workshops and meetups; recommend books, activities and projects; ask for and give feedback, among other activities.

12 average hours of training per employee

11 average hours
of training
per woman

13 average hours
of training
per men

6 average hours of training per Analysts and Assistants
 13 average hours of training per Supervisors
 16 average hours of training per Managers
 19 average hours of training per Sr. Managers
 8 average hours of training per Executives
 7 average hours of training per VP/CEO

Diversity and equal opportunities

We believe in respect for people as a fundamental value and basis of all diversity and inclusion actions. We made progress with leadership and awareness processes to strengthen our vision, inspiring people to deploy their abilities and express themselves in a healthy and equitable environment.

For us, diversity is also a competitive advantage. We innovate from diversity and that makes us disruptive. Thanks to this empathic approach we can design products, services and solutions best suited to the unique characteristics of each country and each user.

More than 9700 singular, valuable and unique people enrich and consolidate the diversity of our team.

Women make up 40% of Mercado Libre workforce. However, in the IT areas, the percentage is reduced to 15%, in line with the market trend.

The Diversity and Inclusion policy is part of Mercado Libre's Code of Ethics. It is the basis of our actions, which we rewrote along this reporting period to better reflect our people and make it more accessible. In 2017, we developed a three-year diversity and inclusion plan and, two years after implementing it, we already managed to enrich our leadership, adapt the systems to minimize biases, and form strategic alliances with community stakeholders.

Our commitment is long term and goes beyond Mercado Libre, so we encourage access to technology education with a focus on expanding the IT field to women.

The impact of our actions transcends MELI. We partner with organizations focused on digital inclusion. We offer scholarships, provide training with our technical experts, advise on the contents of the program, and accompany them to position the issue and multiply its impact.

In Argentina, where more than half of our team is located, we support associations that promote and facilitate the opportunity for inclusion of women in the workplace as early as 18 years of age. More than 100 women have already been trained in co-designed careers in FrontEnd and BackEnd in ADA and Acamica. In 2019, we hired 10 of these women and we expect to add 13 more. And in Brazil, where 30% of our team is located, we do it through Reprograma, where 32 women will be trained very soon and MELI will seek to hire half this number.

Our diversity and inclusion purpose

- 1 Build diverse teams, with gender priority (women and LGBTIQ+), people with disabilities, with different racial or ethnic backgrounds.
- 2 Foster an inclusive culture, through the experience that each person lives in MELI: the way of doing things, the workspaces, technology, and processes.
- 3 Nurture IT talent, expanding access to technology education, prioritizing women.

Employees by gender and type of job

	ARG	BRA	CHI	COL	MEX	PER	URU	VEN	Total
Management	511	148	23	23	59	3	27	3	797
Men	383	88	19	15	41	2	23	3	574
Women	128	60	4	8	18	1	4	-	223
Technical staff *	4383	2496	225	595	206	10	973	18	8906
Men	2996	1223	170	312	115	5	455	7	5283
Women	1387	1273	55	283	91	5	518	11	3623

* Computer science, mathematics, architecture or engineering

Age and type of employee

	Analysts and Assistants	Supervisors	Managers	Senior Managers	Executives	VP/CEO
By gender						
Women	42%	33%	30%	28%	21%	11%
Men	58%	67%	70%	72%	79%	89%
By age						
Under 30	71%	16%	3%	1%	1%	-
Between 30 and 50	29%	84%	95%	9%	98%	93%
Over 50	-	-	1%	-	1%	7%

Initiatives carried out

Equal Pay

Equity of gender compensation is a critical process of our inclusion analysis. We are proud that there are no salary differences between men and women working at Mercado Libre with the same level of experience.

Diversity and inclusion for new leaders

In 2019, we launched the BeLeader@MELI leadership program, aimed at new leaders in the role that includes a diversity and inclusion module, focused on identifying and raising awareness of biases in people management, to make it as objective and inclusive as possible. Throughout the year, eight sessions were held that reached 330 new leaders.

Opportunities without biases

Our recruitment model is managed with structured interviews and collaborative decisions, based on objective evidence. To neutralize unconscious biases, all triads of final candidates for a position are composed of two women and one man, including Senior Management positions. In addition, we generate blind samples for applications at Opportunities@MELI.

66% women were selected
to fill job positions in internal searches

D&I groups

We created an open group in Workplace where members can share news, best practices, stories and proposals that help to promote an increasingly more diverse and inclusive Mercado Libre. In this group, valuable conversations are generated to advance with emergent actions.

#LetsMakeHistory

To celebrate Women's Day 2019, we recognized all the women who make history with their startups and multiply opportunities in the democratization of commerce, payments and money.

Inclusive policies for families

Egg preservation

Aimed at women who need or choose to extend their fertility cycle.

Maternity and adoption policy

Mothers receive an additional 30 days of paid leave above the 90 days established by law. If they take an extended maternity leave of absence, which is in addition to the legal 90-day license, we extend the health coverage during that period.

Paternity and adoption

Fathers have 15 business days of leave from the arrival of a baby. Upon returning to work, up until the baby turns six months old, they are given the option to distribute their Home Office work hours throughout the week.

Same leaves of absence and benefits for same-sex couples

Soft Landing

We offer an additional month pay to the three of maternity leave established by law in addition to a flexible weekly workday during the first year of the baby's life, without any reduction in pay.

Maternity room and parking for future moms

Nursery

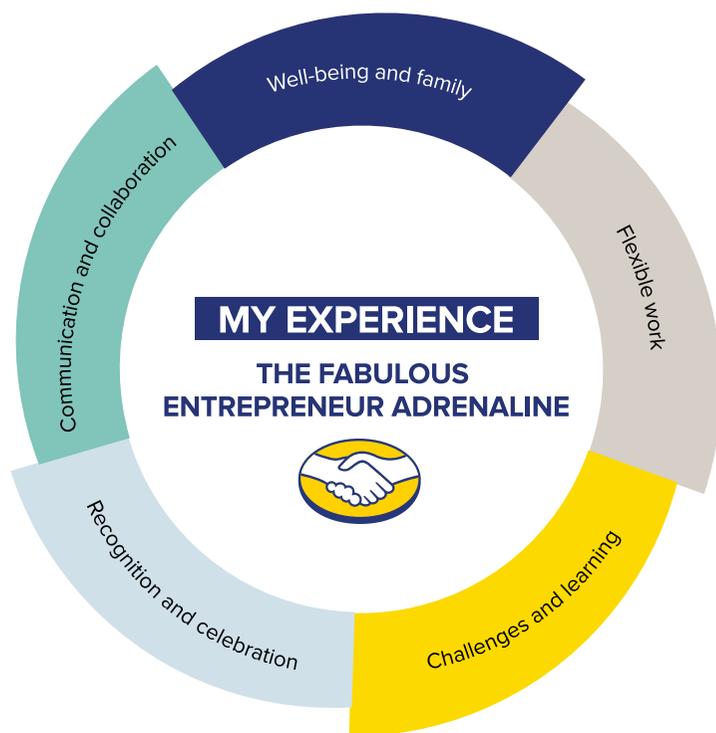
We have a nursery at our Dot headquarters in Buenos Aires. We reimburse daycare and domestic staff expenses for the first two years of the baby's life.

We are the first company in the region to offer the benefit of Egg Preservation.



My MELI experience

Our differential value proposal for our teams and candidates has five pillars: flexible work, development and learning, communication and collaboration, recognition and celebration, and wellbeing and family.



Co-creating the best place to work is what inspires us.

● Communication & collaboration

Join the valuable conversation:

- Open Space with the CEO
- Coffee with the CEO
- Open Q&As
- Feedback instances
- Retreats

MELI workplace

Give your opinion and contribute:

- Engagement Survey
- Great Place To Work

● Recognition & celebration

Be an influencer of MELIs culture:

- Recognition Programs

Live in meritocracy:

- Competitive and equitable compensation
- Calibrations to determine rotations and promotions

● Flexible work

Work with flexibility:

- Open and horizontal offices
- Full connectivity and cutting-edge technology
- Time flexibility and home office

(according to task)

- Choose to dress as I like
- Relaxed atmosphere
- Holidays and additional licenses

● Challenges & learning

Join MELI:

- OWNboarding.

Undertake my own development:

- Challenging goals
- Continuous feedback
- Multiple opportunities

Learn to the rhythm of my own experience and curiosity:

- Learning programs according to your role
- Language programs

● Welfare & family

Feel good:

- Health care
- Healthy nutrition
- Body and mind activities: sport, massages

Family Care:

- Employee Assistance Program

Legal assessment, financeira / countable, psychological and nutritional for or direct family group.

