







Our customers' needs and our associates' commitment inspire us to make a difference in providing solutions and creating value through our ecosystem. We are a company of people serving people, our goal is to improve people's lives and we work every day to achieve it. We have the scale, strategy and talent that drive constant evolution, accelerate growth and enable our aspiration to be a regenerative company.

# TOGETHER, every day

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I am Andy

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## **Our Business**

#### WHAT DID WE ACHIEVE TOGETHER?

Move from transactions to relationships. We built meaningful connections that provide solutions and generate value for all our

million

customers shop daily in our stores in Mexico and Central America

Our ambition, to become a Regenerative Company



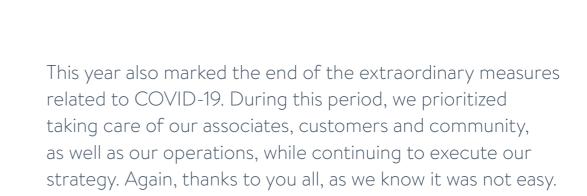
## MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS AND FROM THE PRESIDENT AND **CHIEF EXECUTIVE OFFICER**



We would like to begin this message with a sincere thank you to our associates, customers, suppliers and other stakeholders.



Once again, in 2022 we proved that TOGETHER we are stronger: we continued to serve our customers and members, and our purpose of helping people save money so they can live better mattered more than ever. This was, without a doubt, a good year for us.



This pandemic period came to an end, and another one began: that of inflation. Once again, we took care of our customers and members by continuing to deliver on our commitment of Every Day Low Prices.

In Mexico, customers responded to our efforts, which was reflected in sales growth, and for the ninth consecutive year we were able to grow above the formal market as measured by ANTAD. Being sensitive to the challenging environment, we expanded our price gap by 100 basis points, in addition to substantially improving our NPS.

In Central America, we maintained customer preference and loyalty and improved our **self-service market share by 80 basis points.** We continued to serve customers better through our win in discount initiatives, increasing our Private Brands' share in 200 basis points. In addition, we laid the groundwork for the omnichannel ecosystem and tripled the size of the online catalog; as a result, our NPS increased by 400 basis points.

In recent years we have strengthened our business strategy, as you will see in detail throughout this annual report, and we continue to focus on our three strategic pillars:

- Win in discount: we are leaders in low prices, with a unique positioning thanks to our self-service stores, especially our Bodega Aurrera and Palí formats.
- **Lead in omnichannel:** this year, our eCommerce share in total sales increased to 5.1% and our NPS increased by 470 basis points.
- **Ecosystem of choice:** we offer solutions and generate greater value for our customers and their communities. In 2022 we had over 13 million total Bait and Cashi users combined.

We rely on four **enablers** to execute and leverage our strategy: Customer Centricity, Supply Chain, Technology and Data, and Best Talent. In 2022, we focused on providing good jobs and career opportunities for our associates: we created more than 6,300 new jobs, promoted more than 27,700 associates, and increased our talent with disabilities by 14%.



We have the ambition to become a Regenerative Company by 2040. This means going beyond compliance and doing the right thing to have a positive socioeconomic and environmental impact, while maintaining the highest standards of ethics and integrity - which ulitmately contributes to improving the well-being of people, communities and the planet, creating shared value for all our stakeholders.







# **WIN IN DISCOUNT**

100 bps self-service price gap expansion in Mexico

80 bps increase in **Private Brands**  260 bps increase in **Private Brands** penetration in Sam's Club

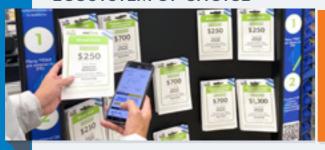
200 bps increase in **Private Brands** penetration in total self-service in Central America



17% eCommerce sales growth in Mexico

19% GMV growth Mexico ~1,000 On Demand stores in Mexico 72% increased the number of SKUs (Stock

#### **ECOSYSTEM OF CHOICE**



5.6 million Active **Bait** users

5.4 million Cashi users

1 million

+4,500

Walmart Connect

#### **ENABLERS**



6 million

**5 million** in Mexico

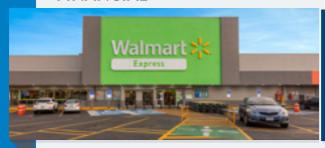
+1.5 billion

**32** 

233,594

**196.572** in Mexico **37,022** in Central America

#### **FINANCIAL**



**819.2** billion

pesos consolidated revenue 11.3% growth

11.0%

consolidated net income growth

79.8 billion

pesos cash generation 9.6% growth

20.2%

Return on Invested Capital (ROIC)

## OPPORTUNITY

suppliers in the region<sup>1</sup>

40,887

83.49%

of goods sold in Central America are purchased in the region 89.12% in Mexico

27,773

associates promoted, 55% were women<sup>1</sup> 6,313



#### **SUSTAINABILITY**

77.37%

progress in our zero waste goal¹

475.37

tons of virgin plastic eliminated in 2022, in Mexico

100%

of canned tuna with MSC certification in Mexico

54.57%

of total electricity consumption comes from renewable energy<sup>1</sup>



#### COMMUNITY

2,491 million

pesos channeled to social impact programs<sup>1</sup> 1,956,925

38,547.54

117

oodbanks supported<sup>1</sup>



#### **ETHICS AND INTEGRITY**

-7.31%

reduction of associates accidents<sup>1</sup>

21,051

hours of training in our Code of Conduct<sup>1</sup>

36%

of the Members of the Board are women

45%

of the Members of the Board are independent



1. Mexico and Central America



## **OUR STRATEGY**

# Strategic priorities and enablers that accelerate growth

STRATEGIC PRIORITIES



WIN IN DISCOUNT

GO TO CHAPTER [



LEAD IN OMNICHANNEL

GO TO CHAPTER 🖸



ECOSYSTEM OF CHOICE

GO TO CHAPTER 🖸

**ENABLERS** 



CUSTOMER CENTRICITY

GO TO CHAPTER []



SUPPLY CHAIN

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TECHNOLOGY

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BEST TALENT

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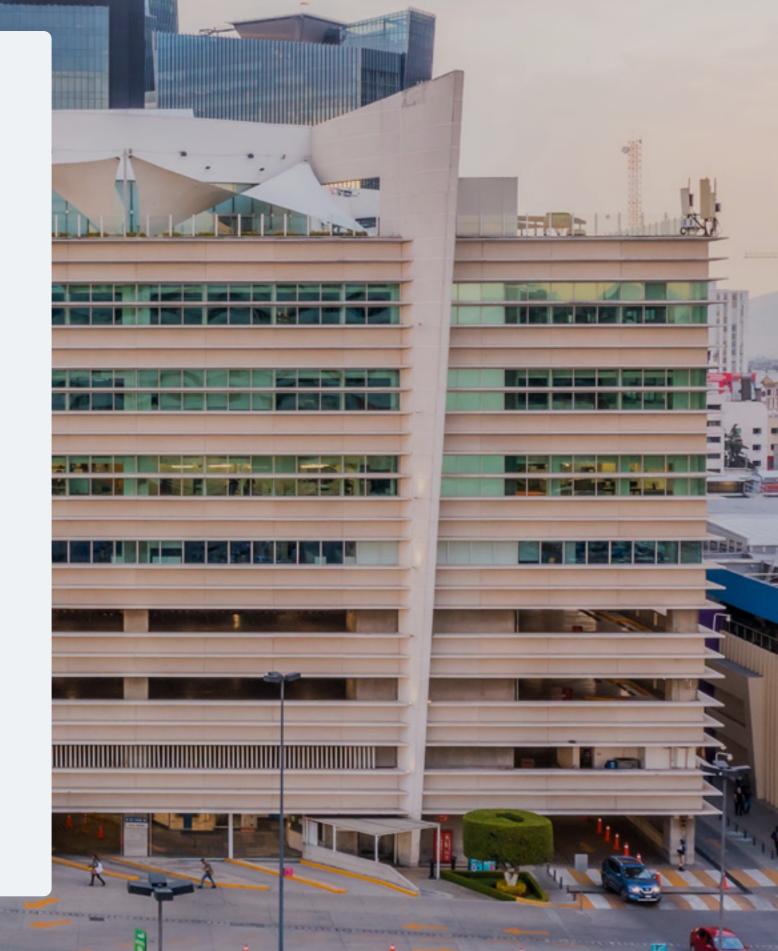
Regeneration and Trust

Every Day Low Prices

GO TO CHAPTER 🖸



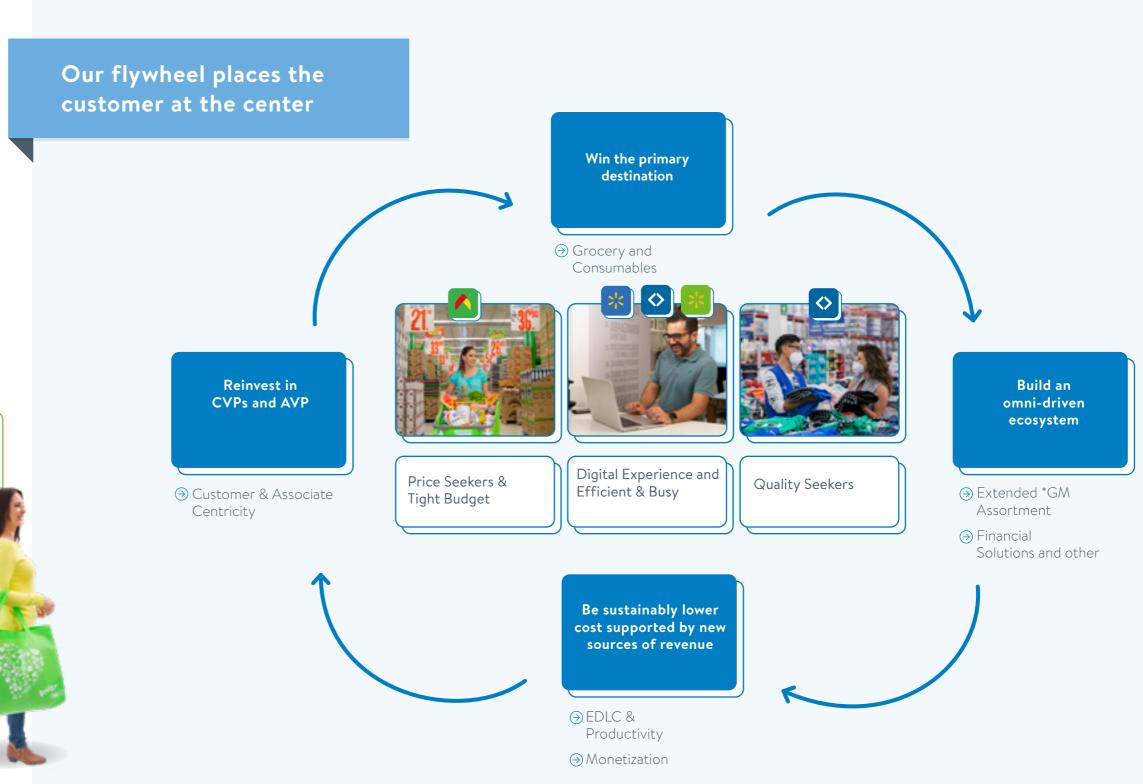
P. 10



## **FLYWHEEL**

Our core business, the stores, is strong and is fueling the ecosystem, while the new businesses we create drive customer loyalty and reinforce the core business so that it grows, strengthens and remains resilient.

Our strategy is summarized by this flywheel of capabilities and assets that mutually reinforce each other



\*GM: General Merchandise
AVP: Associate Value Proposition
CVP: Customer Value Proposition



## **REGENERATIVE COMPANY**

GRI 2-22, 2-23,2-24







## Regenerative **Company Pillars**

We are aware of our commitment to society and the planet. Becoming a Regenerative Company is the most solid path to take actions to maintain, restore, conserve and regenerate the well-being of nature and humanity. Therefore, during 2022 we continued with our ambition to become a Regenerative Company by 2040, placing nature and humanity at the center of our decisions through our four pillars: opportunity, sustainability, community, and ethics and integrity.

We are aware of our commitment we have with society and with the planet

#### **SUSTAINABILITY**

Go to chapter

We work on three environmental priorities: Climate Change, Circular Economy and Natural Capital to design strategies that translate into concrete actions to conserve and recover our ecosystems and natural resources.

#### **OPPORTUNITY**

We develop opportunities for our associates and suppliers, in order to contribute to improve their quality of life.

TO LEARN MORE ABOUT HOW WE **IMPLEMENT THE REGENERATIVE COMPANY STRATEGY CLICK HERE** 

**ETHICS AND INTEGRITY** 

Our operating model is based on transparency and integrity in everything we do to maintain stakeholder trust.

#### **COMMUNITY**

Go to chapter

We create value in the communities where we operate through programs that help them thrive, providing access to products and services at the lowest, safest, and highest quality prices.

WIN IN DISCOUNT



## Win in Discount

#### WHAT DID WE ACHIEVE TOGETHER?

Help our customers save money and time so they can live better. We give them access to products and services at the lowest prices.

self-service price gap expansion in Mexico

increase in Private Brands penetration in Mexico





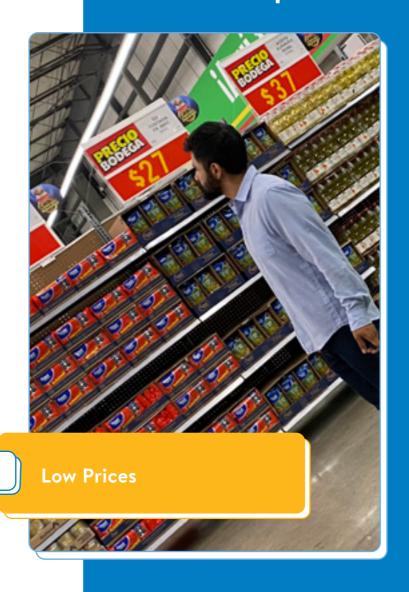
## We are the low-price leaders

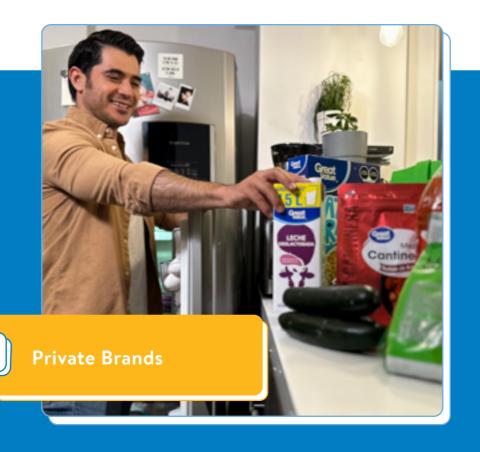
We contribute to the well-being of our customers and members by offering the best prices on high quality products.

This year, our customers needed our help to cope with increasing prices, so we focused on several initiatives to help them save money and afford a full basket.

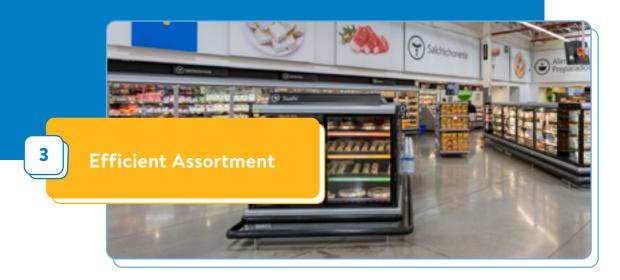


## **Low Cost Operation**





By enhancing our (ustomer Value Proposition, we helped our customers to save money and live better







At Walmart de México y Centroamérica, we provide access to different products and services that improve the lives of Mexican families, at prices our customers can afford. We help them buy more for less money, so they can make the most of their budget.

We have a unique positioning thanks to our self-service stores, especially our discount formats such as Bodega and Palí

## **Every day low prices**

Given the high inflation rates affecting our customers' economies, at Bodega we worked non-stop to fulfill our promise of Every Day Low Prices. We reached an all-time high price gap for the second consecutive year while maintaining the quality of our products, seeking to provide our customers with the best shopping experience.

At Bodega, with our "Morralla" campaign, we offered +2,800 items in a range of five to 35 pesos, which allowed our customers to purchase full baskets. In addition, we helped our customers save money by locking in prices for up to 90 days, ensuring that the basic food basket remains accessible to everyone.

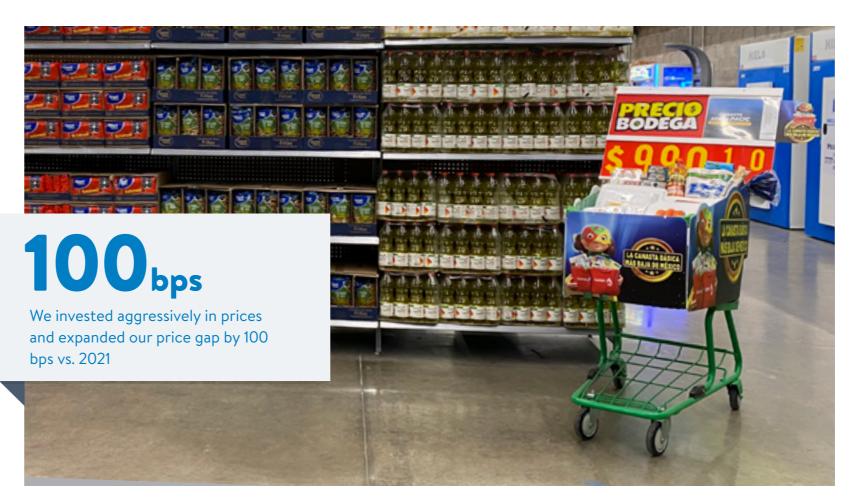
At Walmart Supercenter, we created "Los Básicos de tu Canasta" (The Basics of Your Basket) program focused on fighting inflation and taking care of our customers' economy with low prices on more than 100 products. Thanks to these efforts, NPS rates improved compared to the previous year, and the price differential improved, keeping us in line with the goal set at the beginning of the year.

In Central America, we have important commercial campaigns such as "Precios Rojos", "Quetzales Campeones" and "Súper Bombazos", focused on setting prices for basic items in our Bodega and Descuento formats. We have also improved our communication through campaigns such as "Súper Ahorros" and "Llena tu Carrito a Precio Palí". All of these strategies have allowed us to better position our company, gain market share, and offer basic consumer products at the most accessible prices in the region.



## Package Against Inflation and Scarcity (Paquete Contra la Inflación y la Carestía - PACIC)

During 2022, we joined the Federal Government's efforts in the fight against inflation within the Package Against Inflation and Scarcity (PACIC, in Spanish), implementing it in all of our self-service stores during its first phase in May. In this way, we reaffirm our commitment to work hand in hand with our suppliers in order to bring our customers the lowest prices every day for the benefit of their economy.





In this challenging year, **Private Brands** were a great ally for customers in acquiring their basic pantry items, consistently offering them the best value for their money through pricing, assortment, and quality.

We reinforced our private brand offering, launching new items with great quality so customers had options at a price they can afford to bring a full basket to their homes.

At Walmart Supercenter, the Private Brands offering was strengthened with highquality products without our customers having to spend more money. Our products were assigned with more shelf **space** and we launched a greater variety of products, such as electrolytes, yogurt, and olive oil, among others. This allowed penetration of our Private Brands to increase considerably, demonstrating that our customers appreciated our efforts.



This year, we want to highlight Sam's Club, where Private Brand penetration grew 260 bps. Members' Mark is key to drive value to our Sam's members, they can find exclusive items at great prices and that is one of the reasons Sam's performance was very appreciated by our customers.

**In Central America,** we are reinforcing our leadership in prices and benefits. Our Private Brands penetration grew 200 bps. We work to improve our value proposition to customers through programs such as "Tierra Fértil", and support to suppliers. A successful example was swapping hands of bananas for loose banana fingers that we buy directly from the producer, allowing us to sell them for 10 cents on the dollar and thus giving our customers the opportunity to fulfill their food needs for less money.





## **EFFICIENT ASSORTMENT**

One of the ways to Win at a Discount this year was by extending our assortment and its availability.

category strategy.



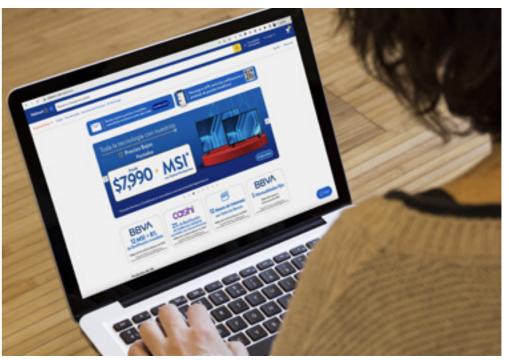
Another example in Walmart Supercenter, was that based on a demand analysis we reduced the number of SKUs at stores for juices by 40% moving them to online, with this change we increase both brick and online sales by ~30%; in the same way we did it with TV screens, reducing the number of items available at the store by 10%, adding more SKUs in Extended Assortment resulting in an 18% sales increase at stores and 45% increase in online sales.

Thanks to our customercentric assortment and service proposition, we have turned challenges into opportunities to continue meeting our customers' needs.



We gathered a wide assortment of products with spaces in stores and online, focused on the characteristics, preferences and concerns of our customers. In addition, we revisited and updated our processes to infuse Extended Assortment, we brought that them with cusstomer centricity and to foster a commercial offer aligned to their needs.

In Walmart Supercenter, we moved some items from the store to 1P or marketplace, and by the time we had more demand for a certain item in the item to the store. This allowed us to have a more efficient sales floor without eliminating items from our catalog.





## **LOW COST OPERATION**



To deliver on our promise to help customers make the most of their budget, we have simplified the operation of the store's sales floor, supply chain and home delivery.

We have focused on increasing productivity and ensuring product availability by optimizing inbound to the Distribution Center and outbound to the store. This alignment translates into the use of technologies such as Modular-Ready Pallets, which help us reduce the labor required to process merchandise in Distribution Centers, instore reception, and modular display.

We continued with the rollout of **self-checkouts,** now more than 280 stores are enabled with this technology, including six BAEs.



Thanks to our supply chain efficiency, we have been able to reduce 190 thousand man-hours in the last year, while increasing our production capacity. In this way, we made our associates' work easier and reduced operating costs, which in turn translates into benefits not only for our customers but also for our suppliers and the planet, since being more efficient allows us to reduce our carbon footprint.

man-hours reduction

Reduced energy and water consumption in our stores is another factor contributing to decreasing operating costs.

We will continue to focus on initiatives that help us become more productive throughout the value chain to better serve our customers.

Lead in Omnichannel

#### WHAT DID WE ACHIEVE TOGETHER?

Serve our customers no matter how they choose to shop, sometimes in our stores and sometimes through our eCommerce platforms.

72%

growth in Extended Assortment SKUs

~1,000



I am (ristian Walmart Express associate

"I meet the needs and requests of every order I receive, and I do it in a short time so that our customers have it at home in a few hours"

03/

## **LEAD IN OMNICHANNEL**

We are the ideal choice for our customers, who are looking for a wide variety of products and services as they want them, where they want them and when they want them, in an easy and simple way at the best price, in a seamless shopping experience. This year we focused on two initiatives to achieve this: continuing to expand our On Demand operation to drive purchase frequency and accelerating the growth of our Extended Assortment to complement our in-store and online product offerings.

We want to bring this experience to all families in Mexico and Central America, so we have invested to improve our customers' shopping experience while strengthening the value proposition in each format



The proximity of our stores allows us to offer several payment options, return and pickup options to our customers, since our stores are located within 10 minutes of 88% of the population in the country's main cities.



This year, we opened 126 stores, bringing our value proposition to 17 cities where we did not have presence before.



## **ECOMMERCE** AND INNOVATIONS

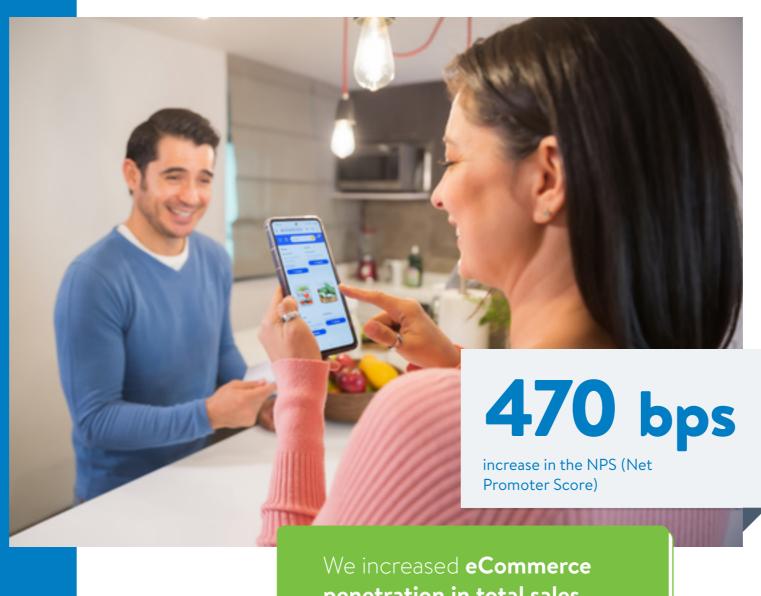
SASB: CG-EC-000.A,CG-EC-000.B,CG-EC-000.C

This year we invested in three catalysts to continue strengthening our eCommerce growth: technology, supply chain and talent.

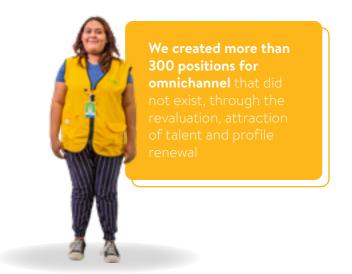
Our eCommerce sales grew 17%, with GMV increasing 19%

> sustainable business, achieving a 67% two-year stacked growth and 340% in a three-year stacked basis

reflected in a 470 bps increase in the **NPS (Net Promoter Score)** 



We are proud of how our company continued to implement the strategy as our customers adapted to new post-pandemic consumption habits.



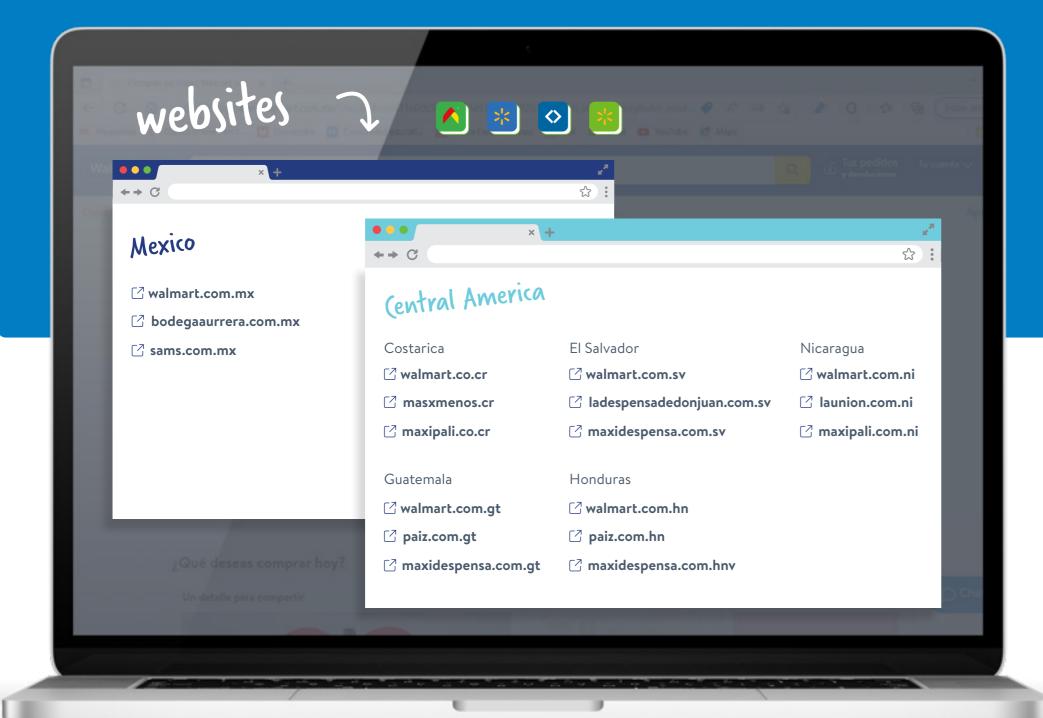
penetration in total sales to 5.1%

> eCommerce contributed **0.8%** to total sales growth

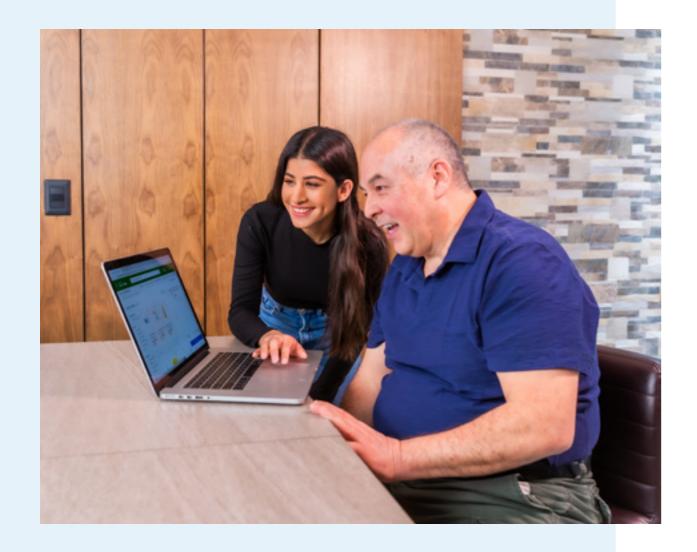
Likewise, we are further simplifying the shopping experience with omnichannel infrastructure, so that our customers can save time and streamline their journey.

In Central America, we were able to implement our omnichannel project and develop our eCommerce through the experience and knowledge we have in Mexico, "Powered by Walmart".

## **WEBSITES AND APPS**







## We continue to improve the customer experience on our applications and websites

We enabled a new feature called ";Olvidaste algo?" (Did you forget something?), which reminds customers of items they may have forgotten. This new feature is helping us to increase the average ticket and, consequently, sales.

# Sam's continues to be at the forefront of technology

Currently, at Sam's Club we offer three types of memberships for our members in Mexico:



Clásica membership, Benefits membership and Plus membership, which among other benefits, offers a 2% payback and unlimited free shipping on purchases above 999 pesos, when shopping in the online catalog or directly in the app, benefits that have been widely valued by our customers.



This year we launched a new membership auto-renewal feature for website and Android users. This feature allows our members to renew their membership without having to call or go to one of our clubs, contributing to a seamless shopping experience.

At Walmart Supercenter we started with the "Mercader Omnicanal" program, which aims to help our customers complement their shopping experience using the Walmart app. This program has had excellent results, since we have added new customers to the app, which come from "Mercader Omnicanal".



## **WE EXPANDED** ON DEMAND

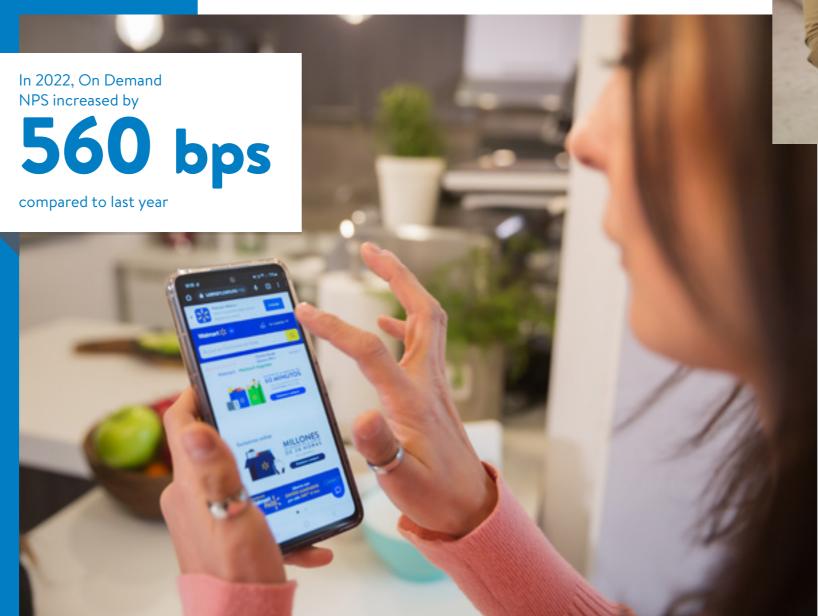
We improved our customers' shopping experience, with faster and more efficient deliveries, while generating fewer emissions into the atmosphere; all thanks to the scale of our omnichannel infrastructure and investments that allow us to keep moving in the right direction.

With On Demand, we offer our customers fast and affordable home deliveries

Our advantage is having more than 2,800 stores, of which ~1,000 are capable of providing this service in more than 200 cities.

In 2022, On Demand NPS increased by 560 bps compared to last year, driven by record levels in On Time, In Full and Perfect Order indicators. Among the actions that allowed us to achieve these results were customer journey analysis, working on our capabilities to improve planning, workforce scheduling and new productivity initiatives for our pickers.

80% of Walmart Supercenter and Walmart Express stores are enabled with our fast, 60 minutes delivery option, powered by the crowdsourcing model





We want to reach more customers and we want to give them access to the best prices. 80% of Walmart Supercenter and Walmart Express stores are enabled with our fast, 60 minutes delivery option, powered by the crowdsourcing model. Our customers highly value this service, especially those located in large cities. We will continue to strengthen it with the best technology and evolve our last-mile models.



Bodega has been a key player in on Demand's growth in Mexico

By leveraging the learnings and technology from Walmart's operation and Bodega's scale, we have been able to enable Despensa a Tu Casa in 443 stores in 193 cities in Mexico. This means that Bodega is the largest online supermarket player in Mexico. We are offering the service in our Bodegas and Mi Bodega formats, which has allowed us to reach more customers and, with this, achieving that our On Time indicator exceeds the goals set.



Infrastructure is key to reaching customers faster, so this year we strengthened our fleet capacity



We want to continue to increase this type of technology to achieve our goal of a zero-emission last-mile fleet

# **Walmart** Pass



#### **Walmart Pass**

Walmart Pass is our membership model in which customers can obtain unlimited same-day home deliveries on orders over 299 pesos, in order to help them save time and money.

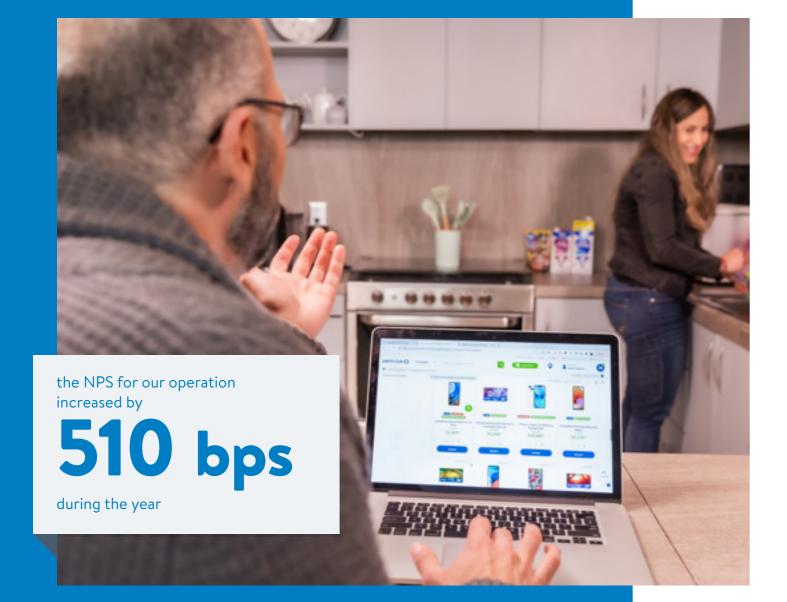
Walmart Pass unlimited deliveries apply to all online store departments, from grocery, dairy, produce, bakery and tortilla, frozen foods, to household items, apparel and footwear, and pharmacy.

This year, more than 30% of On Demand sales were from Walmart Pass users. This has had a positive impact on the increase in the average ticket and on the purchase frequency, which by 2022 was 3.3 times, compared to the 2.0 for non-users.



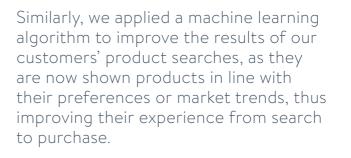
## WE ACCELERATED THE GROWTH OF OUR **EXTENDED ASSORTMENT**

We want our customers to enjoy a wider variety of products; that is why our extended assortment gives them the opportunity to access more products and decide more easily which one suits their needs.





This year we completed our assortment analysis and reengineering, and adjusted our offer so that customers can find the products they are looking for at the best prices. The main categories included in the reingeneering increased sales at a faster pace than before this process.

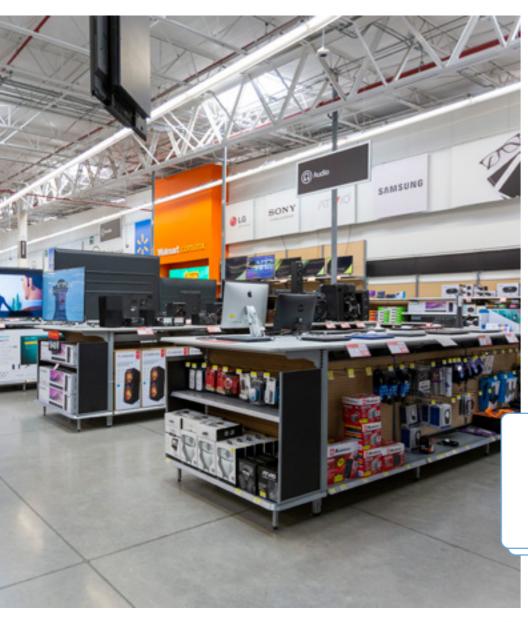


Through our data management, we have made better decisions to deliver higher-volume products in a shorter time

> Thanks to the improvements we have made in planning, the performance of our supply chain has improved significantly. In 2022, 24% of Extended Assortment orders were delivered within the same day or the next day, and also 66% of 1P orders within the 16 main cities in Mexico were delivered in the same period.

Meanwhile, the NPS for our operation increased by 510 bps during the year. With the intention of reaching more customers, we will continue to add more items and new categories to our offer.





We continue to increase our technological capacity and improve our supply chain plans to be even faster and more efficient



Walmart Fulfillment Services (WFS) is progressing according to our plans and continues to evolve, becoming a key model for providing the level of service our customers expect.



30% of marketplace order volume is delivered through this model, and orders handled by WFS take half the time to reach customers' homes compared to orders delivered by other carriers.

In our showrooms we introduce new brands to our customers through a direct product experience. This practice was implemented in key Walmart Supercenter stores with excellent results and is planned to be replicated in more Mexican states.



Another significant milestone this year was the launch of the extended assortment operation at Sam's and the opening of the Fulfillment Center, which allowed us to offer a much wider variety of items to our members and provide a better service by reducing delivery times. The new extended assortment Fulfillment Center began operations in April, serving all 32 states in Mexico, covering more than 32,000 zip codes, with a focus on the central and metro regions.

It was also the first year Sam's had an extended assortment offer during *El Fin Irresistible* and the results were favorable. Sales grew and we reduced delivery times by 40%, improving our members' shopping experience.

## Marketplace

Marketplace continues to be one of the major drivers of growth. During the year, we doubled the number of sellers compared to 2021. Furthermore, we added new virtual stores such as Samsung, Baby Creysi, Black & Decker and Super Gamer.

## We increased the number of SKUs (Stock Keeping Unit) by 72%

Technology is a key enabler for our operations. During the year, we automated and standardized the marketplace payment process, thus allowing us to be more assertive and efficient. In addition, we launched a new classification model to simplify product search and improve the customer experience.



## **OMNICHANNEL OFFERING**











# **Ecosystem of Choice**

#### WHAT DID WE ACHIEVE TOGETHER?

Generate value for our customers and members through an interconnected ecosystem of easy and accessible solutions and services

5.6 million active **Bait** users

Cashi users







## WE EVOLVED INTO AN **ECOSYSTEM OF LASTING RELATIONSHIPS**

We are an evolving ecosystem, offering solutions to our customers' pain points. We believe that the basis for building an ecosystem lies on supporting our customers to live better through meaningful connections between people, brands, products and services.

We are connecting millions of customers to the digital economy and making it easier for them to access its benefits with simplified solutions through our verticals

We build lasting relationships with our customers, leveraging our reach, our scale and the trust they put on us. This year we have grown by strengthening the relationship between our verticals, customers and members, delivering value at the best price.







Two years ago, we launched **Bait** as a

our value proposition remains based on three pillars





#### Low prices:

we keep the lowest rates for internet, data, voice and text message services with national and international coverage.



#### Maximum speed coverage:

we power the maximum speed experience with 4.5G LTE network.



### Connecting through your purchases: we

megabytes to our customers when they shop at our stores, helping them save money while increasing their loyalty.



This year, we expanded the possibilities of Bait. With our acceleration strategy, we closed 2022 with 5.6 million active users and 7.8 million total users. In addition, we have more than 450 thousand top-up points and several online top-up points; now, our customers have more options to stay connected. We also launched our MiFi Portable Wireless Router, so our customers stay online everywhere.



**ECOSYSTEM OF CHOICE** 



### We are the main Mobile Virtual **Network Operator (MVNO) in** Mexico by number of users

Having the best coverage in the market with affordable prices for voice v and messaging has allowed us to sell more than eight thousand lines of a new connectivity solution that we launched for business partners and to continue with our commitment to increase inclusive opportunities for our associates.

In addition to leveraging our service from our more than 2,800 stores and clubs, and our over five million customers who shop at our stores every day, in 2022 we opened the first four "Centros de Experiencia Bait" in Tlalpan, Toreo, Cuautitlán Izcalli and Querétaro. In these experience centers we provide our customers a complete connectivity solution, including the possibility to buy Bait prepaid services, mobile phones and accessories, credit and extended warranties.





We are the fourth largest player in the telecommunications sector by number of users

We leverage data to better understand our customers and generate more value for them, as well as develop new monetization opportunities for our verticals and formats.

We strengthened the relationship with Walmart Connect by linking our advertisers to **Bait's** advertising solutions. Now, our advertisers can reach Bait's more than seven million total users through text messages and push notifications. Also, when purchasing a **Bait** line, our customers received a 50 pesos bonus on Cashi, which increased the app's downloads as well as purchases made through the wallet.

#### **RESULTS**

This year with Bait we achieved:

5.6

million active users by year-end 2022

## 4 centros

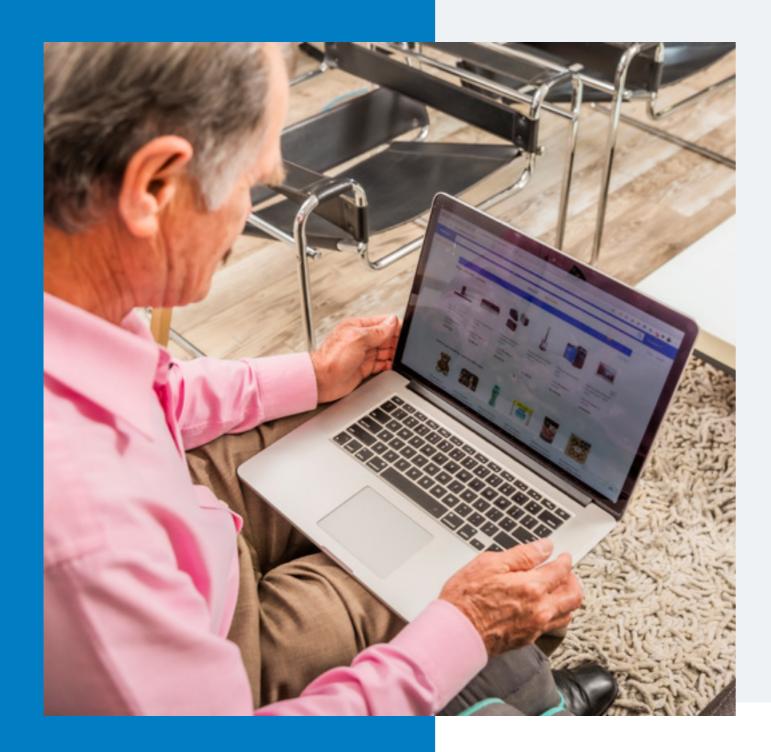
de experiencia Bait in Mexico City, State of Mexico and Queretaro

## +450 thousand

physical and online recharge points



## **FINANCIAL SOLUTIONS**



In Mexico, only 54M adults have access to financial products and only half of adults with financial products have a formal access to credit

For this reason, and as part of our commitment to making services that improve our customers' lives, we have strengthened our offering of low-cost financial solutions with greater flexibility.



Our financial services strategy is based on three pillars:



Cashi, our digital wallet







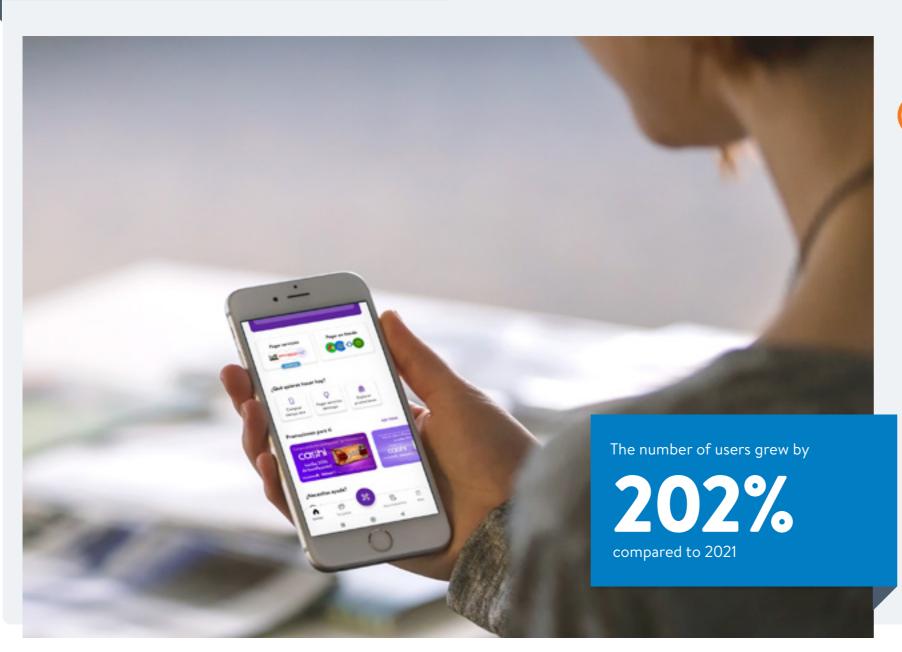




## Cashi, our digital wallet

the service for commission-free digital payments through cash top-ups from an app.

Five years ago, we launched **Cash**i as a digital financial solution for Mexican families, and this year we focused on enhancing the product value proposition.



In 2022, we reached 5.4 million users, by strengthening our application with

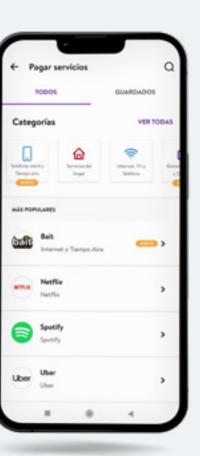
New features such as utility payment reminders to help our customers better organize their finances

Enabling Cashi as an online payment method on our websites, so that our customers can buy online, boosting omnichannel sales



Credit via the app

**Cashi** continues to move forward as a connection point between all our verticals and our customers, to offer joint solutions. Since 2022, customers can top-up their Bait line through Cashi.