- Life Insurance
- Being parents, adoption, softlanding, nursery, egg preservation
- Initiatives for family integration

Sustainability:

- Promote the reduction of our environmental impact
- Get involved in campaigns promoted by MELI
- Expand access to technology education

07

Community

Driving an entrepreneurial community

Financial inclusion of entrepreneurs

Education and digital inclusion

Mercado libre Solidario

Driving an entrepreneurial community

Entrepreneurship is in our DNA. At Mercado Libre, we are committed to promoting an entrepreneurial community. We carry out this mission in partnership with our value chain, which includes entrepreneurs in our ecosystem, our suppliers, entrepreneurs in vulnerable contexts and those that generate a social and environmental positive impact.

We are familiar with the challenges that are facing entrepreneurs, microentrepreneurs and social economy companies to sell, process payments, finance and manage their logistics.

The tools and solutions of Mercado Libre's ecosystem allow entrepreneurs of all sizes to manage their businesses with agility and efficiency, so that they can concentrate on creating and growing their business.

We believe that in order to go far we must all work together. That is why our work with the community is focused on addressing three challenges: develop a triple-impact entrepreneurial culture, inspire and foster young people's ties with technology, and accompany non-profit organizations in their fundraising strategy.



Entrepreneurial culture

First section of sustainable products

We launched a new permanent section of sustainable products on our platform, which is the result of the journey and the growth of our well-known #EcoFriday initiative.

Users can find a collection of more than 33,000 products selected for their social and/or environmental impact. The section has more than 14 categories, including solar panels and hot water tanks, composters, bicycles, organic foods, reusable products and products made from reused materials, among others.

The launch was carried out in conjunction with our third regional edition of #EcoFriday, which is already established as a milestone for responsible consumption in Latin America. In 2019, #EcoFriday closed with 100% growth compared to the previous edition.

The largest offer of products with environmental and social impact in Latin America.

110,000

items sold

4500
companies and
entrepreneurs

7 millions
sessions
generated

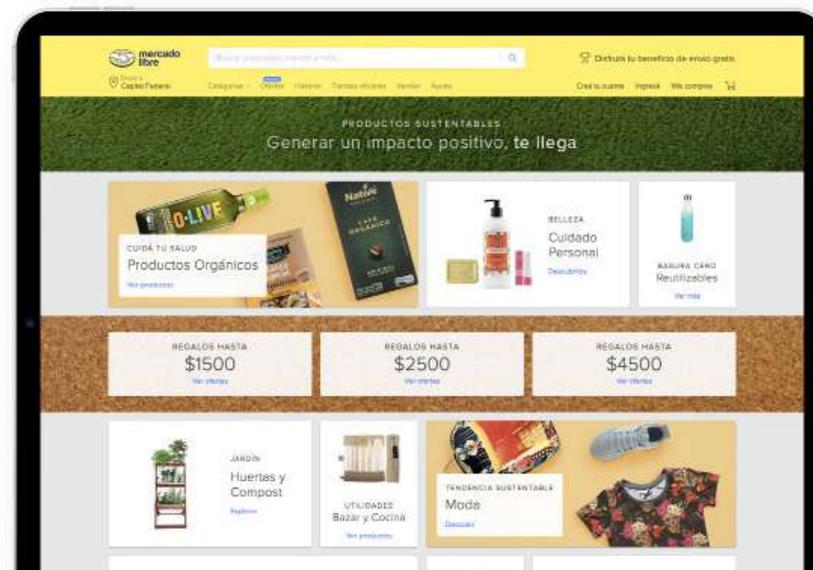
+7000%
Beauty products

+4000%
Zero-waste products

+695%
Kitchen gardens
and composters

+424%
Organic food

+294%
Renewable energy
(solar panels and hot water tanks)



We empower triple-impact entrepreneurs

In 2019, we launched *Emprender con impacto* in partnership with the organization *Mayma* and *Girald*. This is an online training cycle for entrepreneurs with economic, social and environmental impact throughout Latin American.

The initiative seeks to strengthen projects that require new tools and support to create an impact and accelerate their business growth in Argentina, Brazil, Chile, Colombia, Mexico, and Uruguay. In its first edition, more than 1000 entrepreneurs registered, 270 of whom participated in online training sessions focused on impact business models, metrics, finance, and communication and marketing strategies.

Three outstanding cases and one winner per country were selected. At the end of November, the jury chose the project *Epicos* as a regional entrepreneur winner. *Epicos* aims to convert fields to agroecology, industrialize crops at origin, and develop regional economies, generating new employment opportunities. Their main differential is the production of alternative foods of high nutritional value without damaging the environment, free of pesticides and gluten.

+1000

registered
entrepreneurs

+270

entrepreneurs
participated

+ USD 5000

in prizes

7

finalists



Ashoka Fellows

Argentina, Brazil y Mexico

Mercado Libre and the international organization Ashoka developed an alliance to select and empower social entrepreneurs with a focus on the development of new technologies, social inclusion and support for the entrepreneurial ecosystem of vulnerable communities.

Three entrepreneurs were selected in 2018. They will join a network of 3300 members around the world and will have the support of both organizations to expand in the region and increase their positive impact. As part of our commitment, we signed a three-year agreement aimed at deepening the impact of this initiative.

Selected entrepreneurs:

Melina Masnatta (Argentina), co-founder of [Chicas en Tecnología \(CET\)](#), [Girls in Technology], an organization that promotes a comprehensive approach to reduce the gender gap in science and technology.

Adriana Barbosa (Brazil), president of [Feira Preta](#) an organization dedicated to building up a social and economic architecture that would help eliminate invisible barriers against blacks at the corporate level and promote their entrepreneur spirit in Brazil.

Víctor Moctezuma (Mexico), founder & CEO of [iLab](#), an organization that helps economically vulnerable Mexicans achieve opportunities for job inclusion through the democratization of access to training in innovation.

100k Latam Prize

We are proud sponsors of the 100k Latam initiative, organized by the Technological Institute of Buenos Aires (Instituto Tecnológico de Buenos Aires, ITBA) and MIT. The objective of the competition is to promote the development of startups with the capacity to generate an impact on the region through innovative projects, preferably based on technology and/or part of the knowledge economy.

The competition, which takes place in Buenos Aires with the participation of teams from all over Latin America and the Caribbean, awards more than US\$ 100,000 in prizes.

We promote the Newsan In program

We developed an alliance with the production company of consumer electronics and household items Newsan In to strengthen its triple-impact project. It is an inclusive after-sales service, which generates a space for the social insertion of people from communities of high social vulnerability.

Through a 350-hour training process, participants acquire skills related to the repair of household appliances, which the NGO Tzedaká then sells in Mercado Libre to support social projects. The entire payment process for repairs uses Mercado Pago, resulting in a faster turnaround and cost efficiency.

Development of the entrepreneurial ecosystem

Feria Preta

Brazil

We are committed to the development of entrepreneurs of the Afro-descendant community in Brazil. Therefore, we support the 18th edition of Feira Preta, the largest Afro-descendant culture and entrepreneurship event in Latin America.

In 2019, cultural programming took place in different locations in the city of Sao Paulo during November and December. The fair brought together more than 35,000 people and 170 entrepreneurs of fashion, gastronomy, and, for the first time, Afro-descendant entrepreneurs in technology, geek culture and creative economy in an innovation space promoted by Mercado Libre. In addition, we supported the development of the application of the event, the sale of products in Mercado Libre and a series of videos with inspiring stories of Afro-descendant entrepreneurs.



Online sales course

Brazil

We developed the course “How to boost your online sales” and promoted it on Tamo Junto, an online platform dedicated to empowering microentrepreneurs.

The course consists of seven short classes, on video, on how to manage an online business, where to sell, how to advertise products and payment methods.

411 trained entrepreneurs
58% women with their own business

Accelerator of fashion sellers

Brazil

We worked with Aliança Empreendedora, a Brazilian NGO dedicated to promoting low-income microenterprises and productive communities that need support to develop their business.

We carried out 5 training, mentoring, and individual consulting sessions with 50 fashion entrepreneurs on our platform. The content was focused on boosting business skills and how to develop their projects online.

15 hours of training
50 trained entrepreneurs

Emprendedores 4.0

Argentina

We understand that the challenge of entrepreneurs is not only to sell their products and services, but to be able to sustain growth over time. To do this, they must diversify and strengthen the foundations of their business. Therefore, we launched the Emprendedores 4.0 Business Transformation Program aimed at owners and directors of SMEs.

The three-month program takes place in four diagnostic and actionable meetings.

73 SMEs participated in the program

Junior Achievement

Argentina

To expand the boundaries of the entrepreneurial ecosystem, in 2019, we joined the initiative “Learn to undertake a new business venture: The Company,” organized by the NGO Junior Achievement. In this educational program, students in the final years of high school carry out a real business experience: they create, organize and operate a start-up venture.

In 2019, more than 50 members of our team volunteered as mentors of seniors at 25 high schools in the Autonomous City of Buenos Aires and the Province of Buenos Aires.

600 students participated
25 high schools
50 Mercado Libre volunteers

Financial inclusion of entrepreneurs

Connecting investors with entrepreneurs in partnership with Sumatoria

Argentina

We continued supporting Sumatoria, the Argentine social platform of collective financing that connects conscious investors with social companies and entrepreneurs having a positive impact on society and the environment.

We made Mercado Pago available to those interested in financing projects so they can do it simply, quickly and safely. In addition to generating a fund to finance entrepreneurs, we invested in the social company Movimiento Darte, to buy a machine that allowed them to scale up their production process. This company is a sustainable supplier of Mercado Libre, selling its products to several areas of the company.

+270 entrepreneurs financed

Education and digital inclusion

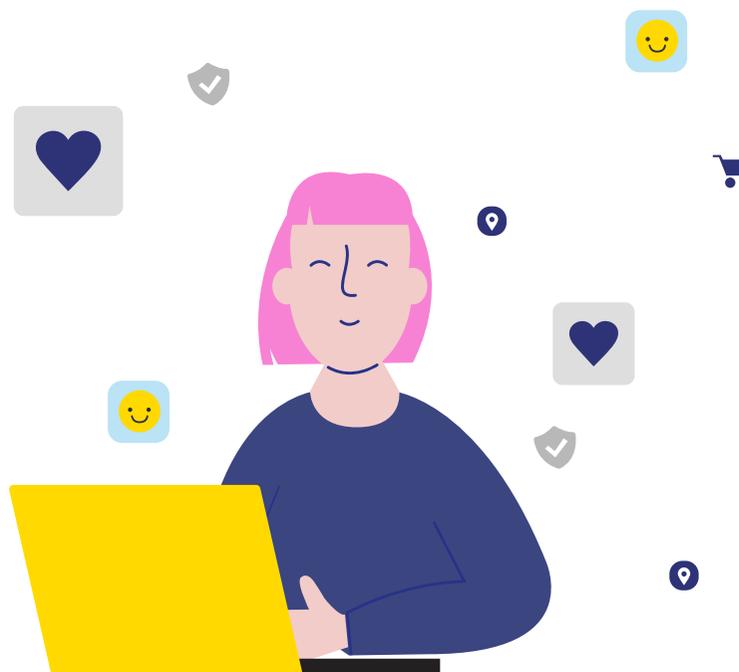
The technology and knowledge industry is a sector of full employment with the greatest demand for talent in the region and a growth expectation that is constantly increasing. As protagonists of this industry, we have the will of being at the forefront of technological changes, innovation and knowledge development.

We look beyond our teams and set out to lay the foundations for future knowledge development, taking the necessary measures to ensure our actions incorporate those facing the greatest hurdles, with an emphasis on young people and women.

We focus on high school students and those newly enrolled in higher education. We do so partnering with organizations having work experience in contexts of social and economic vulnerability and expertise in bridging the gap. We also partner with social businesses whose impact models are based on the generation of inclusion and opportunities.

Our view of education and digital inclusion goes beyond generating future talents to join our organization. We seek to encourage the development of a generation that can energize and make the most of our ecosystem: as an entrepreneur, as a consultant, or application developer. In this way, we can continue to drive the potential of the entrepreneurial effect.

We inspire and promote young people's interest in technology.



Chicas en Tecnología

Argentina

We want to empower young women who are interested in being part of the tech industry, working together with Chicas en Tecnología, an Argentine nonprofit organization that seeks to reduce the gender gap in technology.

The #ClubesCET (CET Clubs) are an educational proposal for schools and organizations across the country to motivate and train the next generation of female tech innovators and their educators. In 2019, we welcomed more than 100 girls from the CET Clubs at our offices in Mendoza, Cordoba and San Luis.



For a half day, the girls met with the Mercado Libre teams and worked on topics like backend, mobile, UX, while receiving mentoring and feedback on the prototypes of technological solutions they are creating in the clubs. In addition, they get to meet our team and see firsthand what working in a technological entrepreneurial environment is like.

Also, in 2019, Mercado Libre invited the participants to apply for one of the 30 scholarships to study at Acámica, a coding school, in 2020.

3 Argentine provinces
100 girls receiving training
+1700 girls trained since the start of the program

iLab-Mercado Libre challenge

Mexico

We launched the iLab-Mercado Libre challenge to support ThinkCamp participants, an intensive face-to-face program to transform an idea into a company. The challenge drives those entrepreneurs who focus their projects around the challenge of financial inclusion and e-commerce. Upon completion of the program, the projects will be evaluated and three to six semifinalists will be chosen to travel to the Mercado Libre offices in Mexico City to compete before the final jury. Winners will receive funds to develop their projects.

+USD 10,000
in an angel fund for the winners

Jóvenes a programar

Uruguay

We support this initiative that seeks to contribute to the development of the IT sector from an educational approach, providing training in testing and in the most commonly used programming languages in the market.

The project has been carried out since 2017 and is part of the Ceibal Plan, together with CUTI, MIF-BID, INEFOP. It is developed jointly with other technology companies.

The program is intended to train young people between 17 and 26 who have completed the basic cycle of higher education. The courses are free of charge and all necessary materials for learning are provided.

Continuing with our commitment, employees from different areas of Mercado Libre donated hours during two weekends to share their knowledge and experiences with young people. More than 50 graduates of this initiative participated in these sessions.

+1400 young graduates

+500 women

Tec.LA

Argentina, Uruguay, Brazil y Mexico

We accompany the development of the Tec.LA program, a training initiative for educators in Latin America and the gateway to the world of computational thinking.

Designed by Fundación Eidos in conjunction with the Mumuki platform, the program trains teachers in computational thinking to improve the tools that they provide children to develop necessary skills for the future.

+780 teachers trained

in Argentina, Brazil, Mexico, and Uruguay

We promote employability with Arbusta and Nahual IT

Argentina

We worked with Arbusta and Nahual IT, two social companies focused on promoting the training of young people in technology and increasing their ability to get a job.

In 2019, 140 young people from both companies provided support to the IT, sales and sustainability areas at Mercado Libre.

140 young people

providing services for different Mercado Libre projects



Arrastart Project

Brazil

We want to strengthen the culture of innovation and entrepreneurship of the youngest generations, contributing to the development of skills to face the socio-environmental problems of their realities. As part of this commitment, we support the Arrastart Project in Brazil, through tax incentives. Thanks to our support, entrepreneurship, technology and robotics workshops for teenagers were delivered in the Campo Limpo region, in São Paulo.

200 teenagers trained

Programming Learning platform for Hispanics

Code.org is the leading global platform for children and young people to learn about programming, but it did not have the resources translated into Spanish, limiting access for thousands of users. Committed to the democratization of learning, we financed the project for the translation of more than 500,000 words of the contents of Code.org.

Mercado Libre Solidario

We carry out our mission of democratizing and capitalizing the potential of e-commerce for non-profit organizations through Mercado Libre Solidario program. We offer the services of our ecosystem to Latin American NGOs in order to increase their revenue and boost the impact of their social mission.

Mercado Libre Solidario seeks to create a special synergy between the different actors in society, with the deep conviction that the work of NGOs generates an impact of immense value for individuals, businesses, the community, and the planet.

Benefits of the Mercado Libre ecosystem for social organizations:

- Sale of products or services (produced by them or donated)
- Reception of donations
- Sale and registration for events, trainings and activities
- Fund management for the operation of their programs
- Investment of funds in Mercado Fondo, which is accessible at all times, generating financial returns for their organization.
- Training sessions on fundraising and digital campaigns
- Links with other organizations in Latin America

**+1100 organizations joined
in eight countries in the region**

**USD 6.2 millions
in funds raised**

Campaign highlights

LGBTIQ+ fundraising campaign

Brazil

Guided by the principles of diversity, we mobilized Brazilian society in support of the LGBTIQ+ cause. We partnered with community influencers to promote a fundraising campaign for the NGO Casa 1, a home and culture center for homeless LGBTIQ+ youth, serving approximately 1500 people a month, in São Paulo.

US\$ 10,000 raised

Criança Esperança

Brazil

Mercado Pago joined Red Globo and Unesco in a donation campaign for Criança Esperança, one of the largest Brazilian social movements, which seeks to transform the future of children and young people living in situations of social vulnerability.

The #MeuNovoJeitodeDoar campaign was broadcast to thousands of Brazilians through Red Globo, inviting them to try a new way to donate: the button available on Mercado Pago's digital wallet.

30,000 donations
US\$ 60,000 raised

Virtual donations, real products

Argentina

We developed a digital campaign in partnership with food bank Fundación Banco de Alimentos, based on an official store on the platform and the use of QR codes in the street and in the workplaces of different companies. Thus, hundreds of people made their donation to the food bank so that they can purchase products to supply the more than 1000 meal programs in the city of Buenos Aires and the area of Greater Buenos Aires, which serve more than 143,000 people a day.