### Credit

our service to buy now and pay later, online and in stores.

# We know that our customers have difficulty accessing affordable financial solutions

So we developed credit solutions that meet their needs, so they can pay for the products they need.

Evaluated and approved credits are granted within five minutes, and in less than 15 minutes the funds are made available through **Cashi** so that our customers can purchase the products they need in store or online.

This year, we built a stronger online credit offering, so we enabled new lenders in the Digital Credit Marketplace in more than 100 stores, leveraging eCommerce kiosks in Walmart and Bodega. Within this offering is the "Buy Now Pay Later" credit, in which through registering in the app and selecting the most convenient credit offer, computer products, electronics, toys and more items can be purchased on credit with fixed payments, with no down payment, no annual fees and not requiring the use of a debit or credit card.

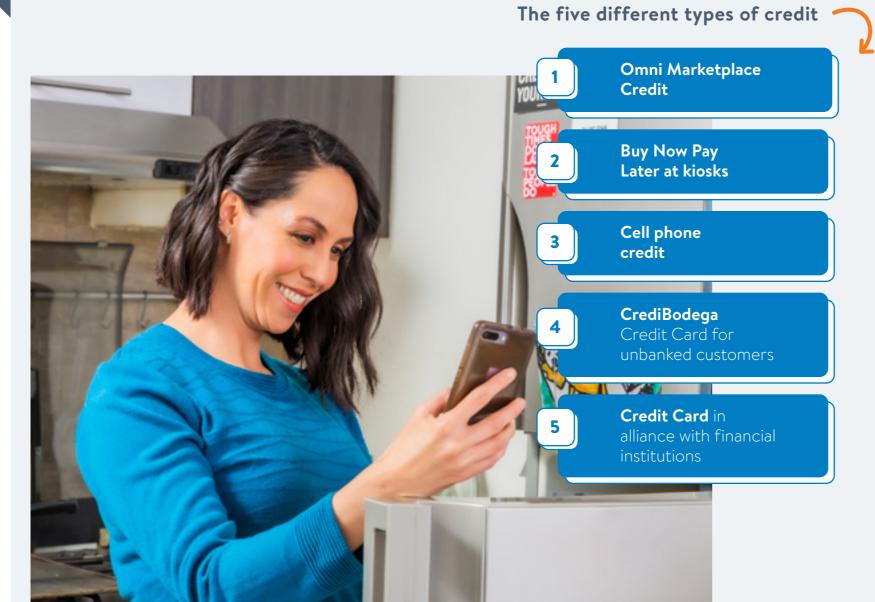
We have several credit options for the different profiles and needs of our customers. For example, CrediBodega is aimed at our Bodega customers, within whom financial inclusion is lower and prefer small payments.

Almost 500 thousand credits were granted through our partners, which is twice the number of loans compared to 2021



In 2022, we succeeded in offering CrediBodega in 300 stores and started a pilot to originate it digitally









### Remittances

our service to collect money sent from the United States to Mexico.





And they are constantly looking for the **best cost options** to make the most of their money.

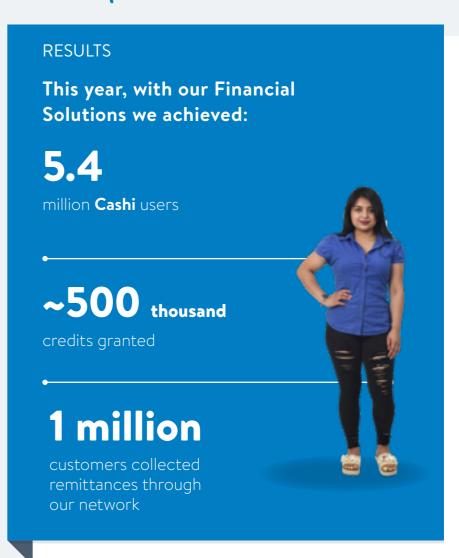
> That's why we offer our remittance solution at the most competitive rate in our more than 2,800 stores, seven days a week, making their money go even further, helping them add more products to their shopping basket thanks to the savings obtained through our rates.

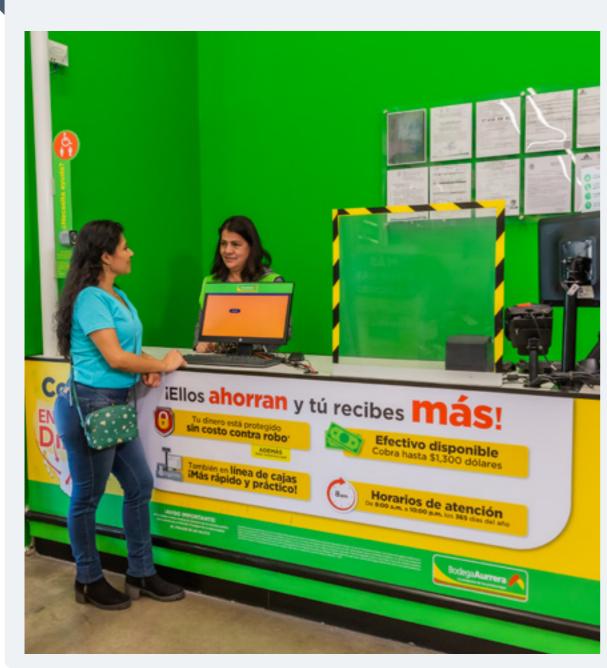
In addition, this year we re-launched the Walmart to Walmart (W2W) remittance service, through which our customers are able to send remittances from our stores in the United States directly to any Walmart store in Mexico, at a rate over 50% below the market average.

We are connecting the verticals with the core business so that they reinforce each other to better serve our customers.

In 2022, we processed two billion dollars of transactions in our stores, allowing that more than 1 million customers collect remittances through our network.

## We are the second chain with the highest number of collection points for remittances



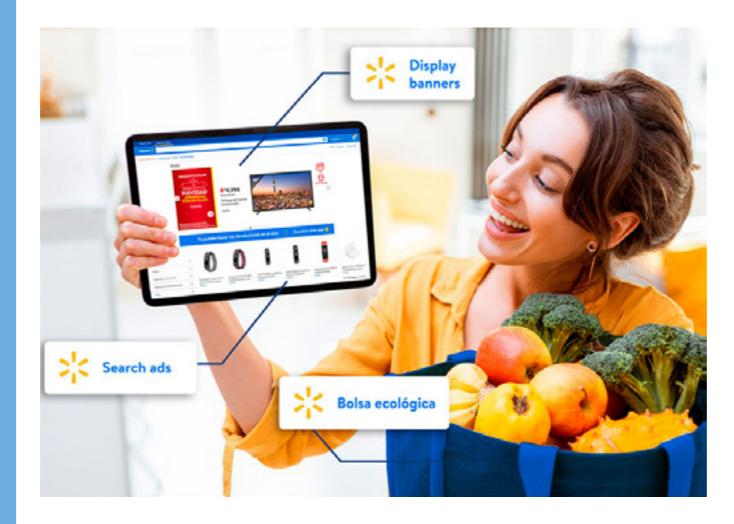




With Walmart Connect, we improve our

and help customers in making better

trusted us and run more than



### We are the largest omnichannel platform in Mexico



Walmart Connect is connecting all of our verticals with advertisers. This year, together with **Bait** and Nestlé, we launched our first Mobile Advertising campaign and reached nearly half a million customers with geo-segmentation.

During the Hot Sale, we provided customers with unique entertainment options, such as the Margarita *la Diosa de la Cumbia* concert for Bodega customers, reaching more than 80 thousand people. We teamed up with Cashi to give our customers a unique value promotion that boosted sales through the app during the event, while **Bait** offered even lower prices and gave Cashi users an additional bonus.

In addition, during "El Fin Irresistible", which was also the biggest sales event of the year for **Walmart** Connect, we continued to offer entertaining moments, hosting two virtual concerts for our Walmart and Bodeqa customers. The Los Angeles Azules concert for Bodega customers had a reach of 4.6 million views. We are excited to continue connecting with our customers digitally.

This year, we developed innovative, technologybased products and services. We launched our Retail Media Platform to give our advertisers the opportunity to self-manage their sponsored product campaigns, starting a pilot test with Unilever, P&G and Nestlé.

In addition, we enabled an option for our advertisers to highlight their products and maximize their sales by automating sponsored product search services. This is how we launched our first campaign, helping small and medium-sized advertisers to increase the positioning of their products.

## We have an advertising business of more than 2.1 billion pesos

#### **RESULTS**

This year with Walmart Connect we achieved:

400

advertisers trusted us

+4,500

omnichannel campaigns





## **HEALTH**

Today, the majority of population cannot afford private health services in Mexico, so a large sector is looking for agile and low-cost solutions

As part of our commitment to helping people save money and live better, we looked to reinforce our health solution by providing our customers with a health membership that ties all health benefits together with our 1,500 pharmacies and 500 doctor's offices.

This year, we launched our health membership on a pilot test, through which our customers can access the following benefits through one of our four types of memberships (Individual básica, Familiar básica, Individual plus and Familiar plus):



- Remote medical, nutritional and psychological counseling and assistance via video or telephone call
- Consultations with specialists at preferential prices
- Ambulance services in case of emergency
- Home doctor with preferential cost
- Discounts in laboratories
- 5% discount at Walmart pharmacies
- Cinema 2x1
- And, depending on the type of membership, free medical and dental consultations at Walmart stores

In 2022, we delivered access to health solutions to more than one million patients

We also promote our memberships through Bait's points of sale





## **Our Walmart Ecosystem**

The connections of our verticals allow us to build relationships with our customers and offer them a simplified solution package

(ustomers like Andrea now have a seamless experience in accessing the digital economy





GRI 2-7

## Enablers

#### WHAT DID WE ACHIEVE TOGETHER?

Make forward-looking decisions based on enablers that enhance our strategy. Customer centricity, the use of technology and data, our our supply chain and our talent.

233,594

196,572 Mexico and 37,022 Central America









## **CUSTOMER-CENTRICITY**

I am María Walmart Express customer



"I look for practicality, good price and quality for my family"

I am (arlos Walmart customer





I am Andrea Bodega Aurrera customer



I am Lucy Sam's (lub member

> "I am looking for an experience that will give me quality, freshness and different items in the most most practical way"

Customer centricity is the incorporation of our customers' data and behaviors into our commercial and operational processes to accurately segment our stores and products in a timely manner. This enabler allows us to better understand the needs and habits of our customers and members, identify pain points in their shopping experience, provide them with comprehensive solutions and offer them a seamless experience that matches their preferences.

Placing our customers at the center of all our decisions translates into an increasingly closer and more personal shopping experience. Their loyalty and preference contribute to making us a more efficient, profitable and sustainable business.

In order to permeate this culture in our operations, it is necessary to consider our customers' feedback and provide solutions promptly and efficiently, based on empathy at all times. Therefore, our solutions are carefully aligned with this feedback, helping us enhance and strengthen our business strategy.

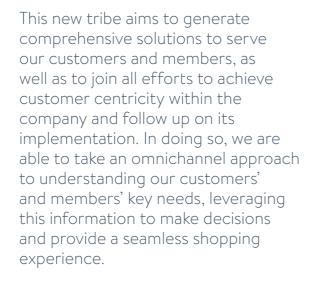
Our customers and members are of the utmost importance to us. In order to provide them with the best service, we are constantly transforming ourselves and implementing actions to improve their shopping experience through continuous and empathetic listening.

Earning our customers' loyalty by offering an omnichannel experience generates efficient, profitable and sustainable growth



#### **Customer Office**

Customer-centricity is embedded in all Walmart de México y Centroamérica operations and is an area in which we are constantly innovating based on global best practices. In line with the transformation strategy and with the objective of providing a better experience to our customers and members, the Customer Office was created in 2022.



We are confident that through this effort to drive member and customercentric culture using data and technology-based solutions, we will continue our purpose of helping people save time, money and live better.



By identifying our customers' pain points in their shopping experience, we provide comprehensive solutions that generate well-being for families in Mexico and Central America

#### **Customer Office Structure**

We focus our efforts in four areas that allow us to efficiently execute initiatives aligned to improve our customers' experience:

#### **Customer Knowledge & Experience**

It integrates all sources of customer information within the company: indicators, quantitative and qualitative studies. Based on this, we identify the customer's main concerns and define the best approach to generate solutions.

#### Marketing

Its task is to understand who our customers are, develop strategies and value propositions, define commitments as a brand, manage them and establish what we want to communicate.

> I am Tomás (hief (ustomer & Data Officer

#### **Omnichannel Customer Care**

It is the first point of contact for our customers when they have a problem or require assistance. We also seek to be omnichannel in our communication with them, to provide them with a better service and solve all the issues that arise from a single approach.

#### **Data Analytics & Product**

This area develops solutions and defines the way in which the company's technological processes are leveraged to provide a better customer experience. It also works by connecting ecosystem data through different analytical models to provide such solutions.

Living customer-centricity within the company generates excellent results and allows us to provide the best shopping experience



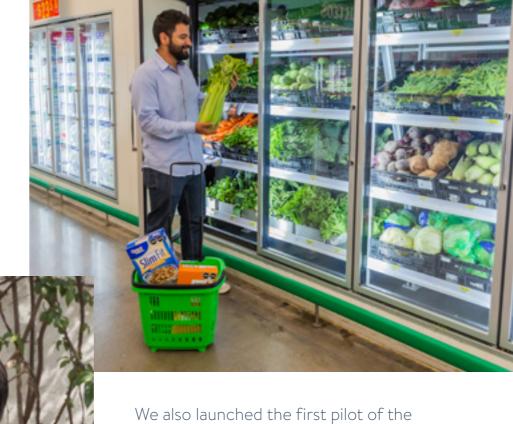
## We improve our customers' and members' experience

2022 was a year of evolution for the customer-centric culture within Walmart de México y (entroamérica



We are in a process of transforming, perfecting and creating initiatives to improve our customers' and members' shopping experience, and even creating and designing some new ones.

> We are moving forward on this path by working on updating our customer and member profiles to improve our satisfaction measurement methodologies, such as the NPS (Net Promoter Score), which allows us to identify indicators to determine customer loyalty.



Customer Advocacy Program (CAP), through which we ensure to work on the root causes of the pain points n our customers' shopping experience in order to prevent their recurrence.

This year, we defined our Customer Data Strategy proposal, an initiative that seeks to propose a methodology to leverage and harness our customers' data and apply this information to several lines of action.

We also developed a **Price Perception Model.** This allowed us to understand which variables have the greatest impact on the perception of our most price-sensitive customers and to define, together with other areas, a plan to counteract these variables and implement changes in our communication according to the findings.



#### We measure customer satisfaction

We implement innovative digital tools that allow us to measure our customers' level of satisfaction and analyze this information to improve their experience:

- Customer Experience Index
- Member Experience Index



These monitoring tools are found in 100% of our stores in the region. They are also available via email and social media.

#### **RESULTS**

#### Mexico

#### **Omnichannel**

7% increase in overall recommendation rate of our customers

#### Self-Service

Bodega Aurrera increased its NPS in 11% vs 2021

Mi Bodega increased its NPS in 6% vs 2021

Walmart increased 5% its NPS vs 2021

Walmart Express increased in 1.4% its NPS vs

Mi Bodega was highest rated format in general satisfaction in self service

#### Sam's Club

Increased our members recommendation rate

4.8% increase in membership renewal **intention** in members that buy at Clubs



#### Central America

Hypermarkets Walmart was the best evaluated format in general satisfaction

#### **eCommerce**

3.8% increase in client recommendation rate

Increased 11.9% the NPS of online

#### Communication channels

We provide our customers and members with different means of communication through our Corporate Contact Center:



Social media



Telephone number



Email



WhatsApp



Corporate site chat







GRI 2-5

## **SUPPLY CHAIN**

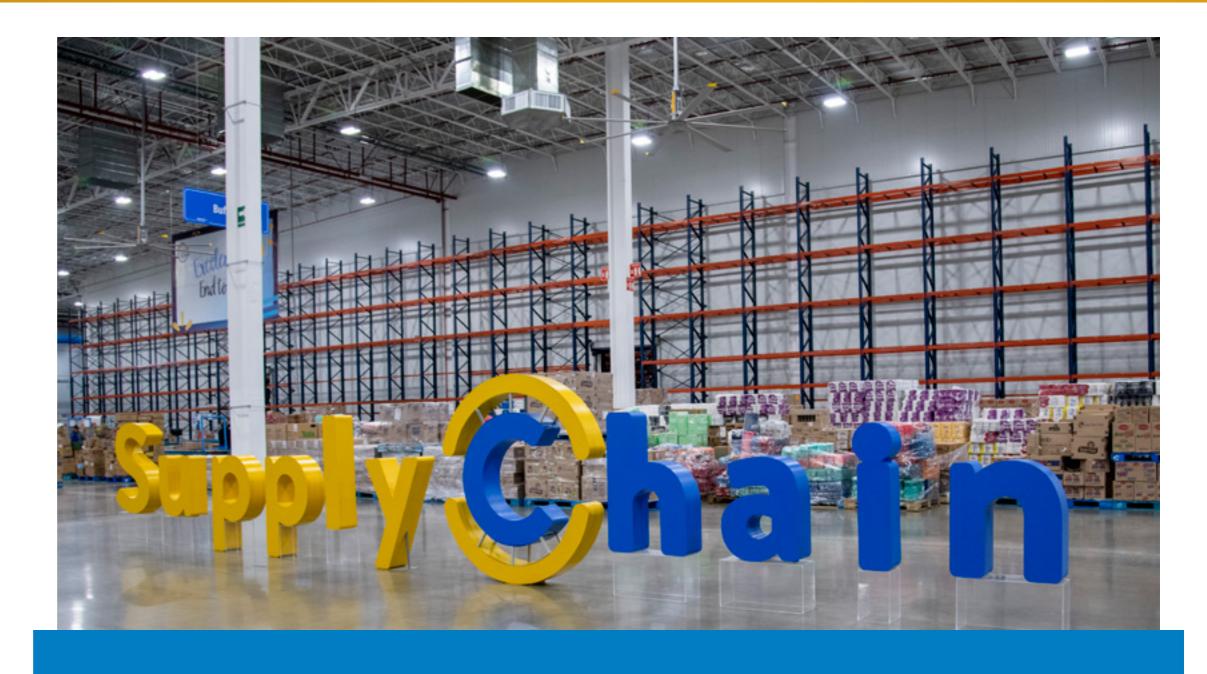
One of our greatest strengths is the supply chain capacity we have developed, an enabler that supports and streamlines our operations

We transformed the way we operate to connect with our formats' value propositions, achieving very good results in terms of merchandise flow, coverage and omnichannel.

Our supply chain network is one of the most extensive in the country, covering nearly one million square meters, moving more than 1.4 million boxes annually and operating with more than 18,000 associates. We are developing our operating models and investing in state-of-the-art technology to increase our efficiency and productivity.



The expansion and modernization of our supply chain strengthens us to better serve our customers and accelerate the company's growth



Our supply chain network has

million

Moving more than

1.4 million

boxes annually

Operating with more than

18,000



## Integrated omnichannel network

We actively work to turn our infrastructure into a world-class omnichannel operation network that is able to adapt to our business needs, shaping an integrated supply chain of distribution centers, stores and facilities that allows us to improve productivity and

offer our customers a seamless shopping experience,

> so they find what they want, when they need it and how they need it

Leveraging our distribution network allows us to reach our customers faster, drive efficiencies and thus expand our price gap, creating a virtuous circle. We have a transportation network that supplies more than 2.800 of our stores and clubs from our distribution centers every week.

This year, we have enabled 9 omnichannel routes that handle approximately 30% of Extended Assortment 1P's orders, reducing delivery times and shipping costs by 12%



Our omnichannel business is backed by one of the most extensive supply chains in Mexico













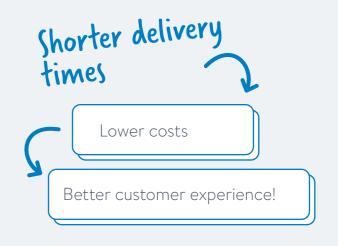








This year, our distribution network was awarded the **National Logistics Award** "Galardón Tameme"



We increased the Supply Chain's NPS by 700 bps, reaching an all-time high

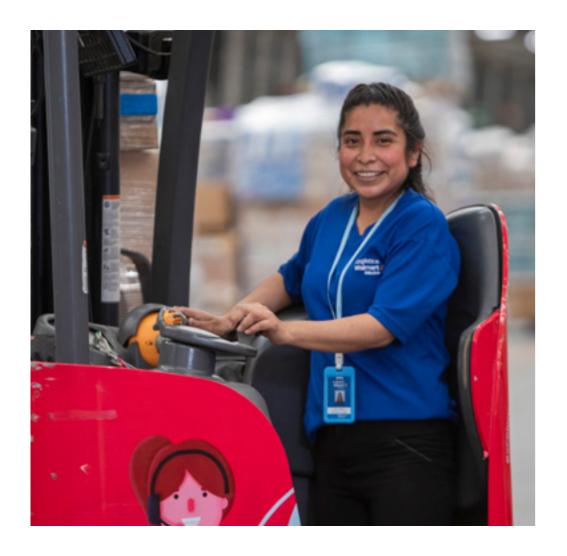




#### Growth

We invest heavily in initiatives to expand and strengthen our infrastructure.

This year we were able to expand our omnichannel network, reaching 21 Distribution Centers in Mexico and 11 in Central America. In doing so, we reinforce our commitment to help our customers and members save money and live better



In June 2022, we inaugurated the Villahermosa Perishables Distribution Center in the state of Tabasco, Mexico, with a total investment of two billion **pesos.** Its supply reach includes stores and clubs located in Campeche, Chiapas, Oaxaca, Quintana Roo, Tabasco, Veracruz and Yucatán, and the capacity to move more than one million boxes per month. This DC handles more than 10% of the perishable goods volume and generates around 1,200 direct and indirect jobs. Furthermore, thanks to technological innovation in its refrigeration systems, no greenhouse gases are emitted from its operations, contributing to our goal of becoming a regenerative company by 2040.

We are also excited to share that we continue to make progress in the construction of our Tlaxcala and Bajío Distribution Centers. The Bajío DC will have a world-class automation level, making it one of the most modern in Latin America.



### Last mile model

We continue to invest and make progress in implementing new delivery models and leveraging our transportation to reach our customers and members at an ever faster pace

This year we were able to expand our capacity to deliver Extended Assortment merchandise on the same day in **the top** 16 cities in Mexico, where we can deliver items within 24 to 48 hours.

We extended our On Demand service. reaching almost 1,000 stores currently offering this type of service.

At present, 80% of our Walmart Supercenter and Walmart Express stores are enabled with the 60-minute express delivery model



To date, we have **26 Delivery Stations** and eight Exchange Points as part of an Extended Assortment model that allows us to deliver merchandise to our customers' homes in less time.



#### **Walmart Fulfillment Services**

Walmart Fulfillment Services (WFS) is the service through which sellers within our Marketplace can deliver their orders quickly and efficiently by leveraging our supply chain, resulting in greater customer satisfaction.

About 30% of Marketplace orders are fulfilled through Walmart **Fulfillment Services** 



We are focusing on simplifying our business and boosting productivity, and this continues to pay off

> Our supply chain is moving into the omnichannel space, and that is a huge competitive advantage. Its evolution continues endorsing the good results

We continue to innovate and work on automating this service to further increase its reach and scale it

The new Extended Assortment Fulfillment Center for Sam's Club began operations in April 2022, serving 32 states in Mexico and over 32,000 zip codes.



This initiative allowed us to grow together with our sellers and help them generate more profitable sales on a larger scale.





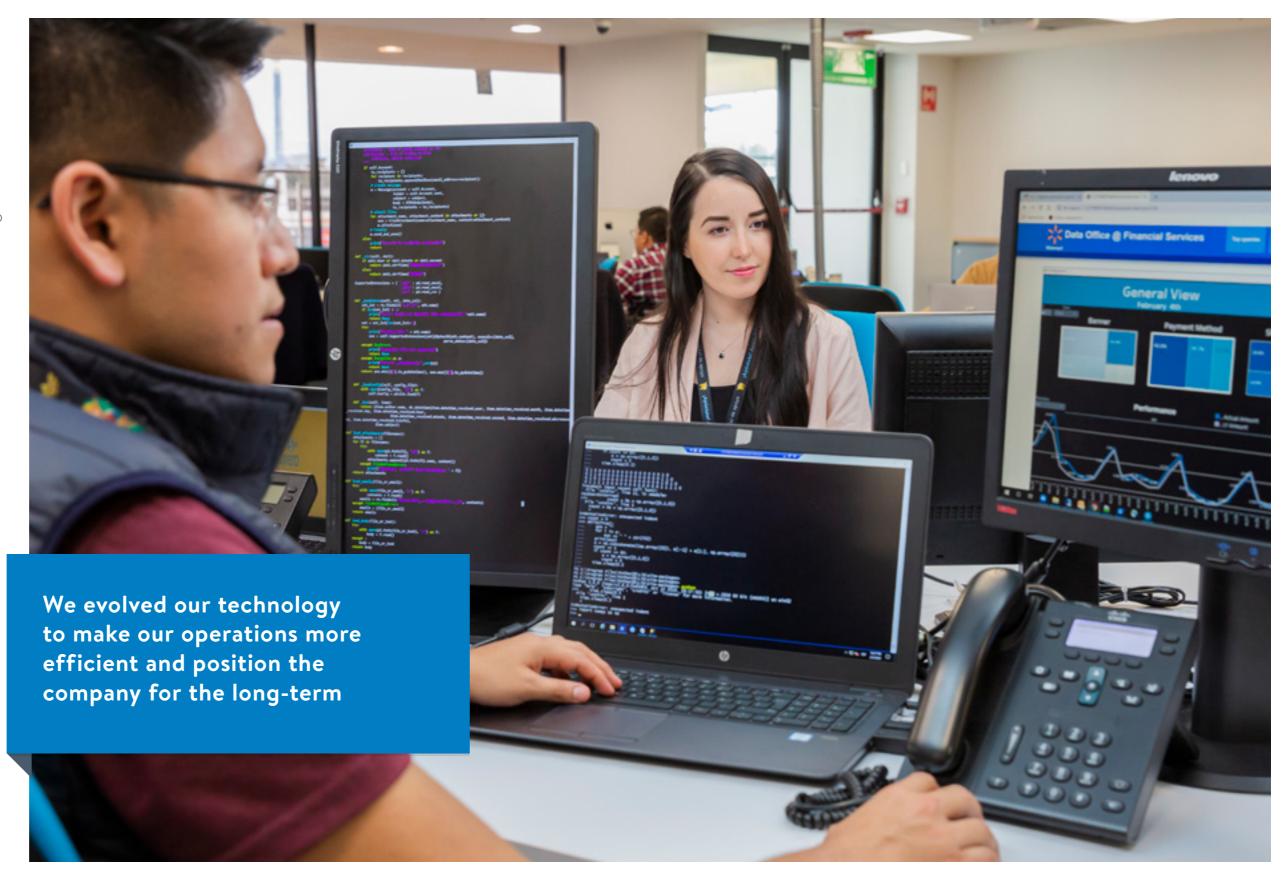


## **TECHNOLOGY AND DATA**

Through the use of technology and data we support our strategy, accelerate its growth and facilitate business decisions that contribute to the optimization of our operations.

To meet the technological requirements of the company, throughout this year we foster the modernization of the infrastructure and constantly invested in the development of new capabilities.





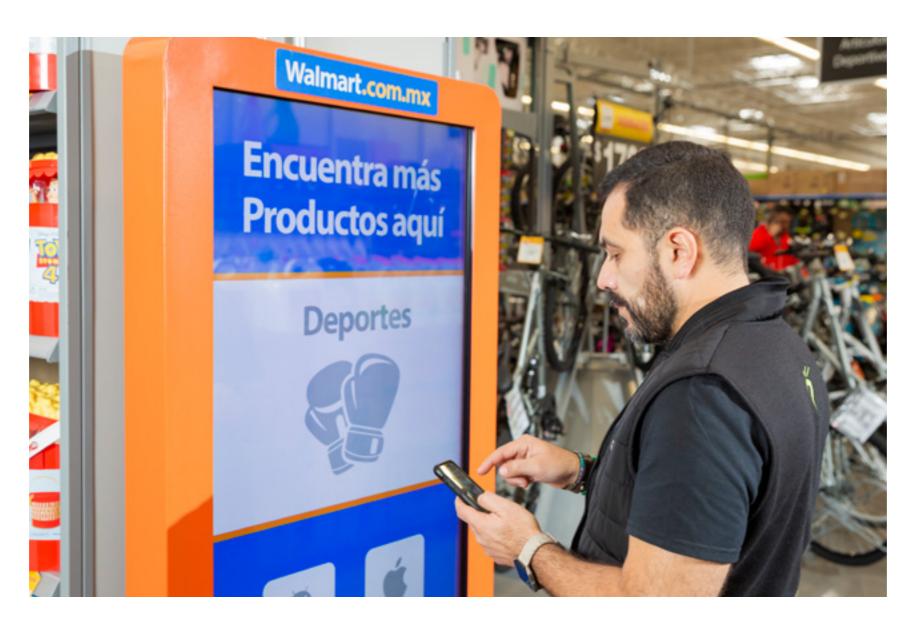


## **Data-Driven Decisions**

By using data, we are able to drive innovation in our operations, which has become a key enabler for business growth

Our tools allow us to better understand our customers by generating relevant information from the data collected, resulting in better decision making for strategic projects, and allowing us to streamline our operations.





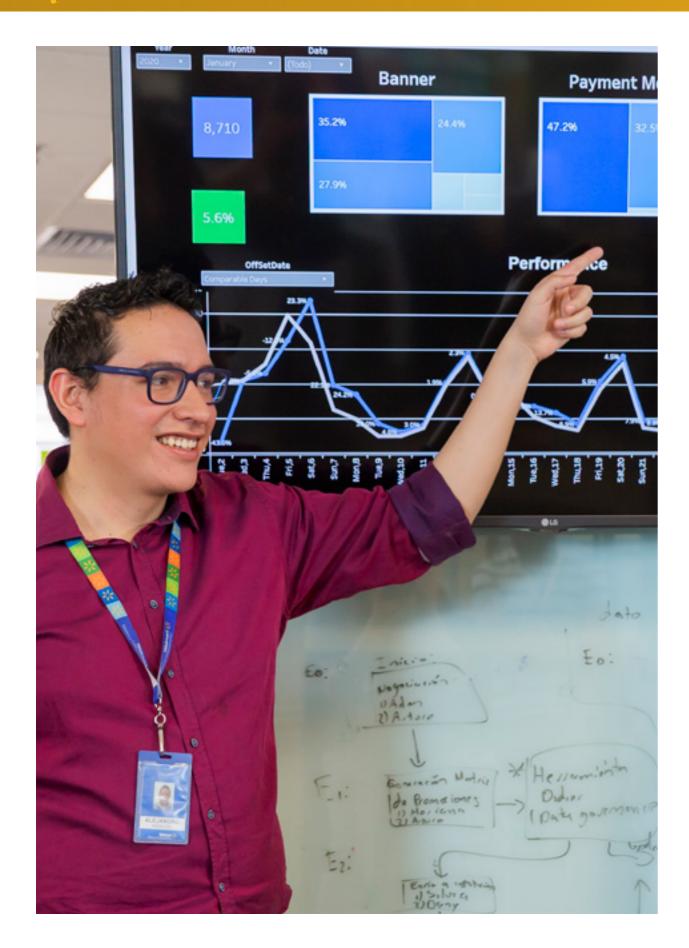
We also use predictive models, from authorized customers' data, that allow us to know their consumption preferences and habits, and analyze the impact of macroeconomic trends and variables on them. Based on this, we generate information to evaluate our strategies and make better decisions that benefit not only our company, but each of our customers.



# We continue to drive initiatives that increasingly simplify our operation

We made progress in our Smart Spending program, which leverages our data analysis capabilities to optimize administrative and operating costs through a zero-based budget that allows us to generate savings. Through this initiative, we were able to generate more than 1.5 billion pesos in savings that we invested in our strategic enablers such as Talent, Technology and Supply Chain.

We use technology to help our associates do their jobs more easily



## **Operation Optimization**

This year, the company's operational activity increased substantially, therefore, the technology requirements increased in the same way.

We were able to meet these needs by delivering 146 initiatives for all business areas, providing more robust, secure and reliable services, maintaining technological support and making it much more efficient

In addition, we were able to create an initiative to digitize the monitoring of our perishable goods within our distribution centers (DCs), along with a second initiative to promote our supply chain automation strategy. By modernizing our app integration through APIs and microservices, we were able to reduce maintenance and data processing costs by eight million dollars. We enabled SAP CAR (Customer Activity Repository) technology in nearly 140 stores. This data repository system helps streamlining the closing process, making it easier for our associates.

We developed the Price Gap and Compass Evolution tools, which contribute to our Win in Discount strategic initiative. We delivered initiatives such as new remote payment methods enabled through POS (Point of Sale) terminals, to improve the shopping experience of our home delivery customers by facilitating the collection process, thus contributing to our priority of Leading in Omnichannel.



At the same time, we teamed up with a new commercial partner to handle remittances and implemented controls to prevent money laundering, resulting in increased security and a higher number of remittances collected. This type of efforts allows us to be the Ecosystem of Choice for our customers.





## **Technology and Systems**

2022 required us to redefine our connectivity, prompting the need to rethink our technology to make it more flexible, secure and efficient



We successfully implemented our **SDWAN** (Software Defined Wide Area Network) project, through which we delivered eight times more bandwidth to 1,471 stores without increasing costs. This allowed a greater number of people to connect at the same time, enjoying greater speed to perform all the operations that are carried out online.

This initiative allowed us to redefine the company's connectivity, in addition to developing new capabilities for strategy execution and incorporating more secure and resilient technologies.



We also made progress in modernizing our application ecosystem, migrating its infrastructure to the cloud, which allowed us to reduce costs and increase data security and control. The evolution of the business and the need for support translates into the modernization of connectivity in stores and DCs.

We are using innovative technologies and migrating to more efficient, lower cost and better supported cloud schemes





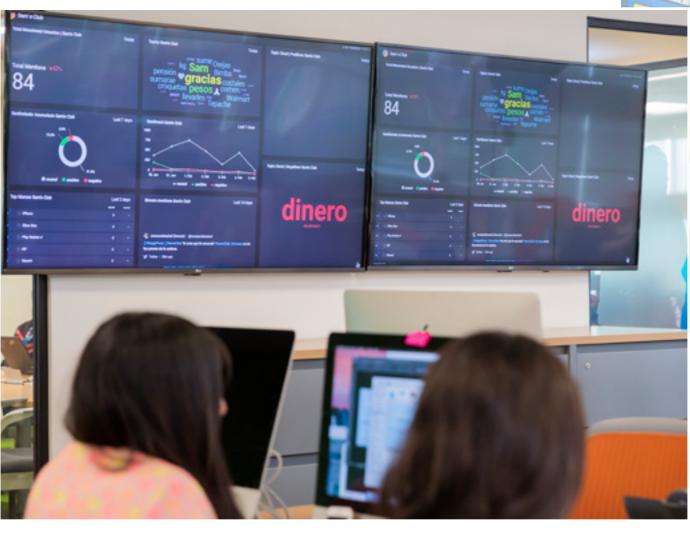
Through our Operational Excellence Program, we contribute to the improvement of customer satisfaction indicators

> Improving communication channels, response times and incident response

> > We achieved a "first call resolution" for **51% of incidents,** leading to significant improvements in customer satisfaction

We also continued to work on reinforcing cybersecurity schemes, improving defenses and capabilities to protect our information and that of our customers, reducing vulnerability remediation time by 47%. For the second consecutive year, we obtained the PCI certification with no observations.

TO LEARN MORE ABOUT THE YEAR'S RESULTS IN CYBERSECURITY, PLEASE SEE THE INFORMATION SECURITY CHAPTER



Through our **Powered by Walmart** strength, we are able to learn from industry best practices in other markets and countries where we operate and apply them in the context of Mexico and Central America. This allows us to keep up to date with the latest methodologies and innovations in order to continue modernizing our technological and digital infrastructure.



Our modernization projects have been recognized by Hewlett Packard, Google, Nutanix and Avaya as the most relevant in the industry

2022 was a year of much development that has facilitated our evolution as a business. We continue to invest in our technological capacity and strengthen our operation through the use of data that will allow us to be increasingly assertive in our decision making.





## **BEST TALENT**

We recognize our associates' value for our company's success; therefore, we focus on them, by leveraging their own talent as a key enabler for our strategy.

LEARN MORE ABOUT OUR TALENT IN THE **OPPORTUNITY** CHAPTER









Our ambition is to become a Regenerative Company, and this means going beyond sustainability...



it means helping the community to live better on a planet with more opportunities, within an ethical and integrity framework

GRI 2-22, 2-23,2-24













## WE CREATE VALUE FOR **OUR STAKEHOLDERS**



#### Customers

Convenient access to affordable, quality products and services



Purpose-driven work; opportunity for good jobs and upward mobility

#### **Shareholders**

Strong long-term returns through financial, environmental, social and governance (ESG) leadership



Resources for building stronger and more inclusive communities



#### **Planet**

Leadership in zero emissions, zero waste and our regenerative approach to nature

#### **Business partners**

Access and understanding of engaged custom for our sellers, advertisers and ecosystem members

#### **Suppliers**

Access to customers and support for supplier development and growth



In order to further advance in our ambition, in 2022 we implemented several initiatives that bring us closer to become a Regenerative (ompany

## **REGENERATIVE STORE**

A milestone this year was the inauguration of the first six regenerative stores, which consolidate more than 30 environmental and social initiatives, such as: rainwater collection and reuse systems, efficient energy consumption systems, recycling centers and infrastructure for people with disabilities, as well as different elements of the facility made from recycled plastic.







## Initiatives of our regenerative stores

1. Change of refrigerant



2. Changeover to LED lighting

LED lighting provides lower energy consumption and has a long life cycle 3. Temporary hazardous waste warehouse

Sorting and management of hazardous waste for later disposal at a specific point in the store where it will not present any danger

#### 4. Control and automation

Allows equipment to run in automatic mode and to control it if necessary

#### 5. Capacitor bank

This equipment is set up in electrical installations and is used to correct the power factor

#### 6. Capacitor motors

They work to achieve energy efficiency of some electrical equipment



#### 7. Airtight box on sales floor

#### 8. Water saving metering valves

Valves that regulate the amount of air flowing through the pipes for real control of water consumption

#### 9. Dimming

Energy-saving brightness control of lighting

#### 10. Recycled plastic furniture

#### 11. Sales floor accessibility

#### 12. Thermal panels for cooling



#### 13. Utilities Submetering (water, energy and waste or by-products)

Measurement of water and electricity consumption as well as the amount of waste generated by the unit in order to keep control



#### 14. WWTP Rehabilitation

#### 15. Waste room

Sorting and management of waste generated by the operation

#### 16. Plastic recycling for store furniture

Through the Circular Economy, we separate plastics from store waste and reclaim them for store furnishings



#### 17. Endemic plants

We plant native plants in our planters to preserve the biodiversity of the local area



#### 18. Recycling Center

#### 19. Refill Stations

We focus on developing different initiatives to reduce the consumption of single-use containers through refill or bulk sales, as well as on different programs to promote a culture of recycling





#### 20. Labor Inclusion

#### 21. Donation and support for our associates

Donate fruit and bread to our



#### 22. Food bank donation program



#### 23. Volunteering campaigns

#### 24. Reduction of packaging

#### 25. initiative "Líder RAE"

Leader who promotes sustainable practices, operation review checklist

#### 26. Volume Producing Item

Associates adopt a product that promotes sustainability, supports communities, diversity and inclusion, etc. and promote it

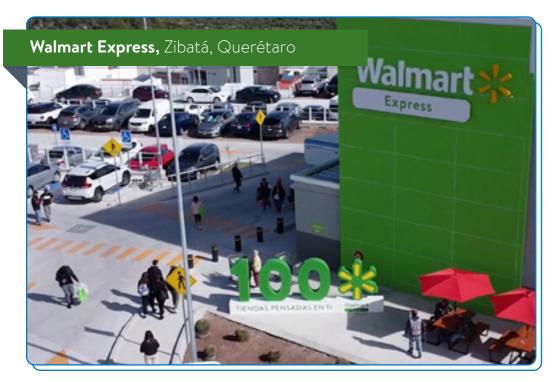


## **Regenerative Stores**















## Regenerative DC in **Central America**

the first regenerative DC in the region.



This DC has the second largest 100% renewable solar energy generation system in the entire Central American operation

> With an installed capacity of 990 kWp

> > Generates more than 1MWh annually, which is enough energy to supply the annual needs of 325 Central American homes

processed, achieving temperatures of up to 8°C and an 85% humidity.





## Regenerative Company Summits 2022

For the first time and with the purpose of communicating to our stakeholders about the actions that are leading us to become a Regenerative Company, during 2022, Walmart de México y Centroamérica held the first editions of the Sustainability Summit and the Summit Towards a Regenerative Company.

#### **Sustainability Summit**

At the Sustainability Summit, we informed about the pillars of our ambition to become a Regenerative Company, with special emphasis on the sustainability pillar. Likewise, we held an open dialogue with the leaders of allied companies such as CHEP, Grupo Bimbo, L'Oréal, Nestlé and PepsiCo, to explore together the initiatives that go beyond sustainability for the regeneration of the planet, as well as to promote solutions in favor of the circular economy, the use of waste and the conservation of ecosystems through sustainable sourcing.



#### **Summit Towards a Regenerative Company**

At the Summit Towards a Regenerative Company, we communicated the actions of our Opportunity and Community pillars, always focused on going beyond compliance and duty. As a company that places nature and humanity at the center of our business practices, we work to restore, maintain, regenerate and preserve the health and well-being of our associates, suppliers and communities.



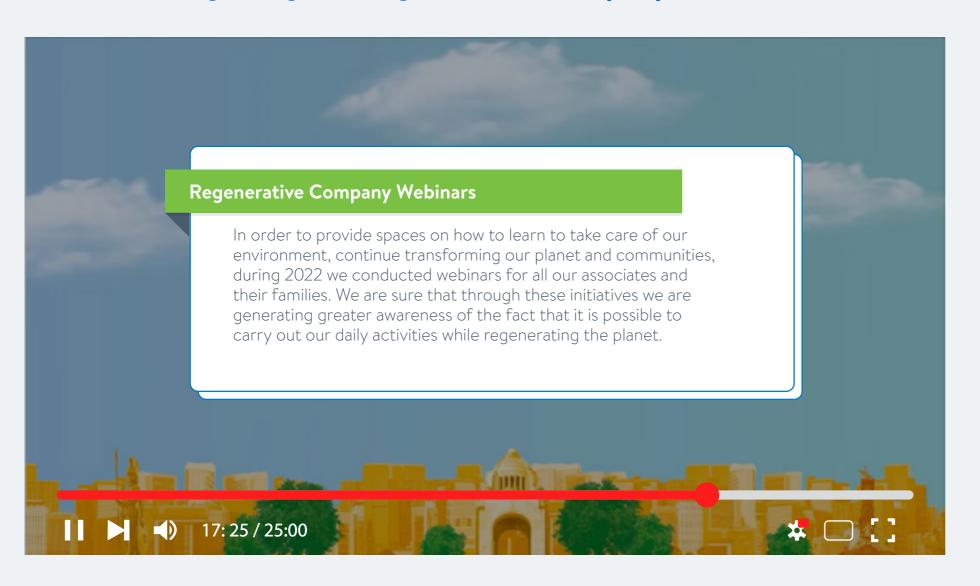


Both events were broadcast live and led by our President and Chief Executive Officer for Walmart de México y Centroamérica, Guilherme Loureiro.

All our associates, customers, members and of course our suppliers, strive and are committed to working to restore the well-being of people and the planet.

It is us, individuals, who have the power to change the world, for ourselves, for all people, and for the environment that sustains us all

## Tools for integrating the Regenerative Company culture





#### Walmart Summer Camp

The objective of these webinars was to provide access and entertainment for the children, nieces and nephews of our staff and operations associates to dynamic talks and workshops on the planet, recycling, healthy eating, pet care, and recognizing and managing emotions.



participants

#### A Christmas for All

The objective of this webinar was to share with staff and operations associates fun and simple tips to generate new traditions that lead us to enjoy the different stages of the Christmas holidays (before, during and after) with a lower environmental impact and a great positive impact on society.







### Regenerative **Company training**

During 2022, the multi-year Regenerative Company course was created. The purpose is that our associates learn to identify the 4 pillars of the strategy and their importance, so that they can collaborate in each one of the pillars through environmental, social and governance education and practices.

This year, we launched the first two modules of the course, aimed at operations managers and staff managers, assistant managers, directors and vice presidents. The first module explained, in general terms, the four pillars that make up our ambition: Opportunity, Sustainability, Community and Ethics and Integrity. The second module explained about the main priority of the Sustainability pillar, Climate Change. Throughout 2023, we will continue with the training of the remaining pillars.

#### Communication with our stakeholders

For Walmart de México y Centroamérica, maintaining a close and open dialogue with its stakeholders is crucial for the business operation and to fulfill its purpose of helping people save money and live better.

In order to achieve this, our Corporate Communications team operates different initiatives to inform about the opportunities it generates in the market, its public value offering, as well as to listen and anticipate the needs of its customers and associates.

#### Corporate social media

The Walmart de México y Centroamérica corporate brand maintains a permanent dialogue with its stakeholders through its official profiles on Instagram, Facebook, LinkedIn, Twitter and YouTube. In Mexico, the more than 700 posts generated by the company on social media reached more than 300 million people.



#### Link with mass media

During 2022, more than 190 media contents were broadcasted, and more than 140 press interviews and activations were coordinated with the media, inviting them to learn about the company's strategies.

#### Corporate events

Each year, Walmart de México y Centroamérica holds corporate events that are a point of connection with all associates to achieve business objectives. In 2022, more than 29,500 associates participated in these events.



### **ESG MANAGEMENT**

GRI 2-13, 3-1,3-2

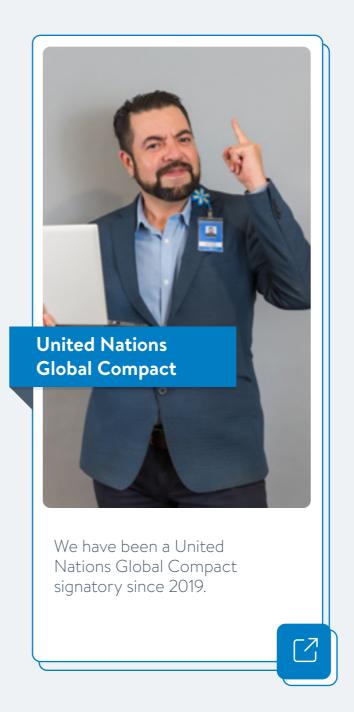


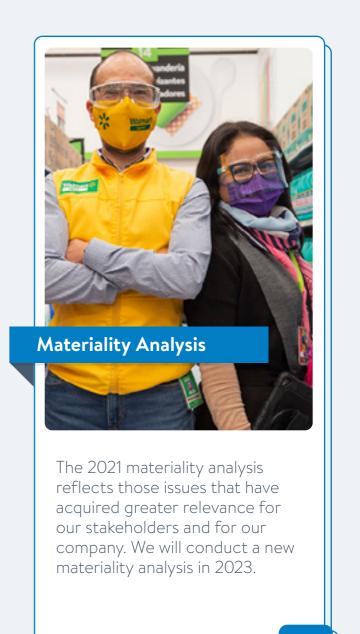
#### Regenerative Committee

The Regenerative Committee is in charge of defining the company's long-term ESG priorities, adjusting operational processes and making decisions, as well as developing action plans for each essential matter. It is headed by our CEO and integrated by top executives from each area of the company.

Our management of environmental, social and governance (ESG) topics is increasingly strategic and integrated, with an execution based on efficiency, results and accountability.







## Opportunity

WHAT DID WE ACHIEVE TOGETHER?

Provide the best opportunities for our associates and suppliers, in a diverse and inclusive environment.

233,594
associates are part

of our workforce

40,887



I am Andy Staff associate / People Business Partner

"I have been working at Walmart for one year, happy to be in a space where you can be 100% yourself"



## **OPPORTUNITY**

As a leading omnichannel company, we have a tremendous opportunity to make a difference in the lives of people, communities and the planet

Through our operations, we provide better opportunities for our associates to build a better life for themselves and their families.





CAREER OPPORTUNITY FOR OUR ASSOCIATES

**\$**\$

PROMOTING DIVERSITY, EQUITY AND INCLUSION AT WALMART AND BEYOND



DEVELOPMENT FOR SUPPLIERS AND LOCAL ECONOMIES





## CAREER OPPORTUNITY FOR OUR ASSOCIATES

GRI 2-7















We recognize our associates' value for our company's success; therefore, we focus on them, by leveraging their own talent as a key enabler for our strategy.





## Associate Flywheel

2022 continued to be a year of transformation; therefore, the People flywheel was created as a fundamental support to our business flywheel, creating a virtuous circle that connects our value proposition for our customers with the value proposition for our associates.

Focus on associates' experience to win at the core

We focus on associate's experience and invest in our associates' total rewards, wellbeing, growth and development to retain the right talent

## Create a purpose-driven culture

We create a purpose-driven culture and win our associates' trust by inspiring, empowering and celebrating their success



**Operation associates** (Deliver our Value Proposition)



**Staff associates** (support value creation)

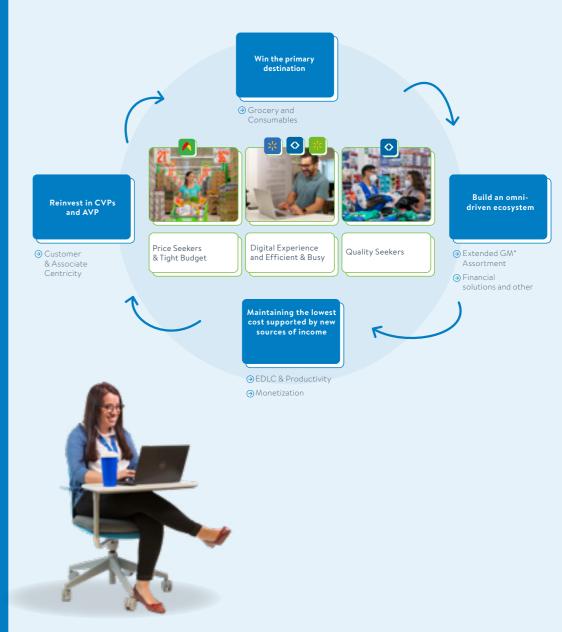
#### Simplify their ways of working

We simplify their ways of working, giving associates access to modern workforce platforms and digital tools the evolve the way work is done

## Upskill and maximize their potential

We upskill and maximize our associates' potential, preparing and supporting them throughout their journey, and keeping their work challenging and interesting

#### Our Flywheel puts the customer at the center



\*GM: General Merchandise
AVP: Associate Value Proposition
CVP: Customer Value Proposition



Through our associate flywheel, and in order to support our commercial strategy, we have focused on the development of four main priorities:

#### **Enterprise Agility**

To have an organization focused on the four pillars of transformation, promoting new ways of working and simplifying processes to improve productivity and reinvest in the business



#### World-class talent

Develop a talent management and evaluation model that allows us to identify gaps in order to execute initiatives for the development, retention and differentiation of our talent

#### High-performance organization

Foster innovation and focus on results while offering a consistent, flexible and appropriate value proposition for our associates

#### Evolving our culture and well-being

Develop an impact monitoring model as employer of choice



In this way, we have been able to maximize our **Associate**Value Proposition, better known as PRODI (for its acronym in Spanish): Purpose, Challenge, Opportunity, Enjoyment and

**Inclusion,** and offer them the best experience.

#### #Purpose

Continue to support our communities and engage our associates with the Walmart Foundation

#### #Reto (Challenge)

Drive change and business transformation

#### **#Opportunity**

Involve and engage our associates through a strong culture, enhancing our rewards and talent strategy as we grow and attract talent for the future

#### **#Disfrute (Enjoyment)**

Agile, digital and inclusive culture, incorporating core values throughout the associate experience

#### #Inclusion

Diverse and highly capable associates who can serve, lead and grow the business



#### **Our Talent**

GRI 2-7, 405-1 SASB CG-EC-330A.3, CG-MR-330A.1

We are not a traditional retailer, but a solutions platform for our customers and our associates; that is why we are committed to attracting, retaining and including the best talent

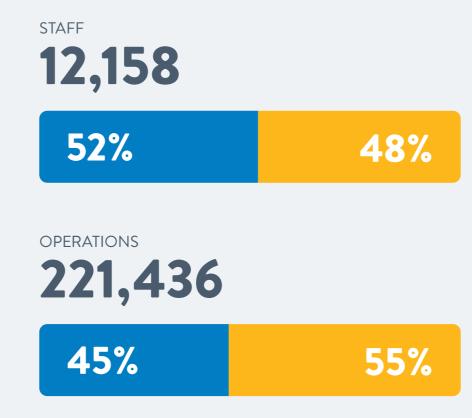
TOTAL ASSOCIATES

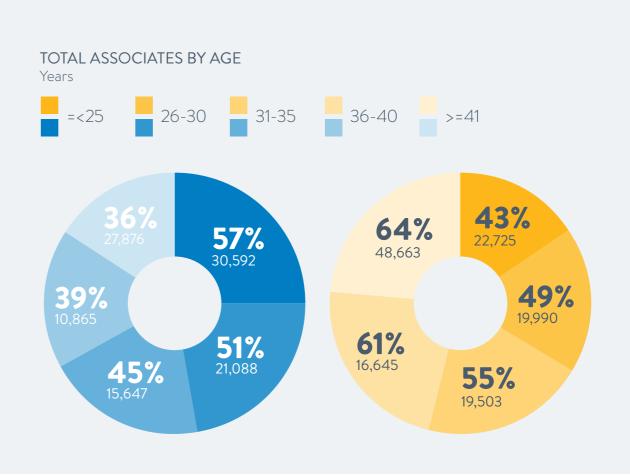
233,594

BY GENDER

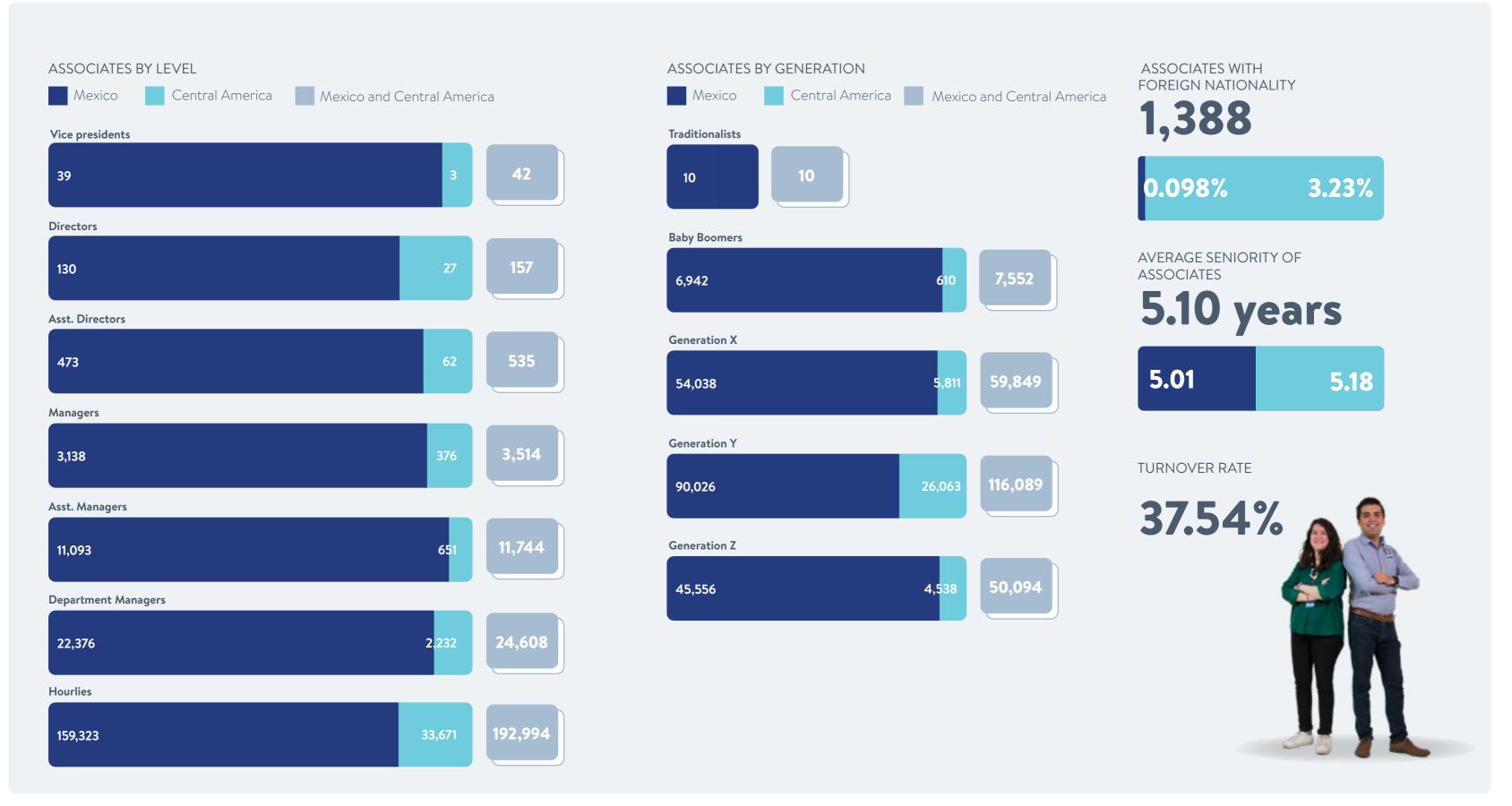


Men Women











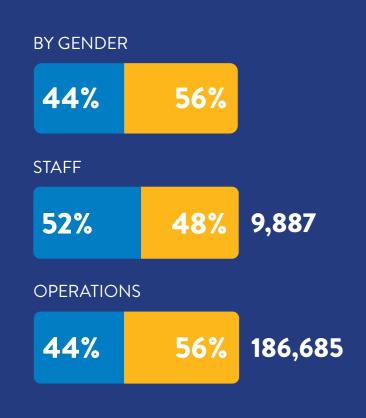


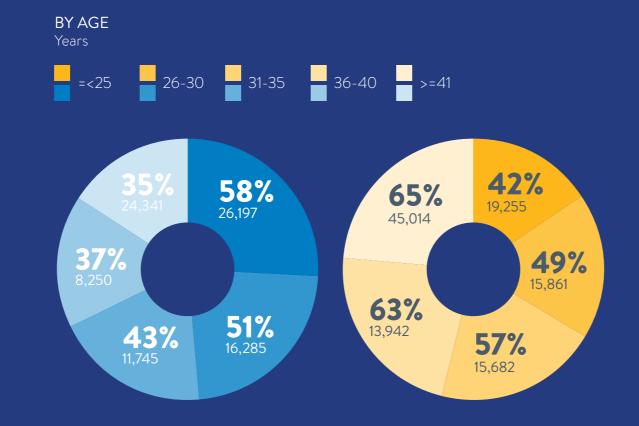


#### BY TYPE OF CONTRACT

			Permanent			Eventua	al e		Temporary*	
	Women	Men	Total	Women	Men	Total	Women	Men	Total	
Part time	69%	31%	3,509	57%	43%	434	55%	45%	40	
Full time	56%	44%	172,335	49%	51%	15,200	52%	48%	5,054	

TOTAL 175,844 TOTAL 15,634 TOTAL 5,094
43% 57% 51% 49% 48% 52%





#### NEW AND TERMINATIONS

		Ne				Terminations	
	Women	Men	Total	Women	Men	Total	
=<25	41%	59%	68,629	40%	60%	63,848	
26-30	46%	54%	33,764	45%	55%	34,526	
31-35	55%	45%	21,718	54%	46%	21,904	
36-40	60%	40%	14,523	58%	42%	14,337	
>=41	61%	39%	29,151	60%	40%	30,524	
		TOTAL	167,785		TOTA	L 165,139	

51% 49% 52% 48%



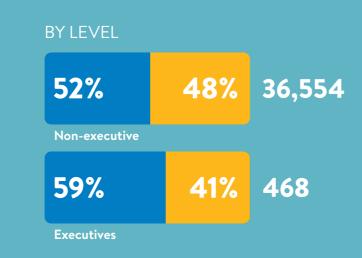
#### (entral America **Associates** GRI 2-7, 2-8, 401-1

SASB CG-EC-330A.3

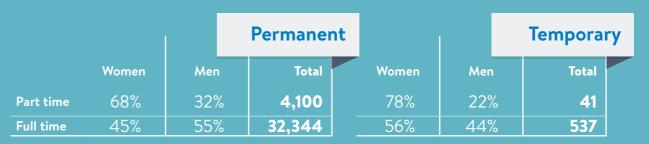
Men

TOTAL

37,022



#### BY TYPE OF CONTRACT



36,444 TOTAL TOTAL 578 52% 48% 43% 57%

#### **BY GENDER**



STAFF



**OPERATIONS** 





#### **NEW AND**

TERMINATIONS 		New	1		Terminations		
	Women	Men	Total	Women	Men	Total	
=<25	46%	54%	6,203	39%	61%	4,185	
26-30	50%	50%	3,435	42%	58%	4,017	
31-35	54%	46%	2,172	43%	57%	2,829	
36-40	56%	44%	1,222	45%	55%	1,691	
>=41	56%	44%	1,102	50%	50%	1,699	

TOTAL 14,421 TOTAL 14,134 50% 50% 57% 43%





GRI 404-1, 404-2

We maximize our associates' potential by offering them constant training to develop their skills.

## We invested more than 5.1 millions hours of training to create growth opportunities



We integrate learning programs that generate spaces for individual and group development





#### **Associates training**

315,376

trained associates\*

27,773

promotions

42.79

million pesos invested in training in Mexico and Central America

16.18

average training hours per associate\*

135.68

pesos of average investment per associate\*

25.97%

positions covered by internal candidates

TRAINING HOURS
BY LEVEL\*

BY LEVEL*		Mexic	:o	Central America	
	Man Hours	Hours per associate	Man Hours	Hours per associate	
Vice presidents (Tribe leads)	291.03	7.46	9.30	9.30	
Directors (Tribe leads)	1,756.22	11.71	301.85	10.06	
Asst. Directors (Squad leads)	5,832.99	11.60	496.04	7.29	
Managers (Squad members)	69,777.92	20.41	2,538.96	5.82	
Asst. Managers (Squad members)	431,850.13	35.36	4,519.51	6.57	
Dept. Managers (Squad members)	383,233.86	16.58	8,441.99	3.42	
Hourlies (Squad members)	4,100,132.09	17.39	92,105.55	2.53	



#### **Development** Mexico Programs



**Quality Tools** and Continuous **Improvement** 



Data Literacy









**CER On Demand** 





Fraud Prevention



Centricity Program



**CER Perishables** 



My Walmart Experience



Regenerative Company



**Leading High Performance Teams** 



Onboarding for **Telephone Advisor** 



Onboarding for Executives



Consultant Mindset



**CER Cashiers** Desks (Consistency, Excellence and Results)



SAP - Beta **Test Talent** 



DAR Maintenance



**DAR Operations** (Discover and Learn Retail)



Forklifts



Evolve 2.0



SIMA Indicator



Ecosystems



Operations Trainee



### Development Programs (entral America



Prometeo



ets)



Openings



Analytical HR



Data Literacy



DAR Perishables



Customer Experience CX (Superformats)



LESCO



Logistics World





### Digital platforms for training in Mexico and Central America



#### **ULEARN**

In 2022, we continued to offer training through this platform that allows our associates to have access to more than 1,000 courses

#### LINKEDIN LEARNING

This year we continued to use LinkedIn Learning, reaching a total of 8,694 associates trained through this tool



#### **Development tools**

#### 70:20:10 Model

In 2022, we overcame significant challenges by promoting a purpose-driven culture to develop talent across all tribes of the company. Therefore, we implemented our **70:20:10 Model** for managing our associates' development.

The objective of this program is that our staff and operations associates can build a holistic development plan, based 70% in different projects or assignments that give them greater reach to their goals, 20% in social learning, connection with other people and mentoring, and 10% in formal learning, such as courses and certifications.

Individual Development Plan (IDP): this is a tool for our associates to identify the aspects that need to be improved and how to do it. By building it, our associates can track their progress and thus identify the skills they are interested in, at the same time that an ally accompanies them throughout their career in the company. In this way, they turn their talents into strengths and work on their areas of opportunity.

Mentoring: this is a learning program in which two people (individual mentoring) or more (mentoring circles) can share experiences and learnings in order to create actionable tools to improve an area of opportunity or to empower a talent.

### This model proposes

Learning by doing: participating in or leading a transversal project, facing real business challenges through lateral moves and being an active member of a committee

#### Learning from others:

participating in mentoring circles or individual mentoring, conducting 1:1 meetings with key leaders, networking internally and externally, and finally, giving and receiving feedback

Formal learning: through the use of books, podcasts, movies, series or documentaries, and by participating in courses, workshops and certifications This year, we celebrated in Mexico and Central America the Decide Week, in which some associates reflected on their career plans and the importance of having an Individual Development Plan (IDP)



#### **Associate evaluation**

GRI 404-3

One of our enablers is to have the best talent within our company. In order to continue evolving, it is important to evaluate our associates' performance in Mexico and Central America.

**Evaluation** 

Our performance evaluation process consists of three key points:

We conduct a performance evaluation through a scale of three classifications:

**Evolution of our** behaviors

> We maintained the global model of four behaviors that allow us to measure how we live and apply our way of working:

- Living by our values
- Meeting our customers' needs
- Adopting change
- Focusing on Associates

simplification

of our associates, where we focus on both the achievement of objectives and the development of competencies, exemplary/successful/with opportunities.

Powerful

conversations

We continue to implement

powerful conversations

at different times of the

year, with the objective

of giving and receiving

feedback between leaders

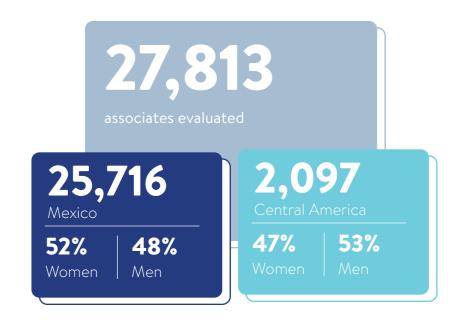
and associates, in a close

and trusting environment.

competencies have the same weight and change according to each associate's level.

It should be noted that the results and

On the other hand, in addition to performance evaluations, we have a calibration process that helps our associates to know how their behavior is perceived within the company. This implies betting on outstanding performance to have the talent required to fill positions where tasks are more challenging and complex.



#### Walmart DNA

As a complement to our associate evaluation program, and aware of the importance of fostering leadership behaviors among our team, in February 2022 we launched the Walmart DNA, leadership behaviors program in Mexico and Central America. This program consisted of more than 2,270 participants. Some of our actions were:

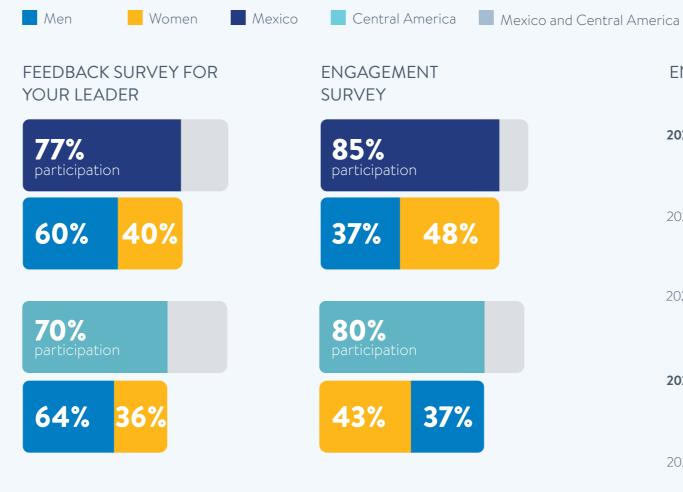
- Launch of the *Reconocer* program
- Launch of behavioral courses on ULearn and LinkedIn Learning
- Nine episodes of the Walmart DNA Podcast, where we had 18 leaders from Mexico and Central America as speakers and reached more than 15,000 reproductions

#### Dialogue with associates

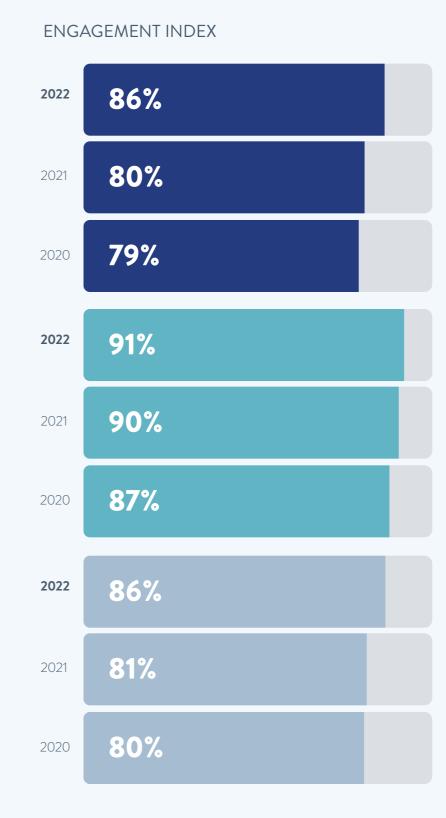
SASB CG-EC-330A.1

At Walmart, we understand the importance of listening to our associates and addressing their needs. For this reason, every year we implement two tools that allow us to know the opinion of our workforce. This process of active listening to our more than 233 thousand associates in Mexico and Central America allows us to design actions to improve their experience within the company.

In this way, we conducted the Feedback Month, composed of different activities among which we invited 100% of our associates to answer the Engagement Survey and the Feedback Survey for Your Leader. It should be noted that both surveys are confidential and administered by a third party.











#### **Working hours**

GRI 409-1

We establish work schedules that contribute to the quality of life within the company, as well as a positive work environment.



Download Policy



#### Freedom of association

GRI 407-1

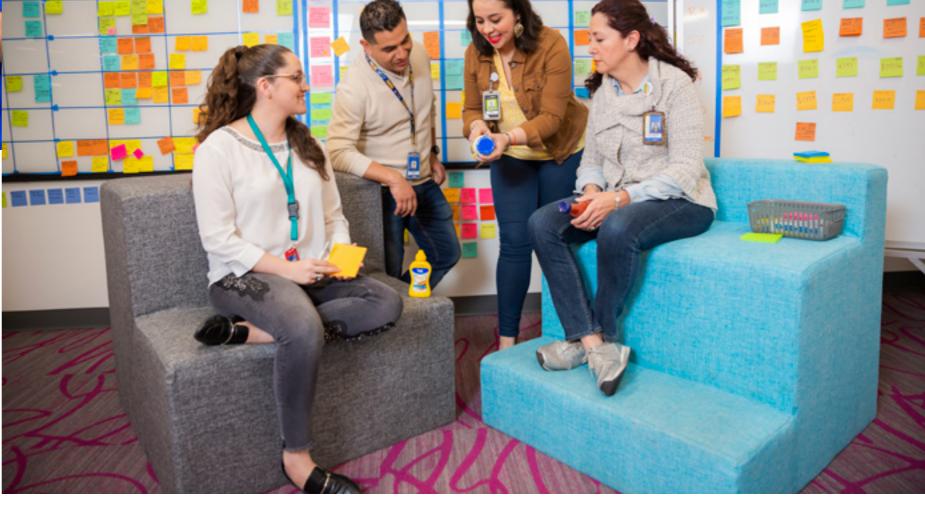
We permanently guarantee the labor rights of our associates so that they can freely choose the union organization to which they wish to belong.

Under our collective bargaining regime in Mexico, 61.6% of our associates are represented by a union or covered by collective bargaining agreements, that is, 100% of the associates eligible under the law.



Download Policy









#### Work-Life balance

GRI 201-3,403-3,403-6

Our associates are at the center of our company and their well-being is important for the optimal functioning of each of the areas that conform Walmart. For this reason, we are convinced that by providing competitive wages, benefits, and adequate quality of life conditions, we contribute to generating a positive environment for our associates.

With the objective of improving the quality of life of our associates in Mexico and Central America, we have implemented actions focused on providing support for their physical, emotional and financial well-being

#### **PHYSICAL**

Insurance coverage for COVID-19

PCR and antigen testing application

Continuous medical check-up

Remote work for staff associates

Free medical assistance for associates and family members

#### **EMOTIONAL**

Integral Assistance Program (PAI) which covers psychological, nutritional, legal and financial matters

Campaigns and webinars on emotional and psychological topics

#### FINANCIAL

A permanent 10% discount in our stores for all associates

Finance Webinars

Cash advance from savings bank

Weekly payroll for operations associates





### Benefits for our associates

GRI 201-3

#### **BREASTFEEDING ROOMS**

6

breastfeeding rooms in corporate offices for staff associates in Mexico 133

breastfeeding rooms in our units for operations associates in Mexico

#### **DOCTOR'S OFFICES**

4

doctor's offices in corporate offices in Mexico

23

doctor's offices in our DCs in Mexico

+450

doctor's offices in our units in Mexico

#### **VACCINATION CAMPAIGNS**

2,126

flu vaccinations for our staff associates and 336 family members in Mexico 7,538

flu vaccinations for our operations associates in Mexico

23,752

tests performed to detect COVID-19 in Mexico

#### NUTRITION

4,037

appointments from our associates with our team of nutritionists in Mexico



#### **MEAL SUBSIDY**

Subsidies of up to 100% of the daily cost of breakfast or 50% of the daily cost of lunch in Central American head offices



## Agreements and benefits platform

We make available to all our associates in Mexico a platform of agreements and benefits that offers from 10% to 70% discount on automotive, beauty, food and beverage, technology and home products and services, among others. In Central America, specifically in Costa Rica, a new platform of agreements was implemented and will be replicated in the rest of the countries in the region in 2023.



discount for our associates in the agreements and benefits platform



#### Towards the new normal

This year, one of the most important challenges we faced was the adjustment of our hybrid way of working model to adapt to the new normal. In this context, we began the gradual return to the offices starting in March and today, we are proud to say that our associates are enjoying being back.



We have relied on technology as an enabler to make our associates' lives easier

back-to-office experience was 84% in Mexico and 91% in Central America



The hybrid-flexible work model has brought benefits for our staff associates, such as strengthening a culture of trust and commitment, balancing work and family life and streamlining communication between work teams, among others.





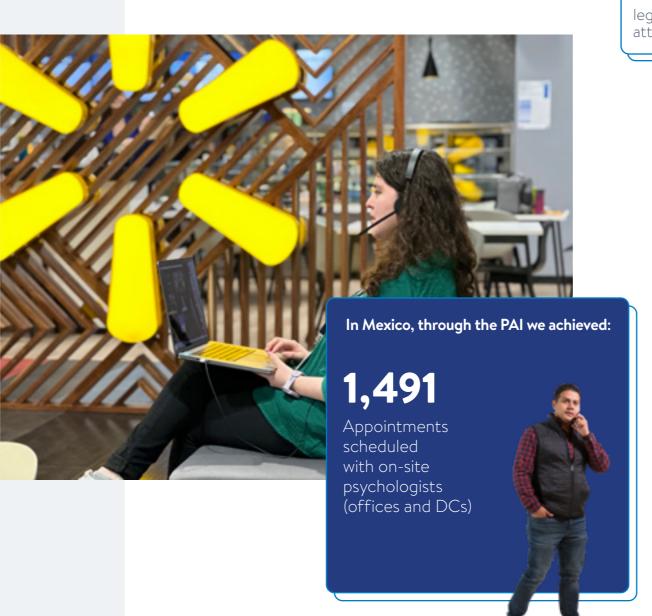


## Integral Assistance Program (PAI)

For Walmart de México y Centroamérica, the well-being of all associates is our priority. Therefore, in 2022, our Integral Assistance Program (PAI for its acronym in Spanish) was renewed in services and contact numbers exclusive to Walmart. In addition to supporting our associates with tools or recommendations on emotional assistance, legal advice and family economics, new services were added, also available to their immediate family members:

- Medical assistance
- Veterinary assistance
- Nutritional assistance

The program has experts who can provide free and confidential guidance via toll-free telephone numbers.
Assistance is available Monday through Saturday from 9:00 AM to 9:00 PM, with the exception of the medical and emotional specialties, which provide care 24 hours a day, 365 days a year.



During 2022, we received more / than 8,800 calls in Mexico 56% 1% psychological financial care attention attention 10% 3% nutritional 20% 7% general 3% attention information legal medical veterinary attention attention attention

In Central America, the telemedicine service was implemented for the first time in the five countries through the PAI at no additional cost, covering 100% of our associates (permanent and temporary) and their immediate family members: partners, parents, children and siblings.

#### **Webinars**

As part of this program, in Mexico and Central America, we provided 174 webinars about integral wellness topics, including the Emotional Health Week and the Financial Health Week. We had the participation of 40,000 staff and operations associates and their families.





#### Work flexibility

GRI 401-3

We offer different initiatives to our associates in Mexico and Central America

#### MATERNITY AND PATERNITY LEAVE

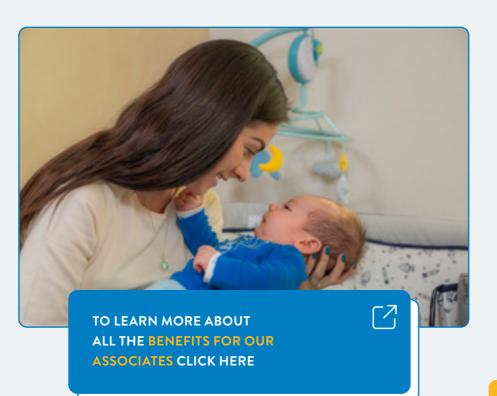
- In Mexico, we have five months' maternity leave and two weeks' paternity leave
- In Central America, maternity leave is granted based on each country's social security system. We grant 12 working days for paternity leave

#### POSTNATAL LEAVE

- 20 weeks of additional leave in addition to Social Security maternity leave
- Paternity: flexible schedule with 6-hour workdays for one month after the 14 days of paternity leave
- In Central America, they can opt for 4 months of reduced hours or between 28 and 33 working days of leave depending on their work schedule

#### MATERNITY EMERGENCIES

In case of emergencies, such as the death of the mother in childbirth or hospitalization of the baby, fathers may take maternity leave in lieu of paternity leave in Mexico and Central America



#### FLEXIBLE WEEK FOR STAFF ASSOCIATES

 In Mexico and Central America, our associates can arrange their working hours from Monday to Thursday, so they can have short Fridays

#### ADOPTION

■ In Mexico and Central America, when an adoption or surrogacy is performed, our associates have the opportunity to take a one-week break prior to the baby's arrival

#### FOR OUR OPERATIONS ASSOCIATES

We have a fixed shift during breastfeeding periods, student schedules, quality of life transfers, fixed shifts for single mothers or fathers, as well as a monthly weekend off for managers and assistant managers of the units in Mexico and Central America

#### PRETERM BIRTH

■ The baby's date of birth is taken as a reference to guarantee the 14 weeks of leave contemplated by the law in Mexico





## PROMOTE DIVERSITY, EQUALITY AND INCLUSION

GRI 405-1, 406-1 SASB CG-EC-330A.3, CG-MR-330A.1





We work to consolidate our diversity, equality and inclusion strategy in all the countries where we operate, promoting inclusive actions for our associates, customers, suppliers and the communities where we operate.

## Diversity, equality and inclusion strategy

Our commitment is to create a workplace where everyone feels included and with opportunities to be themselves, grow and belong.

# our diversity, equality, and inclusion strategy has four pillars









## Diversity, Equality and Inclusion Advisory Council

The Diversity, Equality and Inclusion Advisory Council is comprised of business and operations leaders from Mexico and Central America, with the purpose of consolidating inclusive initiatives as part of our strategy.

In 2022, the sensitization efforts focused on principles of corporate inclusion, sexual and gender diversity and inclusive language.



## Policies and codes that support our culture of diversity, equality and inclusion

To support our commitment to diversity, equality and inclusion, we have developed policies that strengthen our strategy and prohibit discrimination of any kind.



Remuneration
Equality Policy



Global Harassment and Discrimination Prevention Policy



GRI 404-3

Likewise, we consider training relavant, which is why we integrated three modules to the diversity, equality and inclusion training program:







LGBTQ+ community

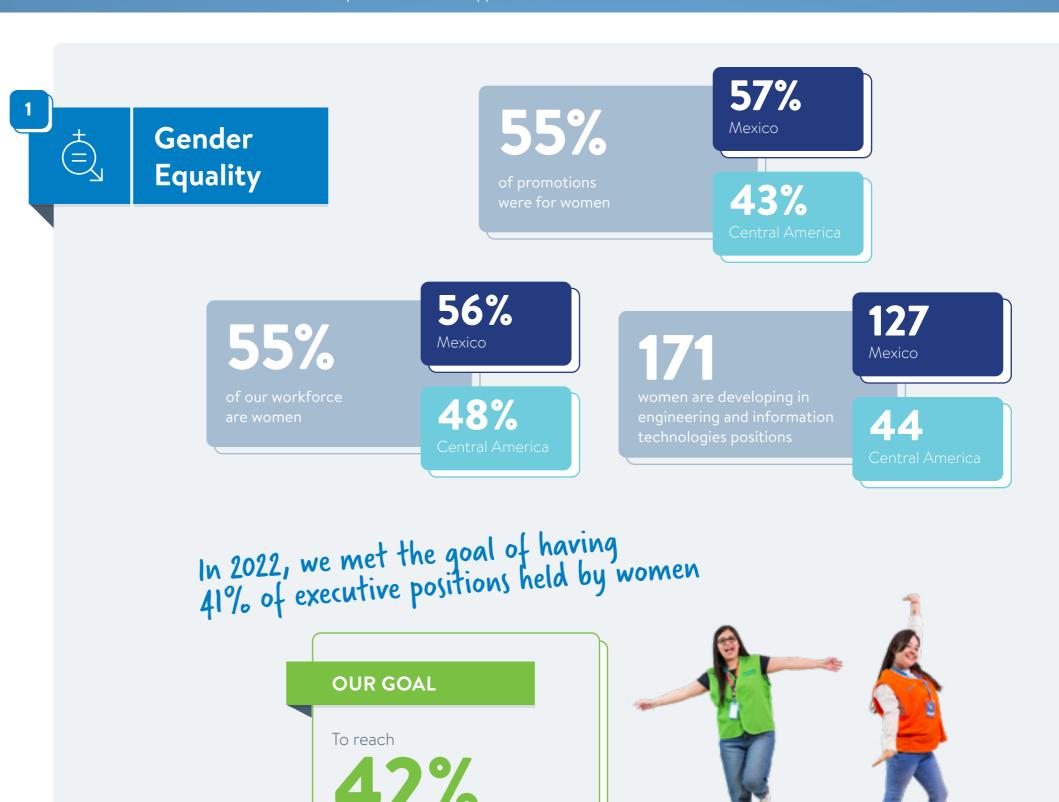


Talent with Disabilities

In 2022, more than 7,000 leaders in Mexico and Central America were certified in seven diversity, equality and inclusion modules:



- **1.** Basics in diversity, equality and inclusion
- 2. Management of talent with disabilities
- **3.** Reasonable accommodation for talent with disabilities
- 4. Sexual and gender diversity
- 5. Inclusive language
- 6. Inclusive recruitment
- 7. Subconscious biases



of women in executive

positions by 2023



#### Remuneration Equality Policy

GRI 2-20, 202-1, 405-2, 102-36 SASB FB-FR-310A.1, CG-MR-310A.1

At Walmart de México y Centroamérica we are committed to equality among all our associates, with no distinction or preference of any nature, except based on achievements and performance.

### As part of the commitments we have established are:

 Guaranteeing no wage differences due to gender, age, religion, sexual preference, or political ideology

> Ensuring that any differences that exist in wages are due to individual performance and the achievements of each associate, which are evaluated annually based on their seniority in the company, and adherence to success factors that are expressed under corresponding company policies



 Complying with and exceeding the minimum wage set forth by the authorities

> Permanently promoting remuneration equality between men and women

 Supervising that there are efficient internal policies and procedures on remuneration equality  Promoting strategies, programs and initiatives that help to identify, develop, and retain diverse talent, serving as an incentive for active participation at all levels in the company



 Ensuring our associates have access to social security

 Reinforcing transparency and communication when establishing and reviewing remuneration

DOWNLOAD OUR REMUNERATION EQUALITY POLICY





We also offer programs to promote the professional development of our female associates in Mexico and Central America, such as:

#### Women in Retail

A program designed for our female associates that aims to develop and retain the best talent. It is based on four axes of development: experience, exposure, education and mentoring.



with high potential at management level, with the objective of strengthening skills and competencies that allow them to develop in an accelerated pace within the company.

#### **Executive** women and circles of confidence

A program focused on developing topics such as personal leadership and self-management, talent management, strategic thinking, leading transformation, change management, persuasion, power and influence, among others.

#### **Unstoppable Women**

A program aimed at women

#### Women's Month

In commemoration of this month, we carried out education and communication actions focused on equality.



#### **Bloomberg**

As a result of our work to create a diverse and inclusive workplace, for the sixth consecutive year, Walmart de México y Centroamérica was included in Bloomberg's Gender Equality Index (GEI), which analyzes the performance of companies globally on gender equality progress.

In 2022, we ranked **4th in Empresas** para Trabajar para Mujeres (Companie: to Work for Women) from Expansión and Top Companies in Mexico, advancing six positions vs. 2021.





#### **Orange Award**

For the second consecutive year, the Secretary of Women of the State of Mexico awarded us the Orange Award for Equality in Companies, for the actions we have carried out with the objective of generating spaces for labor equality between women and men.





## Sexual and Gender Diversity

At Walmart de México y Centroamérica we promote respect for differences and value diversity; therefore, we work every day to create a safe environment where you can truly be yourself.

#EsteEsElLugar donde puedes ser 100%TU

This year, we carried out actions in Mexico and Central America to celebrate LGBT+ Pride Month during of June:

**9,606**participants in LGBT+
Pride Month

**First unveiling** of the LGBT+ flag at Walmart Toreo

Inclusive language campaign Mamá Lucha, everyone is welcome Virtual LGBT+ pride march in Mexico, Chile and Central America

Four sessions with internal and external spokespersons to sensitize our associates about the LGBT+ community



### LGBTQ+ Best Places to Work Award

In 2022 in Mexico, we received for the sixth consecutive year the Best Places to Work LGBTQ+ certification from the Human Rights Campaign Foundation, for our actions to generate safe and discrimination-free workplaces.





#### Talent With Disabilities

vs. 2021

We increased 14% our talent with disabilities

In 2022 in Mexico we reached 3.1% of associates with disabilities and 4.74% in Central America

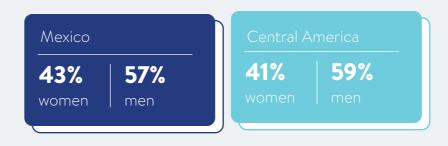
#### **OUR GOAL**

By 2023, our goal is to increase our talent with disabilities by 20% vs. 2022 in Mexico

7,763 6,010 1,753



#### BY GENDER



#### BY TYPE OF DISABILITY





Throughout 2022, we implemented initiatives focused on the inclusion of people with any type of disability to our workforce. In this way, we offer opportunities to join the company and develop professionally.



+300

associates were trained and **graduated in Costa Rican Sign Language and Mexican Sign Language** 



We transferred the practice of **Vests for Talent with Hearing Disabilities** to Walmart Canada



We launched the service guide for customers with disabilities



We created programs for the development of talent with disabilities



+184

courses with accessibility for talent with hearing, visual and intellectual disabilities



Implementation of **permanent transportation** to DCs and
modernization of store infrastructure **for associates with disabilities** 

#### Accessibility and inclusion

Our stores, offices and DCs, have the necessary infrastructure so that our associates with disabilities can carry out their daily activities smoothly and safely. Among the elements we have are:



Signage in Braille system

Signage for identification of areas, with embossed text and Braille system. "Women's Toilet" and "Men's Toilet".



#### Assistance button

Wireless button with connection to associates' portable radios. It emits a preloaded sound on the associate's radio: "Assistance requested at \_\_\_\_\_ for person with disability."

#### Haptic maps

General map of the unit's sales floor and/or restroom configuration, with embossed graphic representations and text in Braille alphabet.

#### Electronic eCommerce/ eCommerce Kiosk

All units with electronic eCommerce have furniture with a section accessible for people with disabilities.



#### Adapted furniture

Checkout with accessible section for people with disabilities.

#### Podotactile floor

Podotactile guide indicating path, alert and/or change of direction for people with visual disabilities.





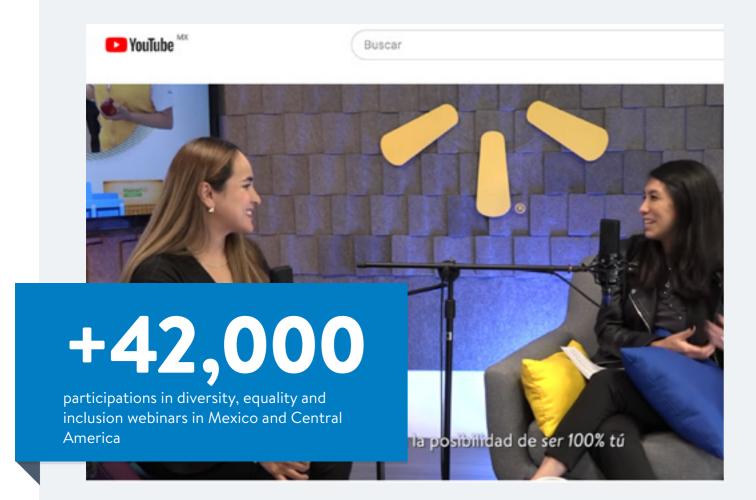




#### Non-discrimination

GRI 406-1

Diversity, equity and inclusion are a fundamental part of our culture; therefore, we work every day to create safe and discrimination-free spaces. For this reason, we have taken important actions to further strengthen our commitment:



#### Non-discrimination initiatives and campaigns

As of 2019, we continue to conduct sexual harassment prevention ethics training for leaders globally

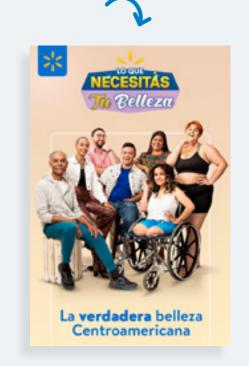
With more than 250 participants in Mexico and Central America,

we launched ARGs (Associates Resources Groups), a group of allies that promote inclusive actions.

> In addition, we gave continuity to the internal **campaign on Non-Discrimination within our workspaces** that was launched in 2021.

> > In 2022, we became certified under the Mexican Standard on Labor Equality and Non-Discrimination

We also implemented inclusive marketing campaigns in Mexico and Central America and were recognized by the Propaganda Control Office of the Ministry of the Interior of Costa Rica with the Reconocimiento a las buenas prácticas de la publicidad – Edición 2022 (Advertising Best Practices Award - 2022 Edition) for our campaign La Verdadera Belleza Centroamericana (True Central American Beauty).







## DEVELOPMENT FOR SUPPLIERS AND LOCAL ECONOMIES

GRI 2-6, 204-1 SASB FB-FR-000.C, FB-FR-000.D

The scale of our company allows us to provide access to our suppliers to more than 6 million customers and members who visit our stores or eCommerce sites on a daily basis. Therefore, our size and scope are tools to promote and develop our suppliers, as well as to provide support to small farmers who are in vulnerable conditions.

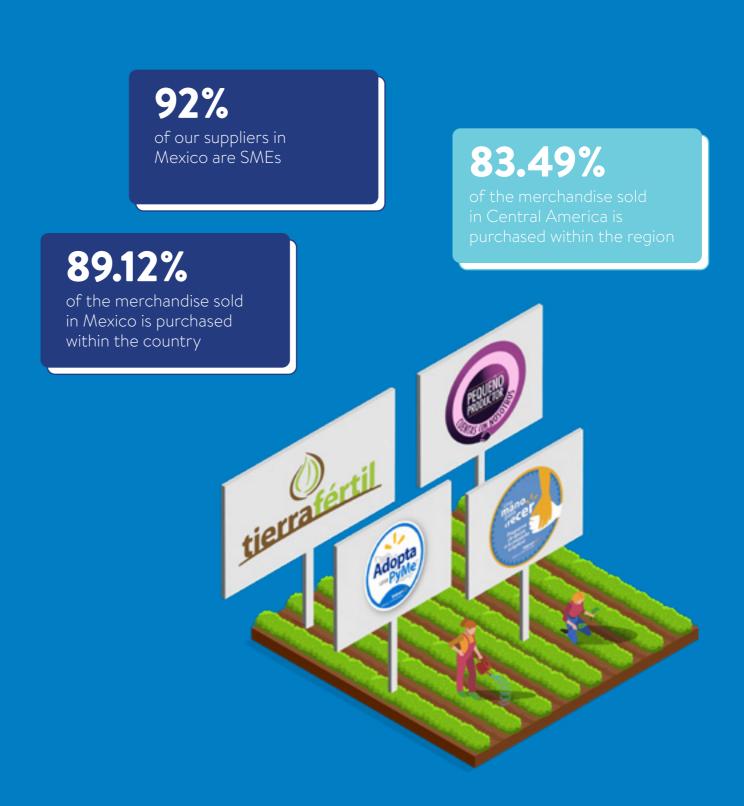






#### Inclusive Supply Chain

Our suppliers help us meet the needs of millions of customers every day with products and services that are responsibly produced and distributed. That is why we are committed to creating economic and development opportunities for all the people who work along our supply chain: suppliers, the people they employ and their communities.