+600 donations
+US\$ 51,000 raised



Solidarity partnerships

We work with [Wingu](#) and [Donar Online](#), organizations whose mission is to enhance the work of other NGOs in Latin America through the incorporation of innovative technologies and methodologies. In 2019, we optimized the fundraising and loyalty webinars for social organizations, which were attended by more than 1700 participants.

In addition, we organized face-to-face workshops in Argentina, Uruguay and Mexico, in which we trained more than 650 people on the use of our ecosystem to boost their fundraising strategies.

+2300 NGO
representatives trained

08

Environment

Carbon Footprint

Sustainable architecture

Packaging

Rethink, Reduce, Reuse and Recycle

Committed to the environment

Our purpose is to carry out our operations with the lowest possible environmental impact. At Mercado Libre, environmental management is based on a process of continuous improvement that accompanies the sustainable growth of our business. Its pillars are: carbon footprint, sustainable architecture, packaging and the 4Rs (reduction, reuse, recycling and recovery, recognizing the value of as many resources as possible throughout our value chain).

Measuring ourselves is essential to improve.

For that reason, we put a lot of effort into measuring our environmental footprint. We started conducting a baseline measurement in 2016. We extended the scope throughout the region in 2017. And, in 2019, we implemented a semi-annual measurement, improving development times by 60%. Each year, we extend the scope of the footprint, deepen the measurement, and generate new indicators that allow us to obtain better traceability of environmental variables.

We want everyone who forms part of Mercado Libre's community to understand, manage and improve their own impact. Therefore, the measurement results are shared with all areas of the organization so that they can be considered in their decision-making processes. Externally, the results are disseminated in the annual sustainability report.

The main environmental impacts of our operations are spread out across our value chain. A fundamental pillar of our environmental strategy is our coordinated efforts to strengthen our suppliers and strategic partners in the area of impact evaluation and management.

We measure, manage and ensure transparency of our environmental impact.



Carbon footprint

By measuring our Carbon Footprint, we can identify our operations' emission sources of greenhouse gases (GHG) and their critical points. With this information, we can define our objectives and the most effective reduction policies.

We use the measurement guidelines of the Greenhouse Gas Protocol (GHG) standard developed jointly by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).

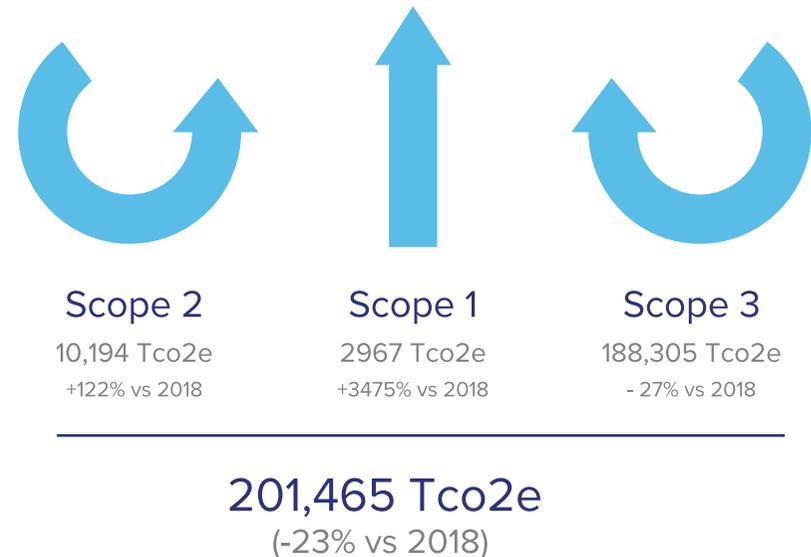
In the measurement of our carbon footprint, we include the three types of greenhouse gas emission ranges:

Scope 1: emissions that arise from the use of fossil fuels or from using GHG directly. We measure all gases covered by the GHG protocol measured in their equivalent CO2 form. (1) Emissions generated in the delivery of orders controlled by Mercado Libre. (2) Emissions generated by fuel consumption in the use of corporate vehicles. (3) Emissions generated by fuel consumption in electric generators. (4) Emissions generated by the leakage of refrigerant gases belonging to the air conditioning systems.

Scope 2: indirect emissions generated outside the company, but that form part of our impact. In the measurement, we include the electricity consumption of each country based on national energy matrices and specific purchase agreements with energy suppliers. In addition, in 2019, we have included consumption related to the different distribution centers.

Scope 3: indirect emissions generated as a result of our employees' travel and mobility, transport of merchandise and third-party services. These emissions, although not produced directly by our organization, are the result of our activity. For the essence of our business, these are the most relevant emissions. They include employee mobility and business trips, transportation and packaging of shipments, the energy consumption of servers, waste generated by our offices, cross-border trade operations, office and electronic supplies as well as the production, transportation, use and disposal of own brand products.

Greenhouse Gas Emission (in Tco2e)



	Reported 2017	Adjusted 2017	Reported 2018	Adjusted 2018	2019
Overall estimate	202,214	149,358	261,562	N/A	201,465
Scope 1	392	342	83	N/A	2967
Scope 2	4533	3505	4600	N/A	10,194
Scope 3	197,298	144,511	256,879	N/A	188,305

Although the result of emissions in 2019 is lower than in 2018, it is not due to a real reduction. Each year we propose ourselves to be more precise in measuring our footprint. For this reason, we develop new indicators with the analytics team and our value chain. By obtaining more accurate information, we eliminated assumptions that overestimate the final value (in line with the GHG protocol).

Since this improvement in the information source is not applicable to previous years, a retroactive recalculation will not be carried out since 2018.

Intensity of GHG emissions

Scope	Numerator	2019	Tco2e / (Numerator)	kg CO2e / (Numerator)
Total footprint	Employee	9703	20.77	20,762.3
	Buyer	44.2M	0.00456	4.56
	Users	320.6M	0.000629	0.629

Sustainable architecture

We create and design our workspaces with energy efficiency criteria in mind to reduce the environmental impact of our infrastructure.

At all our operating centers, we focus on the responsible use of energy, implementing energy efficient technologies, such as motion sensors and LED lighting.

MeliCidade in Brazil is our model for sustainable architecture. Its automated lighting system and use of LED light bulbs allowed us to reduce Mercado Libre's energy intensity in the country by 82.8% since its construction. There are 1800 solar panels that occupy 7000 m² (approx. 75,347 sq. feet) with the capacity to generate about 20% of our energy needs. This percentage represents 100% of the consumption of our offices in Chile, Mexico and Colombia combined.

In addition, we installed 84 solar panels on the roofs of the offices in Colombia, which have the capacity to generate more than 5% of the energy consumed in the common spaces of the building. Also, our offices in Cordoba, Argentina, have 84 solar panels with the capacity to generate 15% of the energy consumed. We have generated 1268 MWh of energy from solar sources since 2017. The monthly generation supplies about 2.5% of the energy consumed at the regional level.

Solar Panels

1800 in Brazil offices
+20% of consumed energy
84 in Colombia offices
+5% of consumed energy

84 in Córdoba, Argentina offices
+15% of consumed energy

In 2019, we opened offices in Buenos Aires with capacity for more than 2000 employees. The Polo Dot building has an automatic intelligent lighting system, which includes motion sensors and push-buttons by sector. In all cases, if no movement is detected after a few minutes, they turn off automatically to avoid wasting energy.

When renting a space for our offices, we give preference to LEED-certified buildings. The seal evaluates the selection of materials, the incorporation of energy efficiency, the use of alternative energies, the improvement of indoor air quality, the efficiency of water consumption, and the sustainable development of free spaces.

Electric Consumption (in Kwh)

Country	2019
Argentina	8,496,756
Brazil	9,550,284
Mexico	2,045,303
Chile	239,689
Uruguay	945,711
Colombia	317,024
Venezuela	176,113
Total offices	21,770,880
Servers	9,928,712
Energy Intensity (kWh/m ²)	63.4

Energy consumption

	2019
The organization's total fuel consumption from non-renewable sources in joules or multiples, including fuel types used	757 GJ
The organization's total fuel consumption from renewable sources in joules or multiples, including fuel types used	N/A
Total electricity consumption (in joules, watt-hours or multiples)	21.77 GWh
Heating consumption (in joules, watt-hours or multiples)	N/A
Air-conditioning consumption (in joules, watt-hours or multiples)	N/A
Vapor consumption (in joules, watt-hours or multiples)	N/A
Total energy consumption within the organization, in joules or multiples	79,129 GJ
Energy intensity (calculated based on 59,440 m ²)	63.4

Water consumption (in liters)

Municipal water supplies or other public or private water services	55,943,856 liters
Extraction of water by source	-
Surface water	-
Groundwater	-
Rainwater collected and stored directly by the organization	-