#### **Direct purchasing** from local suppliers

In order to promote the development of local economies, we promote direct purchasing from local suppliers

DIRECT PURCHASING FROM LOCAL SUPPLIERS OF OUR PRIVATE BRANDS

Mexico Central America

82.86%

50.19%

SELF-SERVICE SUPPLIERS WHICH ARE NATIONAL

92.31%

**72.23%** 

SALES ARE FROM NATIONAL SUPPLIERS

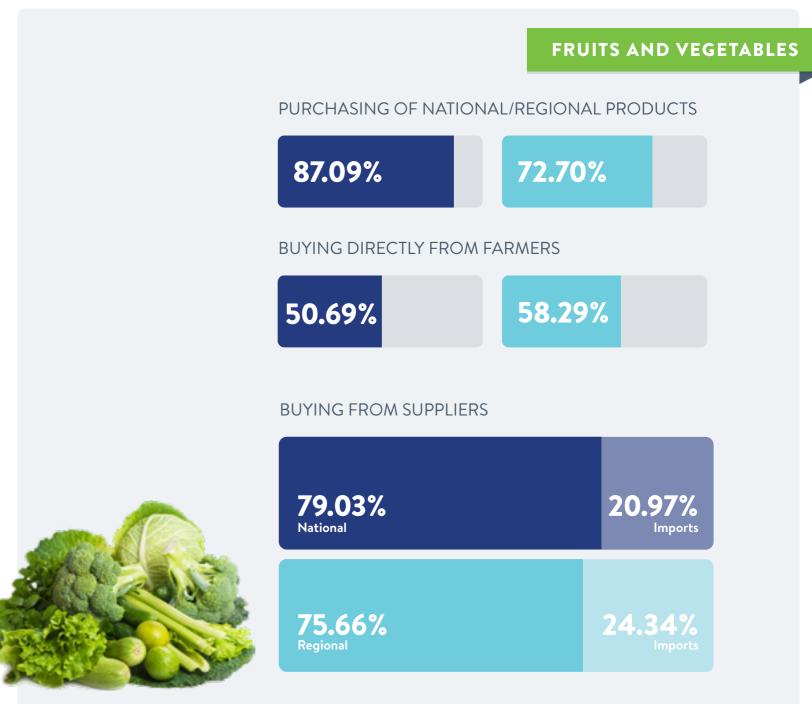




#### Direct purchase from local suppliers of perishables









#### Direct purchase from local suppliers of perishables



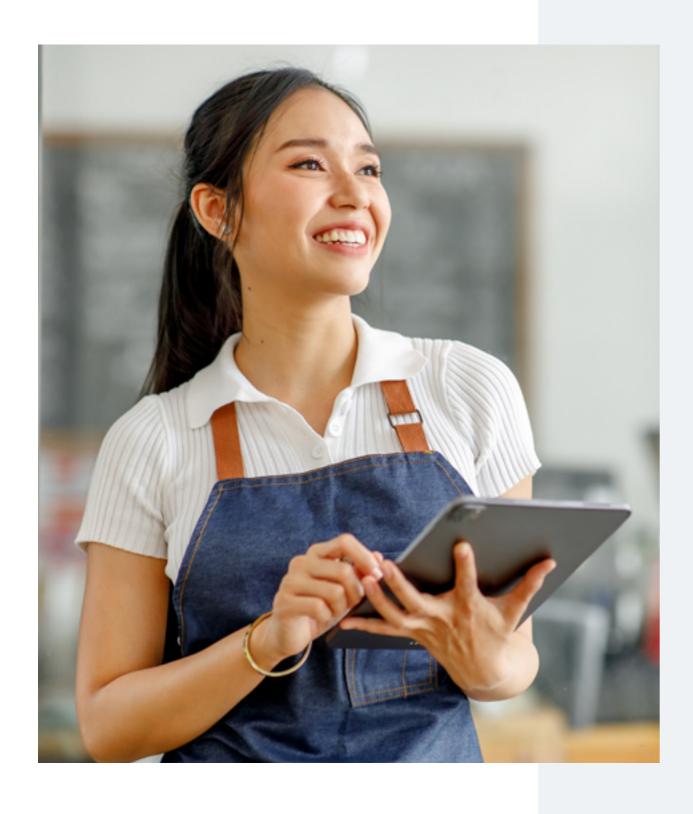






#### **Development platforms**

GRI 204-1





#### Adopt an SME

Adopt an SME is a business acceleration program for small and medium-sized companies in Mexico, aimed at contributing to their operational, financial and logistical development in order to increase their sales, as well as to promote a broader and more strategic vision of the business.

Over the course of 18 months, suppliers receive training in commercial, logistical and strategic aspects, with the support of expert Walmart associates. In addition, the Category Manager offers them personalized advice to build a sales growth plan.

In addition, suppliers participating in this program are exempt from the *Promotoria Eficiente* (Efficient Promotion - a service that includes receipt, filling and shelving of merchandise) charge at Bodega Aurrera Express, Mi Bodega, and Walmart Express stores nationwide. Our small and medium-sized suppliers are encouraged to invest resources in their strategies and operations, once they have learned how to leverage them.

From 2014 to date, we have supported more than 350 suppliers, who have had a 33% cumulative increase in sales

### 25 SMEs supported in 2022

12.44%

increase in sales, we reached our 2022 goal by 68.7%

+170

In 2022, we celebrated the eighth generation of the program, bringing together 25 SMEs, who additionally benefited from the support of **Walmart Connect,** our omnichannel platform, to gain access to massive advertising opportunities.

With the Adopt an SME program, Walmart de México y Centroamérica reinforces the importance of our supply chain as a core piece of our business, contributing to the strengthening of our suppliers and the development of our country and families throughout Mexico.



2018

2019



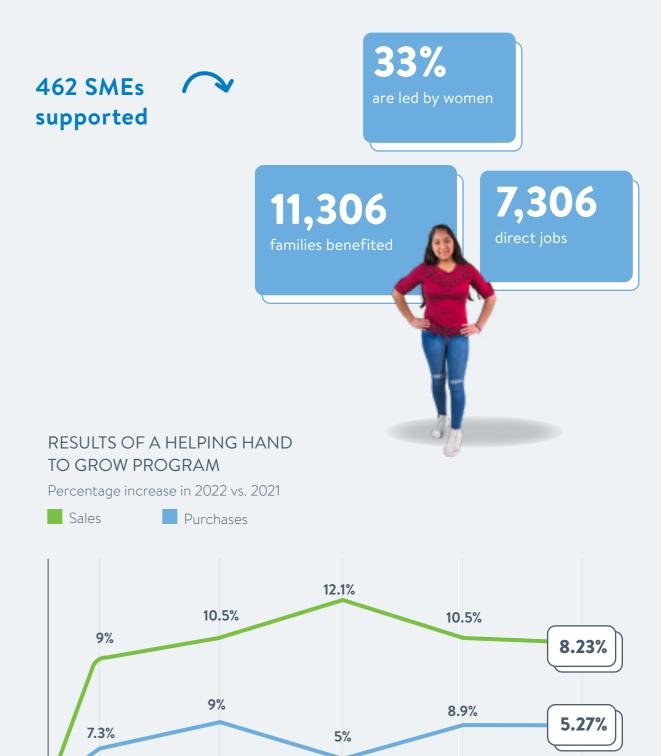




#### A Helping Hand to Grow

Our A Helping Hand to Grow program promotes the growth and development of manufacturing SMEs in Central America and ensures product quality for our customers. It is worth mentioning that many of the suppliers participating in this program are women, as we have a special interest in the economic empowerment of women in the region.

Upon becoming a regular supplier, for the following three years, SMEs receive preferential treatment in promotional activities, centralization services, free training, business performance monitoring and, in some cases, technical assistance.



2020

2021

2022



#### Fertile Soil

**Fertile Soil** is our support program for small and medium-sized farmers in Central America. Through this program, we seek to promote sustainable agricultural practices, long-term business relationships, growth in innovation, sales and markets for our suppliers, as well as to ensure a secure market, direct purchases, technical advice and specific investments including the purchase of equipment and supplies.



The program consists of three main aspects:

Direct purchase from farmers

It allows access to competitive pricing by avoiding intermediaries and ensuring timely payment.

Ensuring access to technology and know-how

Donations of goods made directly or through projects that facilitate access to tools, equipment, agricultural technologies and direct investment resources.

In addition, advice is provided on:

- Clean farming and low levels of agrochemicals
- Disease and pest control
- Plant nutrition and care
- Soil management
- Rational use of resources



During 2022, six festivals were held in 136 stores, with the objective of providing our farmers with different commercial concepts, such as: planting plan and post-harvest handling, among others.

#### **OUR GOAL**

By 2025, we have set ourselves the goal of increasing sustainable market access and improving the livelihoods of our small farmers

3

#### Training and technical assistance

We provide advice on topics such as:

- Seed quality
- Crop rotation
- Post-harvest handling
- Responsible use of agrochemicals
- Responsible use of water
- Good Agricultural Practices (GAP)
- Good Manufacturing Practices (GMP)
- Basic administration and finance



#### **New Fertile Soil App**

In order to reduce the digital gap for farmers, in 2022 we launched a new application that provides information to 246 participants of the program to improve the yield and productivity of their crops. Likewise, the app allows them to know the benefits they can obtain by being part of a digital world, since through any mobile device they have access to training calendars, weather information, news from their country and technical requirements of the crops.

Currently
90%
of Walmart Costa Rica's farmers use this app

During 2022, we achieved 62% of sustainable market access and improved livelihoods for our small farmers. By 2025, we have set the goal to increase by 90%.



691

people trained, of whom 75 are women

684

farmers supported, of which 73 are women

11,555

families benefited

1,984.92

million pesos purchased from farmers 102

technical training

10,844

current direct jobs

#### RESULTS OF FERTILE SOIL PROGRAM



### Opportunities for SMEs in Central America

#### Management development for SMEs

In order to improve the competitiveness of SMEs, during 2022 we implemented the *ACTÍVATE* project together with FUNDES Costa Rica, where **more than 40 suppliers were trained in market analysis matters.** This resulted in a 9.7% increase in sales compared to 2021.

#### Generating business opportunities

Through the *El Mercadito*PyMes de Walmart (Walmart's SME Marketplace) initiative, the sale of products from 70 SMEs was promoted simultaneously in five stores in the region during two weekends in September and December, in order to strengthen their ties with the community.





#### **Small Farmers**

GRI 413-1

In order to help Mexican producers increase their productivity, improve their income, create more jobs and promote the inclusion of young people and women, in 2011 the Walmart de México Foundation created the **Small Farmers** program, which offers training on agricultural production processes, related to logistics and business issues. In this way, we promote the local and sustainable economy.



# In 2022, our goal was to continue increasing the impact of the program



Continue providing the members of **Small Farmers** with the necessary training, guidance and support to facilitate their integration from cultivation, harvest and post-harvest.

In addition to the logistical and administrative processes they need to manage as farmers and agribusinesses.

In 2022 we achieved:

586.31

million pesos in purchases from small farmers

**78.90%** increase

in income

**3,844** farmers

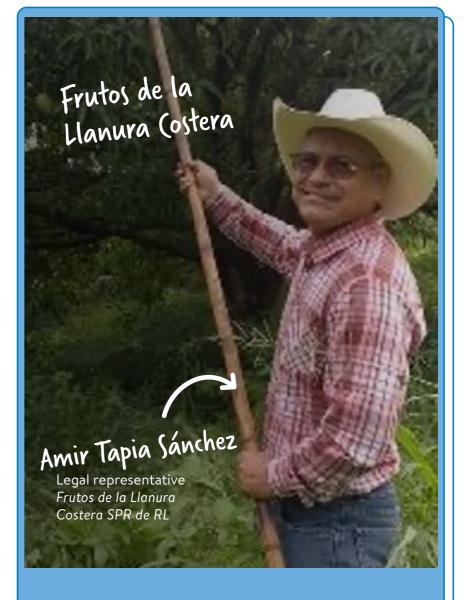
benefited

685

female farmers benefited

**26,294.36** tons commercialized

**7,319** current jobs



For me, it has been a great experience and a lot of learning, since, in order to sell the product directly to commercial lines, we have learned that quality responsibility is greater, as well as responsibility in delivery and the documentation that this entails. In order to become part of this level of commercialization, a comprehensive logistics system is needed, covering production, harvesting, processing, shipping and sales.

### Sustainability

#### WHAT DID WE ACHIEVE TOGETHER?

Reduce our emissions, avoid waste generation and use materials in new value cycles.

3,702

million pesos invested

51.2 million pesos saved

GRI 203-1



SUSTAINABILITY

#### **SUSTAINABILITY**

Our ambition to become a Regenerative Company places humanity and nature at the center of our business decisions



We continue to work on our three priorities:



By reducing emissions in our operation and in our supply chain.



Reducing the use of natural resources and waste generation, avoiding sending waste to landfills and reintegrating materials into new value cycles.



Through sustainable sourcing and natural resource protection.

MX: Mexico CAM: Central America MXCAM: Mexico and Central America

#### In 2022, we made progress towards our goals and achieved the following results:



#### Zero Emissions in our operations by 2040

We aspire to reduce emissions by 18% in our operations in Mexico by 2025, compared to 2015

-5.4%

scope 1 and 2 emissions reduction vs. 2021 MX: -7.8% CAM: 13.9%

-10.4%

reduction in energy consumption in CAM.

MEXCAM had an increase of 3.8%

#### Renewable energy by 2035

Source our stores with 100% of energy from renewable sources

54.57%

of total energy consumption comes from sustainable sources MX: **62.4%** CAM: **2.5%** 



#### **Gigaton Project**

We work with our suppliers to reduce or avoid GHG emissions equivalent to 1 gigaton in our global supply chains, by 2030

894

suppliers participated in Gigaton Project MX: 600 CAM: 294



#### Zero Waste to landfill by 2025

Reduce food waste generation by 50%, by 2025

77.37%

towards our Zero Waste goal MX: **80.46%** CAM: **59.24%** 

4,128,475 m<sup>3</sup>

of space released in landfill MEXCAM MX: **3,668,253 m**<sup>3</sup> CAM: **460,256 m³** 

#### 100% recyclable packaging by 2025

recycle plastics and include at least 20% post-consumer recycled material in our packaging

78.73%

of our packaging is recyclable

19.81%

post-consumer material is incorporated in Private Brands' packaging

#### Reduction of virgin plastic

Reduce 3,000 tons of virgin plastic



2,356 tons of virgin plastic reduced since 2020, in

Mexico

#### Responsible consumption

Duplicate the number of recycling

Implement refill and bulk pilots that

25

recycling centers, +108% vs. 2021

Pilot of bulk sale of seeds and dried foods in three regenerative stores



#### Raw materials from sustainable sources by 2025

By 2025, Private Brands products will use palm oil, paper, pulp and timber from certified sustainable sources

**86.8%** of palm oil and palm oil byproducts used in Private Brands products are RSPO or Rainforest Alliance certified in Mexico 100% in Central America

95.8% of the total volume of paper, pulp and timber we use in Mexico comes from certified sources such as FSC. PEFC and SFI or includes recycled content 98.2% in Central America

#### Fish and seafood from sustainable sources by 2025

By 2025, fresh and frozen seafood and canned tuna will be sourced from

**89%** of our fish and seafood are certified as sustainable or come from a Fishery Improvement Project in Mexico

69.93% in Central America

100% of our canned tuna is MSC certified, in Mexico





In 2020, we committed to becoming a Zero Emissions company by 2040



To achieve this, our goals are:

Source 100% of our energy from renewable sources by 2035

Electrify our fleet, including long-haul trucks, by 2040





In 2023, our commitment is to set intermediate reduction goals for emissions for 2030 and 2035, to achieve Zero Emissions by 2040



#### **Emission sources**

We measure the amount of GHG emissions associated with our operations and our value chain through scope 1, 2 and 3 carbon footprint analysis. Our main emission sources for scope 1 are those associated with refrigerants and fuels from stationary sources used in our units and DCs, as well as utility vehicles, with 890,397.62 ton CO<sub>2</sub>e. For scope 2, those associated with the percentage of electricity that does not come from renewable sources, accounting for 443,436.41 ton CO<sub>2</sub>e. **For scope 3,** those associated with the fleet we use to transport our products, business travel and travel for associates in company-owned cars, which corresponds to 486,600.92 ton CO<sub>2</sub>e.





## **Emissions intensity**

GRI 305-4, 305-5

In 2022, we managed to maintain the trend of reducing the intensity of GHG emissions in Mexico and Central America. Together, we have achieved such a reduction since 2019, thanks to energy efficiency, refrigerant changeover and renewable energy initiatives.



We reduced by

7.7%

the emissions intensity of scope 1 and 2 in 2022, compared to 2021

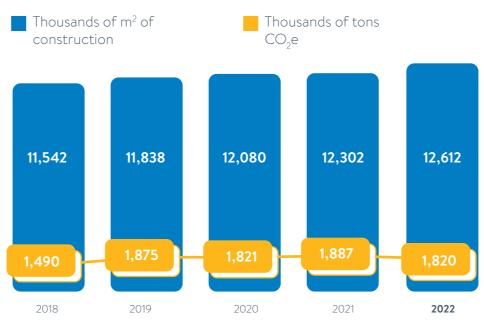
We reduced by

5.9%

the intensity of total emissions in 2022, compared to 2021

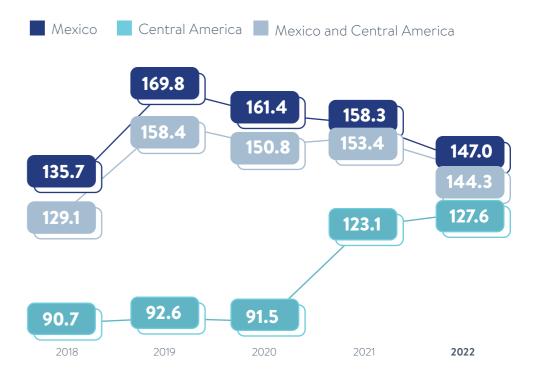
# Our business growth continues to be independent from our emissions intensity

#### TOTAL BOX VS TOTAL EMISSIONS Mexico and Central America





**EMISSIONS INTENSITY** Kilograms de CO<sub>2</sub>e/m<sup>2</sup>



## Scope 1 emissions

GRI 305-1

#### **OUR GOALS**

#### Zero Emissions in our operations by 2040

We aspire to reduce emissions by 18% in our operations in Mexico by 2025, compared to 2015

Move to low environmental impact refrigerants in cooling and heating equipment in our stores, clubs, distribution centers and data centers by 2040



#### What did we do?

The pilot test we conducted in Tamaulipas, in 2021, to switch to refrigerants with lower global warming potential achieved successful results. That is why, in 2022, in Mexico and Central America we conducted renovations incorporating systems that use R-448A refrigerant gas, which reduces emissions by **60%**, compared to traditional systems. In addition, we added control and automation initiatives to make efficient use of refrigeration and climate equipment.

#### What did we accomplish?

In Mexico, we replaced the refrigerant gas in 17 stores and changed the refrigeration systems in another 6 stores.

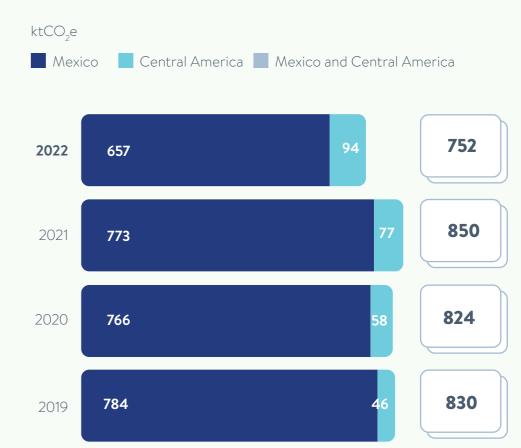
In Central America, we opened and remodeled 41 stores with new systems, achieving by the end of 2022 a total of 84 stores with R-448 gas.

With these actions and initiatives, we reduced our scope 1 emissions by 8.6%, equivalent to 84 CO<sub>2</sub>e ktons

#### What is next?

Starting in 2023, in Mexico and Central America, all new and remodeled stores will feature these new refrigerants.

#### **EMISSIONS OF REFRIGERANTS**





## Scope 2 emissions

GRI: 302-1, 302-2, 302-3, 302-4 SASB CG-MR-130A.1,CG-EC-130A.1,FB-FR-130A.1

#### **OUR GOAL**

Source 100% of our energy from renewable sources by 2035



#### What did we do?

In 2022, we continued to use energy from renewable sources from six wind farms and two hydroelectric plants in Mexico. In addition, we made progress in reducing our electricity consumption thanks to energy efficiency initiatives and we continued to increase our on-site solar energy generation capacity.

#### What did we accomplish?

We consumed 9.5 million GJ of electricity, of which 54.6% comes from renewable sources.

We increased the number of solar panels installed, achieving a total of 95 units in Mexico and 46 units in Central America.

In Central America we were able to double our energy capacity from renewable sources, where we also installed anti-fogging stickers in the display cabinets of 359 stores, which allowed to save 3,004 MWh of electricity, equivalent to 45.7 tons of CO<sub>2</sub>e.

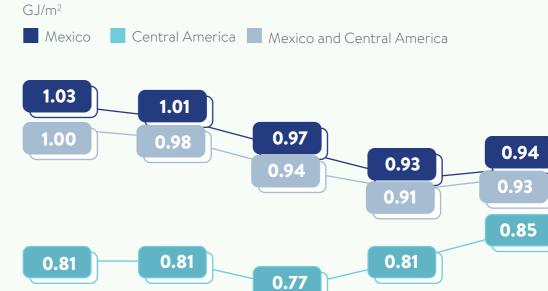
In Central America, we acquired 22 new electric utility vehicles, so that at the end of the year we had 55 electric vehicles that traveled 1,298 km, avoiding 235 tons of CO<sub>2</sub>e.

With these actions, we increased our percentage of renewable energy consumption by 2.1 percentage points.

#### What is next?

Starting in 2023, all new stores of any format that we open will be powered by solar cells to supply energy for their operation.

#### **ENERGY INTENSITY**



2020

2021

2022

#### TOTAL ENERGY CONSUMPTION

2018

(Millions of GJ) Mexico and Central America

2019



## Scope 3 emissions

#### **OUR GOALS**

Work with our suppliers to reduce or avoid GHG emissions equivalent to 1 gigaton in our global supply chains, by 2030

Electrify our fleet, including long-haul trucks, by 2040



#### What did we do?

We know that in order to reach our goals and reduce our impact on the atmosphere, we need to join efforts. Therefore, in 2022 we continued to collaborate with our value chain through 1) Our Backhaul strategies to reduce empty trips in our fleet and that of our suppliers (Truckload Optimization or TLO), 2) Reverse Logistics, to facilitate the collection, sorting and recycling of by-products, and 3) our Gigaton Project, where we encourage our suppliers to report their progress in reducing emissions annually and disclose their commitments, so that together we can reach our goal of avoiding the generation of one billion tons of CO<sub>2</sub>e in our value chains by 2030. In addition, we continued our initiatives to reduce fuel use in stores and to electrify and improve the efficiency of our operational and last-mile fleet.

#### What did we accomplish?

We achieved 894 active suppliers (15.2% vs. 2021), 629 Gigagurus, and 137 Sparking Change in Project Gigaton.

We avoided 507,749 trips, thanks to our Backhaul and Reverse Logistics strategies, equivalent to 60,236.67 tons of CO2e in Mexico.

In 2022, we closed the year with 94 electric vehicles that provided Last Mile delivery service to our Bodega Aurrera, Sam's Club, Walmart Express and Walmart Supercenter formats, traveling more than 1.1 million km, avoiding 118 tons of CO2e to the atmosphere.

In addition, we installed 40 electric vehicle charging stations in Costa Rica, which are available to associates and customers free of charge when shopping at our stores.

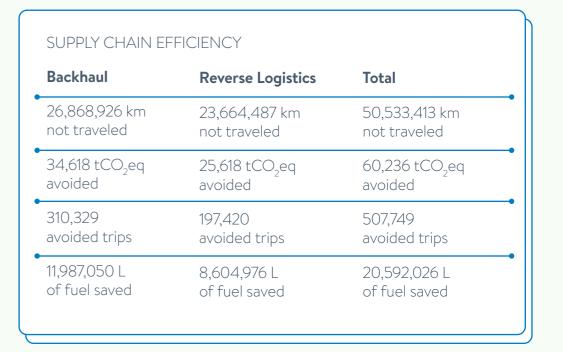
#### What is next?

Increase electric vehicles of Last Mile's fleet and maintain partnerships with suppliers to develop Backhaul strategies.

#### SCOPE 3 EMISSIONS

ktCO<sub>2</sub>e





430A.1 CG-MR-410A.1

FR-430A.3, FB-FR-

GRI 201-2 SASB: FB-F

**A** 

**Q** 

 $\triangleleft$ 

S

2

Ш





#### 200

suppliers completed the climate change questionnaire. 69% conducted a risk analysis and 74% an opportunity analysis related to climate change

#### 65%

of our suppliers launched emission reduction initiatives

## **B** rating in CDP

#### 79%

of suppliers have processes in place to identify climate risks and opportunities

#### 63%

of suppliers have an absolute emission reduction target, intensity target or both

#### **CLIMATE CHANGE RISKS** IN OUR OPERATION

International agreements



Rising sea levels



Carbon taxes / Carbon market



Changing socio-economic conditions due to natural disasters

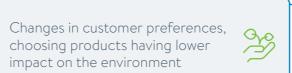


Increased demand for water reduced sources of water, worsened water quality



Hurricanes & tropical storms, excessive rainfall and droughts

impact on the environment



Decreased crop productivity and harvests



#### **CLIMATE CHANGE RISKS** IN OUR SUPPLY CHAIN

Increase of average temperatures



Increase in raw material costs

Increase in raw material costs



Changes in customers behavior



Concerns or negative comments from stakeholders



Mandatory reports on emissions



Carbon taxes / Carbon market



Changes in rain patterns and extreme weather variability



Regulation of existing products and services



Increase in frequency and intensity of -O-Ometeorological phenomena



\* 4

services through R&D and innovation

Development and expansion of

low-emission goods and services



More efficient forms of transportation



Use of recycling



Reducing water use and consumption



(\$)

Access to new markets



Use of new technologies



lower emissions

and distribution processes

Use of energy sources with



Change in customer preferences











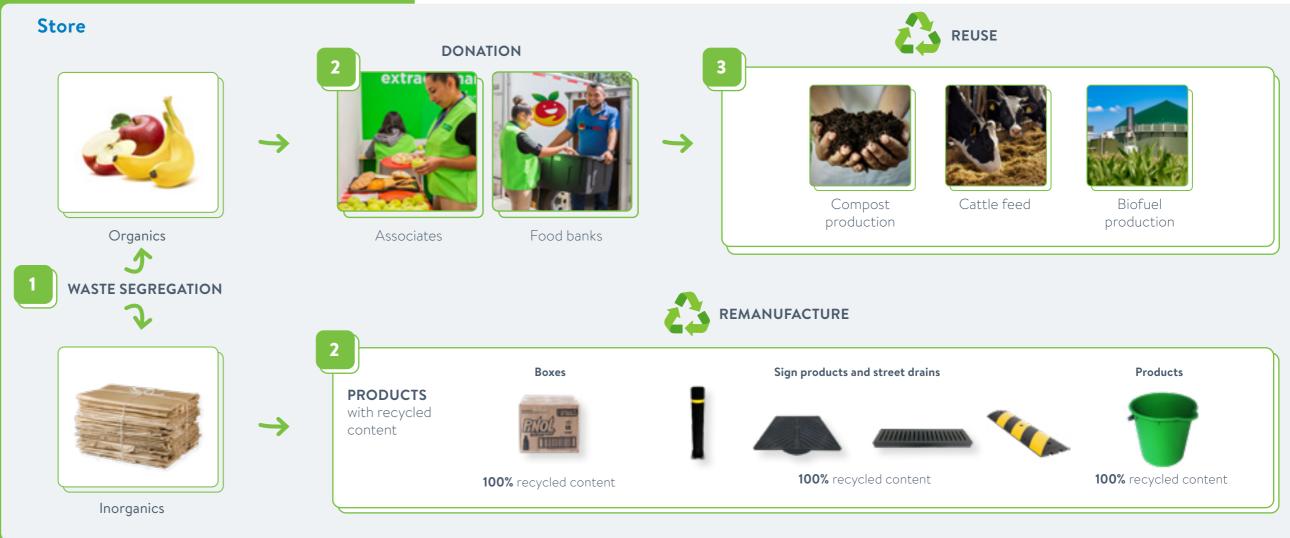












Current linear consumption models have put enormous pressure on the regenerative capacity of our ecosystems. To face this challenge, we contribute to the creation of a circular economy through the following goals:



**Refill and Bulk** 

Implement refill and bulk sales pilots

that promote responsible consumption

#### **Zero Waste**

Transform our operations to Zero Waste by 2025, aligned with the Zero Waste International Alliance definition, which implies the deviation from landfields of more than 90% of the waste generated

## **Use of Virgin Plastic**

Reduce the consumption of +3,000 tons of virgin plastic from our stores and DCs operations and from Private Brands' products, by 2025

## **Post-consumer Programs**

Reduce food waste by 50% by

2025, compared to 2015

**Food Waste** 

Expand our recycling programs with our strategic allies



## **Private Brands' Product Packaging**

SASB: CG-MR-410A.3,FB-FR-430A.4

Ensure that 100% of Private Brands' product packaging is recyclable, reusable or compostable, and avoid unnecessary or difficultto-recycle plastic. In addition to using at least 20% post-consumer recycled material in the total amount of packaging by 2025



#### **Zero Waste**

GRI 306-1, 306-2,306-4

To achieve our Zero Waste goal, we incorporate processes in our operations that improve efficiency in the use of our products, reducing shrinkage and waste, while reducing the amount destined to landfills

Mexico\* and Central America\*\* (ton/m²) Waste intensity Diverted waste intensity Non-diverted waste intensity



PROGRESS TOWARDS OUR

ZERO WASTE GOAL, BY 2025

Mexico Central America Mexico and Central America

# 1,929.91 Mexico 521.53 637,831.79

515,195.18 tons Mexico

579,831.10

64,635.92

749,397.63

586.82

746.880.90

640,283.23

tons of waste generated

tons of hazardous waste generated

tons of non-hazardous waste generated

**Central America** 

65.29

109,049.11

<sup>\*</sup> As of 2022 we consider the restoration and recycling of pallets within Mexico's waste measurement.

<sup>\*\*</sup>As of 2022 we consider the processing of waste from our fresh products processing plants for meat, poultry, fruit and vegetables, and DCs in the measurement of waste in Central America.



## **Zero Waste Strategy**

#### **PREVENT**

More than six million bakery, fruit and vegetable products were saved from waste through the CVP program, which reduces the cost of products that are close to expiration.



#### DONATE

Products that are not suitable for sale, but are suitable for consumption, are donated to associates through donation programs or directly to institutions for their use.

25,398

tons of food donated to partner institutions

4,569

tons donated through our donation programs for associates

#### **RECYCLE**

We enhance our recycling capacity with authorized suppliers to meet our goals. This year in Monterrey, we were able to transform 100 tons of fruits and vegetables into 100 liters of fertilizer that were used to conserve 200 m<sup>2</sup> of green areas at our Monterrey DC.

#### DISPOSE

Exceptionally, we send to landfill waste that cannot be reincorporated into a value chain. These are channeled to suppliers that comply with applicable environmental regulations for proper disposal.

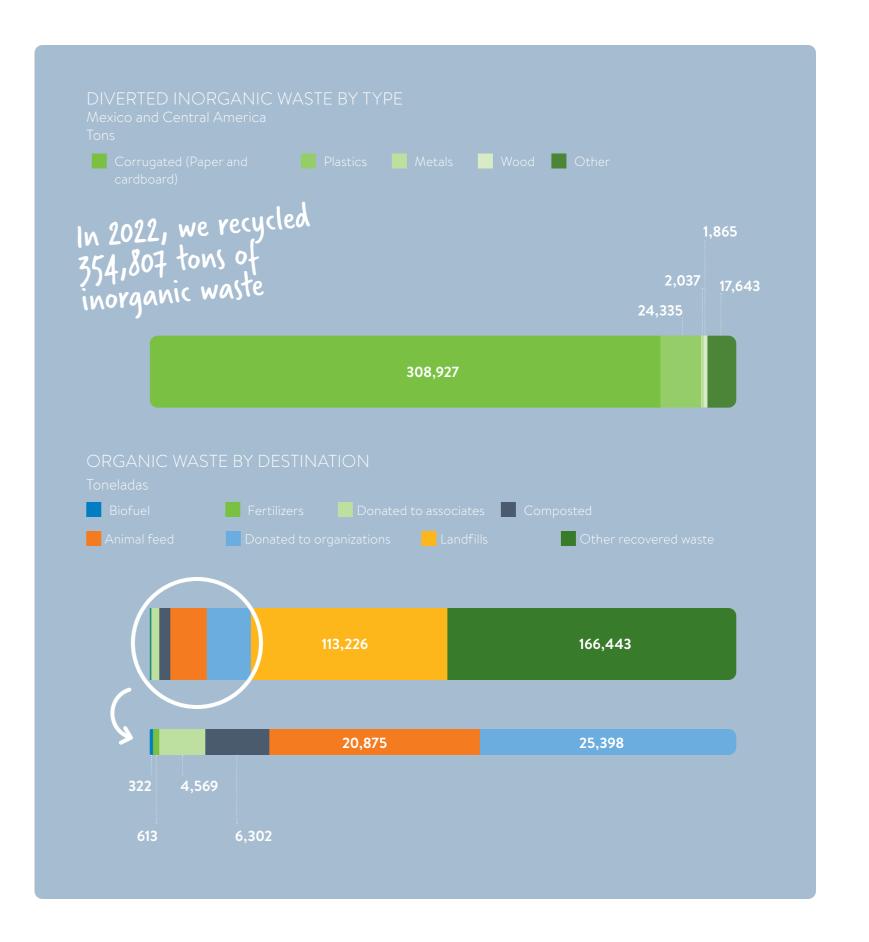
#### REUSE

We carry out various actions to extend the useful life of our assets. In 2022, we restored wooden pallets in poor conditions in our DCs.

120,217

tons of restored wooden pallets







#### **Food Waste**

**GRI 308** 





One-third of food destined for human consumption is wasted, and with it, all the resources that were necessary for its production. Therefore, although our store sales are growing year after year, we have managed to keep shrinkage from increasing, thanks to supply chain efficiency strategies, price reductions on some products with expiration dates close to their sell-by dates, and revaluation actions.



Furthermore, in order to meet our goal of reducing food waste by 50% by 2025, we have different initiatives focused on organic recycling and donations through different programs and institutions

In 2022, we launched the Imperfect but Good pilot program. Its objective is to revalue and avoid wasting fruits and vegetables that, for climatic or farming reasons, have external aesthetic defects that in no way compromise their nutritional value, by offering them at a preferential price. This program already operates in 11 stores in the State of Mexico, Mexico City and Morelos, and our goal for 2023 is to expand this initiative to 100 of our stores.

105,080 kg

sold through Imperfect but Good

**Private Brands'** product packaging

#### **OUR GOALS**

## By 2025, all of our Private Brands' product packaging:

Will be 100% recyclable, reusable or compostable

Will avoid unnecessary or difficult to recycle plastic

Will include at least 20% post-consumer recycled material

We focus on mitigating the environmental impact of our Private Brands' packaging by prioritizing the reduction of material consumption, using recyclable, reusable and compostable materials and, if possible, including post-consumer recycled material.

This year, in Mexico and Central America, our achievements of Private Brands primary packaging products were:

**78.7%** 

recyclable packaging 0.3%

compostable packaging

19.8%

post-consumer recycled material in packaging



## **Plastic Footprint**

SASB: CG-MR-410A.3, FB-FR-430A.4

To mitigate our environmental impact and plastic footprint, we seek to reduce the consumption of virgin plastic in our operations

We reduced 475 tons of virgin plastic compared to 2021, thanks to three main measures:



Elimination of certain products that use virgin plastic from the sales floor

78.5% progress towards our goal of reducing 3,000 tons of virgin plastic, by 2025



Substitution of virgin plastic with other materials, such as recycled plastic, cardboard or biobased materials



Changes in Private Brands' product specifications in order to use less amount of material

#### **Success stories:**



We continued to incorporate recycled material into our reusable bags this year





In Mexico, we stopped using 18 different virgin plastic containers for the packaging of perishable products, equivalent to 123.9 tons of plastic that were no longer used

Through our Without Bag Please campaign, we have avoided the use of approximately 80 million plastic bags





## Post-consumer programs

Together we advance further. For this reason, in collaboration with strategic allies, we have promoted programs that encourage environmental education in the communities where we have presence and generate spaces for the recovery of materials for future use.

In alliance with our suppliers, we have permanent programs for the recovery of materials. This year, the results were:



#### Together for a Better Tomorrow

This campaign, in collaboration with Nestlé and Procter & Gamble, seeks to promote recycling in the communities we serve.

2 new recycling centers

#### Partners for the Planet

This initiative, in alliance with Nestlé, Sigma Alimentos and Procter&Gamble, is aimed at raising awareness about environmental care through recycling.

2 new recycling centers

#### Alen Machines

In collaboration with Alen, we have HDPE collection programs in nine units in the state of Nuevo León. The amount collected is managed by Alen, to be reincorporated into new value cycles.

82,757 kg of waste recovered

9 machines in stores in Nuevo León

#### **Expired medicines**

Collection of expired medicines in alliance with the National System of Waste Management of Medicines Packaging A.C., (SINGREM, by its acronym in Spanish) to ensure proper final disposal.

17,694

kg collection of expired medicines in 209 units

#### Sabritas Replay

We incorporated BOPP material recovered at our recycling centers into a community soccer field in Iztapalapa, Mexico City.

#### Coffee capsules

We installed containers for the recovery and recycling of Nescafé Dolce Gusto capsules. The organic waste is transformed into compost and inorganic waste into plastic wood, that is used in the development of new products in collaboration with Nestlé.

106 containers in stores

16,041 kg of waste recovered. 47% more vs. 2021



## **Temporary campaigns**





#### Let's Nourish a Better Future

In collaboration with Herdez, we promote the recycling of tin cans and carry out environmental education activities through educational experiences in our stores.

activations with **527 direct** impacts and 28,660 indirect



#### Tree by Tree, your City Greens Up

We recover Christmas trees in partnership with the Mexico City and Colima Government, to transform them into compost for parks and gardens.

4,849

recovered trees

collection centers

#### **Recycling Machines**

In partnership with Nestlé, we established a recycling machine pilot, whereby customers could recycle PET and aluminum and earn rewards for recycling.

196

kg of waste recovered, 33 kg of aluminum

#### Paper Recycling with Tito Papelito

In collaboration with Smurfit Kappa, we launched a paper and archive recycling awareness campaign.

In August, we doubled the amount of paper collected during the campaign vs. the previous month.

#### Reciclaleón

In partnership with the municipality of León, Guanajuato, we established a collection point in the state to receive electronic items from our customers. The waste received was recycled through an authorized supplier.

4,800

kg of waste recovered





#### Reciclamanía Evoluciona

In order to strengthen the recycling infrastructure in Mexico and provide our customers with a fast and easy recycling experience, we joined forces with different industries to operate permanent recycling centers for customers, located in participating Walmart, Walmart Express, Bodega Aurrera and Sam's Club stores in Mexico City, State of Mexico, Michoacán, Morelos, Oaxaca, Puebla, Querétaro, Quintana Roo and Yucatán.

22

recycling centers for customers in 2022 located in nine states of the Mexican Republic, where 157,242 kg of waste were recovered

recycling centers for associates in Distribution Centers

#### Recycle today and save tomorrow



The slogan Recycle today and save tomorrow





## **Refill and Bulk**

We launched our first bulk sales pilot with products from Private Brands in three units, seeking to reduce the use of single-use packaging.

In this way, customers can buy their favorite products according to the quantity and variety of their needs at the best price. Our bulk dispensers are located at Walmart Express Zibatá in Queretaro, Walmart Petempich in Quintana Roo and Bodega Aurrera, in Temixco, Morelos. In this stores we offer products such as rice, beans, broad beans, other seeds and dry foods.

**Participating** stores:

Walmart Express, Zibatá, Querétaro

Walmart Supercenter, Petempich, Quintana Roo

> Bodega Aurrera, Temixco, Morelos





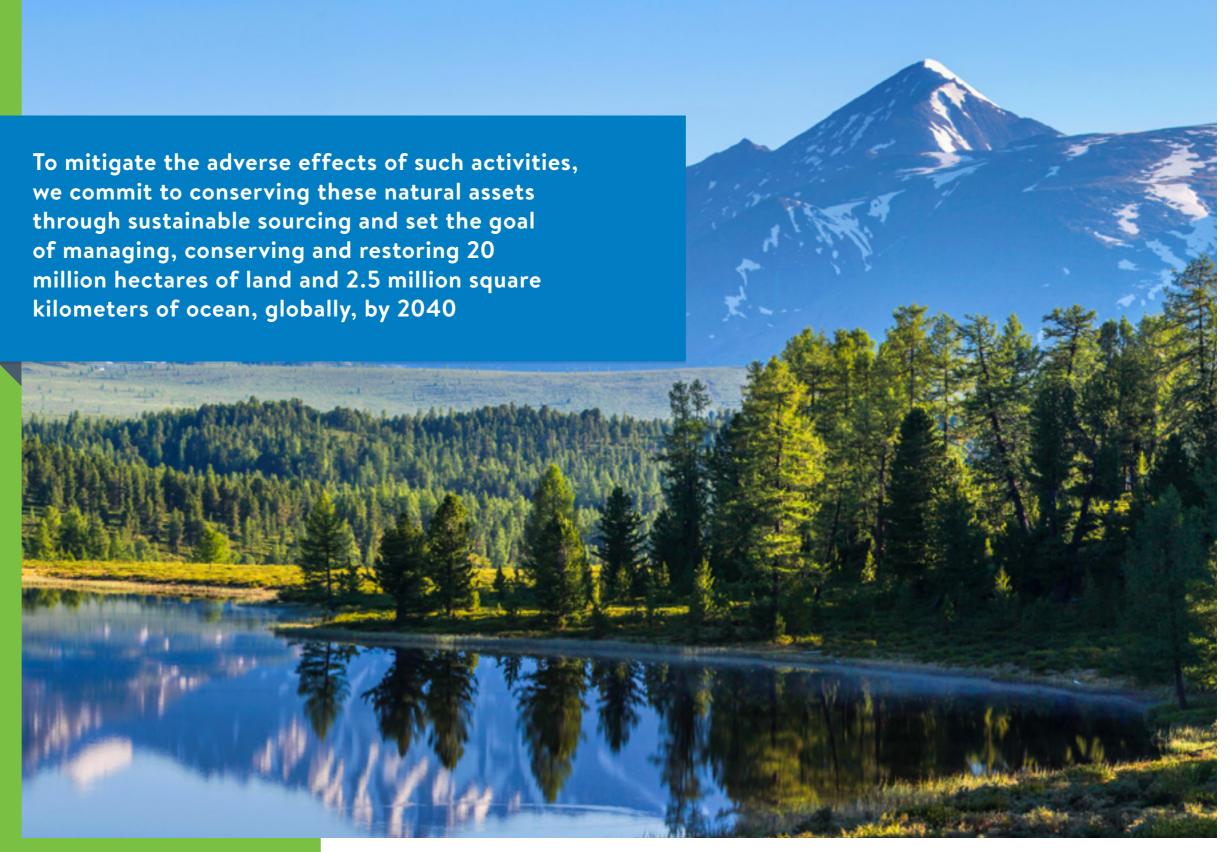


## NATURAL CAPITAL

GRI 304: 308: 308-2 SASB CG-MR-410A.1, FB-FR-430A.1

LEARN MORE ABOUT OUR **NATURAL CAPITAL POLICY** 





#### Raw materials



#### Palm Oil

It is the main commodity that, given its high demand, may be associated with intensive extractive practices with the risk of damaging soils and biodiversity. For this reason, we have committed that by 2025, 100% of Private Brands' products will use palm oil that comes from sustainable sources and that guarantees its traceability through certifications such as those of the Roundtable on Sustainable Palm Oil (RSPO) or Rainforest Alliance.

86.8%

of palm oil is certified from sustainable sources in Mexico, from 58% of suppliers that reported using this raw material

100%

#### Paper, pulp and timber

SUSTAINABILITY

Cellulose fibers are the second commodity to be considered for the traceability of certified deforestationfree sources. We have committed that, by 2025, we will use 100% pulp, paper or timber from sustainable sources or with recycled content in Private Brands' products; therefore, our suppliers must have FSC (Forest Stewardship Council), PEFC (Programme for the Endorsement of Forest Certification) or SFI (Sustainable Forestry Initiative) certifications.

2,857

tons of greenhouse gas saved by sustainable sourcing of pulp, paper and timber

95.8%

of paper, pulp and timber with recycled content or certified sustainable in Mexico. from 39% of our suppliers that use this raw material

98.2%

30.23% of our suppliers

#### Sustainable fishing

The fishing activity is at risk of incurring losses due to climate change. Therefore, our goal for 2025 is that 100% of our fish products, fresh, frozen and canned tuna, come from sustainable sources, in accordance with the standards of Best Aquaculture Practices (BAP), Marine Stewardship Council (MSC) or equivalent, or that they have a Fishery Improvement Project (FIP). In 2022 our fishery products:

#### Sustainable sourcing

89% fish and seafood products

100% canned tuna

69.9%





#### Water

GRI 303: 303-1, 303-2, 303-3, 303-4, 303-5, 306-1 SASB CG-EC-130A.2, CG-EC-130A.2

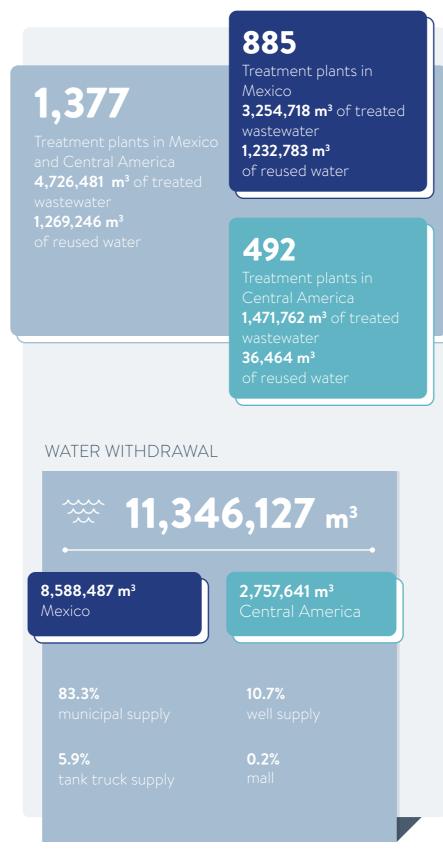
We recognize that water is an essential resource for our operations and for the lives of millions of families in Mexico and Central America. For this reason, we have a water management strategy focus on:

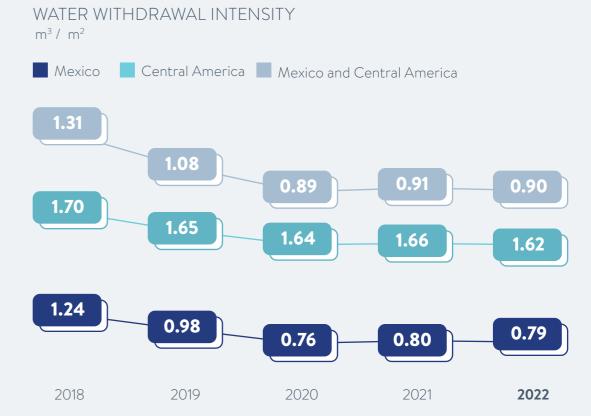
Reduce the intensity of water consumption per square meter of construction



Collect and recycle water through our treatment plants, especially in areas of high water stress



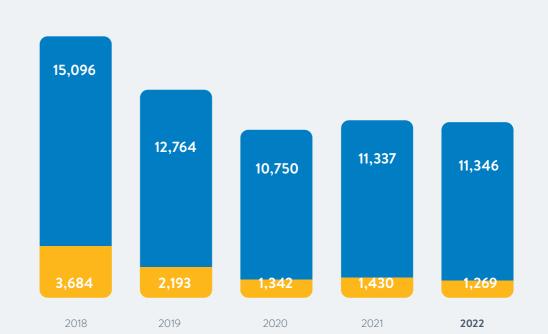






Total consumption

Mexico and Central America (thousands of m³)



Reuse



## Water-Related Risks and Opportunities

FB-FR-430A.1, CG-MR-410A.1

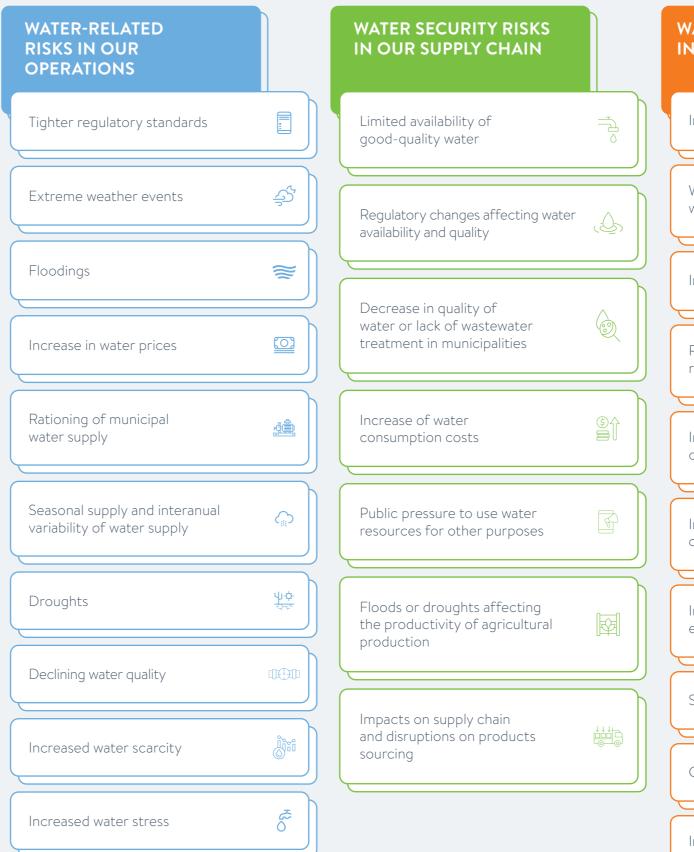
This year we have taken a step forward to consolidate our commitment to our water footprint by creating a multidisciplinary team to review water issues within our Enterprise Risk Management system. This working group seeks to create action plans to address the problems of water shortages generated mainly by droughts. During the sessions, action plans will be created to reduce water consumption, ensuring that it does not affect our operations, increasing wastewater treatment in the units equipped with Treatment Plants and maximizing its reuse.