Packaging

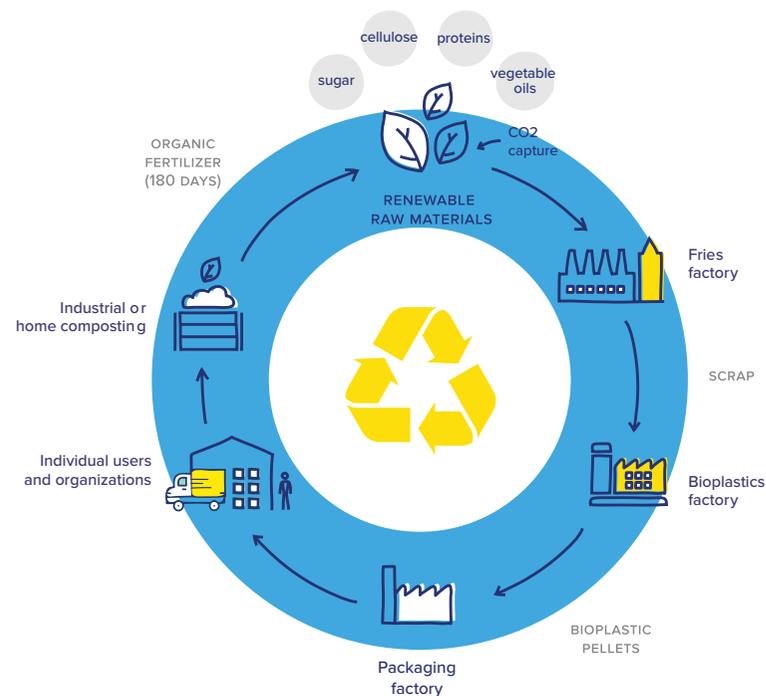
We explore innovative solutions to reduce the environmental impact of our packaging. At the end of 2018, we incorporated bags made of 100% biodegradable and compostable material in the packaging of Mercado Envios in Argentina and Brazil. The first evaluation of the product will be completed with the implementation of 4 million bags of bioplastic in shipments from the company's intermediate distribution centers.

Bioplastics are an planet- friendly solution because, unlike conventional plastics, which take 500 years to decompose, they last only the time it takes for microorganisms to biodegrade them. In a compost environment, this occurs in a few weeks. The new packing envelopes are free of chemicals known or suspected to have a negative impact on human health. They also incorporate a rising percentage of raw materials of plant origin (starches, sugars, oils, cellulose, etc.).

The Argentine company Biop SA is our strategic partner in the project. It has worked with our current packaging suppliers to develop the new bags. The inputs used have international certifications such as EN13432 from the European Union, ASTM 6400-04 from the United States, ISO 17,088 (2008) and AB-Vinçotte (Ok-Compost and Ok-BioBased).

4 millions bioplastic bags

We are the first e-commerce company in Latin America to use bioplastics for shipments.



Rethink, Reduce, Reuse and Recycle

We understand that an efficient use of resources involves the recovery of materials in our offices and distribution centers. Therefore, we question our habits and decisions from the moment we purchase supplies until leftover materials are disposed of, with the commitment to reduce, reuse and recycle the waste we generate.

In 2019, we eliminated the use of disposable cups and bottles in our offices in Argentina, Chile, Colombia and Uruguay, and replaced them with thermal bottles. In addition, we introduced the use of food containers made of compostable material at our headquarters in Argentina and Uruguay. This practice has led to a reduction of 20.5 tons of plastic per year.

Our program for the recovery of electrical and electronic devices allows us to put into use equipment in disuse by donating them to social organizations, such as Fundación Vivienda Digna and Fundación Equidad, in Argentina and participating in collection events like the Recicladrón in Mexico. In addition, as part of the move from the Arias building to Polo Dot, we recovered 133 furniture items, such as chairs, carpets, mats and modular sections.

The offices in Uruguay and Chile have a sustained waste recovery rate above 50%, achieved thanks to the 100% recovery of their organic waste through composting. In 2019, we introduced a new composter in Brazil that allowed 100% of the organics generated there to be recovered, which allowed it to raise its total recovery rate above 50%.

100% of the organic waste recovered at our offices in Brazil, Uruguay, Colombia and Chile

200 tons of materials recovered per year
43% of the total generated

+1800 tons recovered in our distribution centers

663 computer equipment recovered and donated
769 computer equipment computer equipment
+270 furniture items recovered and donated

Origin of the waste generated (in kg)

Country	2017	2018	2019
Argentina	28%	22%	58%
Brazil	36%	28%	80%
Mexico	16%	20%	43%
Uruguay	48%	49%	55%
Chile	19%	40%	42%
Colombia	26%	16%	30%

Origin of generated waste (in kg)

	ARG	BRA	MEX	URU	CHI	COL
Aluminum	1870	29,245	118	59	127	164
Cardboard	114,057	1,071,802	288,203	838	185	956
Paper	3556	6764	431	386	280	295
Plastic	4857	139,375	12,336	3624	913	2307
Wood	-	298,654	17,101	-	-	-
Organic / Compostable	28,537	100,687	3966	17,971	1323	1762
Generals	110,800	414,336	428,700	18,161	3818	6138
Total	263,677	2,060,863	750,855	41,039	6646	11,622

Destination of waste (in kg)

Non-hazardous waste by disposal method		2019
Reuse		26,400
Recycling		1,879,900
Composting		146,000
Landfill		1,016,700
Total		3,069,100
Hazardous waste by disposal method		
Reuse		1300
Recycling		1700
Total		3000

See page 77 for information on the generation of differentiated materials between offices and distribution centers.



Content index

GRI Standards

SASB

GRI Content Index

GRI 101 Fundamental 2016																																																																																																																																						
GRI standard	Content	Answer	SDG	Page																																																																																																																																		
Company profile																																																																																																																																						
GRI 102 General basic contents 2016	102-1 Name of the organization	Mercado Libre																																																																																																																																				
	102-2 Activities, brands, products, and services			6, 8-10																																																																																																																																		
	102-3 Location of organization's headquarters	The Mercado Libre headquarters are located at Arias 3751, 7th floor of the City of Buenos Aires, Argentina.																																																																																																																																				
	102-4 Location of operations	The operations are carried out in Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Peru, Uruguay, Venezuela, Dominican Republic, Honduras, Nicaragua, El Salvador, Panama, Bolivia, Guatemala, Paraguay.																																																																																																																																				
	102-5 Nature of ownership and legal form	Mercado Libre Inc is a listed company on NASDAQ and is incorporated under the laws of Delaware, United States.																																																																																																																																				
	102-6 Markets served			6																																																																																																																																		
	102-7 Scale of the organization			11																																																																																																																																		
	102-8 Information about employees and other workers	<table border="1"> <thead> <tr> <th></th> <th>ARGENTINA</th> <th>BRAZIL</th> <th>CHILE</th> <th>COLOMBIA</th> <th>MEXICO</th> <th>PERU</th> <th>URUGUAY</th> <th>VENEZUELA</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Permanent</td> <td>4894</td> <td>2644</td> <td>248</td> <td>618</td> <td>265</td> <td>13</td> <td>1000</td> <td>21</td> <td>9703</td> </tr> <tr> <td>Men</td> <td>3379</td> <td>1311</td> <td>189</td> <td>327</td> <td>156</td> <td>7</td> <td>478</td> <td>10</td> <td>5857</td> </tr> <tr> <td>Women</td> <td>1515</td> <td>1333</td> <td>59</td> <td>291</td> <td>109</td> <td>6</td> <td>522</td> <td>11</td> <td>3846</td> </tr> <tr> <td>Temporal</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Men</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Women</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Full time</td> <td>4545</td> <td>1363</td> <td>248</td> <td>142</td> <td>265</td> <td>13</td> <td>386</td> <td>21</td> <td>6983</td> </tr> <tr> <td>Men</td> <td>3214</td> <td>824</td> <td>189</td> <td>76</td> <td>156</td> <td>7</td> <td>262</td> <td>10</td> <td>4738</td> </tr> <tr> <td>Women</td> <td>1331</td> <td>539</td> <td>59</td> <td>66</td> <td>109</td> <td>6</td> <td>124</td> <td>11</td> <td>2245</td> </tr> <tr> <td>Part time</td> <td>349</td> <td>1281</td> <td>0</td> <td>476</td> <td>0</td> <td>0</td> <td>614</td> <td>0</td> <td>2720</td> </tr> <tr> <td>Men</td> <td>165</td> <td>487</td> <td>0</td> <td>251</td> <td>0</td> <td>0</td> <td>216</td> <td>0</td> <td>1119</td> </tr> <tr> <td>Women</td> <td>184</td> <td>794</td> <td>0</td> <td>225</td> <td>0</td> <td>0</td> <td>398</td> <td>0</td> <td>1601</td> </tr> </tbody> </table>		ARGENTINA	BRAZIL	CHILE	COLOMBIA	MEXICO	PERU	URUGUAY	VENEZUELA	Total	Permanent	4894	2644	248	618	265	13	1000	21	9703	Men	3379	1311	189	327	156	7	478	10	5857	Women	1515	1333	59	291	109	6	522	11	3846	Temporal	-	-	-	-	-	-	-	-	-	Men	-	-	-	-	-	-	-	-	-	Women	-	-	-	-	-	-	-	-	-	Full time	4545	1363	248	142	265	13	386	21	6983	Men	3214	824	189	76	156	7	262	10	4738	Women	1331	539	59	66	109	6	124	11	2245	Part time	349	1281	0	476	0	0	614	0	2720	Men	165	487	0	251	0	0	216	0	1119	Women	184	794	0	225	0	0	398	0	1601		39, 47
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102-9 Supply chain				16																																																																																																																																		
102-10 Significant changes regarding the organization's and its supply chain	During the period there were no significant changes in the organization or its supply chain.																																																																																																																																					
102-11 Precautionary approach or principle	The company has not established a precautionary principle, evaluating that, due to the essence of the industry, its operation does not present major risks to third parties, nor to the environment. Servers and technological devices are manufactured under the highest quality standards, and are housed in closed environments, with restricted access, in a third-party facility specifically prepared to accommodate them. Once the useful life of these devices is concluded, they are discarded by companies specialized in the responsible destruction of these devices. Therefore, the risk of environmental damage is minimal.																																																																																																																																					
102-12 External initiatives				12																																																																																																																																		
102-13 Associations membership				12																																																																																																																																		
Strategy																																																																																																																																						
GRI 102 General basic contents 2016	102-14 Statement by decision-making senior executives			3-4																																																																																																																																		
	102-15 Description of key impacts, risks, and opportunities			30																																																																																																																																		
Ethics and transparency																																																																																																																																						
GRI 102 General basic contents 2016	102-16 Values, principles, standards and code of conduct			28																																																																																																																																		
	102-17 Advice mechanisms and ethical concerns			28																																																																																																																																		