## 161 of our suppliers participated and responded the CDP **Supply Chain survey**

67.7% conducted a risk analysis

63%

identified water-related opportunities that are already being implemented







## Products with lower environmental impact in Mexico

CG-MR-410A.3, FB-FR-430A.4, FB-FR-430A.2

We offer items with lower environmental impact such as organic products, products from responsibly managed animals, such as the free-range variety, and those sourced from supplier farms that embrace the five freedoms of animal welfare.

## In April we held an event in Mexico focused on organic products

where customers could find more than 100 products in categories such as fruits, vegetables, groceries and consumables

As a result of the event, sales of organic products increased in double digits during the event.

#### PRODUCTS WITH LOW ENVIRONMENTAL IMPACT CHARACTERISTICS



Organic and hydroponic



Biodegradable



Sustainable certified and cage-free



348 Water and energy efficient



With packages with recycled content



Sustainable textiles

#### Sustainable textiles

In 2021, for the first time in Mexico, we incorporated low-impact materials into our textile line. One of the main characteristics of sustainable fashion is the use of textiles that come from responsible production processes such as: organic cotton, the reuse of recyclable materials such as PET for the manufacture of polyester fibers, or the redesign of processes to eliminate water pollution generated from dyeing.

We have a permanent assortment in stores with garments with the Cotton LEADS Seal. This program ensures and provides traceability to sustainable cotton production and sourcing.

> In 2022, we had 614 garment models on the sales floor with the Cotton **LEADS Seal, Better Cotton** Initiative, Certified **Recycled Polyester and Global Recycled Standard**

## Community

#### WHAT DID WE ACHIEVE TOGETHER?

Work hand in hand with the communities of Mexico and Central America to promote their development and quality of life, in addition to providing them with access to safe, healthy products and services at the best price.

2,491<sub>million</sub>

pesos channeled through social impact programs



+1.9

million beneficiaries





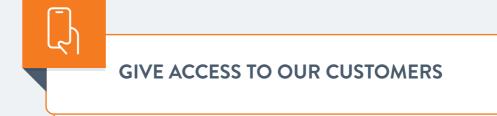
COMMUNITY 09/



## **COMMUNITY**

We seek to be a valued neighbor in the communities where we operate, through programs that help them prosper and by providing safer, healthier, high-quality products and services















## **GIVE ACCESS TO OUR CUSTOMERS**

At Walmart de México y
Centroamérica we promote
initiatives that allow our
customers to have access to
financial, connectivity and
health services, with the aim
of providing them with quality
solutions at the best price



## Quality products and services at the best price

In 2022, the inflationary environment was challenging due to shocks in the global supply of products and raw materials.

We understand our customers' sensitivity to these price increases, particularly in the basic food basket products, which is why we are committed to help them make the most of their money by partnering with the government through the PACIC program and offering them products and services at the lowest prices.

TO LEARN MORE GO TO CHAPTER WIN IN DISCOUNT



During the pandemic, we realized how valuable it is for our customers to order products and pantry items without leaving their homes, so we decided to bet on the digitization of these processes.

We offer our customers the option to shop online, with a same-day or up to 48-hour home delivery commitment, and multiple payment options: credit cards, debit cards, cash and food coupons.

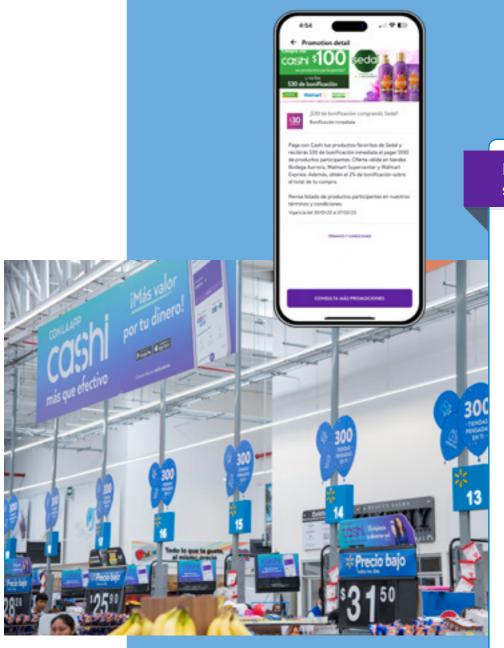
TO LEARN MORE GO TO CHAPTER THE ECOSYSTEM OF CHOICE



Reliable and affordable mobile telephony and internet access

Connectivity is one of the most valued services by our customers; however, a large portion of families in Mexico do not have access to this service.

With Bait, mobile and internet connectivity service, we aim to provide thousands of people with the possibility of being connected at the best possible price. To date, we have provided telephone and internet service to 5.6 million active users, helping them stay connected to what matters most to them.



#### Low-cost financial solutions

Some of our customers rely on credits to purchase general merchandise items. Unfortunately, credit offers available in the market have very high rates, which causes many families to end up paying double for a product.

In light of this situation, we aim to provide digital financial solutions through products that facilitate the financial inclusion of our customers.

**DISCOVER HOW WE HAVE ACHIEVED THIS THROUGH OUR FINANCIAL SOLUTIONS** 



#### Health services

The majority of the Mexican population does not have access to low-cost private health care services. Our commitment is to provide them with accessible and reliable health services.



**DISCOVER HOW WE HAVE ACHIEVED THIS THROUGH OUR HEALTH SERVICES** 





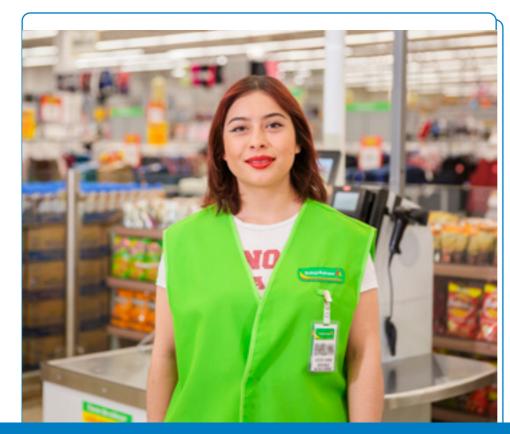


The last few years have been a process of resilience for thousands of families in Mexico and Central America. For this reason, we work hand in hand with the communities where we operate to create together the tools and platforms that allow them to improve their quality of life.



Our proximity to the more than 6 million customers and members who visit our stores every day allows us to play a crucial role in understanding their needs and those of their families.





#### Pink Code Program

In 2022, we launched the Pink Code program in Mexico, which consists of assisting any woman in 100% of our units when she finds herself in a risky situation and requests the support of public security or a close family member. In this way, our stores are not only a point of sale, but also a place where our customers feel safe.



#### **Panic Buttons**

In order to make our stores a safe place for our customers, we have installed **526 panic buttons** in our Mexico City and Jalisco units, which are connected to the government's C5 system (Centro de Comando, Control, Cómputo, Comunicaciones y Contacto Ciudadano) and coordinated to alert the local authorities of any risk situation that may affect our customers or associates.





## **OFFER SAFE AND HEALTHY PRODUCTS AND SERVICES**

FB-FR-260A.2

Providing safe, healthy and affordable food and products is fundamental to our purpose of helping people save money and live better

Our efforts include policies, standards and practices that ensure the safety and quality of our assortment, while working together with our customers and industry partners to raise consumer awareness about health through good nutrition.

Our variety of healthy and nutritious products continues to grow:

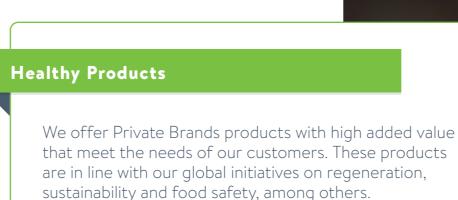












Product categories focused on offering items tailored to meet the specific needs of our customers in terms of overweight, diabetes, celiac disease or general care, are carefully evaluated to ensure compliance with claims that adequately communicate their characteristics. These include low-fat, sugar-free, gluten-free and organic products.

Baby food products have no added sugar, starches or artificial ingredients. In this way, we offer early nourishment products that are 100% natural, sometimes supplemented or fortified, according to the infant's development stage.





## SUPPORT LOCAL COMMUNITIES

GRI 201-1, 413-1

We are convinced that together we are stronger. Therefore, we partner with non-governmental organizations and other stakeholders to jointly create projects that generate economic opportunities of greater impact for individuals and their families.

Thanks to these alliances, our vision of contributing to improve the quality of life of families in the region becomes even more relevant.



1,956,925

beneficiaries impacted

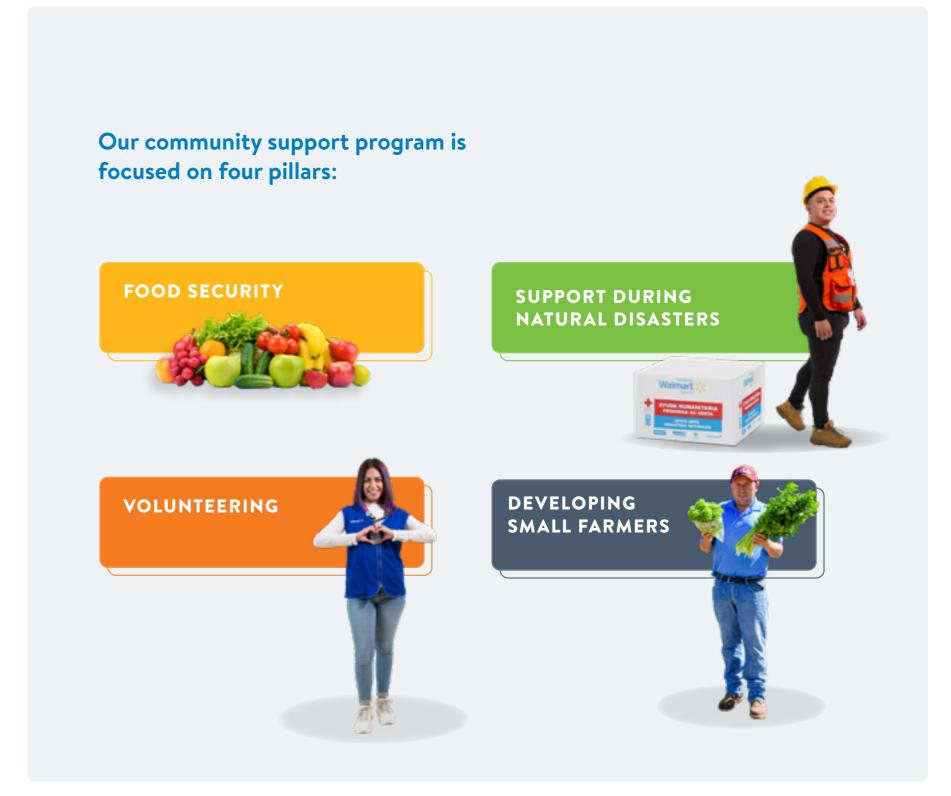
2,491

millions pesos channeled through social impact programs,

+24.8% vs. 2021

149

organizations in alliance with the company to maximize the impact and reach of our social programs

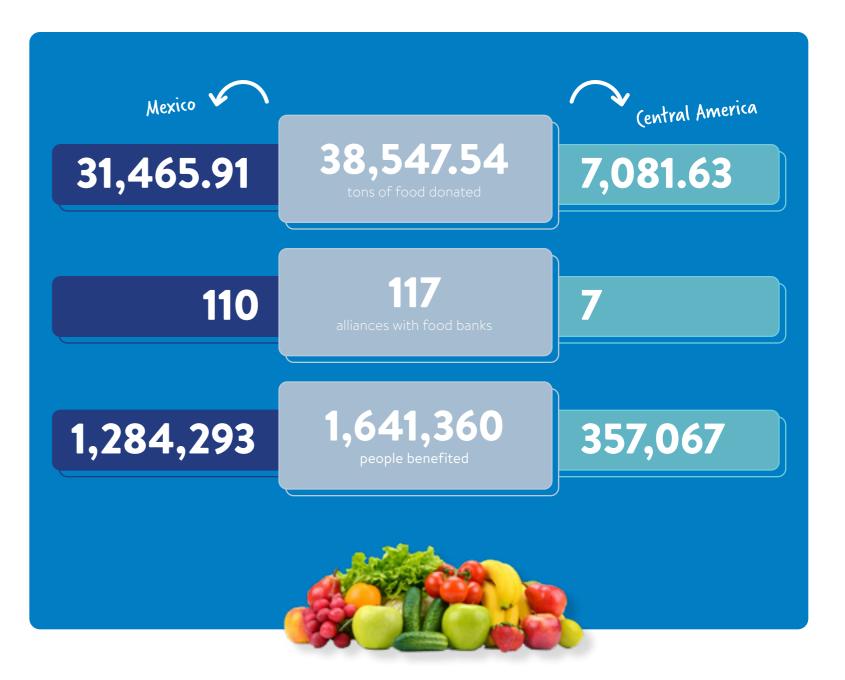


#### **FOOD SECURITY**



The region produces enough food to meet the needs of the entire population; however, a large percentage of the food produced ends up in the garbage or is wasted along the value chain.

To counteract this problem and ensure food security for all, we are committed to improve the food security of millions of people and to be one of the Food Bank Network's main partners for in-kind donations.







#### Food Banks in Mexico

In 2022, we invested in strengthening our food bank infrastructure to ensure proper food collection in our stores, clubs and distribution centers,

thus reaching more hard-to-reach communities



#### Food Banks in Central America

We continue to be the main donor to the food banks located in the region, contributing with monetary donations for the development and improvement of each of the programs in Central America. With these contributions, food banks can start operations, build warehouses, buy trucks, purchase computer equipment, among other activities.

In 2022, we intensified our efforts to salvage the highest percentage of products suitable for consumption. As a result of these efforts, **7,081.63 tons of food were donated this year. Increasing food donations by** almost 20% compared to 2021.

The donation was delivered to food banks located in Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica, as well as to Asociación Club de Leones de San Sebastián, benefiting 357,067 people who are currently in a situation of social and food vulnerability. Compared to the previous year, there was an increase of 5.9% of beneficiaries in Central America.



#### **Collective Food Impact Central America**

In 2020, we launched the campaign Collective Food **Impact,** inviting business partners to join efforts by making in-kind donations to food banks in Central America. This year we held its third edition.

The campaign brought together 97 suppliers, 38 of them from the Agroindustrial Division, who participated for the first time by delivering perishables such as fruits and vegetables. The donation of more than 136 thousand kilos surpassed what was achieved in 2021, benefiting 165,716 people. With these programas, we managed to further strengthen the relationship between Walmart and its supplieres on social matters.

	2020	2021	2022	vs 2021
Commercial partners	36	55	97	76%
Kilos	66,941	121,866	136,413	12%
Equivalent in MXN pesos	3,462,425	4,410,500	5,937,416	36%



#### Make Magic 2022 Mexico

COMMUNITY

Indigenous communities are highly vulnerable groups that experience complex situations, mainly in terms of food security. This year, in alliance with the organization Pro Mexico Indígena, we made a donation of 2.7 million pesos, which, added to the donations made by customers and members in our brick-and-mortar and digital stores, helped to feed thousands of families in Mexico's indigenous communities.

> **In Central America,** through this initiative, we celebrations, benefiting 8,358 children.









#### SUPPORT DURING **NATURAL DISASTERS**

At Walmart de México y Centroamérica we employ a series of internal resources that allow us to quickly identify, evaluate, classify and respond to natural disasters and emergencies that affect our operations, associates and/or the communities in the region.

Our Center for Operation Continuity (COC) works 24 hours a day, seven days a week. This allows us to identify emerging risks, prepare our facilities and train our associates to properly respond to emergencies such as natural disasters.

Thanks to our infrastructure, the capacity of the Mexican Red Cross and our revolving fund for humanitarian aid, we are able to provide support to communities during the first 24 hours after a natural disaster has occurred.

In Mexico, we made available our company's logistics and supply capacities, as well as donations, to support the following disasters:



Hurricanes

Grace

Veracruz

Roslyn

Nayarit



Heavy rains

- Chiapas
- Sonora

Earthquakes

Colima



Droughts Droughts

Nuevo León



Forest fires

Nuevo León

necessities, benefiting 39,068 people.



38,070 beneficiaries

Mexico 358.86 tons channeled

natural disasters

449.75

(entral America 90.89







The volunteering pillar allows our associates to participate in community and environmental improvement projects by volunteering their time and talent and promoting citizenship and community engagement. We know that together we can go further and our impact is amplified.

During 2022, we resumed our volunteer activities in Mexico and Central America, which were interrupted due to the pandemic lockdown. Thanks to the will of our associates and allies, we exceeded expectations and objectives by 3% over the original goal and engaging 21% of the total workforce across Mexico.

Focused on our strategy of becoming a Regenerative Company and in benefit of the communities where we operate, we carry out volunteer work, reforestation, improvement of public spaces, maintenance of schools and visits to food banks.

50,742 50,396 346

total volunteer hours



**LEARN MORE ABOUT** THESE EFFORTS

We seek to increase the income of our farmers, as well as boost the local economy by strengthening their productive and commercial capacities

# **Ethics and Integrity**

#### WHAT DID WE ACHIEVE TOGETHER?

Act under the highest standards of integrity, being a responsible, trustworthy, ethical and transparent corporate citizen.

21,051

on our Code of Conduct

20,706

Associates completed Train:





## ETHICS AND COMPLIANCE

The way we operate our business is as important as the products and services we offer to our customers, so we act in an ethical and honest manner to promote our stakeholders' well-being







# ETHICS AND COMPLIANCE

GRI, 2-27, SASB FB-FR-310A.4, CG-MR-310A.3, CG-MR-330A.2, FB-FR-310A.3

2022 represented a year of transformations and adjustments to new ways of interacting. The face-to-face and virtual worlds now coexist to meet today's needs. This quickly led to the creation of new legislations and social behaviors that were recognized and incorporated into our day-to-day work in all Ethics and Compliance programs.

We invest in strategies, protocols, procedures and methodologies that drive efficient results in our services and products. However, we know that our greatest strength is our 623 associates who, thanks to the leadership, vision and guidelines of a robust work under the standards of Ethics and Compliance in Mexico and Central America, continue to achieve improved results. Teamwork, observation, dialogue and innovation are achieved with unique people working as a team and with discipline.

Every year, we ensure that our programs are aligned with our commitments, values and principles

## Fundamentals of Ethics and Compliance

Walmart's Ethics and Compliance program is riskbased and suited to serve our global business. Our Ethics and Compliance program is designed around key principles to remain consistent and responsive as our business and external environment changes.

#### 1. Corporate Culture

The foundation of Walmart's Ethics and Compliance program is a strong corporate culture. We promote behaviors and decision-making consistent with our core value of acting with integrity, including assessing our culture and recognizing integrity in action.

#### 4. Policies, Procedures and Controls

We implement formal written policies to clearly describe the company's expectations on how we conduct business and what we expect from suppliers and third parties. We reinforce these expectations through the design and execution of risk-based controls.

#### 7. Confidential Reporting

We maintain reporting mechanisms that allow for anonymous and confidential reporting from all levels of associates, third parties, employees in our supply chain and other external sources.

#### 2. Compliance Leadership and Staff

reference in the industry

Our Global Ethics and Compliance Leader has overall responsibility for the implementation and maintenance of our Ethics and Compliance program, alongside experts from different areas, market and business unit leaders.

We are a company that privileges transparency

and integrity in everything we do, which makes

us a leading and innovative company, as well as a

## 3. Regular Risk Identification and Analysis

Our Ethics and Compliance program continually reviews and assesses compliance-related risks. We also consider data to identify risks and noncompliant behavior.

#### 5. Training and Communication

Educating associates, directors and high-risk business partners about our behavioral expectations and key policies and procedures is essential to our Ethics and Compliance program.

#### 6. Internal Monitoring and Evaluation

We also regularly monitor and evaluate our controls and communicate with our business partners regarding effectiveness. Internal monitoring and evaluation procedures, supplemented by periodic audits, help ensure that the components of our program are operating effectively and are well designed.

#### 8. Investigation and Remediation

Prompt investigation, root cause and corrective action analysis are central to the effectiveness of our Ethics and Compliance program.

#### 9. Continuous Improvement

We continually work to improve and adapt our Ethics and Compliance program to mitigate new and evolving risks, including by teaming with other business partners to design and integrate compliance into their new initiatives and acquisitions.



## **Continuous improvement**

In our company we have teams that visit and supervise our facilities. Our team aims to verify the levels of compliance that our environment demands and expects. For us, it's not just about what we achieve, but how we achieve it.





During 2022, we performed physical and virtual monitoring activities

Mexico

5,772

monitoring activities of different

compliance programs in operating units

Food

safety

654

New openings 241

Remodeled Monitoring of pests

117

524

Pharmacies Other

1,468 2,459

Treatment plants Total visits made for mitigation and projects

1,305

742

Central America

1,947

monitoring activities of different compliance programs in operating units

New openings Remodeled units Pharmacies plants

78 65 387

Food Monitoring of pests Other

619

82

1,030

TOTAL VISITS MADE

Major Mitigation and maintenance Surveying projects

43 28 34



In our company, one of our central axes that materializes our ethical commitment is the implementation of several compliance programs that cover our entire value chain



#### Areas that comprise the Ethics and Compliance program



Health and Safety



Environment



Labor and Employment



**Ethics** 



Health and Wellness



Foreign Trade



Anticorruption



Prevention of Money Laundering



Antitrade



Food Safety



Licenses and Permits



Responsible Supply



Privacy



Product Safety



Consumer Protection

Below, we outline some highlights of the 2022 Ethics and (ompliance programs





## Health and Safety

GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-7, 403-8, 403-9, 403-10

During 2022, one of our greatest successes was the reduction of customer accidents in Mexico and Central America. While returning to face-to-face operations generated a significant increase in the number of customers in our stores, we were prepared and ready to take actions to prevent risks and accidents.

This year, we launched **Zero Accidents** cards in our formats, something we had already successfully tested in our Distribution Centers. Associates in stores use these cards to identify unsafe conditions or actions. Every card raised is one less risk for associates and customers.

We are focused on taking care of our customers and associates to provide them with a safe place to shop and work

150,871 cards reported

4

155,601

associates trained in Mexico

8,534
associates are members of the Health and Safety Committee

**5,187**Mexico

3,347
Central America

We are focused on achieving our zero accidents goal. Today, we have hundreds of stores that have already achieved zero accidents during the year. There is still much to do, but every day we take one step closer to fulfilling our mission.

#### **ACCIDENTS KPIS**

			Mexic	0	Cent	Central America		
	2020	2021	2022	2020	2021	2022		
Work-related injuries	5,811	5,464	5,051	768	718	517		
Disabling injuries per hours worked	2.18	1.96	1.87	1.674	1.56	1.13		
Customer accidents	651	767	693	156	168	155		

\*Disabling injuries per hours worked = Disabling injuries\* (200,000)/ Total hours worked

Training on fire outbreak reduction

In Central America, we achieved a 13% reduction in the risk of fire outbreaks vs. 2021

As we continue to reinforce this action year after year, confidence in the safety of our stores for shopping and working is also strengthened. This achievement is due to the implementation of controls and monitoring by the teams, correcting the opportunities detected.



-27.40%

reduction in associate accident and **-20.97%** of customers in Central America vs. 2021

1,048

stores and clubs in Mexico with **Zero Accidents**  -4.50%

reduction in associate accidents and **-15.00%** of customers in Mexico vs. 2021



Mexico



Health and Safety

## **Zero Accident Contractor Program**

With our Zero Accident program, we are focused on the protection and care of our suppliers. The identification of potential risks together with the constant implementation of protocols, training and monitoring is something we are working on to continue strengthening this program. In 2022, we reinforced our strategy based on four main key actions ranging from immediate action to contain a risk, to the implementation of a plan with long-term results.

#### Key actions

#### 1. Skills upgrading

for safety supervisors, red helmets, and for the construction management team.

#### 2. New supplier development

ETHICS AND COMPLIANCE 10/1

safety assessment for new companies that will provide construction services.

Likewise, we hold safety meetings with our suppliers, and we call the suppliers with the most accidents and work in progress to request action plans from them.

#### 3. Continuous performance evaluation for contractors

this is carried out considering the performance on site and the accident record.

## 4. Safety leadership

the construction management team monitors construction sites with a selfassessment form and sets an example by following safety rules, being continuously trained and evaluated. Safety begins with the leadership example.

## Standardization process and generation of safety procedures

As part of the process to generate greater culture and awareness towards safety. during 2022 new visual safety standards or One Point Lessons (LUP's for its acronym in Spanish ) were updated and created, with the aim of reinforcing safety controls in a clear and standarized manner.

Through the LUPs, we explain guidelines and controls in a simple way, such as: safe unloading, safe use of machines, rules for the use of ladders, permits for hazardous work, handling of merchandise on the sales floor, safe use of blades, use of PPE. among others.

In Mexico, we launched the high-risk machine operation certification program, starting with tortilla equipment in 2022



We also launched the hazardous work certification program for our maintenance teams, strengthened our red helmet and contractor control program, and reinforced safety communications to third parties.

Central America Health and Safety



## Safe Family Program



accidents under the motto "Juntos nos Cuidamos" ("Together we take care of

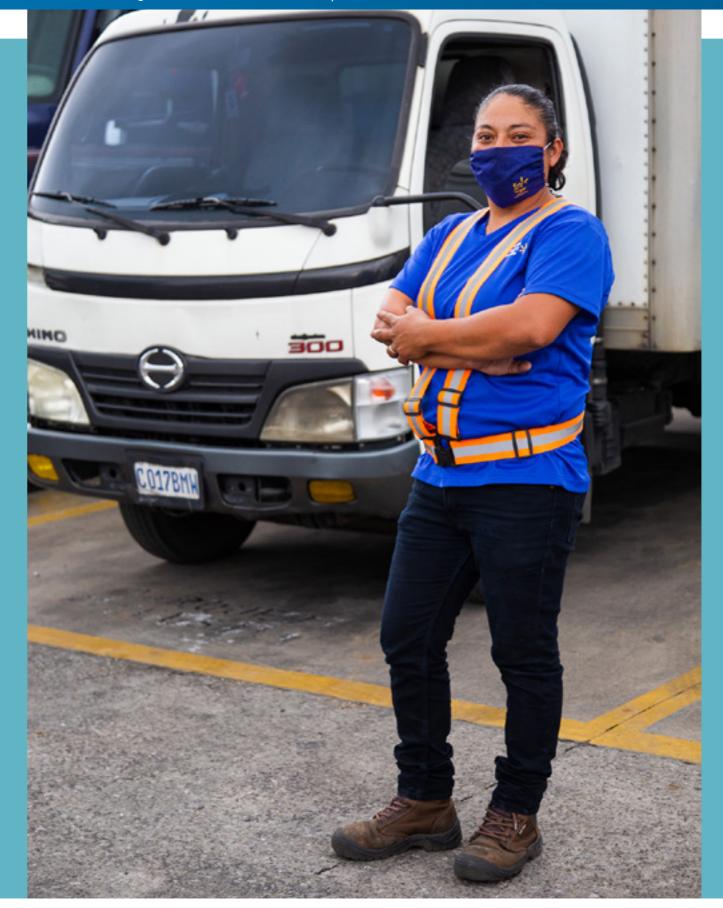




safe behavior observation records

We managed to get **3,163** associates to voluntarily start the modules, while **1,394** of them successfully completed Module 1 and continue their safety culture certification process.





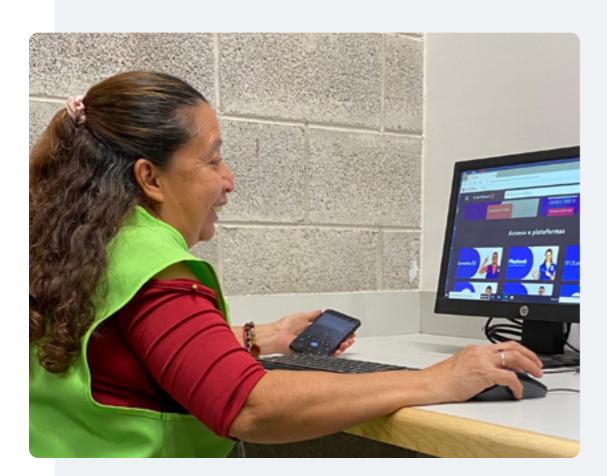


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## **Ethics**

During 2022, we continued to promote our Code of Conduct, launched in 2021, as a key tool for success

Undoubtedly, our business is as important as the products we sell and the services we provide based on ethical, transparent and reliable conduct.



This year, we continued with different actions in Mexico and Central America that help our associates maintain a culture of integrity:

#### **Annual Training**

In Mexico we imparted 17,308 hours of training on our Code of Conduct to the Operations and Staff associates, covering 97.54% and 95.77% respectively. In Central America, we imparted 3,743 hours, covering 94% of the company's associates.

### **Integrity in Action Award**

Every year we make a global recognition that honors associates who **exemplify our values and define our culture of integrity** every day.

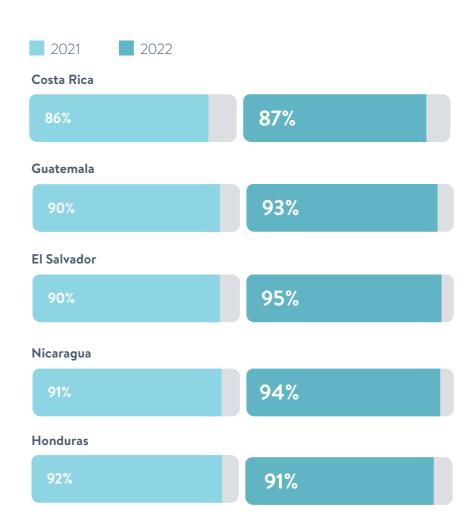
#### WalmartEthics.com

Through this platform, which is available in 11 languages and globally accessible, stakeholders can ask questions, read our **Code of Conduct,** report ethical concerns and follow up.

#### **Integrity Index**

The Integrity Index is composed of six questions that are included in the annual associate survey. This year, the Index increased in Mexico from 82% in 2021 to 86% in 2022.

Particularly, in **Central America** there was an increase from **90% in 2021** to **91% in 2022.** 





#### **Ethical Case Management**

We have centralized local research teams. achieving great improvements in efficiency, consistency, protocol tracking and information processing.

#### **Presence in Strategic Forums**

We conveyed key messages about integrity matters in forums such as the Year Beginning Meeting (JIA, for its acronym in Spanish), Year-End Meeting (JUFA, for its acronym in Spanish), Annual Executive Session and Compliance Tour.

### **Communication Campaigns**

We disseminated strategic communications to associates on relevant ethical topics to strengthen the culture of integrity, addressing issues such as Integrity builds trust, Confidence to report concerns, Retaliation, Conflict of interest, Bribery, Prevention of sexual harassment and discrimination. Prevention of fraud and dishonesty.

### **Alignment with Suppliers**

We conveyed messages about Walmart's culture of integrity to external suppliers through initiatives such as ExpoWalmart and the dissemination of a virtual ethical poster.

#### **Integrity for Leadership Series**

We shared positive leadership capsules with the organization's leaders focusing on integrity issues that were cascaded by level down to hourly associates, addressing topics such as Trust to report concerns and Acting ethically and honestly.



## **GRI 2-16**

## Being transparent involves not only talking about our accomplishments - it is also ethical to detect our areas of opportunity

To this end, our stakeholders have access to different channels for reporting their concerns. This allows us, on one hand, to detect non-compliance with our Code of Conduct, which is forcefully eradicated, on the other hand, to prevent potential risks affecting our stakeholders or environment. The mechanisms for reporting their concerns are the following:

#### Open door communication

with the direct leader, next level leader, People, Ethics and Compliance or Legal leader

#### Website

http://www.walmartethics.com

#### email

ethics@walmart.com

#### Mexico and Central America Ethics Line

available 24 hours a day, every day of the week

Costa Rica

0800 542 5443

Guatemala

1800 835 0377

Honduras

800 2220 0141

El Salvador

800 6126

Land and mobile lines

800 384 22

For IP calls only

001 800 2201 967

Landlines only

505 2248 2275

All lines, Additional cost call

Mexico

800 963 8422



## **Actions and Policy**



GRI 2-15, 205-3, 406-1

# Actions taken derived from reported ethical cases

All confirmed cases result in a disciplinary action ranging from a reprimand to termination of employment.



In addition to the findings identified in such cases, remediation measures are implemented in coordination with the business areas, including training, process improvements, policy publication and modification, communication reinforcement, among others.

# Global Harassment and Discrimination Prevention Policy

It establishes guidelines that strictly prohibit all forms of discrimination and harassment.

# Global Conflict of Interest Policy

It establishes how our associates should act, taking into account the company's interests and exercising good judgment, without considering personal interests or situations that may affect their objectivity to make decisions.

**In Central America,** we implemented a robust conflict of interest prevention plan, which consisted of the following steps:

- Conflict of Interest Form: all new and promoted associates completed this statement, so that any potential conflict of interest was disclosed in writing and could be reviewed in advance and prevented in a timely manner
- Signature of acceptance of the Global Conflict of Interest Policy for all new associates: associates read, accept and agree to comply with it at the time of hiring
- Annual review: once a year, the CI team randomly reviews the Conflict of Interest form from a sample of associates to validate that the document has been signed as part of the recruitment process
- Communication campaigns: in July 2022, we issued a reminder about the importance of updating the Conflict of Interest Form and disseminated an awareness campaign in April, November and December 2022
- Alignment with external suppliers: in March 2022, relevant information about conflict of interest was included in the electronic ethical poster, which was distributed to suppliers

#### Sexual Harassment

At Walmart, we are committed to being a workplace free from sexual harassment. To this end, in Mexico during 2022 we maintained a permanent sexual harassment prevention campaign, obtaining significant results that transcend beyond the company.

Particularly in Mexico, during this year we worked comprehensively and jointly with the Ethics, Compliance, Legal, Human Resources and Operation areas. The result was to raise awareness of some behaviors that were not identified as harassment, and thus be reported, investigated and corrected. This allows to create a free work environment, where no sexual harassment is tolerated and all confirmed events are sanctioned without leaving room for impunity.

In addition, this year we were able to significantly reduce the life time of cases below the target time. In other words, the priority and commitment to contribute to eradicating harassment was reflected in the speed with which we resolve cases. As a result, we can take much quicker actions on improper behaviors and address reported concerns more promptly.

**Particularly in Central America,** we carried out the following activities in relation to this topic:

- The signing of the Zero Tolerance to Sexual Harassment Pledge was renewed
- 🛚 Costa Rica's Protocol for Sexual Harassment Cases was updated
- The Sexual Harassment Prevention campaign was issued and Human Resources, Compliance and Legal advisors were trained
- Harassment Cases for Costa Rica was reviewed, in accordance with the requirements of the national legislation on this matter, in order to make the investigation of sexual harassment cases more efficient
- Investigation timeframes for sexual harassment cases were reduced by prioritizing them, placing the associate at the forefront and reducing legal risks for the company



## **Anticorruption**

GRI 205-1, 205-2, 205,3

Being one of the best companies in the world puts us in the public eye. We are a high-performance company that contributes to the development of the countries where we operate. Control and prevention are a permanent part of our entire value chain in order to avoid any irregular action that, no matter how small, indisputably affects our purpose as a company.

Our Global Anticorruption Policy explicitly prohibits any undue payment under any circumstances from any actor in our environment. At Walmart, this type of act constitutes a direct violation of our **Code of Conduct**, which carries disciplinary sanctions among other consequences. In this way, we have global procedures and protocols that are activated on a daily basis to deal with these type of situations.

Global Anticorruption Policy

Code of Conduct

Two main axes that allow us to reinforce our ethical and compliance behaviors in Mexico and Central America were Preventive Measures and Corrective Actions.

#### **Preventive Measures**

We carried out Third Party Intermediaries audits (TPIs), which allowed us to better understand the services and operations of our external partners, reinforcing compliance with our **Anticorruption** 

Policy and Procedures.

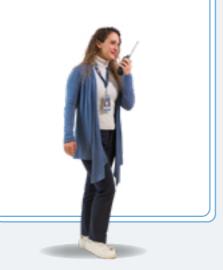
We also carried out the corresponding training on the subject, which was in turn reinforced through communications to the defined audiences, both internally and externally.



#### **Corrective Actions**

We implemented action plans to remedy risks identified by our monitoring and audit teams, which is part of our continuous improvement in anticorruption matters.

In addition, the Anticorruption monitoring team will expand to monitor other areas in the Ethics and Compliance program.



**ASSOCIATES COMPLETED** ANTICORRUPTION TRAINING

Mexico 14,043

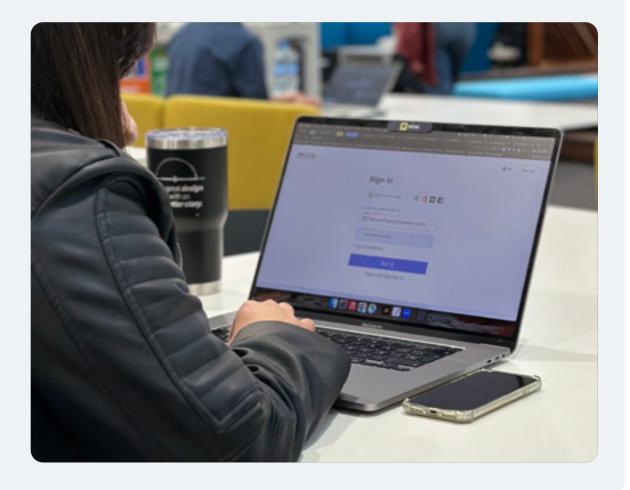
6,663

THIRD PARTIES COMPLETED OR RENEWED THEIR ANTICORRUPTION TRAINING

Mexico 594\*

Central America 150\*

\*Business partners







## **Food Safety**

GRI 416-1 SASB FB-FR-250A.1, FB-FR-260A.2

This year, to reinforce the Food Fraud Program in Mexico and Central America, we used different tools to achieve our objectives:

#### Threat & Vulnerability Risk Assessment

It is a tool that categorizes foods by risk level according to different criteria ranging from their composition, their history, and up to their manufacturing procedures. Through these factors, we can determine a higher or lower risk category. Once this level has been identified, we proceed to generate a specific monitoring plan.

#### **Software Horizon** Scan

It is a tool that identifies food safety risks, food fraud, non-compliance with labeling laws and ingredient substitution in other countries. With this tool, we can determine whether there is a potential risk in our Private Brands' products or not.

Incorporation of new testing techniques for detecting ingredient substitutions and/or non-compliance with ingredient additions

This is to ensure that our Private **Brands'** products always comply with applicable regulatory laws.



## **Global Food Safety Initiative (GFSI)**

We require all suppliers of our Private Brands to be certified in this type of scheme within a reasonable period of time, in case they do not have their own system.

In addition, our meat plant located in Cuautitlán is Safe Quality Food (SQF L-2) certified. This certification allows us to market products that guarantee quality and food safety.



Storage and Distribution Best Practices Audits to DCs and perishable goods deconsolidators:

Mexico

**29** 

36

External audits

In Central America, 100% of Fruit and Vegetable suppliers were included in the **GFSI** program:

IMPORTED FRUIT AND **VEGETABLE SUPPLIERS** 

63

269

100%

**AUDIT TYPE** 

269

**FOOD SAFETY AUDITS** IN STORES

10,295

#### **OUR BRANDS' FOODS**

	Mexico	Cent	ral America
Audited suppliers	314		180
Audited plants	378		235
Percentage of certified plants	95.5%		95%

## **AUDIT TYPE**

	Mexico	Cent	Central Ameri		
Global Food Safety Initiative Certification (GFSI)	361		223		
Global Markets	17		12		





## Privacy

GRI 418-1 SASB FB-FR-230A.1, CG-MR-230A.2, CG-EC-230A.2, CG-EC-220A.1, CG-EC-220A.2

> We value the privacy and protection of our associates', customers' and suppliers' personal data as an ethical principle and human right. The information shared by our stakeholders is highly guarded and protected.

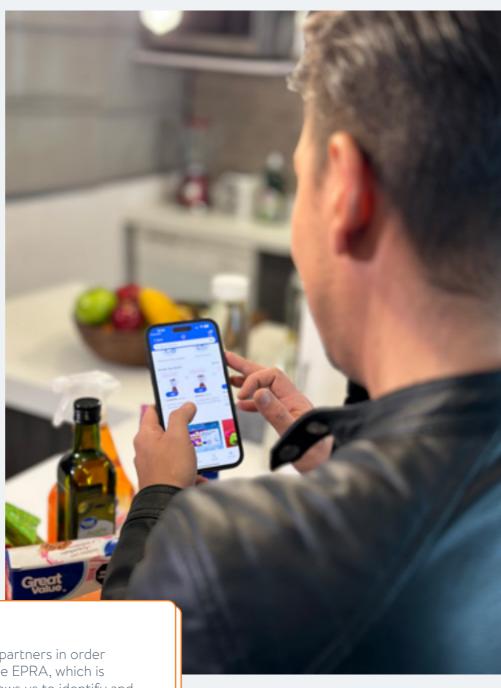
## We comply with all regulatory requirements for the acquisition, use and retention of personal information

At Walmart de México y Centroamérica, our **Privacy Notices** are published to provide transparency to our customers, associates and suppliers, clearly defining the type of data we process, as well as the purposes for which we process them.

# In 2022, we conducted programs that reinforce our commitment to respecting privacy

**EPRA** (Enterprise Privacy Risk Assessment)

We developed training and communication campaigns for our business partners in order to understand the importance of the privacy review process through the EPRA, which is applicable to projects involving the processing of personal data. This allows us to identify and mitigate risks and protect our customers' and associates' personal data. All in accordance with the periodic review and update of global policies and standards aimed at the proper handling of personal data and records, among others.



## **Incident Response**

the incident response drill in conjunction Additionally, in 2022 we modified our local

In 2022, we had no confirmed incidents of privacy breaches or data leakage of our customers in Mexico and Central America





## **Environmental**

GRI 304-1, 304-2, 304-3, 304-4, 306-3, 307-1

This program aims to comply with legal environmental requirements in the region. To this end, we harmonize regulatory obligations with our best practices. The goal of being a regenerative company drives us to go beyond the legal requirements and achieve high-impact positive results for the benefit of the environmental ecosystem and humanity.



## Mexico

During this year, 7,187 environmental analyses were carried out in Mexico. For the waste program, a total of 1,558 reports on compliance with special waste management plans were submitted, of which, 726 were updates, renewals or first time plan reports. In addition, 1,272 compliance reports were submitted for the Environmental Impact and Risk category.

For wastewater area, a multi-area working group was established in 2022 to implement actions and generate plans to improve water quality that considers all the areas involved in wastewater management. In addition, a multi-year plan was developed to build and renovate treatment plants, as well as to adapt existing treatment plants to comply with the new regulations for wastewater discharges to national assets.

The environment and humanity are at the center of our actions

### Project with protected species 2022:

#### Mexico

Ranchería Marín DC, was built in the state of Tabasco where:

106

species impacted

17.62 hectares of impacted area

# Central America

In relation to the wastewater progra:m

5,642

samples were taken

monitoring reports were prepared and submitted to the authorities



Thanks to our training program, 3.996 associates were trained in environmental issues and the Planet **Project Program** was launched in conjunction with the Communication Department and Operations Center to raise awareness among our associates about the pillars, goals and actions we are taking to become a Regenerative Company.





## **Health and Wellness**

GRI 416-1

Our Health and Wellness program in Mexico and Central America aims to comply with all legal requirements, as well as with the best market practices and thus guarantee the optimal operation of our pharmacies and doctor's offices. Likewise, this program establishes and implements the regulatory controls to be complied with in the marketing of products.

We have established standards and controls that ensure we always do the right thing, at all times and in all places. We continually reinforce the protocols of our pharmacies and distribution centers and thus guarantee safe, effective products that comply with current health regulations.