GRI standard	Content	Answer	SDG	Page
Governance				
GRI 102 General basic contents 2016	102-18	Governance structure		25-27
	102-19	Delegation of authority		25
	102-20	Executive-level responsibility for economic, environmental, and social topics		25
	102-21	Consulting stakeholders on economic, environmental, and social topics		21
	102-22	Composition of the highest governance body and its committees		25-27
	102-23	President of the highest governance body		25
	102-24	Appointment and selection of highest governance body		26
	102-25	Conflicts of interest		26
	102-26	Role of the highest governance body in selecting proposal, values, and strategies		26
	102-27	Collective knowledge of the highest governance body	The members of the Board participate in industrial spaces, such as forums and events in which they expand their knowledge on economic, environmental and social issues.	
	102-28	Performance assessment of the highest governance body		25
	102-29	Identification and management of economic, environmental and social impact		25
	102-30	Efficacy of risk management processes		30
	102-31	Assessment of economic, environmental and social matters	In its quarterly meetings, the highest governance body considers the main economic, environmental and social issues, and their impacts, risks and opportunities in the business.	
	102-32	Role of the highest governance body in preparing sustainability reports	The highest governance body participates in the process of prioritizing material issues that takes place at the beginning of the reporting exercise.	
	102-33	Communication of critical concerns	All the critical concerns are raised directly to the CEO so that he can share them in the meetings of the highest governance body, according to what he considers relevant, and that they can consider it in the strategic definition.	
	102-34	Nature and total number of critical concerns	In the reporting period, the number of information concerns formally has not been taken into account by the highest governance body.	
	102-35	Remuneration policies		35
	102-36	Remuneration determining process		36
	102-37	Stakeholders' engagement in remuneration	The Management and Management group is involved in the definition of remuneration, through the Compensation Committee. In addition, the opinions of the Employees are surveyed in the Annual Climate Survey, in which they are consulted on their degree of satisfaction with the remuneration. The results are considered in the preparation of the remuneration policy.	
102-38	Total annual compensation ratio	The information will be available in April 2020 and will be updated in this report.		
102-39	Ratio of total annual compensation percentage increase	The information will be available in April 2020 and will be updated in this report		
Stakeholder engagement				
GRI 102 General basic contents 2016	102-40	List of stakeholders		20
	102-41	Collective bargaining agreements	The percentage of employees under an agreement in Argentina and Uruguay is 42.65% of the total payroll at the end of the period.	

GRI standard	Content	Answer	SDG	Page	
Stakeholder engagement					
GRI 102 General basic contents 2016	102-42 Identification and selection of stakeholders			20	
	102-43 Stakeholder engagement approach			20	
	102-44 Key topics and concerns raised			21	
Reporting practice					
GRI 102 General basic contents 2016	102-45 Entities included in the organization's consolidated financial statements	MercadoLibre S.R.L., DeRemate.com de Argentina S.A., Meli Log S.R.L., First Label S.R.L, Ibazar.com Atividades de Internet Ltda., MercadoLivre.Com Atividades de Internet Ltda., MercadoPago.com Representações Ltda., eBazar.com.br Ltda., MercadoEnvios Servicios de Logística Ltda., Dabee Brasil Serviços de Intermediação e Facilitação de Negócios Ltda., Mercado Credito Holding Financeira Ltda., Mercado Envios Transporte Ltda., MercadoLibre Chile Ltda., MercadoPago S.A. MercadoLibre Colombia Ltda., MercadoPago Colombia S.A., MercadoLibre Costa Rica S.R.L., MercadoLibre Ecuador Cia. Ltda., Meli Participaciones S.L., Dabee Technology India Private Limited, MercadoLibre S. de R.L. de C.V., DeRemate.com de Mexico 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 Global Imports, S. de R.L. de C.V., Mercadolibre Difusiones, S. de R.L. de C.V., MercadoLibre Peru S.R.L., Meli Uruguay S.R.L., Tech Fund S.R.L., Deremate.com de Uruguay S.R.L., Hammer.com, LLC., ListaPop, LLC., Servicios Administrativos y Comerciales, LLC., MercadoPago, LLC., Mercado Pago International, LLC., Autopark, LLC., Autopark Classifieds, LLC., Marketplace Investments, LLC., Meli Technology, Inc., Classifieds LLC., SFSC, LLC., Brick.com, LLC.			
	102-46 Definition of reports' content and scope of subject matter			22	
	102-47 List of all material aspects			22	
	102-48 Restatements of information			65	
	102-49 Changes in reporting			21	
	102-50 Period of report			23	
	102-51 Date of last report			23	
	102-52 Company report presentation frequency			23	
	102-53 Point of con-tact for report queries			23	
	102-54 Reporting statement pursuant to GRI standards			23	
	102-55 GRI content index			71	
	102-56 External assurance	No external verification has been performed on this report.			
Material issue: User trust and security					
GRI 103 Management Approach 2016	103-1 Explanation of material aspects and coverage		9	32-33	
	103-2 Management approach and components		9	32-33	
	103-3 Assessment of management approach		9	32-33	
GRI 408 Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	No providers with significant risks of child labor cases have been identified during the period.	9		
GRI 409 Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	No providers with significant risks of forced or compulsory labor have been identified during the period.	9		
GRI 412 Human rights assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	Operations were not evaluated in relation to Human Rights during the period.	9		
	412-2 Employee training on human rights policies or procedures	During the reporting period, our collaborators were not trained in these issues.	9		
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	No significant investment agreements were made with human rights clauses.	9		

GRI standard	Content	Answer	SDG	Page
Material issue: User trust and security				
GRI 416 Customer health and safety 2016	416-1 Assessment of products or services category impact on health and safety	During the period of the report, no such evaluations were made.	9	
	416-2 Noncompliance related to products or services category impact on health and safety	There were no cases related to non-compliance with standards of products and services marketed in Mercado Libre that impact on the health or safety of people.	9	
GRI 418 Customer privacy 2016	418-1 Substantiated claims regarding breach of customer privacy and loss of customer data	During 2019 we received a total of 304 rights exercises by users and third parties, received by the formal channels enabled for that purpose. Regarding formalized claims: - We receive a total of 8 claims from third parties filed with the regulatory authority. - We do not receive any claim from a regulatory authority acting ex officio.	9	
Material issue: Ethics and transparency				
GRI 103 Management Approach 2016	103-1 Explanation of material aspects and coverage		12	28
	103-2 Management approach and components		12	28
	103-3 Assessment of management approach		12	28
GRI 205 Anti-corruption 2016	205-1 Operations assessed for corruption-related risks		12	29
	205-2 Anti-corruption communication and training policies and procedures		12	29
	205-3 Confirmed incidents of corruption and actions taken	There were no cases of corruption in the reporting period.	12	
GRI 206 Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		12	29
GRI 415 Public policy 2016	415-1 Political contributions	During 2019 no contributions were made to political parties or their representatives.	12	
GRI 419 Socioeconomic compliance 2016	419-1 Breach of social and economic laws and regulations	We had no cases of breach of laws or regulations in social or economic matters during the reporting period.	12	
Material issue: Contribution to socioeconomic development				
GRI 103 Management Approach 2016	103-1 Explanation of material aspects and coverage		8	14
	103-2 Management approach and components		8	14
	103-3 Assessment of management approach		8	14
GRI 203 Indirect Economic Impacts	203-1 Investment in infrastructure and supported services	USD 207.7 million invested in infrastructure in the region.	8	
	203-2 Investment in infrastructure and supported services		8	14
GRI 204 Procurement Practices 2016	204-1 Proportion of spending on local suppliers		8	16
GRI 414 Supplier Social Assessment 2016	414-1 New vendors who passed social selection filters		8	17
	414-2 Negative social impacts in the supply chain and actions taken	During the period there were no negative social impacts on the organization's supply chain	8	
Material issue: Diversity and equal opportunities				
GRI 103 Management Approach 2016	103-1 Explanation of material aspects and coverage		8, 10	46
	103-2 Management approach and components		8, 10	46-49, 57-58
	103-3 Assessment of management approach		8, 10	46-47, 57-58