During 2022 we stood out for the following actions in Mexico



We updated the standard operating procedures (SOPs) of pharmacies

We strengthened controls related to product cataloging and supplier registration

We strengthened the validation of health care supplies prior to adding and cataloging them

We implemented temperature and humidity controls and monitoring throughout the transportation of health supplies

In addition, this year the Health and Wellness Program supported the market strategy in launching new health products and services, such as:

- Electronic prescription pilot program in 15 units
- Health membership in 980 units
- Increase in home delivery service, reaching 971 units
- Opening of the Marketplace platform for the commercialization of Class I and II medical devices

TRAINING AND EDUCATION

5,106

pharmacy associates were trained on-line

2,338

associates were trained in DCs through 13 training capsules that cover 34 procedures

363	<b>45</b> Medimart Suppliers		<b>68</b> Medimart supplier facilities audited in 2022		
Medimart Products 5,254 Products in Pharmacy	<b>292</b> Medimart products analysis		<b>+100</b> Non-Medimart Suppliers		
Establishments (where distributed or commerc		lements a	and/or medical devices are stored,		
<b>1,873</b> stores selling overthe-counter products	<b>1,484</b> Pharmacies	<b>14</b> DCs	<b>1</b> Return Center		
<b>413</b> Doctor's offices in operation	1468 Internal pharmacy aud	its			

## Central America

pharmacies in DCs

Costa Rica 88 1

Guatemala 46 1

El Salvador 8 1

Nicaragua 30 1

#### **AUDITS**

**Pharmacy** 

1,37149211external auditsinternal auditsexternalto pharmaciesto pharmaciesaudits to DCs

#### TRAINING AND EDUCATION

354 7
associates were associates were trained with CBL trained with CBL course course

DCs





## **Prevention of Money Laundering & Financial Services**

We have a Prevention of Money Laundering program aligned with Walmart's global policies and applicable legislation in Mexico and Central America.

During 2022, in Mexico we supported the market strategy in launching new financial products and services and implemented new controls that comply with regulatory requirements and best practices at Walmart, such as:

#### Remittances from Walmart US to Walmart Mexico

In conjunction with the global team, we implemented constant monitoring to detect unusual activity in the company. This helps prevent money laundering and consumer fraud.

### Quality Assurance (QA) process

We work closely with the global team to carry out a QA process that reviews the quality of investigations into alerts and detection of cases for unusual remittance activity, helping us to prevent money laundering and consumer fraud.

In the case of Central America, during the same period, the Prevention of Money Laundering **Program,** among others, supported the market strategy in products and processes such as:

#### Remittances

#### **Financing**

#### Know Your Third Party and Due Diligence Program

#### Global Standards such as NPRA & VRA

In Mexico and Central America, standards have been partners, as well as Financial Products and Services (NPRA - New



## **Licenses and Permits**

We comply with the licenses and permits required by our entire value chain



In Mexico, during 2022 we managed more than 38 thousand licenses for the operation of our stores and clubs, of which 15,501 were renewed during the year. In addition, we obtained more than 4,500 licenses for the construction and operation of new units and other strategic company projects.

In Central America, during 2022 we managed more than **7,000 licenses for the operation of our stores,** of which 2,594 were renewed during the year. In addition, we obtained more than 275 licenses for the construction and operation of new units and other strategic company projects.

The entire process, both in Mexico and Central America, is documented in our Global License Management (GLM) system, from researching requirements, authority data, entry, application and fee payment, to obtaining the license document.

Private Brands suppliers evaluated in Mexico:

**GENERAL** 

480

**786** 

not approved

**MERCHANDISE** 

FOOTWEAR

16

suppliers

42

audits

not approved

326

**53** not approved **INSPECTIONS** 

18,574 factory inspections of

national suppliers

source inspections to import suppliers

source inspections to import suppliers -Walmart Sourcing



← BACK

## **Product Safety**

GRI 416-1 SASB CG-MR-410a

One of our obligations is to ensure the safety of the products we sell to our customers. From cosmetics, consumables, apparel, footwear to general merchandise, we ensure that they comply with safety, regulations and quality standards.

The safety of our products is not limited to regulatory requirements; we go beyond that and incorporate international standards for reliable and safe products.

> During 2022 in Mexico, through FCCA (Factory Capability and Capacity Audit) audits of eight categories (apparel, linens, footwear, cosmetics, electrical and electronics. jewelry and accessories, toys and general merchandise), Private Brands factories were requested and verified to have safety and quality controls in place.

> In addition, we participated in seven of the 12 quality studies for general merchandise promoted during 2022 by Profeco for the following products: towels, latex gloves, pants, socks, electrical extensions, t-shirts and Private Brands roto-hammers, to ensure that the company's requirements are met and that the products are safe for our customers and members.

We perform annual random monitoring of all our categories classified as "high risk", which consists of verifying, through testing methods accredited by the EMA/ Cofepris, that the products comply with safety standards to preserve the health of our consumers. Likewise, corrective and preventive action plans are worked out in case of finding deviations from our suppliers.

ETHICS AND COMPLIANCE 10/1

Among the review protocols are the certifications in the current standards. which are delivered by the suppliers, and where the requirements and safety of the products are reviewed, with emphasis on our Private Brands.

In addition, we supervise textile and footwear products through laboratory tests and factory inspections of national and import suppliers, in order to validate compliance with regulations and the safety and quality standards established by Walmart.

In Central America, we manage more than 17 thousand health registrations required by regulations to reinforce the sale and

suppliers and products inspected during 2022 had the required certifications, as

#### GENERAL MERCHANDISE

#### HOUSEHOLD APPLIANCES





## **Labor and Employment**

GRI 402-1, 408-1, 409-1

Every day we ensure that we comply with the labor rights of our associates in Mexico and Central America, we take action to ensure that they are aware of their rights, such as working in an environment free of discrimination and sexual or workplace harassment, being paid correctly, and quaranteed rest periods. Thanks to these practices, labor standards become habits that respect human rights.





LEARN MORE ABOUT **OUR EFFORTS** 



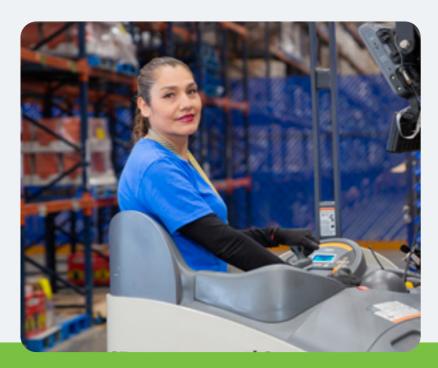


## Foreign Trade

Our Foreign Trade program consists of ensuring that the import and export of the company's merchandise complies with the applicable foreign trade regulations, as well as the payment of the appropriate taxes for foreign trade operations.

## This program also ensures that we maintain a safe and secure supply chain during the import process

We perform monthly monitoring of imports for the entire company, including eCommerce, in order to ensure that the foreign trade standards and controls implemented are being followed correctly.



With regard to compliance with applicable foreign trade regulations, in Mexico, in collaboration with the Imports area, we ensured that import logistics service suppliers have governmental security standards, controls and certifications, for example: Customs and Trade Partnership Against Terrorism (CTPAT), Authorized Economic Operator (AEO) and Partners in Protection (PIP), in order to keep the supply chain of imported goods safe and secure, avoiding operational disruptions, as well as drug, arms and human trafficking, among others.

In Central America, efforts were made on specific foreign trade issues, such as rules of origin in free trade agreements, based on the amount purchased and from origins such as the United States, Mexico and Central America. This way, we ensure that our customs declarations to the competent authority are accurate, thus avoiding fines or reputational damage to the company.





## **Antitrust**

GRI 206-1

We offer constant training in antitrust matters both to areas that represent greater risk, as well as to other areas that develop new projects within the business. In this regard, during 2022, an electronic **Antitrust Compliance training was** implemented, aimed at our Purchasing or Category areas, through which associates from those areas were trained. The implementation of the local and global trainings (Antitrust and Competition Law Foundations) facilitated the customization of face-to-face training sessions for all Walmart teams, aligning them under the same ethical and legal purpose.

During 2022, we constantly reinforced relevant Antitrust Compliance issues. For example, direct and personalized communications were sent to suppliers and sellers about Walmart's commitment to comply with antitrust laws and negotiation rules to avoid anti-competitive practices. This communication was further reinforced with a message from our Procurement Leader to supplier leadership. In doing so, we ensure that each supplier and seller is committed to Walmart's ethical and compliance purposes.

On the other hand, various gueries from the Category (Procurement), Marketplace and Growth teams were resolved, providing business-oriented solutions; in addition, the implementation of new monetization initiatives was reviewed and validated in conjunction with the Legal area, which allowed us to reinforce our identity of transparency and trust.

P. 160

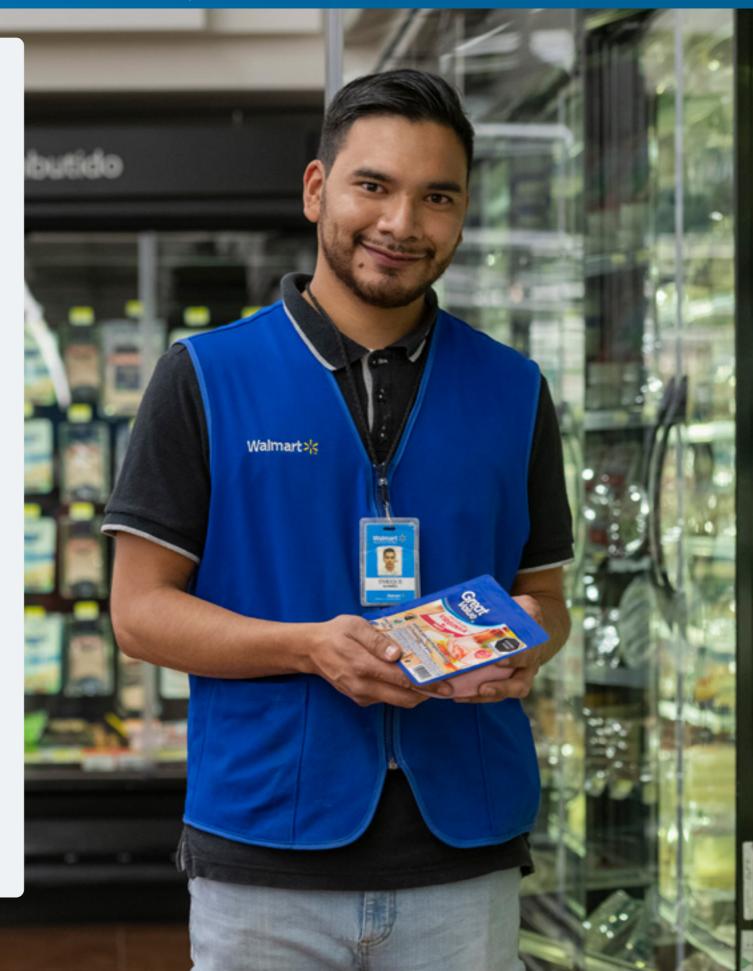


ASSOCIATES TRAINED MEXICO AND CENTRAL AMERICA

5,877 associates were trained (including e-training)

face-toface training sessions

Our main objective is to train and sensitize our associates to prevent and detect any potentially anticompetitive behavior









## Consumer **Protection**

GRI 416-2, 417-1, 417-2, 417-3, 2-27 SASB FB-FR-270A.1



## Our customers inspire us, that is why it is our duty to protect and defend their rights

Our customers are at the center of our decisions and every day we align ourselves with consumer protection requirements and best practices. To this end, we have a highly trained team, capable of taking comprehensive actions that always seek to provide the required information to the consumer so that they can make an informed purchase decision.



We have efficient controls that allow us to strengthen every day the requirements of the regulation on Consumer Protection, being the main ones related to:

Origin of product or service components

ETHICS AND COMPLIANCE 10/1

Content, especially with regard to substances that may have an environmental, social or nutritional

Product or service safety instructions

Product labeling

Each year we continue the **Consumer Protection** program to apply efficient procedures. We also carry out the communication and training program for store and club teams as well as staff that generate information, advertising and/or promotions for our customers. For example, we perform electronic training on Advertising and Promotions Rules with the applicable rules for each product.

This ensures that such information is clear and truthful, complies with legal and ethical requirements, and helps our customers and members to make an informed purchasing decision. In addition, we reinforce communication and training in staff and operation, in order to

avoid sanctions by authorities and respond to our customers' needs. We know that in order to maintain customer loyalty, it is important to provide effective continuity to our policies, programs and processes.

For this reason, during 2022 we reinforced controls to prohibit the sale of alcohol to minors, both at physical stores and in home deliveries, which we monitor. We also created a complaint dashboard for Bait, our mobile phone service, which allows us to identify the most relevant issues by type and by state within the country so that they can be addressed.

On the other hand, we adhere to Walmart's regulatory requirements and best practices that allow us to periodically control and monitor the terms and conditions of products and/or promotions in each of our verticals: Bait, Cashi, Connect and Health. In addition, we constantly train our Marketing teams, among other teams that prepare the advertising material, in order to provide correct, clear and complete information for our customers.

We know that transparency generates trust, so we reinforce our requirements regarding the information offered in our company. We took additional actions; for example, we implemented a matrix that requires minimum advertising requirements (e.g., validity of promotions, terms and conditions, cautionary legends, etc.) to be enforced by the Walmart Connect team and Marketing teams across all formats.

In addition, we ask our suppliers to update their images for our online sales sites.

## We reinforce our objective of maintaining clear and transparent information, directly benefiting our customers.

In Central America to review the labeling requirements of products in different categories, such as Food, Consumption and Perishables, in order to verify compliance with regulations.

Another important focal point of the compliance program is the attention to consumers in the post-sale process. During 2022, several training sessions were held for store teams in Central America to provide them with tools for timely handling of warranty claims from consumers when items are defective.



GRI 308-1,308-2,408-1,414-1,414-2, FB-FR-430A.3, FB-FR-430A.1,CG-MR-410A.1

## DIGNITY THROUGHOUT OUR VALUE CHAIN

## **Responsible Sourcing**

We are agents of change in favor of social progress and environmental conservation

To achieve this, it is necessary to take care of our value chain from the perspective of responsibility, transparency and legal compliance. To this end, we are strengthening our relationships with suppliers. In this way we eradicate any conduct that negatively impacts human rights and the environment.

The prohibition of forced and child labor, equality and non-discrimination, the prohibition of corruption and the quarantee of decent work are our daily commitments. In turn, the responsible use of environmentally friendly products, as well as the reduction of our carbon footprint, are goals that are reaffirmed and reinforced every year. To speak of a responsible value chain is to speak of a regenerative company, which evaluates and monitors our actions and the actions of third parties that make up our value chain.

In 2022, we had

7,466

suppliers with active contracts for Mexico and Central America markets

**According to the Factory Audit** System, there are

1,734

single active facilities in Mexico and Central America that supply several Walmart retail markets, including retail markets in Mexico and Central America



We continue to grow together with our suppliers. For this reason, we improve the different mechanisms available to our suppliers and support them in promoting the human dignity of workers.

### **Responsible Sourcing Academy**

We provide training resources and guidance on best practices from a training perspective, developed by third parties and in several languages.

### Subjects addressed:

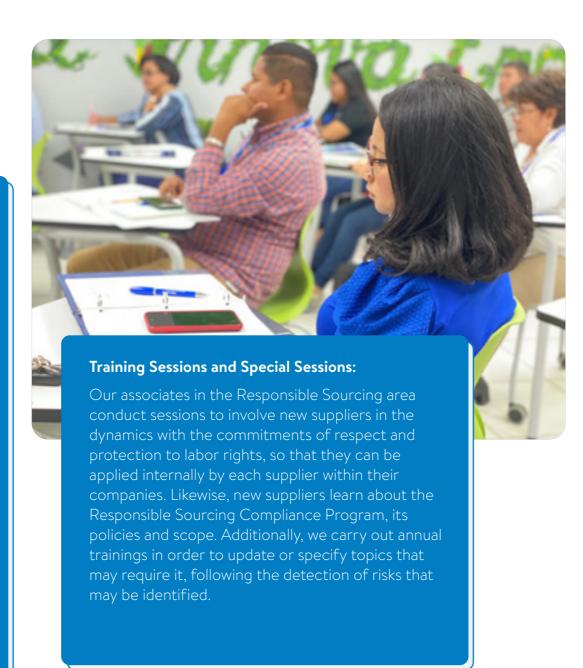
- Audit guides
- Global compliance guide
- Forced labor
- Health and safety
- Supply chain controls

61

supplier representatives have completed training courses in Mexico y Central America

58

new supplier representatives have been trained in Mexico y Central America



This year, one of our objectives was to ensure that suppliers are aware of the purpose and requirements of the Responsible Sourcing Program, as well as to follow up on the improvement of their facility scores.

Additionally, in Central America we focus on providing useful and effective information to comply with Responsible Sourcing requirements:



We created audit guides for new or potential suppliers, in order to give effective visibility to the requirements of the applicable programs, depending on the specific product

We accompany existing suppliers to improve the score of their facilities and avoid their inactivation or removal. Therefore, we implemented training sessions focused on remediation of the major risks found during the audit. We reinforced suppliers' obligation to know and comply with the **Supplier Standards**, given that they have made a commitment to apply these duties in their businesses and throughout the process of supplying products to Walmart. In addition, they inspired liability practices for the conduct of any supplier, subcontractor and agent involved in their business activities, such as factories, processing facilities, raw material, component and ingredient suppliers, among others.



## **Evaluating Supply Chain Risks**

# Annually, our Responsible Sourcing area performs risk assessment within our supply chain

This allows us to identify risks in order to provide efficient solutions. We have adequate criteria to meet risk prevention or mitigation objectives.

Some of these evaluation criteria are:



Detection of areas most prone to and with the greatest impact on key risks in our supply chain

Risk analysis by country where we operate, based on internal and external data that take into account scope and severity factors

Identification of specific commodity and other product risks, based on data, local and expert intelligence, among other sources, which allows us to better understand the locations and supply chains where problems are particularly severe



Once the main sources of risk are identified, we proceed to detect the causes that originated them, as well as conducting an evaluation that contributes to solve them and that considers the possibility of making changes in our policies or procedures, in order to provide a comprehensive response.

The audits address a variety of topics, allowing for the inclusion of diverse approaches, such as workers' compensation, voluntary labor practices, working age laws and standards, working hours, and facility health and safety standards, among others.



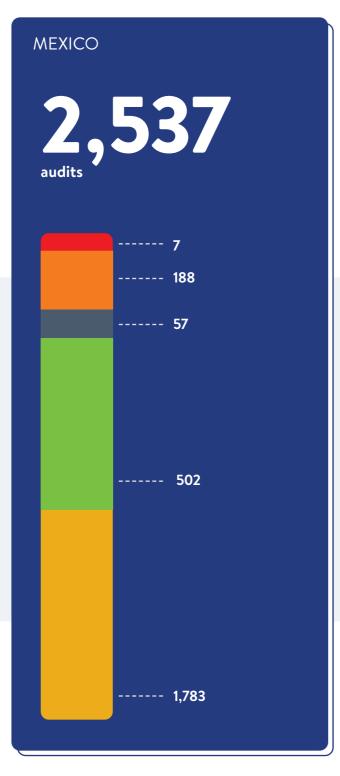
## **Audit and Risk** Classification

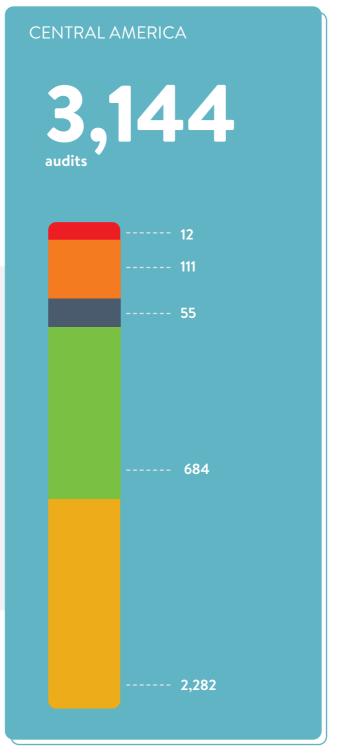
In 2022, we continued with the classification of the third-party audit reports submitted for each facility. We assigned a green, yellow, orange or red rating for each facility, based on the evaluation of the third-party program and our own review of the report, according to our Supplier Audit and Evaluation Policy. This allowed us to determine the supplier's level of compliance with our standards



<sup>\*</sup> Three consecutive Orange ratings may result in a Red rating, regardless of whether the facility remains in good standing with the audit program chosen.

#### **AUDIT RESULTS**





## Claim mechanisms

Our Responsible Sourcing area offers different accessible channels to raise concerns about irregularities, and thus seek remediation solutions.



## **Trust and Safety**

Trust and Safety is a program that defines policies and uses tools, systems, and processes specifically for:

Detecting and blocking products and/or sellers that do not comply with applicable regulations

Detecting and blocking content or products that are offensive. discriminatory, or contain inappropriate language

Monitoring risky activities at product and seller level

By carrying out these activities, we can provide our customers with a secure place to transact on our Marketplace platform, building and maintaining their trust.

<sup>\*\*</sup>If a facility is given a Red rating, it may be banned from producing goods for Walmart indefinitely or its production may be halted and/or its product refused.



## **CORPORATE GOVERNANCE**

GRI 2-9

The goals achieved in 2022 are possible thanks to the experience, leadership and commitment of our corporate governance

## **Board of Directors**

GRI 2-9, 2-10, 2-11,2-12,2-14,2-17,2-18,2-19,2-20, 2-21, 405-1 SASB CG-EC-330A.3, CG-MR-330A.1

SENERAL INFORMATION											
	Judith McKenna	María Teresa Arnal	Adolfo Cerezo	Ernesto Cervera	Kirsten S. Evans	Leigh Hopkins	Eric Pérez- Grovas	Elizabeth Kwo	Guilherme Loureiro	Karthik Raghupathy	Tom Ward
Gender	F	F	Μ	M	F	M	M	F	M	M	N
President											
Independent				•			•				
Members since	2022	2022	2012	2014	2018	2022	2018	2022	2016	2022	20
EVDEDIENIOE						·					
EXPERIENCE											
Accounting & Audit							•				
Branding & Marketing									•		
Business Strategy			•	•		•	•		•	•	
Corporate Governance			•	•		•	•		•	•	
Economics and Finance			•	•		•	•		•	•	
Energy											
Entrepreneurship											
Environmental, Climate Change, Sustainability											
Ethics & Integrity											
Health & Safety											
Human Resources											
Human Rights											
Technological Infor-mation/Cybersecurity							•			•	
nvestor Relations							•				
Logistics									•		
Manufacture											
Mergers & Acquisitions										•	
Institutional Relations							•				
Real Estate											
Regulatory and Legal Affairs	•										
Risk Management							•				
Sales							•		_		

#### COMPOSITION AND FREQUENCY OF THE BOARD OF DIRECTORS

It is comprised solely by statutory members.

Members are appointed each year by the Ordinary Shareholders' Assembly.

Independent Directors must constitute a minimum of 25% of total members. As of December 31, 2022, 45% of all directors are independent.

The officers of the Company and its subsidiaries are limited to executive presidency and general direction positions only.

The Board of Directors meets a minimum of four times a year. During 2022, they held 4 meetings. The average meeting attendance was of 84%.

the Board is 3 years.

LEARN MORE ABOUT

**BOARD MEMBER BIOGRAPHIES** 

LEARN MORE ABOUT PRIMARY **RESPONSIBILITIES AND OTHER PRACTICES** 

The average tenure of the members of

Minority shareholders, whose shares represent a minimum of 10% of owners' equity, have the right to appoint and remove a member of the Board of Directors. Their appointment may only be removed when the other members of the Board of Directors are revoked.

At the close of 2022, 29.49% of the company shares are traded among the investor public.

of the members are women, i.e. 36%

of the members are independent, i.e 45%

## **Audit and Corporate Practices Committees**

GRI, 2-9, 2-19, 2-20, 207-2, 405-1

Currently, the committees are integrated by five directors, all of them independent.

- Adolfo (erezo President
- Ernesto (ervera
- Eric Pérez-Grovas
- Elizabeth Kwo
- María Teresa Arnal

LEARN MORE ABOUT THEIR PRIMARY **RESPONSIBILITIES, PRINCIPAL REQUIREMENTS AND PRACTICES** 

## Walmart de México Foundation **Board Of Trustees**

GRI 405-1, 2-13, 2-9

It is made up of 13 trustees, four of whom are independent directors and meet four times a year.

LEARN MORE ABOUT ITS CONFORMATION AND MEMBERS







## **GOOD DIGITAL CITIZENS**

We seek to build and maintain the trust of our customers, associates and communities regarding the use of technology and data, in line with our values of service, excellence, integrity and respect for the individual.

As our customer proposition has evolved beyond stores and clubs to become a more digital and omnichannel offer, our focus on data and technology has become a fundamental part of building trust.

Walmart's digital trust commitments, based on Walmart's core values

**Service:** our use of technology and data will be in service of people.

**Excellence:** we strive for excellence in our technology, making it simple, convenient and secure.

**Integrity:** we will use data responsibly and transparently and always with integrity.

**Respect:** our data practices and technology will treat people fairly, with dignity and respect.



We implement these commitments through four key focus areas:

## Promoting impartiality

Through the guidance of the global Digital Citizenship team, we shape decisions about the use of new technologies, services and data

## Privacy protection

We maintain policies and controls regarding the use and exchange of customer and associate information

## Data, records and information management

We support the use of data and technology through policies and procedures, associate training, and monitoring and evaluation

#### DOUP(IALITYMANA

## Cybersecurity and information security

We protect our information and digital infrastructure from cyber-attacks through compliance with international standards, incident reporting policies, escalation practices and vulnerability testing



Charles Printers Compra



## **HUMAN RIGHTS**

GRI 410-1,411-1

Through our <u>Statement on Human Rights</u>, we have established public commitments that guarantee respect for human rights and dignity for all our stakeholders



At Walmart de México y Centroamérica we take several measures that have a positive effect on each of our stakeholders' ability to harness and benefit from their human rights

# Actions performed for our stakeholders:

## Community

We mitigate social problems through specific actions that allow us to reach vulnerable communities



#### **Associates**

We offer inclusive workplaces, free from discrimination and harassment. We offer opportunities with fairness and respect



## Customers

We work on being empathic with their realities and conditions. We provide alternatives, products and services within everyone's reach, so that financial conditions do not limit access to a better quality of life



## Suppliers

We seek to promote their economic and development rights. We take actions that allow them to grow with us and have a positive impact on society



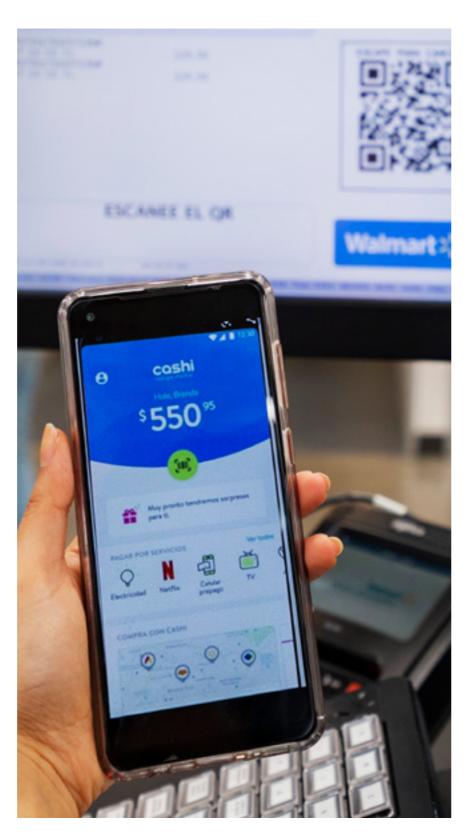
## INFORMATION **SECURITY**

FB-FR-230A.2, CG-MR-230A.1, CG-EC-230A.1

For us, information security in Mexico and Central America is as important as our business strategy



We know the scope involved in processing data from our customers, suppliers and associates. Our objective is to maintain information security by fully understanding information shared by our associates, business partners and relevant Tribe leads. To achieve this. we have information security policies, standards, procedures and guidelines that seek to regulate and raise awareness among associates and suppliers about the importance of safeguarding information and the use of technological resources used by our company. We also train our associates to make them aware of the importance of adopting behaviors aligned with our information security guidelines.





Thanks to our comprehensive, costeffective and risk-based security services, we are able to provide a reliable and solid service. To do this, we ensure that information and information systems are protected against unauthorized access, use, disclosure, alteration, modification or destruction.

In addition, we ensure that we follow best practices to identify risks, detect suspicious activities and anticipate potential incidents. We also identify and manage vulnerabilities present in the company's information assets, considering elements such as: vulnerability analysis scheduling, results documentation and vulnerability classification, prioritizing their attention according the risk involved.

On the other hand, we provide guidelines for the design of vulnerability remediation plans, penetration testing protocols for critical assets and documentation of test results, requesting the correction of detected opportunities.

Our purpose is to provide greater confidentiality, integrity and availability for our customers every day

# Information Security Governance

The Audit and Corporate Practices
Committees are involved in the
information security strategy. The
Committees meet every three months
to review initiatives, trends, risks and
strategies with the aim of mitigating
potential damage to the information
handled by the company.

Additionally, in each market where we operate, we have an information security leader who is part of the Audit and Corporate Practices Committees. This allows us to define and review the best cybersecurity strategy for each specific case, according to its context and needs.

Our vast and complex ecosystem of products and services positions us as a global reference point. As we handle millions of transactions per second, we receive more than 1.5 billion cyber-attacks per year. Therefore, after a contingency that impacts our continuity pillars in matters related to associates, facilities, systems and third parties, we activate our plans and controls to ensure the continuity of the business and our activities.





# RESULTS **During 2022 we achieved**

# 88% reduction in vulnerabilities

derived from system penetration testing compared to 2021. We also obtained the PCI Security Standards certification with no findings noted.

We improved our NIST CSF (National Institute of Standards and Technology Cyber Security Framework) maturity level from 3.83 to 4.0, the highest rating of this framework.

In line with Infosec
International, we are
working to consolidate
our response and
prevention protocols
to improve the way we
react in the event of a
ransomware attack.

In terms of security, there was an increase in the number of requests for information from internal and external reviews. We receive audits from both the Internal Audit team and external entities in the financial sector to demonstrate compliance in correspondent banking services, as well as with external auditors from NIST, Sarbanes & Oxley and PCI (Payment Card Industry).



LEARN MORE ABOUT OUR

**RISK ASSESSMENT** 



## **RISK ASSESSMENT**

GRI 2-25, 2-26

Each year, Global Audit Services conducts a Risk Assessment following the methodology established by Walmart Inc. and adapting it to the reality of Mexico and Central America

## **Enterprise Risk Management (ERM)**

With every step we take, we strengthen our culture of risk identification and management. At Walmart de México y Centroamérica, through the ERM (Enterprise Risk Management) process, we play a fundamental role in guaranteeing the right balance between risk management and risk mitigation. In this way, we achieve the safe implementation of our strategies, in order to reach our goals despite operating in a highly changing environment.

With our ERM, we work cross-functionally and collaboratively with our teams in Mexico and Central America, facilitating holistic risk management and the exchange of best practices.

Each quarter, we identify and evaluate the inclusion of new risks, updating them according to key and critical aspects. Therefore, rigorous assessment of the inherent and residual probability and impact level that a risk may cause is fundamental. Finally, we invest significantly in mitigation plans to be taken into account on a day-to-day basis.

The risk assessment process consists of three major steps and is conducted every quarter:

## Management

The mitigation needed is determined, action plans designed with and assigned head, and Risk Champions, jointly with the Executive Committee, oversee the execution

#### **Evaluation**

Risk managers and the central teams are called together to reassess risk previously identified and any new ones; impact and probability are then scored

Report

Risks are recorded under an impact/ probability matrix; then risked are classified by priority, providing this "Risk Register" to Risk Owners so they in turn may review the status

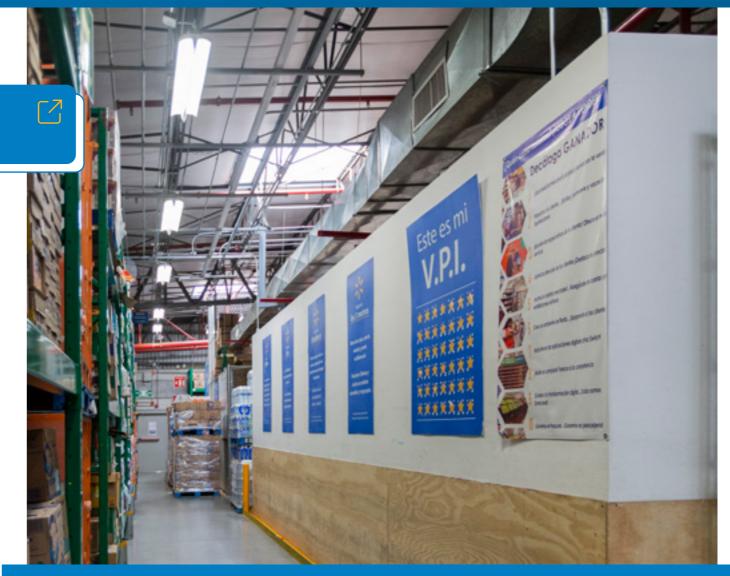




To simplify risk registration to ensure an efficient focus on the most critical risks for our company

To strengthen the collaboration process among our markets, to exchange best practices and maintain local risk management

To review and strengthen mitigation plans to improve their design, adequacy, clarity of controls, roles and responsibilities





This assessment led to the identification of priority risks in the short, medium, and long terms, for example, the risk of an increase in the cost of doing business and interruptions in the supply chain



#### The following is an example of the ERM process:

Manage specific Validate and risks and their monitor proper risk Validate and Implement corresponding management monitor mitigation plans mitigation plans Validates corporate risk Risk Managers **Sponsors ERM Risk Owners Executive** Audit Committee Committee

#### The ERM process considers five categories

### Strategic\*

Consumer expenses, industry consolidation, key market growth, threats of competition

## Operational\*

Physical safety, fraud/theft, food safety, cybersecurity, interruptions to supply, talent

### Regulatory and Compliance

Regulatory investigations, violation of personal data, health and wellness, financial services

## **Financia**

Credit, currency, liquidity, interest rate volatility, financial reports, taxes

#### Reputational

Mass media/ social media coverage, organized campaigns, a damaged corporate trademark

<sup>\*</sup>Includes COVID-19 impact and any other natural disaster or cases of force majeur

# Financial Value

### WHAT DID WE ACHIEVE TOGETHER?

Deliver solid financial results as a result of the implementation of our strategy.

819.2 **billion** pesos in consolidated

11.0% consolidated net income growth

I am Sergio staff associate / Administration and Finance

"It fills me with satisfaction to know that my work adds to the Walmart team, and for another year we achieved the highest share price"

## **MESSAGE OF THE CFO** WALMART DE MÉXICO Y CENTROAMÉRICA

2022 was a dynamic year in which we managed once again to overcome the challenges presented to us and the inflationary environment in which we were immersed, demonstrating our resilience and ability to innovate.



Our financial strength allows us to continue to move steadily forward on the path of implementing our longterm strategy and we are very proud of our results

They reflect the work of our associates, and we want to thank them for making a difference.



Paulo Garcia (Fo Walmart de México y (entroamérica

We turned challenges into opportunities to be even closer to our customers, to help them save money and live better

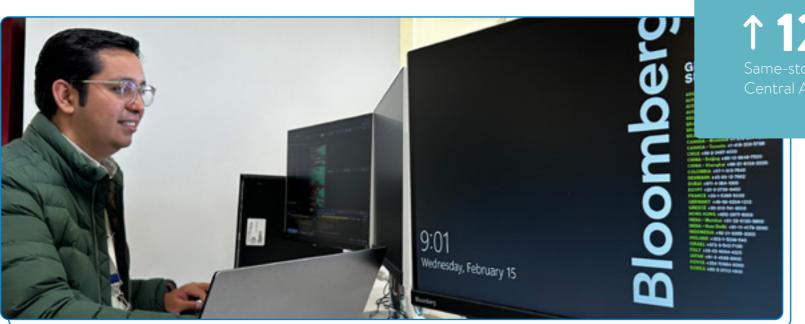


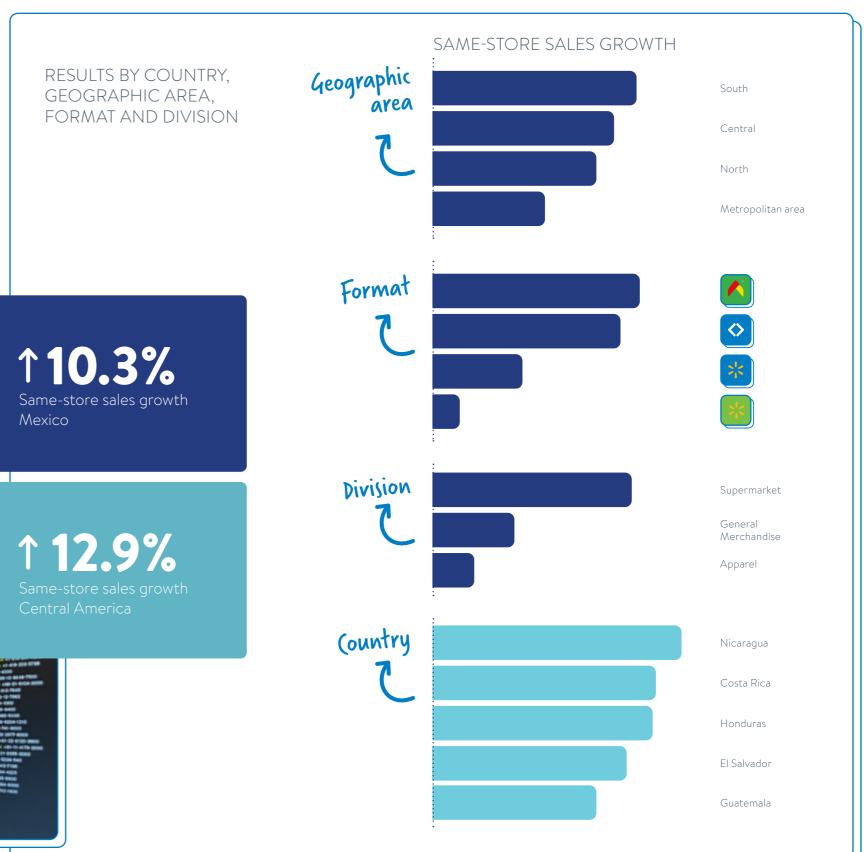
## **PERFORMANCE**

In 2022, we achieved sustainable and comprehensive above-market growth, keeping our low-prices and offering the best quality products and services to our customers, despite the volatile and high-inflation environment we faced.

We are proud of the results achieved this year and the way we aligned finances with the company's strategy, optimizing resources to generate financial value for our stakeholders and provide better service to our customers and members. We were able to overcome the challenges we faced while strengthening our company and building capabilities for the long

Our financial discipline drives growth at Walmart de México y Centroamérica







# Mexico

We continued to deliver solid growth in Mexico. This year, same-store sales grew 10.3% and we achieved a 10 bps growth gap compared to the self-service and clubs market, as measured by the Mexican retail association, Asociación Nacional de Tiendas de Autoservicio y Departamentales (ANTAD). With this result, we have been growing for 9 consecutive years above the formal market as measured by ANTAD.

The regions that led growth this year were the South and Central regions, followed by the North and Metro Area. On the other hand, the formats that grew the fastest were Bodega and Sam's, and all merchandise divisions showed a positive performance, primarily Food and Consumables.

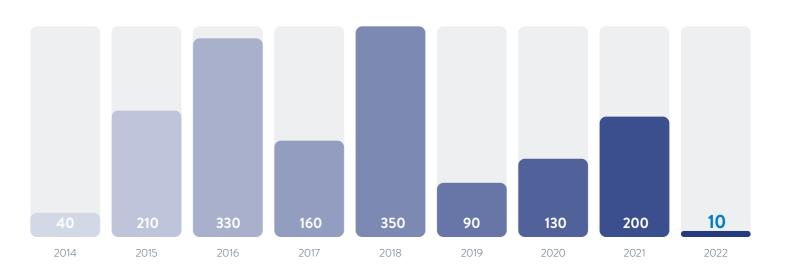
Innovation in our operations drives customer preference, which is reflected in our results In 2022, we generated a total of 679.4 billion pesos in total revenues, increasing 11.5% over last year, proving our financial strength. In addition, we continued to innovate in order to be ever closer to our customers and members, obtaining very good results and consistent growth.

eCommerce net sales grew by 16.6% and GMV (Gross Merchandise Value) by 19%, resulting in a three-year stacked growth of more than 340%. Our eCommerce represented 5.1% of sales in Mexico and contributed 0.8% to total sales growth for the year.

On the other hand, gross margin increased by 10 bps, driven by other revenue sources despite aggressive investments in prices, representing 23.3% of total revenues. SG&A increased by 14.8%, due to the investments in our strategic plans. Operating income increased 6.7% reaching 8.7% of total revenues. Finally, EBITDA grew 7.1%, 11.0% of revenues.



GROWTH GAP IN SAME-STORE SALES WALMEX<sup>1</sup> VS ANTAD SELF-SERVICE STORES AND CLUBS Basis points



# (entral America









The region continues to deliver solid results. Same-store sales grew consistently in all countries. Nicaragua and Costa Rica led growth, followed by Honduras, El Salvador and Guatemala. We reached 139.8 billion pesos in total revenues, a 10.2% increase over the previous year. Thanks to operational efficiencies and focus on simplifying the business, we were able to leverage SG&A by 60 bps compared to

Gross margin decreased 20 bps due to price investments in our Discount and Bodega formats, representing 23.9% of revenues. Operating income reached 6.3% of total revenues, an increase of 18.9% compared to the previous year.

EBITDA grew by 13.9%, representing 9.1% of total revenues. Our operational efficiency allowed us to obtain excellent results and overcome the challenges we face, considering the region's macroeconomic environment.

> 139.8 billion

pesos in total revenues +10.2% growth

EBITDA grew by 13.9%, representing 9.1% of total revenues



Note: growth sales percentages in Central America are on a constant currency basis.

# (onsolidated

This year, same-store sales posted doubledigit growth across the board in Mexico and Central America.

We generated a total of 819.2 billion pesos in consolidated revenues, a growth of 11.3% and 11.9% at constant exchange rates with respect to 2021.

Gross margin grew 10 bps compared to the previous year. SG&A increased 13.2% and operating income represented 8.3% of total revenues, an increase of 8.1% compared to the previous year.

We have invested in strategic projects, delivering world-class returns. For this year, the Return on Invested Capital (ROIC) was 20.2%

compared to last year



## SALES SHARE BY FORMAT

## **Bodega and Discount stores**

Stores focused on customers looking for the best prices for their purchases. Through our Every Day Low Price value proposition, we offer perishables, groceries, consumables, general merchandise and household items at the best prices in the market. We have a wide assortment of merchandise on website and On Demand with same day delivery.

## Hypermarkets

Stores focused on offering a broad assortment of perishables, groceries, consumables, general merchandise and apparel through our Every Day Low Price value proposition. We offer an extended assortment from our website, where we also have a marketplace so our customers can find everything they are looking for in one place. We have enabled stores with omnichannel capabilities to offer On Demand with delivery within hours of purchase.

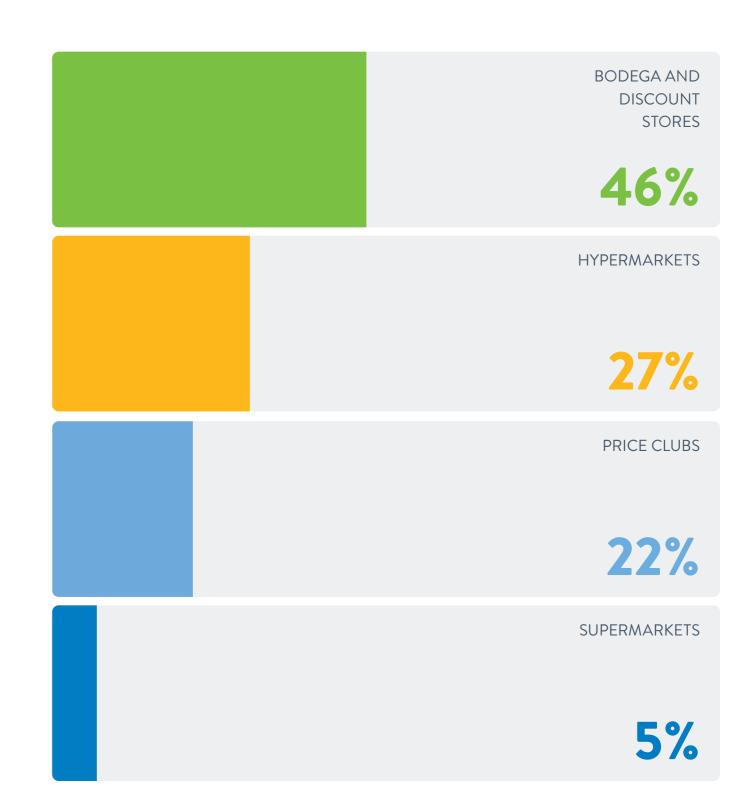
We have the ability to serve different types of customers and shopping occasions thanks to our multi-format omnichannel strategy

#### Price Clubs

Our Membership Price Clubs offer the best products in volume at irresistible prices. At Sam's Club we cater to business and individual members looking for the best shopping experience, whether in-store or online, and we offer On Demand from all our clubs with home delivery or pickup service.

## Supermarkets

We offer value in a wide range of very good quality products in departments such as perishables, groceries, consumables and selected general merchandise products, as well as services and solutions focused on making life easier for our customers through everyday low and competitive prices, both instore and online, in an easy, one-stop shopping experience.



## **KEY FIGURES**

# We have a solid cash flow generation in constant growth



<sup>\*\*</sup> In order to provide the investors community a better view of the underlying performance of our business, we are including a retroactive estimation of the effect the adoption of the IFRS 16 would have had on 2018 financial results. These pro-forma 2018 figures are not audited, but are based on the 2018 audited reported results and adjusted with our best estimates to show the effects related to the adoption of the IFRS 16.

<sup>\*\*</sup>Source: Bloomberg

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## **CREATING VALUE**

The consistency of our financial results, our supply chain capacity and the talent of our associates allow us to generate value as a company.

> For the seventh consecutive year, we reached a new all-time high in our stock price, standing at 81.92 pesos

We continue to evolve to meet our customers' needs and continue to generate solid revenues and returns. As a reward for our shareholders' trust, this year we paid 29.6 billion pesos in dividends. This amount includes the payment decreed in 2022 of 1.71 pesos per share, comprised of an ordinary dividend of 1.00 pesos per share and an extraordinary dividend of 0.71 pesos per share.

Record high price per share march 31st 2022



The ordinary dividend was paid in two installments of 0.50 pesos per share, the first on November 24 and the second on December 27, 2022. The extraordinary dividend was also paid in two installments, the first of 0.35 pesos per share on November 24 and the second of 0.36 pesos per share on December 27, 2022.