GRI standard	Content	Answer	SDG	Page																												
Material issue: Diversity and equal opportunities																																
GRI 405 Diversity and Equal opportunities 2016	405-1 Diversity among governance bodies and employees		8, 10	25, 47																												
	405-2 Women vs. men basic salary and remuneration ratio		8, 10	47																												
Material issue: Human capital and talent attraction																																
GRI 103 Management Approach 2016	103-1 Explanation of material aspects and coverage		8	38																												
	103-2 Management approach and components		8	38, 40-49																												
	103-3 Assessment of management approach		8	43																												
GRI 401 Employment 2016	401-1 New employee hires and turnover		8	43																												
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		8	47-49																												
	401-3 Parental leave	<table border="1"> <thead> <tr> <th>Parental leave</th> <th>Women</th> <th>Men</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Total number of employees that were entitled to parental leave</td> <td>3847</td> <td>5857</td> <td>9704</td> </tr> <tr> <td>Total number of employees that took parental leave</td> <td>154</td> <td>78</td> <td>232</td> </tr> <tr> <td>Total number of employees that returned to work after parental leave ended</td> <td>152</td> <td>65</td> <td>217</td> </tr> <tr> <td>Total number of employees that returned to work after parental leave ended that were steal employed 12 months after their return to work</td> <td>152</td> <td>65</td> <td>217</td> </tr> <tr> <td>Return to work rate of employees that took parental leave</td> <td>98.7%</td> <td>83%</td> <td>93.5%</td> </tr> <tr> <td>Retention rate of employees that took parental leave</td> <td>98.7%</td> <td>83%</td> <td>93.5%</td> </tr> </tbody> </table>	Parental leave	Women	Men	Total	Total number of employees that were entitled to parental leave	3847	5857	9704	Total number of employees that took parental leave	154	78	232	Total number of employees that returned to work after parental leave ended	152	65	217	Total number of employees that returned to work after parental leave ended that were steal employed 12 months after their return to work	152	65	217	Return to work rate of employees that took parental leave	98.7%	83%	93.5%	Retention rate of employees that took parental leave	98.7%	83%	93.5%	8, 10	48
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401-3 Parental leave																																
GRI 404 Training and Education 2016	404-1 Average hours of training per year per employee		8	45																												
	404-2 Programs for upgrading employee skills and transition assistance programs		8	43																												
	404-3 Percentage of employees receiving regular performance and career development reviews	100% of employees receive regular performance and career development reviews.	8																													
Material issue: Buyer and merchant behavior																																
GRI 103 Management Approach 2016	103-1 Explanation of material aspects and coverage		12	36																												
	103-2 Management approach and components		12	36																												
	103-3 Assessment of management approach		12	35																												
GRI 417 Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	<p>Although Mercado Libre does not sell products and services subject to labeling and information obligations related to the origin of components, content, substances that could generate an environmental or social impact, or safe use; Yes, users who use the website as a computer tool for marketing do. To this end, Mercado Libre clearly states in its Terms and Conditions and in its Publication Policy, whose acceptance is mandatory by users, that they comply with the aforementioned legal provisions.</p> <p>In Chile, the Superintendence of Electricity and Fuels (SEC) establishes the obligation that certain electrical and fuel products have a safety certification. In 2019 Mercado Libre implemented measures to inform selling users of the obligation to report the certification mark (SEC Seal) and the energy efficiency label in the respective publication, which was also incorporated into the Terms and Conditions. Additionally, the possibility was added to the users to denounce the sellers that do not comply with the above.</p>																														
	417-2 Incidents of non-compliance concerning product and service information and labeling	In Chile, we received an official letter from the Superintendency of Electricity and Fuels (SEC) indicating the non-compliance in some publications of electrical products and fuels in Mercado Libre, of the obligation to exhibit certificates of safety and energy efficiency. A work plan was developed in conjunction with the SEC, and advertising measures were established to inform users of the obligation to display the aforementioned certificates, in addition to incorporating the Website Terms and Conditions, and establishing the option to denounce publications that do not comply with this.																														
	417-3 Incidents of non-compliance concerning marketing communications	In Chile, the National Consumer Service issued an official notice informing Mercado Libre that the advertising campaign called "We extended thousands of After Days offers" did not conform to the regulations on the protection of consumer rights, suggesting the use of a disclaimer pointing out that payment with credit cards may have associated costs. Mercado Libre responded to the authority indicating that in the particular case, the provisions of the aforementioned regulations did not apply. However, it was decided to incorporate the suggested disclaimer in future publications.																														

GRI standard	Content	Answer	SDG	Page
Material issue: Economic performance and positioning				
GRI 103 Management Approach 2016	103-1 Explanation of material aspects and coverage		8, 9	13
	103-2 Management approach and components		8, 9	13
	103-3 Assessment of management approach		8, 9	13
GRI 201 Economic performance 2016	201-1 Direct economic value generated and distributed		8,9	13
	201-2 Financial implications and other risks and opportunities due to climate change		8, 9	30
	201-3 Defined benefit plan obligations and other retirement plans		8, 9	49
	201-4 Government's financial aid	We do not receive financial assistance from the government during the period. However, in Argentina, Mercado Libre SRL is registered in the National Registry of Software Producers (Law 25,922) that enables tax relief and credits. And, in the Autonomous City of Buenos Aires, where Mercado Libre SRL is registered as a Technology company, within the Technology District, through which we have tax exemptions.	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 2020 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	100% of the top executives of Mercado Libre are Latin American.	8, 10	
Material issue: Education and digital inclusion				
GRI 103 Management Approach 2016	103-1 Explanation of material aspects and coverage		8, 9, 10, 17	57
	103-2 Management approach and components		8, 9, 10, 17	57-60
	103-3 Assessment of management approach		8, 9, 10, 17	58-60
Material issue: Financial inclusion				
GRI 103 Management Approach 2016	103-1 Explanation of material aspects and coverage		10	15
	103-2 Management approach and components		10	15, 56
	103-3 Assessment of management approach		10	15, 56
Material issue: Environmental footprint				
GRI 103 Management Approach 2016	103-1 Explanation of material aspects and coverage		13	63
	103-2 Management approach and components		13	63-69
	103-3 Assessment of management approach		13	64-69
GRI 302 Energy 2016	302-1 Energy consumption within the organization		13	66
	302-2 Energy consumption outside of the organization	Energy consumed in servers destined for operation: 35,743 GJ	13	
	302-3 Energy intensity		13	66
	302-4 Reduction of energy consumption	There was no reduction in energy consumption during the reporting period.	13	
	302-5 Reductions in energy requirements of products and services	The Mercado Libre Technology area works to make the use of our platforms as efficient as possible, using little space in the memory of the devices and with an efficient consumption of data services. These efforts make our products require less energy use of the devices, as well as the requirements of the servers involved.	13	
GRI 303 Water 2016	303-1 Interactions with water as a shared resource		13	66
	303-2 Management of water discharge-related impacts	Mercado Libre does not have productive processes that involve the use of water.	13	66
	303-3 Water withdrawal		13	66