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## **INVESTMENTS**

GRI 203-1

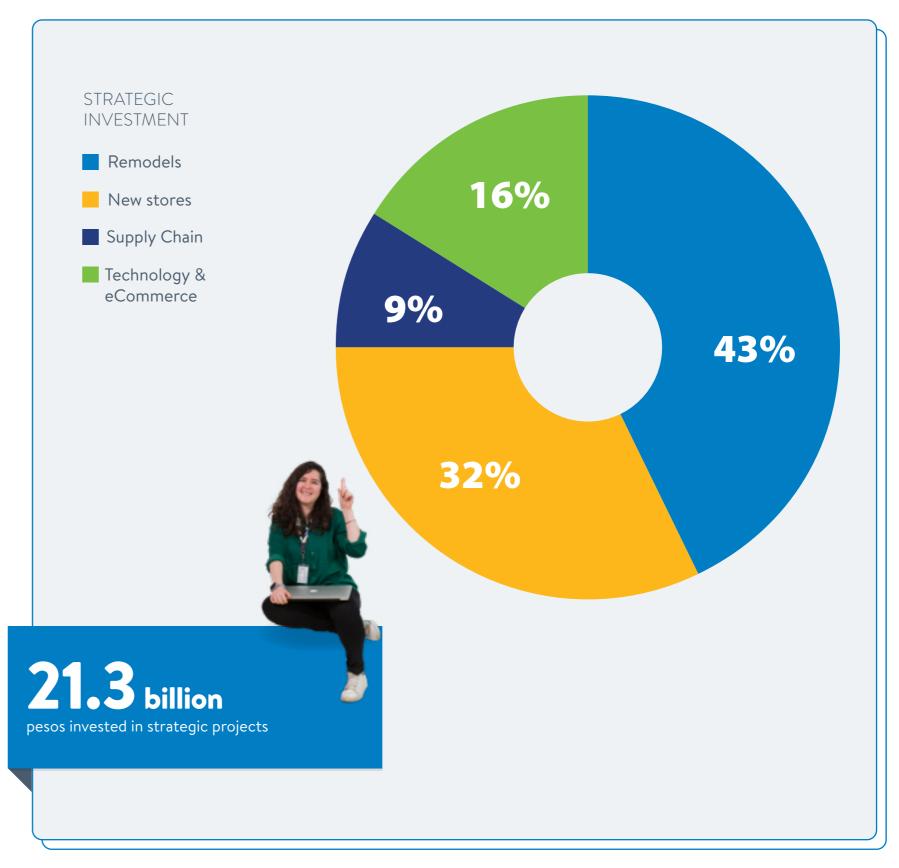
## We continued to invest strategically and to strengthen our capabilities to position our company for continued growth

In 2022, we invested a total of 21.3 billion pesos in strategic projects to strengthen our business, representing 2.6% of total revenues.

We are in the process of enabling our stores with omnichannel capabilities and keeping them in good condition to improve the shopping experience and ensure the safety of our associates and customers, so remodeling accounted for 43% of the investment this year. We continued to expand and opened 126 new stores, accounting for 32% of the total investment. We closed the year with 3,745 stores, with a total sales floor area of more than 7.5 million square meters.

We have a solid supply chain and we continue to strengthen it. In June of this year, we inaugurated the Villahermosa Distribution Center, which handles more than 10% of our perishable goods volume. Logistics investments accounted for 9% of this year's investment.

We upgraded our application technology to offer a faster and more user-friendly shopping experience to our customers, and we digitized processes to make the work of our associates in stores and clubs easier and more efficient. Investments in Technology and eCommerce represented 16% of total investments for the year.



11/6

## **INCOME STATEMENT AND BALANCE SHEET**

At December 31, 2022

#### **CONSOLIDATED RESULTS WALMEX**

(MXN Billions)

		202	22	20	21	Var.
	\$	%	\$	%		%
Total revenues	819.2	100	736.0	100	11	1.3
Gross profit	191.4	23.4	171.8	23.3	11	.4
SG&A	124.7	15.2	110.2	15.0	13	3.2
Other income, net	1.3	0.2	1.2	0.2	4	ł.6
Operating income	68.0	8.3	62.9	8.5	}	8.1
EBITDA	87.4	10.7	81.2	11.0	-7	7.6
Net income	49.0	6.0	44.1	6.0	11	.0



#### **BALANCE SHEET**

(MXN Billions) Assets 47.4 Cash

89.5 Inventories

281.9 **Fixed Assets and Others** 

Assets Liabilities and Equity

98.9 **Accounts Payable** 

319.9 **Equity and Others** 

Total 418.8



Financial Summary (Million need)	22																
Financial Summary (Million pesos) 20					0040 (41)		0.04= (10)		*NIIF	2047 (7)	004= (()	001111	2242 (4)	2010 (1)	0040 (1)		
		2021	2020	2019	2018 (11)	2018	2017 (10)	2017	2016 (8)	2015 (7)	2015 (6)	2014 (4)	2013 (4)	2013 (1)	2012 (1)	2012	2011
Mexico GDP (Growth,%)	3.1	5.0	(8.5)	(0.1)	2.0	2.0	2.1	2.1	2.3	2.5	2.5	2.1	1.1	1.1	3.9	3.9	3.9
Mexico Annual Inflation (%)	7.8	7.4	3.2	2.8	4.8	4.8	6.8	6.8	3.4	2.1	2.1	4.1	4.0	4.0	3.6	3.6	3.8
Peso Depreciation	(5.6)	2.9	5.6	(4.0)	(0.4)	(0.4)	(4.5)	(4.5)	19.2	17.7	17.7	12.8	1.4	1.4	(7.9)	(7.9)	12.9
Average Exchange Rate	20.1	20.3	21.5	19.3	19.3	19.3	18.9	18.9	18.7	15.9	15.9	13.3	12.8	12.8	13.1	13.1	12.5
Year-end Exchange Rate	19.5	20.5	19.9	18.9	19.7	19.7	19.7	19.7	20.7	17.4	17.4	14.7	13.0	13.0	12.9	12.9	14.0
Mexico Average Interest Rate (28 Day Cetes,%)	7.7	4.4	5.3	7.8	7.6	7.6	6.7	6.7	4.2	3.0	3.0	3.0	3.8	3.8	4.2	4.2	4.2
RESULTS																	
NET SALES	813,060	730,352	696,711	641,825	612,186	612,186	569,015	569,367	528,571	472,460	485,864	437,659	420,577	420,577	407,843	413,792	375,280
% of growth total units	11.3	4.8	8.6	4.8	7.6	7.6	NA	8	12	11	11	4	3	3	NA	10	12
% of growth comp units	10.1	3.6	7.0	3.3	5.7	5.7	6	6	10	9	9	1	(1)	(1)	4	4	4
OTHER INCOME	6,109	5,692	5,023	5,021	4,724	4,724	4,356	3,898	3,813	3,451	3,503	3,329	3,246	4,584	4,217	4,259	3,570
% of growth	7.3	13.3	0.0	6.3	8.4	8.4	NA	2	11	NA	5	3	NA	9	NA	19	NA
TOTAL REVENUES	819,169	736,044	701,734	646,846	616,910	616,910	573,371	573,265	532,384	475,911	489,367	440,988	423,823	425,161	412,060	418,051	378,850
% of growth	11.3	4.9	8.5	4.9	7.6	7.6	NA	8	12	NA	11	4	NA	3	NA	10	NA
GROSS PROFIT	191,398	171,840	162,040	148,051	141,647	141,586	131,072	127,695	117,484	102,603	107,380	97,619	92,948	93,624	90,228	94,597	85,109
% of profit margin	23.4	23.3	23.1	22.9	23.0	23.0	22.9	22.3	22.1	21.6	21.9	22.1	21.9	22.0	21.9	22.6	22.5
GENERAL EXPENSES	124,694	110,181	105,042	94,427	90,276	92,597	86,921	83,684	77,834	69,548	72,235	64,010	61,318	62,102	58,541	61,926	55,574
% of total revenues	15.2	15.0	15.0	14.6	14.6	15.0	15.2	14.6	14.6	14.6	14.8	14.5	14.5	14.6	14.2	14.8	14.7
OPERATING INCOME	68,011	62,908	57,447	54,003	51,572	49,190	43,838	43,838	39,455	32,828	34,969	34,716	31,636	31,532	31,422	32,399	29,591
% of total revenues	8.3	8.5	8.2	8.3	8.4	8.0	7.6	7.6	7.4	6.9	7.1	7.9	7.5	7.4	7.6	7.7	7.8
% of growth	8.1	9.5	6.4	9.8	NA	12	11	11	20	NA	1	10	NA	0	NA	9	NA
EBITDA	87,370	81,214	75,387	71,005	67,148	61,747	55,482	55,482	50,149	42,592	44,993	42,854	40,305	40,222	39,860	41,166	37,188
% of total revenues	10.7	11.0	10.7	11.0	10.9	10.0	9.7	9.7	9.4	8.9	9.2	9.7	9.5	9.5	9.7	9.8	9.8
FINANCIAL INCOME (EXPENSES), NET	4,645	5,612	7,983	(4,801)	(4,242)	(330)	(548)	(548)	(323)	89	55	(154)	(16)	(15)	401	399	189
INCOME BEFORE INCOME TAX	63,366	57,296	49,464	49,202	47,330	48,860	43,290	43,290	39,132	32,917	35,024	34,562	31,620	31,517	31,823	32,798	29,780
INCOME TAX	14,392	13,158	16,029	11,304	11,724	12,107	10,900	10,900	10,623	9,473	10,087	9,521	9,632	9,517	9,237	9,529	7,695
DISCONTINUED OPERATIONS	-	-	-	_	_	_	7,475	7,475	4,842	2,935	1,442	5,394	725	713	683	_	
CONSOLIDATED NET INCOME ATTRIBUTABLE TO THE PARENT	48,974	44,138	33,435	37,898	35,606	36,753	39,865	39,865	33,352	26,376	26,376	30,426	22,717	22,717	23,275	23,275	22,080
of growth	11.0	32.0	(11.8)	3.1	NA	(7.8)	19.5	19.5	26.5	(13.3)	(13.3)	33.9	(2.4)	(2.4)	5.4	5.4	NA
FINANCIAL POSITION																	
CASH	47,427	42,817	35,670	30,857	38,830	38,830	35,596	35,596	27,976	24,791	24,791	28,048	21,129	21,129	28,163	28,163	25,166
INVENTORIES	89,462	80,317	68,360	67,553	63,344	63,344	59,463	59,463	53,665	49,749	49,749	47,175	43,795	43,795	39,092	39,092	39,336
OTHER ASSETS	37,671	35,269	31,401	27,179	25,891	25,144	22,742	22,742	30,881	15,831	15,831	19,475	19,510	19,510	12,909	12,909	13,579
FIXED ASSETS	208,634	200,219	191,455	188,439	177,891	144,222	140,082	140,082	136,349	130,222	130,222	125,996	121,083	121,083	117,377	117,377	111,372
GOODWILL	35,614	35,767	34,997	35,145	34,989	34,989	37,373	37,373	39,421	33,057	33,057	28,020	24,745	24,745	24,745	24,745	29,768
TOTAL ASSETS	418,808	394,389	361,883	349,173	340,945	306,529	295,256	295,256	288,292	253,650	253,650	248,714	230,262	230,262	222,286	222,286	219,221
SUPPLIERS	98,956	96,638	92,356	87,116	85,327	85,327	80,099	80,099	65,919	56,396	56,396	52,710	47,609	47,609	44,770	44,770	50,854
OTHER LIABILITIES	117,384	111,869	100,408	93,912	91,038	56,288	55,623	55,623	55,347	45,433	45,433	45,758	39,702	39,702	37,679	37,679	39,184
EQUITY	202,468	185,882	169,119	168,145	164,580	164,914	159,534	159,534	167,026	151,795	151,795	150,223	142,931	142,931	139,701	139,701	128,867
NON-CONTROLLING INTEREST	-	-	-	-	-	-	-	-	-	26	26	23	20	20	136	136	316
TOTAL LIABILITIES, EQUITY AND																	
NON-CONTROLLING INTEREST	418,808	394,389	361,883	349,173	340,945	306,529	295,256	295,256	288,292	253,650	253,650	248,714	230,262	230,262	222,286	222,286	219,221



GRI 2-5,2-7																	
	2022								*NIIF								
		2021	2020	2019	2018 (11)	2018	2017 (10)	2017	2016 (8)	2015 (7)	2015 (6)	2014 (4)	2013 (4)	2013 (1)	2012 (1)	2012	2011
NUMBER OF UNITS MEXICO																	
Bodega Aurrera	2,292	2,198	2,088	2,035	1,910	1,910	1,820	1,820	1,763	1,719	1,719	1,660	1,589	1,589	1,423	1,423	1,204
Walmart Supercenter	303	294	287	280	274	274	270	270	262	256	256	251	243	243	227	227	213
Sam's Club	167	165	164	163	163	163	162	162	160	160	160	159	156	156	142	142	124
Superama	0	14	89	93	91	91	94	94	96	95	95	93	92	92	90	90	88
Walmart Express	101	85	6	-	-	-	-	-	-	-	-	-	-	-	-	-	_
Suburbia	-	-	-	-	-	-	-	-	-	117	117	116	109	109	100	100	94
MedimartPharmacies	-	-	-	-	-	-	10	10	10	10	10	10	10	10	6	-	-
Vips Restaurants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	365	365	364
TOTAL	2,863	2,756	2,634	2,571	2,438	2,438	2,356	2,356	2,291	2,357	2,357	2,289	2,199	2,199	2,353	2,347	2,087
NUMBER OF UNITS CENTRAL AMERICA																	
Discount Stores	583	572	563	549	540	540	522	522	495	484	484	477	466	466	459	459	453
Supermarkets	98	98	100	99	97	97	94	94	92	99	99	96	100	100	97	97	96
Bodegas	165	158	157	155	143	143	133	133	117	102	102	94	75	75	67	67	54
Walmarts	36	36	35	33	31	31	29	29	27	24	24	22	20	20	17	17	17
Clubs	-	-	-	-	-	-	-	-	-	-	-	1	1	1	2	2	2
TOTAL	882	864	855	836	811	811	778	778	731	709	709	690	662	662	642	642	622
Banco Walmart																	
Bank branches							-	-	-	-	-	-	201	201	263	263	263
OTHER INFORMATION AT THE END OF THE YEAR																	
Number of Associates	233,594	231,259	231,271	238,972	234,431	234,431	237,055		228,854 (9)	231,996	- ,	228,063 (5)	224,901 (5)	226,289 (3)	248,246	248,246	238,128
Share Price (2) (pesos)	68.59	76.09	55.98	54.15	49.97	49.97	48.19	48.19	37.05	43.49	43.49	31.72	34.26	34.26	42.33	42.33	38.23
Number of Outstanding Shares (2) (millions)	17,461	17,461	17,461	17,461	17,461	17,461	17,461	17,461	17,461	17,461	17,461	17,507	17,627	17,627	17,722	17,722	17,747
Market Value	1,197,650	1,328,607	977,467	945,513	872,526	872,526	841,446	841,446	646,930	759,379	759,379	555,322	603,901	603,901	750,172	750,172	678,471
Earnings per Share (2) (pesos)	2.805	2.528	1.915	2.170	2.105	2.105	2.283	2.283	1.910	1.508	1.508	1.732	1.284	1.284	1.312	1.312	1.240
Payment of Dividends	29,558	28,189	30,934	35,957	25,582	25,582	42,756	42,756	28,972	31,562	31,562	21,643	16,056	16,056	9,612	9,612	9,659
Number of Shares Repurchased (2) (millions)	-	-	-	-	-	-	-	-	-	47	47	123	96	96	27	27	103
Investment in Shares Repurchased	-	-	-	-	-	-	-	-	-	1,825	1,825	3,996	3,328	3,328	1,088	1,088	3,455
1) /:																	

<sup>1</sup> Vips is presented under Discontinued Operations.

NA = Non Applicable.

ACQUISITIONS OF PROPERTY AND EQUIPMENT	21,304	20,466	16,728	20,575	17,933	17,933	17,426	17,426	14,335	12,526	12,526	12,691	13,987	13,987	14,660	14,660	18,352

<sup>2</sup> Adjusted according to split conducted in April 2010

<sup>3</sup> Vips' associates not included

<sup>4</sup> Banco Walmart's & Vips' results are presented under Discontinued Operations.

<sup>5</sup> Banco Walmart's associates not included.

<sup>6</sup> Results from Banco Walmart and its sales presented under Discontinued Operations.

<sup>7</sup> Suburbia's and Banco Walmart' sales and results are presented under Discontinued Operations.

<sup>8</sup> Suburbia's results are presented under Discontinued Operations. Financial position displays reclassifications in presentation, in order to be comparable to 2017

<sup>9</sup> Suburbia's associates not included.

<sup>10</sup> Information with adjustments, derived from the Income Standard that applies as of 2018.

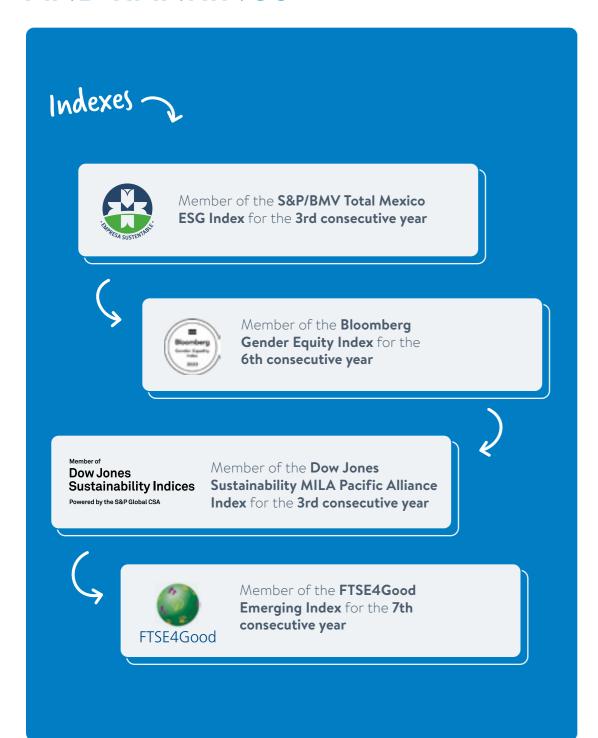
<sup>11</sup> Information with adjustments, derived from the Leases that applies as of 2019.

<sup>\*</sup> IFRS = Financial information under International Financial Reporting Standards.

<sup>\*\*</sup> MFRS = Financial information under Mexican Financial Reporting Standards.



## INDEXES, AWARDS **AND RANKINGS**



## **Awards** Mexico -



## América RETAIL

las empresas verdes

Women Committed to the

of Corporate Affairs, and Viridiana Hernández, Assistant ESG Director of Walmart de México y Centroamérica

Environment Award granted

to Claudia de la Vega, Director

Recognition as Best Retailer in Mexico and Best Omnichannel Retailer of the Country in the "Retail Hall of Fame Mexico 2021" of the America Retail media

## **EXPANSION**

The 41+1 LGBT Executives 2022 Award given to Yanet Villalobos, Executive Human Resources Manager for Supply Chain Mexico



Recognition by Monitor Empresarial de Responsabilidad Corporativa (Enterprise Monitor for Corporate Responsibility) with 1st place within the self-service sector, and 3rd place in the overall list

Recognition The 100 leaders with the best reputation in Mexico awarded to Guilherme Loureiro CEO of Walmart de México y Centroamérica



Award #SoyLogístico



Best Places to Work LGBT 2023 Award





Éntrale Award 2022 granted for the fourth consecutive year for being a company committed to the labor inclusion of people with disabilities





The Socially Responsible Company award for 2022, granted by the Mexican Center for Philanthropy, for 22 consecutive years





# Rankings Mexico

## MUNDO>>>

7th place in The 10 Best Business Projects for our project Reciclamanía Evoluciona

5th in the 100 Most Socially Responsible Companies



2nd in The Green Companies 2022



3rd in AMITAI's Most Ethical Companies 2022

## **EXPANSION**

3rd in the 500 Most Important Companies in Mexico

4th in Super Companies for Women



9th in The 50 Most Sustainable Companies of Mexico



4th in The 500 Digital Brands

## **Recognitions and Rankings**

# (entral America ~

## Summa

Recognition to Walmart Nicaragua as one of the region's leading diverse, equitable and inclusive companies



Recognition for the project Impact of Walmart de Mexico y Centro América's donations to the Food Bank



Recognition for the valuable contribution to the labor inclusion of people with visual or hearing disabilities during 2022



## Antorcha

Recognition to Walmart Nicaragua for its valuable collaboration and social commitment through the "This is the Place" campaign



7th in Costa Rica's 100 Most ESG Responsible Companies in 2022



Corporate Sustainability Award

## tecoloco

1st in the Commercial Sector as one of the most attractive companies to work for



Transforming Ally Recognition



5th in the most recognized retail brands by Central Americans

Recognition in the Supermarkets category as a Top of Mind company in Guatemala 2022



Embajada Británica San Salvador

Disability Awards recognition for promoting the inclusion and hiring of people with disabilities



Seal as a Socially Responsible Company in Honduras for 15 consecutive years



## Report of The Audit and Corporate Governance Committees

WAL- MART DE MÉXICO, S.A.B. DE C.V. ANNUAL REPORT

Board of Directors Wal-Mart de México S.A.B. de C.V.

#### Dear Directors,

In compliance with article 43 of the Securities Market Law ("LMV") and the Rules of Procedure of the Committees, duly approved by the Board of Directors for Wal-Mart de México, S.A.B. of C.V. (which together with its subsidiaries hereinafter is the "Company"), we hereby inform you of the activities undertaken during the reporting period ending on December 31st, 2022.

Throughout the work conducted, in addition to that stipulated under the LMV, we have abided by that contained under the Code of Best Corporate Governance, issued by the Coordinating Business Council; the Code of Ethics of the Company; the General Internal Regulation of the Mexican Stock Exchange; and the general provisions stemming from the LMV.

To comply with our oversight process, the Audit and Corporate Governance Committees held quarterly regular meetings and one extraordinary meeting during 2022, to analyze the overall situation regarding matters of material importance in the fields of finance, accounting, legal, operations and ethics for the Company, and enhancing our participation throughout the year in meetings with the CEO, CFO and General Counsel of the Company, as well as the reports rendered by the principal officers of the Company, highlighting the following:

We were kept informed by the management of the Company, with no observations made from our side, on the following:

#### I. Audit matters:

- a) We analyze the status of the internal control system and were informed in detail of the programs and development of internal and external audits.
- b) We reviewed the main aspects requiring improvement and followed-up on the preventive and corrective measures implemented by the management of the Company. Therefore, it is our opinion that the effectiveness required for the Company to function with an appropriate level of control is being accomplished.
- c) We evaluated the performance of the independent auditors, who are responsible for issuing an opinion on the reasonability of the Company Financial Statements and their adherence to International Financial Information Standards. Hence, we consider that the partners at Mancera, S.C. (a member of EY Global) comply with all necessary requirements regarding the professional quality. Additionally, and prior to provide their audit services, the Audit Committee evaluated the independence requirements of intellectual and economic action necessary, therefore we recommended to the Board to ratify EY's appointment as external auditors to examine and issue the report on the Financial Statements of the Company. Likewise, we approved the amount of the fees corresponding to the external audit services. During 2022, no services other than the external audit of Financial Statements were retained by EY.
- d) We reviewed the Company's quarterly and annual Financial Statements and recommended their approval by the Board of Directors for its publication.
- e) We were informed of the accounting policies approved and applied during the fiscal year ended on December 31st 2022.



# Report of The Audit and Corporate Governance Committees

- f) Follow-up was also given to all relevant observations made by the shareholders, Directors, relevant officers and employees of the Company, and in general from any other third party, regarding accounting, internal controls and issues related to internal or external audit matters.
- g) Follow-up to agreements made by the Shareholders in the General Meeting and by the Directors of the Company.
- h) We were informed on the legal contingencies to which the Company is exposed, and which are recognized in the financial statements as per the probability of occurring.
- i) We were informed about the progress regarding cybersecurity matters.
- j) We were informed on the progress of the Enterprise Risk Management (ERM) established by the Company.
- k) Lastly, we were informed periodically on Ethics and Compliance matters and the measures adopted by the Company to reinforce those aspects.

#### II. Corporate Governance affairs:

- a) Performance evaluation processes for relevant officers.
- b) The transactions with related parties, during the reporting period, that may had occurred during the annual period ending December 31<sup>st</sup>, 2022, with an itemized description of the characteristics of significant transactions and their corresponding transfer pricing studies. Those items are mentioned in the corresponding note of the Financial Statements.

- c) Emolument packages or total compensation of the CEO and relevant officers, as well as the new metrics to define the Long-Term Incentive for executives.
- d) The Board of Directors granted no permission whatsoever to any Director, relevant officer, or anyone with a position of decision maker, as indicated under article 28, section III, paragraph f) of the LMV.
- e) The results of the transfer pricing study 2022 for Mexico and Central America, informing that all its operations were made accordingly.

Based on the work completed and the opinion issued by independent auditors, we feel that the accounting and information policies and criteria followed by the Company are suitable and sufficient and that they have been consistently applied; as a result, the information presented by the CEO is a reasonable reflection of the Company's financial situation and results.

Due to all the aforementioned, we recommend that the Board of Directors submit to the General Annual Shareholders Assembly, for their approval, the Financial Statements for Wal-Mart de México, S.A.B. de C.V. and its subsidiaries for the period ending December 31st 2022.

Sincerely,

Ing. Adolfo (erezo

Chair Audit and Corporate Governance Committees.

Mexico City February 15th, 2023.



# Consolidates Financial Statements

#### Contents:

Report of Independent Auditors

#### **Consolidated Financial Statements:**

- Statements of Comprehensive Income
- Statements of Financial Position
- Statements of Changes in Equity
- Statements of Cash Flows
- Notes to Financial Statements

Years ended December 31, 2022 and 2021 With Report of Independent Auditors



## Report of Independent Auditors

#### TO THE SHAREHOLDERS OF WAL-MART DE MÉXICO, S.A.B. DE C.V.

#### **OPINION**

We have audited the accompanying consolidated financial statements of Wal-Mart de México, S.A.B. de C.V. and subsidiaries (hereinafter "the Company"), which comprise the consolidated statement of financial position as of December 31, 2022, and the consolidated statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Wal-Mart de México, S.A.B. de C.V. and subsidiaries as of December 31, 2022, and their consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

#### **BASIS FOR AUDIT OPINION**

We conducted our audits in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of this report. We are independent from Wal-Mart de México, S.A.B. de C.V. within the meaning of the Code of Ethics for Accounting Professionals of the International Ethics Standards Board for Accountants (IESBA) and the ethical requirements applicable to our audit of the consolidated financial statements in Mexico established by the Code of Ethics of the Mexican Institute of Public Accountants (IMCP, Spanish acronym) and have fulfilled our other responsibilities under those relevant ethical requirements and the Code of Ethics of the IESBA.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

#### IMPAIRMENT ASSESSMENT OF PROPERTY AND EQUIPMENT, RIGHT-OF-USE ASSETS, INVESTMENT PROPERTIES AND INTANGIBLES

#### Description and why it was considered a key audit matter

We have considered as a key audit matter the impairment analysis of property and equipment, right of use assets, investment properties and intangibles, because the determination of the recovery value is complex, it involves a high degree of judgment



from the Company's management and requires significant judgments and assumptions to be made that are affected by future conditions, such as profitability and economic conditions, discount rates, operating margins, the weighted average cost of capital, capitalization rate and others, which are sensitive and are affected by economic changes and market conditions, among other factors. Additionally, the calculation of the recoverable value carries the risk that the future cash flows used in its determination differ from expectations, or that the results are different from the originally estimated values. In addition, the balances of long-lived assets subject to the determination of the recovery value for impairment tests are significant as of December 31, 2022.

Notes 3 and 8 to 11 of the accompanying consolidated financial statements include the disclosures on the impairment assessment of property and equipment, right-of-use assets, investment properties and intangibles.

#### How we responded to the key audit matter

We evaluated the design and tested the effectiveness of significant controls with respect to the impairment analysis process for long-lived assets as of December 31, 2022.

We analyze the assumptions and hypotheses used by the Company's management for the identification and grouping of long-lived assets in each cash-generating unit (CGU).

We evaluated the financial projections of future cash flows used by the Company's management in the impairment analysis of each CGU that we consider within our scope, verifying the information with which said projections were prepared and analyzing their consistency with historical trends and future business plans. We evaluated the composition of the CGUs and the assets subject to impairment analysis assigned within each CGU. We analyzed the key assumptions, considering the sensitivity of those assumptions.

We involved our valuation specialists to assist us in evaluating the reasonableness of the key assumptions and the methodology used by the Company's Management in its impairment analysis according to International Accounting Standard ("IAS") 36, Impairment of assets. We independently recalculated the arithmetic calculations of the valuation models used and analyzed the uniformity of the definition of CGU applied by the Company.

We obtained evidence from the impairment study prepared by the Company's management on its long-lived assets, and we evaluated the competence, technical capabilities and objectivity of the management's external valuation specialist.

We also evaluated the adequacy of the disclosures related to the identification and determination of the recoverable value of property and equipment, right-of-use assets, investment properties and intangibles of the accompanying consolidated financial statements as of December 31, 2022.

#### OTHER INFORMATION

The other information comprises the financial and non-financial information (other than the financial statements and our audit report) presented in the annual report by the Company submitted to the National Banking and Securities Commission (the Commission) and in the annual report submitted to the shareholders for the year ended as of December 31, 2022. Management is responsible for the other information. We expect to obtain the other information after the date of this auditor's report

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information when we have access to it and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If we conclude that there is a material misstatement of the other information contained in the Annual Report filed with the Commission and/or in the annual report submitted to the Company's shareholders, we are required to report that fact to those charged with governance and to describe the matter in our statement on the Annual Report required by the Commission.

## RESPONSIBILITIES OF MANAGEMENT AND OF THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the accompanying consolidated financial statements in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is who signs it..

Mancera, S.C.

A Member Practice of
Ernst & Young Global Limited



Mexico City Febrero 15, 2023



Net sales

Total revenues

Cost of sales

Gross profit

Other income

Other expenses

Operating income

Financial income (Note 21)

Income taxes (Note 16)

Financial expenses (Note 21)

Consolidated net income

Income before income taxes

Other revenues (Note 19)

General expenses (Note 20)

Income before other income and expenses

#### WAL-MART DE MÉXICO, S.A.B. DE C.V. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME



(Amounts in thousands of Mexican pesos)

For the y	years	end	ed
Dece	mbei	<sup>-</sup> 31	

202	22	2	2021
\$ 813,060,445	\$ 7	730,352,316	5
6,108,990		5,691,707	7
819,169,435	7:	36,044,023	3
(627,771,101)	(56	54,204,300	))
191,398,334		171,839,723	3
(124,693,340)		(110,181,077	7)
66,704,994		61,658,646	5
2,029,722		2,142,255	5
(723,099)		(893,243	3)
68,011,617		62,907,658	3
3,452,199		2,218,277	7
(8,097,257)		(7,830,287	7)
63,366,559		57,295,648	3
(14,392,375)		(13,157,576	5)
\$ 48,974,184	\$	44,138,072	2

For the years ended December 31

	202	22	2021
Other comprehensive income items:			
Items that do not reclassify to profit or loss of the year:			
Actuarial results on employee benefits, net of income taxes	\$ (55,862)	\$	193,834
Items that may be reclassified subsequently to profit or loss:			
Cumulative translation adjustment	(1,661,135)		184,327
Other comprehensive income (loss)	(1,716,997)		378,161
Comprehensive income	\$ 47,257,187	\$	44,516,233
Basic earnings per share (in pesos)	\$ 2.805	\$	2.528



## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in thousands of Mexican pesos)

	December 31,								
	202	2021							
Assets									
Current Assets:									
Cash and cash equivalents (Note 5)	\$ 47,427,191	\$ 42,816,535							
Accounts receivable, net (Note 6 and 12)	16,719,308	16,827,238							
Inventories, net (Note 7)	89,461,735	80,316,969							
Prepaid expenses and other assets	924,796	856,849							
Total current assets	154,533,030	140,817,591							
Non-current assets:									
Property and equipment, net (Note 8)	145,533,306	140,496,598							
Right-of-use assets (Note 9)	57,621,419	54,137,508							
Investment properties, net (Note 10)	5,480,105	5,583,846							
Intangible assets, net (Note 11)	39,218,374	38,758,049							
Deferred tax assets (Note 16)	14,103,957	12,374,229							
Other non-current assets	2,318,180	2,221,650							
Total assets	\$ 418,808,371	\$ 394,389,471							



#### December 31,

	202	22	2021
Liabilities and equity			
Current liabilities:			
Accounts payable	\$ 98,956,251	\$	96,637,884
Short-term lease liability	3,511,546		3,438,469
Other accounts payable (Note 13)	31,356,053		29,535,182
Income taxes payable	3,861,904		3,096,932
Total current liabilities	137,685,754		132,708,467
Long-term liabilities:			
Leases and other long-term liabilities (Note 15)	69,888,054		65,060,266
Income tax liabilities (Note 16)	6,487,624		8,416,192
Employee benefits (Note 17)	2,278,556		2,322,543
Total liabilities	216,339,988		208,507,468
		-	
Equity (Note 18):			
Capital stock	45,468,428		45,468,428
Retained earnings	146,727,023		127,310,877
Other comprehensive income ítems	13,072,532		14,789,529
Premium on sale of shares	5,289,992		4,908,573
Employee stock option plan fund	(8,089,592)		(6,595,404)
Total equity	202,468,383		185,882,003
Total liabilities and equity	\$ 418,808,371	\$	394,389,471



## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY



For the years ended December 31, 2022 and 2021

(Amounts in thousands of Mexican pesos)

	Retained earnings									
	C	Capital stock		Legal Reserve		Retained earnings	Other comprehensive income items	Premium on sale of shares	Employee stock option plan fund	Total equity
Balance at December 31, 2020	\$	45,468,428	\$	9,104,745	\$	102,256,801	\$ 14,411,368	\$ 4,543,745	\$ (6,666,394)	\$ 169,118,693
Movements in employee stock option plan fund								364,828	70,990	435,818
Dividends declared						(28,188,741)				(28,188,741)
Comprehensive income						44,138,072	378,161			44,516,233
Balance at December 31, 2021		45,468,428		9,104,745		118,206,132	14,789,529	4,908,573	(6,595,404)	185,882,003
Movements in employee stock option plan fund								381,419	(1,494,188)	(1,112,769)
Dividends declared						(29,558,038)				(29,558,038)
Comprehensive income						48,974,184	(1,716,997)			47,257,187
Balance at December 31, 2022	\$	45,468,428	\$	9,104,745	\$	137,622,278	\$ 13,072,532	\$ 5,289,992	\$ (8,089,592)	\$ 202,468,383



## CONSOLIDATED STATEMENTS OF CASH FLOWS



(Amounts in thousands of Mexican pesos)

For the years ended December 31

	202	22	20	21
Operating activities				
Income before income taxes	\$ 63,366,559	\$	57,295,648	
Items related to investing activities:				
Depreciation and amortization	19,359,205		18,305,881	
Loss from disposal of property and equipment and impairment	117,761		353,054	
Stock option compensation expenses	384,953		354,257	
Interest earned	(2,025,182)		(866,112)	
Items related to financing activities:				
Interest on lease liabilities	7,049,835		6,478,994	
Unrealized, exchange rate fluctuation	(998,965)		(27,773)	
Provision of labor obligations	531,774		553,537	
Interest accrued	44,053		63,296	
Cash flow from operating activities	87,829,993		82,510,782	
Variances in:				
Accounts receivable	(155,262)		1,921,818	
Inventories	(9,425,547)		(11,906,229)	
Prepaid expenses and other assets	82,478		(224,786)	
Accounts payable	(432,441)		4,221,167	
Other accounts payable	3,268,202		2,905,551	
Income tax paid	(16,122,086)		(13,959,161)	
Employee benefits	(575,914)		(587,547)	
Net cash flow from operating activities	\$ 64,469,423	\$	64,881,595	

For the years ended December 31

	202	22	20	21
Investing activities				
Long-lived assets with defined useful lives	\$ (21,303,739)	\$	(20,466,364)	
Interest collected	2,025,182		866,112	
Proceeds from sale of property and equipment	459,402		388,548	
Employee stock option plan fund	(1,497,722)		81,561	
Net cash flow used in investing activities	(20,316,877)		(19,130,143)	
Financing activities				-
Dividends paid	(29,558,038)		(28,188,741)	
Interest paid	(44,053)		(63,296)	
Payment of leases liability	(10,039,198)		(9,243,975)	
Net cash flow used in investing activities	(39,641,289)		(37,496,012)	
Effect of changes in the value of cash	99,399		(1,109,265)	
Net increase (decrease) in cash and cash equivalents	4,610,656		7,146,175	
Cash and cash equivalents at beginning of year	42,816,535		35,670,360	
Cash and cash equivalents at end of year	\$ 47,427,191	\$	42,816,535	
Non-cash transactions:				
Additions of right of use assets	\$ 2,591,724	\$	2,515,770	
Right of use assets remeasurements	\$ 5,920,509	\$	5,412,193	



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



At December 31, 2022 and 2021

(Amounts in thousands of Mexican pesos, except where otherwise indicated)

#### 1. DESCRIPTION OF THE BUSINESS

Wal-Mart de Mexico, S.A.B. de C.V. (**WALMEX**, "the Company" or "the Group") is a Mexican company incorporated under the laws of Mexico and listed on the Mexican Stock Exchange, whose headquarters are located at Nextengo #78, Santa Cruz Acayucan, 02770, in Mexico City. The principal shareholder of **WALMEX** is Walmart, Inc., a U.S. Corporation, through Intersalt, S. de R.L. de C.V., a Mexican company that holds equity interest of 70.51% in the Company.

**WALMEX** holds 100% of equity interest in the following groups of companies in Mexico and Central America:

Group	Line of business
Nueva Walmart	Operation in 2022 of 2,292 Bodega Aurrerá discount stores, 303 Walmart hipermarkets, 101 Walmart Express supermarkets and 167 Sam's Club memberships self-service wholesale stores.
Import companies	Import of goods for resale.
Real estate	Property developments and management of real estate companies.
Service companies	Not-for-profit services to the community at large, as well as shareholding.
Walmart Central America	Operation in 2022 of 583 discount stores (Despensa Familiar and Palí), 98 supermarkets (Paiz, La Despensa de Don Juan, La Unión and Más x Menos), 165 Bodegas (Maxi Bodega and Maxi Palí); and 36 Walmart hypermarkets. These stores are located in Costa Rica, Guatemala, Honduras, Nicaragua and El Salvador.

#### 2. NEW ACCOUNTING PRONOUNCEMENTS

The Company applied for the first-time certain International Financial Reporting Standards ("IFRS") and amendments, which are effective for annual periods beginning on or after January 1, 2022 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

#### Amendments to IFRS 3, "Business Combinations"

In May 2020, the IASB issued Amendments to IFRS 3 "Business Combinations" - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 "Levies", if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

This amendment had no impact on the Company's consolidated financial statements, since there are no assets, liabilities, or contingent liabilities within the scope of the amendment.

#### Amendments to IAS 16, "Property, Plant and Equipment: Proceeds before Intended Use"

In May 2020, the IASB issued these amendments, which prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, directly in the income statement.

This amendment had no impact on the Company's consolidated financial statements, since there are not this kind of transactions.



#### Amendments to IAS 37, "Onerous Contracts - Costs of Fulfilling a Contract"

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

This amendment had no impact on the Company's consolidated financial statements, since there are not this kind of transactions.

#### IFRS annual improvements 2018-2020 issued in 2020 and entered into force in 2022

IFRS 1, "First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter"

The IASB issued an amendment to IFRS 1. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

This amendment had no impact on the Company's consolidated financial statements, since it is not a first-time adopter.

#### IFRS 9, "Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities"

The amendment mentions when derecognize a financial liability that has been modified or exchanged, it must be evaluated whether the terms are substantially different between the new or modified financial liability and the original financial liability. A substantial difference is considered when the present value of the discounted cash flows under the new conditions, including commissions paid net, differs at least 10 percent from the present value of discounted cash flows that still remain from the original financial liability, using for discounting, the original effective interest rate.

The amendment had not impact on the Company's consolidated financial statements, since there are no financial liabilities with the characteristics that the amendment describes.

#### IAS 41, "Agriculture – Taxation in fair value measurements"

The amendment removes the requirement in paragraph 22 of IAS 41 where entities needed to exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

The Company's financial statements were not materially impacted by the adoption of this standard.

#### IFRS issued but not yet effective

#### IFRS 17, "Insurance Contracts"

This IFRS will replace IFRS 4 that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects.

IFRS 17 is effective for reporting periods beginning on or after January 1, 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. The Company's management estimates that these modifications will not have a significant impact on the consolidated financial statements.

#### Amendments to IAS 1, "Classification of Liabilities as Current or Non-current"

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- Changes in criteria to classify a liability as current or non-current.
- Considerations about substantial right to defer the liability settlement.
- Settlement definition and possibility of settling liabilities in cash, other economic resources, or entity's equity instruments.
- New disclosures by liabilities deferrals.



Classification as current or non-current liability will not be affected by the probability that the entity exercises or not its deferral right.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have.

#### IAS 12 – "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

The amendments to IAS 12 "Income Taxes" require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognize deferred tax assets (to the extent that it is probable that they can be utilized) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognized as part of the cost of the related assets.

The cumulative effect of recognizing these adjustments is recognized in retained earnings, or another component of equity, as appropriate.

The amendment is effective for annual periods beginning on or after January 1, 2023, and early adoption is permitted. The Company is currently assessing the impact the amendments will have on current practice.

## Amendments to IAS 8, Accounting policies, changes in accounting and errors estimations – Definition of accounting estimate"

On February 2021, IASB issued amendments to IAS 8 that introduce a new definition of "accounting estimate". The change that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they are not the result of correcting an error from prior periods. The previous definition of a change in accounting estimate specified that changes in accounting estimates may be the result of new information; therefore, such changes are not bug fixes. The IASB retained this consideration in the definition.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023. The Company's Management is currently evaluating the impact that the amendments will have.

#### IAS 1, "Presentation of financial statements"

In February 2021, the IASB issued amendments to IAS 1 "Presentation of Financial Statements", which provide guidance and examples to help entities when applying materiality judgments to accounting policy disclosures. The IASB also issued amendments to the IFRS 2 Practice Statement to support the amendments in IAS 1 by explaining and exemplifying the application of the "four-step process" to accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after January 1, 2023, and early application is allowed if this fact is disclosed. Because the amendments to the IFRS 2 Practice Statement provide non-mandatory guidance on applying the definition of materiality to accounting information, the IASB concluded that transition requirements and an effective date for these amendments were not necessary.

These amendments are not expected to have a material impact on the Company's consolidated financial statements.

#### Amendments to IFRS 16, Lease liability in a sale and leaseback transaction

This amendment requires a lessee-seller to subsequently measure the liabilities for a lease that arises from a sale and leaseback transaction so that it does not recognize any amount of profit or loss related to the right of use that retains.

The new requirements introduced by the amendment do not prevent a lessee-seller from recognizing in income any profit or loss related to the partial or total termination of a lease.

Although it had previously been proposed that a lessee-seller initially measures the right-of-use asset and lease liability arising from a return lease using the present value of expected lease payments at the inception date, the final amendments do not eliminate specific measurement requirements for lease liabilities that arise from a return lease.

This amendment will be effective for annual periods beginning on or after January 1, 2024, and early adoption of this amendment is permitted. It is estimated that this amendment will not have a significant impact on the Company's consolidated financial statements.



#### 3. INFORMATION OF MATERIAL ACCOUNTING POLICIES

A summary of the material accounting policies is described below. These policies have been applied consistently with those applied in the year ended December 31, 2021.

#### a) Basis of preparation

The accompanying consolidated financial statements have been prepared in conformity with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC), including those issued previously by the former Standard Interpretations Committee (SIC).

The consolidated statements of comprehensive income were prepared based on the function of its components, which allows disclosure of cost of sales separately from other costs, operating and administrative expenses, with both expenses recognized in the statement of income at the time they are incurred.

Prior to the consolidation process, the financial statements of the Company's foreign subsidiaries are prepared under IFRS and translated to Mexican pesos using the average exchange rate for the consolidated statement of comprehensive income and the year-end exchange rate for the consolidated statement of financial position.

The cumulative translation adjustment is the effect of translating the financial statements of the Company's foreign subsidiaries into Mexican pesos. This effect is recognized in equity as part of other comprehensive income items.

The statement of cash flows is prepared using the indirect method.

The preparation of consolidated financial statements requires the use of accounting estimates and assumptions based on historical experience and other factors and therefore, the actual results may differ from estimates. The estimates and assumptions are reviewed periodically and mainly include the following:

- Accounting estimates for impairment of accounts receivable, inventory, property and equipment, right of use assets, investment properties, goodwill and the successful probability of legal and tax contingencies.
- Assumptions such as discount rates used to determine leases liabilities; annually, the Company reviews the useful lives for property and equipment and intangible assets with definite lives; determination of the recoverable value involving significant judgments such as future cash flows, the discount rate and the interest rate; labor obligation present value factors determined through actuarial valuations using economic assumptions, such as discount rate, inflation rate, salary increase rate and minimum salary increase rate; and fair value of derivative financial instruments and investment properties.

**WALMEX** has sufficient resources to continue operating as a going concern. The accompanying consolidated financial statements have been prepared on a going-concern basis and on a historical-cost basis, except for financial assets and liabilities and derivative financial instruments, which are fair valued as of the end of each period. The Mexican peso is the Company's functional and Reporting currency.

#### b) Consolidation

The accompanying consolidated financial statements include the financial statements of **WALMEX**, entities in which the Company was deemed the primary beneficiary and those of its Mexican and foreign subsidiaries or investee in which has control, which are grouped as described in Note 1, and prepared considering the same accounting period.

Subsidiaries or investees are consolidated from the date on which control is assumed by **WALMEX**, and until such control is lost. The results of subsidiaries or investee acquired or disposed of during the year are included in the consolidated statements of comprehensive income from the date of acquisition or up to the date of sale, as appropriate.

Specifically, the Company controls an investee if, and only if, the Company has:

- Power over the investee (i.e. the existing rights that give it the current ability to conduct the relevant activities of the investee).
- Exposure to, or rights to, variable returns from its participation in the investee.
- The ability to use its power over the investee to affect its returns.

Transactions and related party balances are eliminated in the consolidation.

The Company consolidates in its financial statements the balances and operations of the investee Cargill Protein S. de R.L. de C.V. and Cargill Protein Servicios S. de R.L. de C.V., merged into Cargill Protein S. de R.L. de C.V. in 2021, according to the agreement established with them to provide services for meat processing, through which the Company obtains control solely and exclusively from the accounting point of view and applying accounting principles but not legal ones, through the right to variable returns for its participation in these entities. Net income for the consolidated year considers a remaining attributable to the results of the investees of \$63,541 in 2022 and \$(66,136) in 2021; and the statement of financial position as of December 31, 2022 and 2021, contains a remaining attributable to the minority interest of the investees of \$(54,735) and \$(118,276), respectively.



#### c) Financial assets and liabilities and fair value measurement

The Company determines the classification of financial assets and liabilities at initial recognition as described below:

- I. <u>Financial assets</u>. These assets are classified in one of the following categories, as required: financial assets at fair value through profit or loss, accounts receivable and investments held to maturity. The Company's financial assets primarily consist of cash and cash equivalents, trade receivables and other accounts receivable which are initially recognized at fair value. Fair value of an asset is the price in which such asset would be sold in an ordinary transaction with third parties, capable of participating in the transaction.
- II. <u>Financial liabilities</u>. These liabilities are classified in accounts payable, other accounts payable and lease liabilities; these liabilities are initially recognized at fair value and subsequently valued to amortized cost using the effective interest rate method. The liabilities from derivatives are recognized initially and subsequently at fair value. Fair value of a liability is the amount that would be paid to transfer the responsibility to a new creditor in an ordinary transaction among those parties.

Assets and liabilities carried at fair value are measured using the fair value hierarchy, which prioritizes the inputs used in measuring fair value. The levels of the fair value hierarchy are as follows:

- Level 1. Quoted prices for identical instruments in active markets;
- **Level 2.** Other valuations including quoted prices for similar instruments in active markets that are directly or indirectly observable, and
- **Level 3.** Unobservable data inputs, for which the Company develops its own assumptions and valuations.