GRI standard	Content	Answer	SDG	Page																																																																																																																											
Material issue: Environmental footprint																																																																																																																															
GRI 305 Emissions 2016	305-1 Direct greenhouse gas emissions (Scope 1)		13	64-65																																																																																																																											
	305-2 Indirect greenhouse gas (GHG) emissions (Scope 2)		13	64-65																																																																																																																											
	305-3 Other indirect greenhouse gas (GGG) emissions (Scope 3)		13	64-65																																																																																																																											
	305-4 Intensity of greenhouse gas emissions		13	65																																																																																																																											
	305-5 Reduction of GHG emissions		13	64-65																																																																																																																											
	305-6 Ozone depleting substances (ODS) emissions	Mercado Libre does not have processes by which emissions of this type of gases are generated.		13																																																																																																																											
	305-7 NOX, SOX and other significant atmospheric emissions	Mercado Libre does not have processes by which emissions of this type of gases are generated.		13																																																																																																																											
GRI 306 Effluents and waste 2016	306-1 Water discharge by quality and destination	Mercado Libre does not have productive processes that involve the use of water.	13																																																																																																																												
	306-2 Waste by type and disposal method	<p>Waste recovery rate Offices</p> <table border="1"> <thead> <tr> <th>Country</th> <th>2017</th> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>Argentina</td> <td>28%</td> <td>22%</td> <td>18%</td> </tr> <tr> <td>Brazil</td> <td>36%</td> <td>28%</td> <td>38%</td> </tr> <tr> <td>Mexico</td> <td>16%</td> <td>20%</td> <td>17%</td> </tr> <tr> <td>Uruguay</td> <td>48%</td> <td>49%</td> <td>55%</td> </tr> <tr> <td>Chile</td> <td>19%</td> <td>40%</td> <td>42%</td> </tr> <tr> <td>Colombia</td> <td>26%</td> <td>16%</td> <td>30%</td> </tr> </tbody> </table> <p>Waste recovery rate Distribution centers</p> <table border="1"> <thead> <tr> <th>Country</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>Argentina</td> <td>76.6%</td> </tr> <tr> <td>Brazil</td> <td>88.7%</td> </tr> <tr> <td>Mexico</td> <td>42.7%</td> </tr> </tbody> </table> <p>Origin of the waste generated (in kg) Offices</p> <table border="1"> <thead> <tr> <th></th> <th>ARGENTINA</th> <th>BRAZIL</th> <th>MEXICO</th> <th>URUGUAY</th> <th>CHILE</th> <th>COLOMBIA</th> </tr> </thead> <tbody> <tr> <td>Metal</td> <td>1870</td> <td>4820</td> <td>118</td> <td>59</td> <td>127</td> <td>164</td> </tr> <tr> <td>Paperboard</td> <td>17,217</td> <td>37,751</td> <td>463</td> <td>838</td> <td>185</td> <td>956</td> </tr> <tr> <td>Paper</td> <td>3556</td> <td>6,764</td> <td>431</td> <td>386</td> <td>280</td> <td>295</td> </tr> <tr> <td>Plastic</td> <td>4857</td> <td>17,527</td> <td>443</td> <td>3624</td> <td>913</td> <td>2307</td> </tr> <tr> <td>Organic / Compostable</td> <td>28,537</td> <td>100,687</td> <td>3966</td> <td>17,971</td> <td>1323</td> <td>1762</td> </tr> <tr> <td>Generals</td> <td>81,180</td> <td>223,010</td> <td>4400</td> <td>18,161</td> <td>3818</td> <td>6138</td> </tr> <tr> <td>Total</td> <td>137,217</td> <td>390,559</td> <td>9821</td> <td>41,039</td> <td>6646</td> <td>11,622</td> </tr> </tbody> </table> <p>Origin of the waste generated (in kg) Distribution centers</p> <table border="1"> <thead> <tr> <th></th> <th>ARGENTINA</th> <th>BRAZIL</th> <th>MEXICO</th> </tr> </thead> <tbody> <tr> <td>Paperboard</td> <td>96,840</td> <td>1,034,051</td> <td>287,740</td> </tr> <tr> <td>Plastic</td> <td></td> <td>121,848</td> <td>11,893</td> </tr> <tr> <td>Wood</td> <td></td> <td>298,654</td> <td>17,101</td> </tr> <tr> <td>Metal</td> <td></td> <td>24,425</td> <td>0</td> </tr> <tr> <td>Recycling</td> <td></td> <td>1,483,193</td> <td>316,734</td> </tr> <tr> <td>Disposal</td> <td>29,620</td> <td>191,326</td> <td>424,300</td> </tr> <tr> <td>Reused</td> <td></td> <td>21,480</td> <td>0</td> </tr> </tbody> </table>	Country	2017	2018	2019	Argentina	28%	22%	18%	Brazil	36%	28%	38%	Mexico	16%	20%	17%	Uruguay	48%	49%	55%	Chile	19%	40%	42%	Colombia	26%	16%	30%	Country	2019	Argentina	76.6%	Brazil	88.7%	Mexico	42.7%		ARGENTINA	BRAZIL	MEXICO	URUGUAY	CHILE	COLOMBIA	Metal	1870	4820	118	59	127	164	Paperboard	17,217	37,751	463	838	185	956	Paper	3556	6,764	431	386	280	295	Plastic	4857	17,527	443	3624	913	2307	Organic / Compostable	28,537	100,687	3966	17,971	1323	1762	Generals	81,180	223,010	4400	18,161	3818	6138	Total	137,217	390,559	9821	41,039	6646	11,622		ARGENTINA	BRAZIL	MEXICO	Paperboard	96,840	1,034,051	287,740	Plastic		121,848	11,893	Wood		298,654	17,101	Metal		24,425	0	Recycling		1,483,193	316,734	Disposal	29,620	191,326	424,300	Reused		21,480	0	
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GRI standard	Content	Answer	SDG	Page
Material issue: Environmental footprint				
GRI 306 Effluents and waste 2016	306-3 Waste by type and disposal method	During the 2019 period, no spills were registered because Mercado Libre does not have industrial processes.	13	
	306-4 Transport of hazardous waste	In 2019, 112 lead-acid batteries were recovered from our offices in Brazil, which were transported through suppliers authorized for recycling.	13	
	306-5 Water bodies affected by water discharges and/or runoff	During the 2019 period, no bodies of water were affected because Mercado Libre does not have industrial processes.	13	
GRI 308 Supplier environmental assessment 2016	308-1 New vendors who passed environmental screening and selection	At the time of the registration of new suppliers, they are asked for information about their social and environmental management policies and practices. This information is considered but at the moment it does not constitute a filter.	13	17
	308-2 Negative environmental impact on the supply chain and measures implemented	The impact of the supply chain is studied in the measurement of scope 3 of the environmental Footprint. During the period, the environmental impacts of 108 suppliers from different parts of Latin America were analyzed.	13	
Material issue: Entrepreneurship promotion				
GRI 103 Management Approach 2016	103-1 Explicación del tema material y su cobertura		8	51
	103-2 El enfoque de gestión y sus componentes		8	51-56
	103-3 Evaluación del enfoque de gestión		8	52-56
GRI 413 Local communities 2016	413-1 Operations involving the local community, impact assessment and development programs			
	413-2 Operations with significant actual and potential negative impacts on local communities	There have been no significant negative social impacts on local communities during the period.	8	

SASB

Standard	Content	Answer	Page
SOCIAL CAPITAL: Data privacy & Advertising Standards			
CG-EC-220a.1	Number of users whose information is used for secondary purposes		33
CG-EC-220a.2	Description of policies and practices relating to behavioral advertising and user privacy		33
SOCIAL CAPITAL: Data Security			
CG-EC-230a.1	Description of approach to identifying and addressing data security risks		32-33
CG-EC-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected		34
HUMAN CAPITAL: Employee Recruitment, Inclusion & Performance			
CG-EC-330a.1	Employee engagement as a percentage	93% of the base consulted in the Great Place To Work program survey, consisting of 8158 employees, said they were satisfied to work in Mercado Libre.	
CG-EC-330a.2	(1) Voluntary and (2) involuntary turnover rate for all employees		43
CG-EC-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees		47
CG-EC-330a.4	Percentage of technical employees who are H-1B visa holders	It doesn't apply	

Standard	Content	Answer	Page																
ENVIRONMENT																			
CG-EC-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	<p>Energy Matrix</p> <table border="1"> <tr> <td>Clean</td> <td></td> </tr> <tr> <td>Argentina</td> <td>36.9%</td> </tr> <tr> <td>Brazil</td> <td>71.1%</td> </tr> <tr> <td>Uruguay</td> <td>92.6%</td> </tr> <tr> <td>Colombia</td> <td>69.4%</td> </tr> <tr> <td>Chile</td> <td>46.4%</td> </tr> <tr> <td>Mexico</td> <td>11.1%</td> </tr> <tr> <td>Venezuela</td> <td>62%</td> </tr> </table>	Clean		Argentina	36.9%	Brazil	71.1%	Uruguay	92.6%	Colombia	69.4%	Chile	46.4%	Mexico	11.1%	Venezuela	62%	66
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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		66																
CG-EC-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	We integrate the environmental issue into the planning of data centers through the selection of suppliers. We currently have cloud providers that are environmentally responsible such as Amazon Web Services, Google Cloud and Microsoft.																	
BUSINESS MODEL AND INNOVATION: Product Packaging & Distribution																			
CG-EC-410a.1	Total greenhouse gas (GHG) footprint of product shipments		64-65																
CG-EC-410a.2	Discussion of strategies to reduce the environmental impact of product delivery		65, 67																



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