Subsequent measurement of the Company's financial assets and liabilities is determined based on their classification.

The Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

Financial assets and liabilities are offset and the net amount is presented in the consolidated statement of financial position if there is currently a legally enforceable right to offset the recognized amounts and there is an intention to settle them for the net amount, or to realize the assets and settle liabilities simultaneously.

#### d) Cash and cash equivalents

Cash and cash equivalents principally consist of bank deposits, credit and debit card transfer transactions that process in less than 7 days, and highly liquid investments with maturities of less than 90 days, plus accrued interest. Cash is stated at fair value.

Cash that is restricted and cannot be exchanged or used to settle a liability for a minimum period of twelve months is presented in a separate line item in the statement of financial position and is excluded from cash and cash equivalents in the cash flow statement.

#### e) Derivative financial instruments

The Company has entered into currency hedging through Over the Counter (OTC) currency forward transactions (Fx-forwards) to mitigate the effects caused by variability in the exchange rate of foreign currency on its accounts payable related to import goods for sale. The maximum length of these contracts is six months.

Derivatives are initially recognized at fair value at the date the derivative contract is subscribed and subsequently revalued at fair value at the end of the reporting period. The resulting gain or loss is recognized immediately as a part of the financial income (expense) line in the consolidated statement of comprehensive income.

In accordance with our standards of corporate governance, the Company manages only Fx-forwards as derivative financial instruments.

#### f) Accounts receivable and provision for impairment of other accounts receivable

**WALMEX** recognizes the impairment of its receivables by applying the simplified approach allowed by IFRS 9 "Financial Instruments", recognizing the expected credit losses as of the creation of the account receivable. These assets are grouped according to the characteristics of credit risk and the days past due, with the expected loss provision for each risk group determined based on the historical credit loss and experience of the Company, adjusted for specific factors for debtors and effects in the economic environment.



#### g) Inventories

Inventories are valued using the retail method, except for merchandise for Sam's Clubs, distribution centers, Agro-Industrial development (grains, edibles and meat) and perishable division, which are stated using the weighted average cost method. These methods are consistent with those applied in the prior year. Inventories, including obsolete, slow-moving and defective items or items in poor condition, are stated at the lower of cost or net realizable value.

Freight and buying allowances are capitalized in inventory and are recognized in the cost of sales based on the turnover of the inventories that gave rise to them.

#### h) Prepaid expenses

Prepaid expenses are recorded at cost and recognized as current assets in the consolidated statement of financial position as of the date the prepayments are made. Once the goods or services related to the prepayments are received, they should be charged to the income statement or capitalized in the corresponding asset line when there is certainty that the acquired goods will generate future economic benefits.

#### i) Property and equipment

Property and equipment are recorded at acquisition cost and are presented net of accumulated depreciation.

Depreciation of property and equipment is computed by the straight-line method at the following annual rates:

Buildings, facilities and leasehold improvements:			
Constructions and structures	2.5%	to	5.0%
Facilities and adaptations	5.0%	to	12.5%
Construction finishes	10.0%	to	25.0%
Furniture and equipment	5.0%	to	33.3%
Computer equipment	12.5%	to	33.3%
Transportation equipment	10.0%	to	33.3%

Construction in progress mostly consists of investments made by the Company, mainly for the construction of new stores and improvements; they are recognized at cost, and once complete, the Company reclassifies them to property and the depreciation begins.

#### j) Investment properties

Investment properties consist of land, buildings and constructions and facilities in properties that are leased to others and are maintained to obtain economic benefits through the collection of rent. Investment properties are measured initially at cost. After initial recognition, they continue to be valued at cost less depreciation and accumulated losses due to impairment.

Depreciation of investment properties is computed on a straight-line basis at the following annual rates:

Buildings, facilities and leasehold improvements:			
Constructions and structures	2.5%	to	5.0%
Facilities and adaptations	5.0%	to	12.5%
Construction finishes	10.0%	to	25.0%

#### k) Leases

The Company assesses whether a contract is or contains a lease at inception date of the contract. This assessment involves the exercises of judgement about whether it implies the use of a specific asset, or if the Company obtains substantially all the economics benefits from the use of that asset, and whether the Company has the right to direct the use of the asset.

**WALMEX** as a lessee

**WALMEX** recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental interest rate of **WALMEX**.



After initial recognition, the lease liability is measured at amortized cost using the effective interest method. These liabilities are re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the estimate of the amount expected to be payable under a residual value guarantee, or if **WALMEX** changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### **WALMEX** as a lessor

The Company obtains rental income from investment properties. Fixed and variable rental income is recognized when accrued and such revenue is presented as a part of other revenues line within the consolidated statement of comprehensive income.

#### I) Impairment of long term definite useful life assets

The long-term definite useful life assets are subject to impairment tests only when there is objective evidence of impairment.

The Company recognizes impairment in the value of this type of assets by applying the expected present value technique to determine value in use, considering each store as the minimum cash-generating unit.

The present value technique requires detailed budget calculations, which are prepared separately for each cash-generating unit where the assets are located. These budgets generally cover 5 years and, in case of a longer period, an expected growth rate is applied.

Impairment losses are recognized in the consolidated statement of comprehensive income as a part of other expenses.

When an impairment loss is subsequently reversed, the carrying amount of the asset (or cash-generating unit) is increased by the reviewed estimate of the recoverable amount, not exceeding the carrying amount that would have been determined if no impairment loss had been recognized in prior years. The reversal of an impairment loss is recognized immediately in the comprehensive income statement.

#### m) Intangible assets

Intangible assets are recognized when they have the following characteristics: they are identifiable, they give rise to future economic benefits and the Company has control over such benefits.

Intangible assets are valued at the lower of acquisition cost or fair value at the acquisition date and are classified based on their useful lives, which may be definite or indefinite. Indefinite-lived assets are not amortized; however, they are subject to annual impairment tests. Definite lived assets are amortized using the straight-line method at rates between 77% and 33.3%

#### n) Goodwill

Goodwill represents the excess of the purchase price over the fair value of the net assets of Walmart Central America at the acquisition date and is not subject to amortization.

Goodwill was assigned applying the perpetuity value technique to determine the goodwill's value in use, considering each Central American country (Costa Rica, Guatemala, Honduras, Nicaragua and El Salvador) as a minimum cash generating unit.

Goodwill is tested for impairment annually. The Company engages the services of an independent expert to test its goodwill for impairment. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of value of money over time and the specific risks affecting such assets.

Future cash flows consider the business plan and projections used by management in its decision making for the following five years.

Goodwill is translated at the closing exchange rate and such translation is recognized in other comprehensive income.

#### o) Liabilities and provisions

Accrued liabilities represent current obligations (legal or assumed) for past events where outflow of economic resources is possible and can be reasonably estimated. Reimbursements are recognized net of any related obligation when it is certain that the reimbursement will be obtained. Provision expenses are presented in the consolidated statement of comprehensive income net of any corresponding reimbursements.



#### p) Income taxes

#### Current and deferred income

Income taxes are classified as current and deferred and are recognized in the consolidated statement of comprehensive income in the year they are expensed or accrued, except when they come from items directly recognized in other comprehensive income, in which case, the corresponding taxes are recognized in equity.

Current income taxes are determined based on the tax laws approved in the countries where **WALMEX** has operations and are the result of applying the applicable tax rates at the date of the consolidated financial statements on the taxable profits of each entity of the Group. Current income taxes are presented as a current liability/asset net of prepayments made during the year.

Deferred income taxes result from applying the applicable enacted or substantively enacted income tax rate at the reporting date to all temporary differences between the financial reporting and tax values of assets and liabilities in the consolidated balance sheet. Deferred tax assets are only recognized when it is probable that sufficient taxable profit will be available against which the deductions for temporary differences can be taken. The deferred tax liabilities are generally recognized for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the deferred assets to be used. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The deferred income tax on temporary differences arising from investments in subsidiaries is recognized, unless the period of reversal of temporary differences is controlled by **WALMEX** and it is probable that the temporary differences will not reverse in the near future.

The Company offsets tax assets and liabilities only if it has a legally enforceable right to offset tax assets and liabilities and deferred tax assets and liabilities relating to income taxes that pertain to the same authority.

#### <u>Uncertain tax positions</u>

The Company reviews its criteria for the recognition and measurement of income taxes when there are uncertain tax positions. Uncertain tax positions are those tax positions where there is uncertainty about whether the competent tax authority of each of the countries where **WALMEX** operates will accept the tax position under current tax laws.

If the Company concludes that a particular tax treatment is likely to be accepted, it determines the taxable profit (tax loss), tax basis, unused tax losses, unused tax credits, or tax rates consistent with the tax treatment included in its tax return. If the Company concludes that a particular tax treatment is unlikely to be accepted, the entity uses the most probable amount or expected value of the tax treatment that the authority would accept when determining the tax profit (tax loss), tax basis, non-tax losses used, unused tax credits or tax rates.

#### q) Employee benefits

Employees in Mexico are entitled to a seniority premium in accordance with the Mexican Federal Labor Law. Also, **WALMEX**'s employees in each of the six countries are entitled to termination benefits to be paid in accordance to each country's respective labor laws. These employee benefits are recognized as expense during the years in which services are rendered, based on actuarial computations performed by independent experts using the projected unit credit method.

In Mexico, the seniority premium is granted to employees who retire from the Company with a minimum of 15 years of seniority. The amount paid to the associate is equivalent to 12 days for each year worked, without exceeding the amount for each day of twice the minimum wage. The Company has set up a defined benefits trust fund to cover seniority premiums accruing to employees. Employees make no contributions to this fund.

In Central America, the termination benefits for associates are paid when required in case of unjustified dismissal or death, in accordance with the Labor Law of each country where the Company operates. The benefits range from 20 days to one month of salary for each year of uninterrupted service.

All other payments to which employees or their beneficiaries are entitled in the event of involuntary retirement or death are expensed as incurred, in accordance with federal labor laws of each country.

**WALMEX** recognizes the actuarial gains and losses as they accrue directly in the consolidated statement of comprehensive income, and in the statement of changes in equity.

#### r) Equity

#### <u>Legal reserve:</u>

As of December 31, 2022, the Company's legal reserve amounts to \$9,104,745, which represents 20% of its capital stock, which under the Mexican Corporations Act is the maximum level the balance of the reserve can reach.



#### Dividends:

The Company recognizes a liability to pay dividends when these are decreed and are approved through a shareholders meeting. The corresponding accrual is recognized as a decrease in the stockholders' equity directly.

#### Employee stock option plan fund and stock option compensation:

The employee stock option plan fund is comprised of **WALMEX** shares which are acquired in the secondary market and are presented at acquisition cost. The plan is designed to grant stock options to executives of the companies of the Group, as approved by the Mexican National Banking and Securities Commission.

The shares subject to the plan are assigned, taking as a reference the weighted average price of the purchase and sale transactions in the secondary market of such shares.

The current policy has two grant plans to executives; the first one Grants stock options and the second one Grants restricted shares (the last one is offered only to certain executive levels). In the stock option plan, the term to exercise the option is released in three years in third equal parts. The term to exercise the rights is 10 years from the grant date.

The vesting period for the restricted shares plan is 3 years and the term to exercise the option is up to 10 years starting from the date of the assignment. The amount of the restricted shares is subject to compliance with certain metrics that are evaluated after the first year after the grant, which may cause the original allocation to decrease or increase within a range of 0% up to 213%.

According to the previous policy, **WALMEX** executives may exercise their option to acquire shares in equal parts over five years. The right to exercise the employee stock option expired after 10 years as of the grant date or 60 days after the employee's termination date; and in regards of the restricted shares plan, until March 23, 2021, the amount was subject to compliance with certain metrics that were evaluated after the first year, and that could cause the original allocation to be modified, in a range from 0% to 150%.

The compensation cost of stock options is recognized in general expenses in the consolidated statement of comprehensive income at fair value.

#### Premium on sale of shares:

The premium on sale of shares represents the difference between the cost of shares and the value at which such shares were sold, net of the corresponding income tax.

#### s) Revenue recognition

Revenue from merchandise sales, including online sales ("e-Commerce") is recognized in the consolidated statement of comprehensive income at the time the obligation is satisfied (when "control" of the goods has been transferred to the customer). Revenue from services is recognized at the time the service is provided.

Extended warranties, service commissions and cell phone airtime are recognized net in the net sales line in the consolidated statement of comprehensive income at time the service is provided.

Sam's Club membership income is deferred over the twelve-month term of the membership and presented in the other revenue line in the consolidated statement of comprehensive income.

Rental income is recognized as it accrues over the terms of the lease agreements entered with third parties and presented in the other revenue line in the consolidated statement of comprehensive income.

Revenues from the sale of waste and parking lots are recognized in other revenue line at the time the property is transferred upon delivery of the goods or at the time the services are provided.

#### t) Basic earnings per-share

Basic earnings per share is the result of dividing the net income of the year attributable to the controlling interest by the weighted average number of outstanding shares. Diluted earnings per share are the same as basic earnings per share since there is currently no potentially dilutive common stock.

The effect on earnings per share, which represents the remaining attributable to the results of the investees in 2022 and 2021 is of \$0.004 persos per share in both years.

#### u) Operating segments

Segment financial information is prepared based on the information used by the Chief Operating Decision Maker (CODM) to make business decisions and assess the Company's performance. Segment information is presented based on the geographical zones in which the Company operates.

#### v) Foreign currency transactions

The Company's foreign currency denominated assets and liabilities are translated to the functional currency at the prevailing exchange rate at the date of the consolidated statement of financial position. Exchange differences are recognized in the consolidated statement of comprehensive income in the financial income (expenses) lines.



#### 4. RISK MANAGEMENT

#### a) General risk factors

The Company is exposed to facts or events that could affect the purchasing power and/or buying habits of the population. These facts or events may be economic, political or social in nature and some of the most important are described below:

- I. <u>Changes in exchange rates.</u> Exchange rate fluctuations tend to put upward pressure on inflation and reduce the population's purchasing power, which could ultimately adversely affect the Company's sales, in particular due to the purchase of imported goods.
- II. <u>Competition</u>. The retail sector has become very competitive in recent years, which has led to the need for all the players in the market to constantly look for ways to set themselves apart from the competition. This puts the Company's market share at risk. Other factors affecting the Company's market share could be the business expansion of its competitors and the possible entrance of new competitors into the market. Likewise, the new activities carried out by the Company that it did not carry out before BAiT, Connect, Cashi, to mention a few face very strong competition from participants that have a greater participation than the Company in those market segments.
- III. <u>Inflation</u>. A significant increase in inflation rates could have a direct effect on the purchasing power of the Company's customers and the demand for its products and services, as well as employment and salaries and in the prices of the goods and services supplied by the Company. Although the Company always seeks to keep costs low in order to offer low prices, there are circumstances in which it is not possible to defer price increases, even though the Company always seeks to do so.
- IV. <u>Changes in government regulations.</u> The Company is exposed to the changes in different laws and regulations, which, after becoming effective, could affect the Company's operating results, such as an impact on sales, expenses for payroll indirect taxes and changes in applicable rates. Currently, the level of scrutiny and discretion by the tax authorities and other regulatory authorities has increased considerably.
- V. <u>Recent developments</u>. The COVID-19 pandemic has resulted in widespread and ongoing impacts on the local and international economy, on our associates, suppliers, customers, and other individuals and entities with whom we do business. Although it seems that the most severe effects of the pandemic are over and the vaccination campaigns have significantly reduced the risk of having to implement measures that affect economic activity again, the secondary effects will continue in many areas and will continue to be a risk. In

addition, the increase in violence has caused temporary closures of Company stores, clubs and distribution centers and, in some cases, our facilities have been looted. In all these cases, the Company's policy is always to safeguard the integrity of people -associates, customers, partners or suppliers- and seek to reopen its units as soon as possible to help build confidence in the corresponding location. However, these acts of violence have caused temporary closures and loss of sales, which have not been substantial but could be if they become widespread or of longer duration.

In addition to the above, international events involving Ukraine, together with the effects of the pandemic, have caused disruptions in the markets, prices of many products and in the international supply logistics chain. These risks and their impacts are difficult to predict and could adversely affect our operations and our financial performance.

As of the date of this report, the financial effect of the combination of these events has not had a significant adverse impact on the financial statements taken as a whole.

#### b) Financial risk factors:

The Company's activities are exposed to various financial risks such as exchange rate, interest rate and liquidity risk. The Company manages those risks that impede or endanger its financial objectives, seeking to minimize potential negative effects through different strategies.

#### Exchange rate risk:

The Company operates with foreign companies and therefore is exposed to the risk of exchange rate operations with foreign currencies, particularly the US dollar ("USD").

As of December 31, 2022, the exchange rate used to translate assets and liabilities denominated in US dollars was \$19.50 per dollar (\$20.46 in 2021).

Considering the net monetary position in dollars at December 31, 2022, if there was an increase or decrease in the exchange rate of the US dollar against the Mexican peso of 5%, there would be a favorable or unfavorable effect on the financial income (expenses) and equity of the Company of \$255,159.

The Company has entered into Fx-forward contracts for foreign currency in order to protect itself from exposure to variability in the exchange rate for the payment of liabilities in Mexico related to the purchase of imported goods agreed in US dollars.



The valuation techniques used by the Company to determine and disclose the fair value of its financial instruments are based on the fair value hierarchy level 2. (See Note 3 "Information of material accounting policies – Financial assets and liabilities and fair value measurement").

As of December 31, 2022 and 2021, the Company has Fx-forward contracts with a term of no more than four months, recorded in other accounts payable, which are shown below:

		202	22	202
Current contracts		271		284
Notional amount (millions of USD)	US\$	177	US\$	192.31
Notional amount (millions of Mexican Pesos)	MXN\$	3,517.82	MXN\$	4,069.20
Fair value, net (millions of pesos)	MXN\$	( 29.740)	MXN\$	( 106.25)

Each Fx-forwards operation contracted with the banking institutions is agreed by means of a confirmation letter and consists in the exchange in kind of currencies with the same counterpart that occurs simultaneously at the settlement date agreed in the confirmation letter.

#### Interest rate risk:

The Company has temporary investments in government paper which generate financial income. By reducing the interest rate, the financial income of the Company also decreases. The interest rate of these investments fluctuated during the year 2022 between 1.23% y 9.94%. As of December 31, 2022 the financial income amounted to \$2,025,182 (\$866,112 in 2021).

Considering the highly liquid instruments as of December 31, 2022, if there was an increase or decrease in the interest rate of 0.50%, there would be a favorable or unfavorable effect on the financial income of the Company of \$129,056.

#### <u>Liquidity risk</u>

The Company is subject to liquidity risks to meet its payment obligations to suppliers, payment of taxes, acquisitions of fixed assets and other working capital requirements, which are settled through the cash flow generated in the operation. For this reason, in order to avoid the breach of its obligations, the Company has available lines of credit and overdraft with different banks. As of December 31, 2022, the available and unused credit and overdraft lines amounted \$52,623 (\$51,255 in 2021) million (these include \$18,664 (\$17,931 in 2021) million corresponding to pre-approved lines of credit and \$33,959 (\$33,324 in 2021) million to contracted lines of credit) that give, if necessary, additional liquidity to that generated by the operating activities.

#### 5. CASH AND CASH EQUIVALENTS

An analysis of cash and cash equivalents as of December 31, 2022 and 2021, is as follow:

	202	22	2021
Cash and cash in bank Highly marketable investments	\$ 36,008,176 11,419,015	\$	35,127,748 7,688,787
	\$ 47,427,191	\$	42,816,535

As of December 31, 2022, the restricted cash amounted \$199,612 (\$225,643 in 2021) and it is presented in the consolidated statement of financial position in the other non-current assets item.



#### 6. ACCOUNTS RECEIVABLE

An analysis of accounts receivable as of December 31, 2022 and 2021, is as follows:

	20	22	2021
Income tax, VAT, IEPS pending to recover	\$ 12,418,965	\$	13,118,127
Vouchers issuers and trade receivables	2,036,744		1,415,900
Other accounts receivable	2,805,813		2,847,115
Allowance for impairment of other receivables (1)	(542,214)		(553,904)
	\$ 16,719,308	\$	16,827,238

Average aging to collect the accounts receivable to customers is 30 to 90 days.

(1) Includes \$224 million of allowance for impairment of other receivables corresponding to ATM's services supplier.

#### 7. INVENTORIES

An analysis of inventories as of December 31, 2022 and 2021, is as follows:

	202	22	2021
Merchandise for sale	\$ 83,883,622	\$	74,466,819
Agro-industrial development	1,435,803		1,315,037
	85,319,425		75,781,856
Merchandise in transit	4,142,310		4,535,113
	\$ 89,461,735	\$	80,316,969

As of December 31, 2022 and 2021, the effect of inventory impairment is \$1,513,303 y \$1,294,599, respectively, which was included in cost of sales in the consolidated comprehensive income statement.



#### 8. PROPERTY AND EQUIPMENT

An analysis of property and equipment as of December 31, 2022 and 2021, is as follows:

	December 31, 2020	Additions	Disposals	Transfers	Translations effect	December 31, 2021	A	Additions	Disposals	Transfers	Translations effect	December 31, 2022
Cost:												
Land	\$ 31,693,080	\$ 605,782	\$ ( 106,636)	\$ 309,400	\$ ( 22,057)	\$ 32,479,569	\$	112,523	\$ ( 105,879)	\$ ( 61,666)	\$ ( 37,608)	\$ 32,386,939
Buildings	72,280,298	1,276,226	( 503,028)	3,135,993	13,787	76,203,276		1,270,383	( 1,310,664)	2,680,526	( 261,839)	78,581,682
Facilities and leasehold improvements	52,435,706	244,830	( 528,437)	4,065,345	152,415	56,369,859		273,909	( 699,060)	5,530,861	( 346,161)	61,129,408
Furniture and equipment	73,479,359	3,888,848	(4,405,776)	4,599,689	202,702	77,764,822	4	4,747,696	( 4,274,538)	4,868,126	( 596,371)	82,509,735
Subtotal	229,888,443	6,015,686	( 5,543,877)	12,110,427	346,847	242,817,526	(	6,404,511	( 6,390,141)	13,017,847	(1,241,979)	254,607,764
Accumulated depreciation:												
Buildings	( 34,415,507)	( 2,977,245)	319,881	( 69,076)	( 14,710)	( 37,156,657)	(	2,996,120)	1,114,985	195,722	109,102	( 38,732,968)
Facilities and leasehold improvements	( 25,784,216)	( 3,046,909)	413,686	( 96,907)	( 68,655)	( 28,583,001)	(	3,083,156)	553,720	( 270,638)	197,545	( 31,185,530)
Furniture and equipment	( 39,499,176)	( 7,255,124)	4,261,397	8,663	( 102,064)	(42,586,304)	(	7,726,188)	4,159,797	15,819	348,570	( 45,788,306)
Subtotal	(99,698,899)	(13,279,278)	4,994,964	( 157,320)	( 185,429)	(108,325,962)	( 13	3,805,464)	5,828,502	( 59,097)	655,217	(115,706,804)
Construction in progress	4,639,073	13,636,456	( 61,598)	(12,194,434)	( 14,463)	6,005,034	13	3,648,144	( 10,363)	(13,058,638)	48,169	6,632,346
Total	\$ 134,828,617	\$ 6,372,864	\$ ( 610,511)	\$ ( 241,327)	\$ 146,955	\$ 140,496,598	\$	6,247,191	\$ ( 572,002)	\$ ( 99,888)	\$ (538,593)	\$ 145,533,306

Depreciation expense for the years ended December 31 2022 and 2021, was \$13,491,000 y \$12,937,408, respectively, and is included in the general expenses line in the consolidated statement of comprehensive income. The depreciation included in cost of sales was \$314,464 y \$341,870, respectively.

Property and equipment impairment for the years ended December 31, 2022 and 2021, was \$49,005 y \$159,133, respectively, and is presented in the disposals column.



#### 9. LEASES

**WALMEX** has executed property lease agreements. Leases are usually contracted for a period of 15 years. Some leases include a unilateral renewal option for an additional period. The Company evaluates at the beginning of the lease if it is reasonably certain that it will exercise said renewal option.

In addition, the Company has also entered into finance leases for the rental of residual water treatment plants with lease terms of 10 years with purchase option at the end of the agreement; as well as other equipment leases with terms of 3 to 5 years.

**WALMEX** sub-leases some of its investment properties.

The right of use assets balance is as follows:

	December 31, 2020	Additions	Disposals, Modifications and updates	Transfers	Translations effect	December 31, 2021	Additions	Disposals, Modifications and updates	Transfers	Translations effect	December 31, 2022
Cost:											
Property	\$ 59,099,287	\$ 1,876,726	\$ 5,194,427	\$ ( 2,541)	\$ ( 156,575)	\$ 66,011,324	\$ 2,343,220	\$ 5,660,844	\$ 3,026	\$ ( 420,492)	\$ 73,597,922
Furniture and equipment	2,537,833	639,044	( 93,684)	( 377,605)	( 7,798)	2,697,790	248,504	( 289,792)	( 282,432)	( 1,737)	2,372,333
Subtotal	61,637,120	2,515,770	5,100,743	( 380,146)	( 164,373)	68,709,114	2,591,724	5,371,052	( 279,406)	( 422,229)	75,970,255
Accumulated depreciation:											
Property	( 10,427,946)	( 3,630,535)	198,356	_	340,973	( 13,519,152)	( 4,042,270)	204,112	560	166,670	( 17,190,080)
Furniture and equipment	( 889,390)	( 493,792)	92,419	215,692	22,617	( 1,052,454)	( 540,565)	288,551	141,957	3,755	( 1,158,756)
Subtotal	( 11,317,336)	( 4,124,327)	290,775	215,692	363,590	( 14,571,606)	( 4,582,835)	492,663	142,517	170,425	(18,348,836)
Total	\$ 50,319,784	\$ ( 1,608,557)	\$ 5,391,518	\$ ( 164,454)	\$ 199,217	\$ 54,137,508	\$ ( 1,991,111)	\$ 5,863,715	\$ ( 136,889)	\$ ( 251,804)	\$ 57,621,419



An analysis of the lease liabilities is as follows:

Year	December 31, 2022
2023	\$ 9,966,048
2024	9,620,665
2025	9,341,010
2026	9,002,209
2027	8,664,215
2028 and thereafter	111,053,648
Nominal lease payments	157,647,795
Effect on Net present value	(87,809,213)
Lease liabilities - net	\$ 69,838,582

The Company analyzes its services agreements that do not have the legal form of a lease to determine if the supplier transfers the use of an asset to **WALMEX**. After this analysis, **WALMEX** has determined that there are no material service agreements that must be classified as a lease.

The amounts recognized in the consolidated statements of income for the years ended December 31, 2022 and 2021, are as follows:

	202	22	202	21
Depreciation expense for the right of use assets, by type:				
Property	\$ 4,042,270	\$	3,630,535	
Equipment	\$ 540,565	\$	493,792	
Interest on lease liabilities	\$ 7,049,835	\$	6,478,994	
Expenses related to short-term leases	\$ 194,342	\$	181,653	
Expenses related to leases of low-value assets	\$ 56,045	\$	37,840	
Variable lease payments (not included in the measurement of lease liabilities)	\$ 4,860,779	\$	3,782,845	
Sub lease revenue	\$ (1,439,050)	\$	(1,225,533)	

Amounts recognized in consolidated statement of cash flows as well as non-cash transaction, for the years ended December 31, 2022 and 2021, are as follow:

	202	22	2021		
Rent payments – principal	\$ 2,989,363	\$	2,764,981		
Rent payments – interest	\$ 7,049,835	\$	6,478,994		
Additions of right of use assets	\$ 2,591,724	\$	2,515,770		
Modifications and updates	\$ 5,920,509	\$	5,412,193		



#### 10. INVESMENT PROPERTIES

An analysis of investment properties as of December 31, 2022 and 2021 is as follows:

	D	ecember 31, 2020	Additions	Disposals	Modifications and updates	ı	Diciembre 31, 2021	Additions	Disposals	Modifications and updates	Transfers	[	December 31, 2022
Land	\$	2,487,015	\$ 78,778	\$ 3,818	\$ _	\$	2,569,611	\$ -	\$ -	\$ -	\$ 103,553	\$	2,673,164
Buildings		6,061,536	-	( 625,311)	( 20,003)		5,416,222	-	( 78,909)	116,933	91,227		5,545,473
Facilities and improvements		1,528,230	-	( 392,455)	-		1,135,775	-	( 11,101)	-	3,363		1,128,037
Subtotal		10,076,781	78,778	( 1,013,948)	( 20,003)		9,121,608	-	( 90,010)	116,933	198,143		9,346,674
Accumulated depreciation	(	3,770,861)	( 308,754)	506,904	34,949		( 3,537,762)	( 285,878)	31,775	-	( 74,704)		( 3,866,569)
Total	\$	6,305,920	\$ ( 229,976)	\$ ( 507,044)	\$ 14,946	\$	5,583,846	\$ ( 285,878)	\$ ( 58,235)	\$ 116,933	\$ 123,439	\$	5,480,105

Depreciation expense for the years ended December 31,2022 and 2021, was \$285,878 y \$308,754, respectively, and is included in the general expenses line in the consolidated statement of comprehensive income.

The investment properties of the Company consist of commercial properties located in Mexico. The administration determined that the investment properties are grouped according to the nature, characteristics and main client of each property.

As of December 31, 2022 and 2021, the fair values of the properties are based on Management's valuations. To calculate the value of a commercial property, the rental approach was used, applying the corresponding gross rent multiplier (GRM). The Company determines the estimated fair value based on its annual rental income before expenses, divided by the capitalization rate used in the real estate sector (Cap rate). On the other hand, the capitalization rates used for the year ended December 31, 2022 and 2021, were 8.5%, in both periods. Effects on annual income and the update of the capitalization rate were considered in the calculation of the estimated fair value.

The Company's Management determined that there is no impairment in the investment properties as of December 31, 2022 and 2021. The estimated fair value of the investment properties as of December 31, 2022 and 2021 is \$6,701,368 y \$5,911,220, respectively. The Company compares the estimated fair value and the net book value to determine if there are impairment.



#### 11. INTANGIBLE ASSETS

An analysis of intangible assets as of December 31, 2022 and 2021, is as follows:

	December 31, 2020	Additions	Disposals	Transfers	Translations effect and others (1)	December 31, 2021	Additions	Disposals	Transfers	Translations effect	December 31, 2022
Goodwill	\$ 34,997,380	\$ -	\$ -	\$ -	\$ 769,861	\$ 35,767,241	\$ -	\$ -	\$ -	\$ (153,537)	\$ 35,613,704
Trademarks	871,314	-	( 84,934)	-	2,405	788,785	-	-	-	( 16,286)	772,499
Licenses and software	4,529,963	735,444	( 898,513)	387,232	8,410	4,762,536	1,254,606	( 959,543)	123,230	( 9,189)	5,171,640
Customer base	215,225	-	( 211,838)	-	( 3,387)	_	-	-	-	-	-
Subtotal	5,616,502	735,444	( 1,195,285)	387,232	7,428	5,551,321	1,254,606	( 959,543)	123,230	( 25,475)	5,944,139
Accumulated amortization	( 3,061,866)	( 593,522)	1,096,792	371	( 2,288)	( 2,560,513)	( 685,028	906,297	( 7,989)	7,764	( 2,339,469)
Subtotal	2,554,636	141,922	( 98,493)	387,603	5,140	2,990,808	569,578	( 53,246)	115,241	( 17,711)	3,604,670
Total	\$ 37,552,016	\$ 141,922	\$ ( 98,493)	\$ 387,603	\$ 775,001	\$ 38,758,049	\$ 569,578	\$ ( 53,246)	\$ 115,241	\$ (171,248)	\$ 39,218,374

Trademarks represents the trademarks acquired at the time of the acquisition of Walmart Central America, including Pali, Despensa Familiar, Maxi Bodega, among others. Trademarks are translated at the year-end-exchange rate and the corresponding effect is recognized as a component of other comprehensive income.

Licenses, software and customer amortization expense for the years ended December 31, 2022 and 2021, were \$685,028 y \$593,522, respectively, and is included in the general expenses line of the consolidated statement of comprehensive income.

As a result of its impairment testing, the Company concluded that there was no impairment in the value of the Goodwill as of December 31, 2022 and 2021.

The assumptions used in the goodwill impairment test are:

- Net book value of long-lived assets with a defined and indefinite life.
- Projection period of financial and operational assumptions (Revenues, EBITDA, Working Capital and Capex) of 5 years for each cash-generating unit (CGU).

- Estimate of the terminal value in perpetuity based on the latest estimated flow, considering a growth between 3.3% and 6.1% in nominal terms, which correspond to the estimated average inflation for each CGU.
- Appropriate discount rate, based on the weighted average cost of capital (WACC) methodology, which vary in a range of 9.7% to 12.6% determined according to the associated risks for each CGU.
- (1) In 2021 the Company corrected an excess of goodwill impairment amount determined in 2012 and 2014, and allocated to Honduras cash generating unit by \$574,804, which was recognized in other income item. Such income is not part of the core operations of the Company.



#### 12. RELATED PARTIES

#### a) Related party balances

As of December 31, 2022 and 2021, the consolidated statement of financial position includes the following balances with related parties:

	202	22	2021	
Accounts payable:				
C.M.A. – U.S.A., L.L.C.	\$ 612,659	\$	691,981	
WMGS Commercial Services Limited	-		223,700	
	\$ 612,659	\$	915,681	
Other short-term accounts payable:				
Walmart Inc.	\$ 1,302,994	\$	1,160,011	
WMGS Commercial Services Limited	134,956		-	
Newgrange Platinum Services LTD	21,417		59,949	
	\$ 1,459,367	\$	1,219,960	
Other long-term accounts payable:				
Walmart, Inc.	\$ 163,409	\$	85,964	

Additionally, as of December 31, 2021, the company has other accounts payable with others related parties of \$405.

Balances with related parties consist of current accounts that bear no interest, are payable in cash and have no guarantees. Balances with related parties are considered recoverable and consequently, for the years ended December 31, 2022 and 2021, there were no uncollectible related party balances.

#### b) Related party transactions

**WALMEX** has entered into the following open-ended agreements with related parties:

- Imports of goods for resale, which are interest-free and payable monthly with CMA USA LLC.
- Commissions for procurement services to WMGS Commercial Services Limited (as from July 1st, 2022) that are payable on a recurring basis. Until June 2021, Purchase commissions with Swiss Asia Minor GmbH.
- Technical assistance and services with Walmart, Inc. that are payable monthly.
- Administrative and process services with Newgrange Platinum Service, LTD, that are payable monthly.
- Royalties for trademark use and Know-How with Walmart, Inc., payable quarterly based on a percentage of sales of the retail businesses and Sam's.

The terms of the related party transactions are consistent with those of an arm's length transaction.

The Company had the following transactions with related parties during the years ended December 31, 2022 and 2021.

	202	22	2021
Purchases and commissions related to the import of Good for resale:			
C.M.A. – U.S.A., L.L.C.	\$ 4,822,933	\$	4,369,447
Swiss Asia Minor GmbH	-		72,085
WMGS Commercial Services Limited	887,463		222,341
	\$ 5,710,396	\$	4,663,873
Costs and expenses related to technical assistance, services and royalties:			
Walmart Inc.	\$ 8,574,148	\$	7,295,135
Newgrange Platinum Services LTD	508,630		537,761
	\$ 9,082,778	\$	7,832,896

For the year ended December 31, 2021, the Company made transactions with other related parties of \$26,268.



#### c) Remuneration of principal officers

Remuneration to the Company's principal officers and Board of Directors for the years ended December 31, 2022 and 2021 is as follows:

	202	22	2021
Short-term benefits	\$ 1,806,127	\$	1,687,623
Termination benefits	104,512		74,885
Share-based payments	68,353		119,166
	\$ 1,978,992	\$	1,881,674

#### 13. OTHER ACCOUNTS PAYABLE

An analysis of other accounts payable as of December 31, 2022 and 2021, is as follows:

	202	22	202	21
Accrued liabilities and others (a)	\$ 22,715,812	\$	20,972,039	
Short - term leases (Note 9)	3,511,546		3,438,469	
Contingencies (Note 14)	1,924,061		2,241,507	
Deferred revenues (b)	1,557,776		1,492,490	
Related parties (Note 12)	1,459,367		1,219,960	
Dividends	187,491		170,717	
	\$ 31,356,053	\$	29,535,182	

- (a) Accrued liabilities and others includes an effect due to Recent reforms to the Federal Labor Law in Mexico that have changed the provisions applicable to vacations, and now provides that workers with more than one year of service will enjoy an annual period of paid vacation, which in no case may be less than twelve working days and which will increase by two working days, up to twenty, for each subsequent year of service. Although the entry into force of this reform is January 1, 2023, it is concluded that obligation and the corresponding liability is already present at December 31, 2022 with an impact of \$263 million.
- (b) Includes Sam's club memberships, unredeemed gift cards and deferred income for rentals related to the sale of Vips and Suburbia.

#### 14. COMMITMENTS AND CONTINGENCIES

#### a) Commitments

As of December 31, 2022, the Company has entered into agreements with suppliers for the acquisition of inventories, property and equipment, maintenance services, as well as renewable energy supply services, as shown below:

Year	Amount				
2023	\$	28,210,873			
2024	\$	4,401,323			
2025	\$	3,558,561			
2026	\$	2,972,941			
2027	\$	3,086,685			
2028 and thereafter	\$	18,184,391			

The Company has lease commitments as explained in Note 9.

#### b) Contingencies

The Company is subject to several lawsuits and contingencies for legal proceedings (labor, civil, commercial and administrative proceedings) and tax proceedings. The Company has recognized a provision of \$1,924,061 as of December 31, 2022, (\$2,241,507 in 2021) which is presented in other accounts payable. In the opinion of the Company, none of the legal proceedings are significant either individually or as a whole.



#### 15. LEASES AND OTHER LONG-TERM LIABILITIES

Leases and other long-term liabilities as of December 31, 2022 and 2021, includes:

	202	22	2021
Long – term leases (Note 9)	\$ 66,327,036	\$	61,252,909
Deferred rental income	3,389,703		3,702,241
Related parties (Note 12)	163,409		85,964
Others	7,906		19,152
	\$ 69,888,054	\$	65,060,266

#### 16. INCOME TAXES

The income tax provision includes taxes payable by **WALMEX**'s subsidiaries in Mexico and abroad, determined in accordance with the tax laws in force in each country. On December 31, 2022, companies in Mexico determined and paid their income tax under the general tax law.

An analysis of income taxes charged to the income statement for the years ended December 31, 2022 and 2021, is as follows:

	202	22	202	1
Current income taxes:				
Mexico	\$ (15,312,910)	\$	(12,056,598)	
Central America	(2,864,242)		(2,035,475)	
Consolidated	(18,177,152)		(14,092,073)	
Deferred income taxes:				
Mexico	3,845,902		514,918	
Central America	(61,125)		419,579	
Consolidated	3,784,777		934,497	
	\$ (14,392,375)	\$	(13,157,576)	

As of December 31, 2022 and 2021, the Company's effective tax rate is 22.7% and 23.0%, respectively. The difference between the statutory tax rate and Company's effective tax rate is mainly due to inflationary effects and other permanent items.

The income tax rates applicable to each country are shown below:

	Rate
Mexico	30%
Costa Rica	30%
Guatemala	25%
Honduras	30%
Nicaragua	30%
El Salvador	30%

An analysis of the effects of the long term income taxes (assets and liabilities), as of December 31, 2022 and 2021, is as follows:

	202	22	2021
Deferred tax assets:			
Other accounts payable	\$ 5,762,883	\$	4,447,485
Leases and other long-term liabilities	4,949,842		4,891,049
Inventories	1,210,472		1,128,513
Tax losses carryforward froms subsidiaries	1,153,279		790,594
Labor obligations	937,896		788,563
Provisions for impairment of other receivable	89,585		174,169
Other ítems	-		153,856
	\$ 14,103,957	\$	12,374,229
Deferred tax liabilities:			
Property and equipment	\$ 4,973,607	\$	6,018,208
Prepaid expenses	259,237		254,024
Investment in subsidiaries and other ítems	136,755		1,161,739
Deferred income tax	\$ 5,369,599	\$	7,433,971
Long – term income tax	1,118,025		982,221
Income taxes	\$ 6,487,624	\$	8,416,192

The deferred income tax asset derived from tax losses not amortized is recognized to the extent that the related tax benefit through future taxable profits is probable.



The Company has the following tax losses from subsidiaries that may be carried forward against future taxable income.

Year of expiration	Amount
2027	\$ 157,415
2028	978
2029	1,362,913
2030	4,156
2031	668,565
2032	1,650,235
	\$ 3,844,262

Changes in the assets and liabilities for long-term income taxes, net as of December 31, 2022 and 2021, is as follows:

	20	22	2021
Balance as of beginning of the year	\$ 3,958,037	\$	2,705,326
Income tax charged in the year	3,739,259		1,507,077
Excess of previous years	45,518		( 572,580)
Other comprehensive income ítems	29,743		( 85,795)
Long – term income taxes	( 171,149)		382,433
Translation effect	14,925		21,576
Balance as of end of the year	\$ 7,616,333	\$	3,958,037

#### 17. EMPLOYEE BENEFITS

As of December 31, 2022 and 2021, an analysis of the Company's assets and liabilities for seniority premiums and retirement benefits is as follows:

	 Seniority premiums			Retireme	nt be	enefits	
	2022 2021			202	22	2021	
Defined benefit obligations	\$ 2,057,057	\$	1,916,026	\$	1,422,429	\$	1,618,477
Plan assets	( 1,200,930)		( 1,211,960)		-		-
Net projected liability	\$ 856,127	\$	704,066	\$	1,422,429	\$	1,618,477

Changes in the net present value of the defined benefit obligations (DBO) as of December 31, 2022 and 2021, are shown below:

	Seniority premiums					Retirement benefits					
		2022		202	21	202	22	2021			
DBO at beginning of year	\$	1,916,026	\$	1,844,268	\$	1,618,477	\$	1,787,649			
Net period cost charged to results:											
Labor cost from actual services		214,600		215,814		169,696		181,970			
Interest cost on DBO		156,829		129,066		100,414		109,430			
Other comprehensive income items		23,261		( 85,233)		( 65,804)		( 172,581)			
Benefits paid	(	254,074)		( 186,893)		( 314,472)		( 322,476)			
Transfers		415		( 996)				( 266)			
Translation effect		-		-		( 85,882)		34,751			
DBO at end of the year	\$	2,057,057	\$	1,916,026	\$	1,422,429	\$	1,618,477			



Changes in the net present value of the plan assets (PA) as of December 31, 2022 and 2021, are shown below:

The assumptions used in the actuarial valuations of Mexico and Central America are as follows:

Seniority premiums						
		2022			202	21
\$	(	1,211,960)	\$	(	1,046,954)	
	(	109,764)		(	82,538)	
		128,148		(	5,350)	
	(	261,197)		(	263,896)	
		253,843			186,778	
	(	1,200,930)		(	1,211,960)	
	\$	(	\$ ( 1,211,960) ( 109,764) 128,148 ( 261,197)	\$ ( 1,211,960) \$ ( 109,764) 128,148 ( 261,197) 253,843	2022 \$ ( 1,211,960) \$ ( ( 109,764) ( 128,148 ( ( 261,197) ( 253,843	\$ ( 1,211,960) \$ ( 1,046,954) ( 109,764) ( 82,538) ( 261,197) ( 263,896) 253,843 186,778

The valuation techniques used by the Company to determine and disclose the fair value of its financial instruments are based on a level 1 hierarchy.

As of December 31, 2022 and 2021, the plan assets have been invested through the trust mostly in money market instruments. As of December 31, 2022 and 2021, actuarial gains/losses from labor obligations, net of taxes are recognized as a component of other comprehensive income in the amount of \$1,154,692 and \$1,098,830, respectively.

	Me	xico	Central A	Central America				
	202	22 20	21 202	2021				
Financial:								
Discount rate	9.52%	8.20%	4.6% - 13.2%	1.92% - 8.04%				
Salary increase rate	5.25%	5.25%	3.5% - 6.3%	3.50% - 6.30%				
Minimum salary increase rate	4.75%	4.75%	2.00%	2.00%				
Inflation rate	4.00%	4.00%	0.70% - 4.70%	0.70% - 4.70%				
Biometriccs:								
Mortality	IMSS 2009 (1)	IMSS 2009 (1)	RP - 2000 <sup>(2)</sup>	RP - 2000 <sup>(2)</sup>				
Disability	21.04%	21.04%	4.5% - 15.40%	4.5% - 15.40%				
Retirement age	65 años	65 años	50 - 65 años	50 - 65 años				

<sup>(1)</sup> Mexican Social Security Institute experience for males and females

<sup>(2)</sup> RP-2000 for Costa Rica, Guatemala, Honduras, Nicaragua and El Salvador



A sensitivity analysis of the DBO as of December 31, 2022, is as follows:

	Amount
DBO December 31, 2022	\$ 3,479,486
DBO at discount rate + 1%	\$ 3,319,187
DBO at discount rate – 1%	\$ 3,806,570
Effects over DBO:	
Discount rate + 1%	\$ (267,511)
Discount rate – 1%	\$ 303,252

The discount rate in Mexico is determined using the curve of government bonds issued by the Federal Government known as M Bonds. In Central America, the discount rate is determined using the curve of government bonds of United States of America plus the risk of each country.

#### 18. EQUITY

- a) At an ordinary meeting held on April 7, 2022, the shareholders adopted the following resolutions:
  - 1. Approval of a cap of \$5,000,000 on the amount the Company would use in 2022 to repurchase its own shares. There was no repurchase of its own shares as of December 31, 2022.
  - 2. The shareholders declared an ordinary cash dividend of \$1.00 pesos per share, paid in two installments of \$0.50 each; the first one on November 24, 2022, and the second one on December 27, 2022; and an extraordinary dividend to be paid in cash at a rate of \$0.71 pesos per share in two installments: \$0.35 pesos per shares on November 24, 2022 and \$0.36 pesos per share on December 27, 2022.
- b) At an ordinary meeting held on March 23, 2021, the shareholders adopted the following resolutions:
- 1. Approval of a cap of \$5,000,000 on the amount the Company would use in 2021 to repurchase its own shares. There was no repurchase of its own shares as of December 31, 2021.
- 2. The shareholders declared an ordinary cash dividend of \$0.90 pesos per share, paid in two installments of \$0.45 each; the first one on November 24, 2021, and the second one on December 28, 2021; and an extraordinary dividend to be paid in cash at a rate of \$0.73 pesos per share in two installments: \$0.36 pesos per shares on November 24, 2021 and \$0.37 pesos per share on December 28, 2021.

After the dividend declared is approved at the shareholders' meeting, the Company reduces retained earnings and recognizes the accounts payable in the consolidated statement of financial position.

As of December 31, 2022 and 2021, the decreed dividends are as follows:

	2022		2021	
Dividends in cash decreed and paid				
Ordinary dividend \$1.00 per share (\$0.90 in 2021)	\$ 17,285,400	\$	15,564,332	
Extraordinary dividend \$0.71 per share (\$0.73 in 2021)	12,272,638		12,624,409	
	\$ 29,558,038	\$	28,188,741	



c) Capital stock is represented by one series of nominative, common or ordinary registered shares with no par value that can be freely subscribed. The Company's capital stock must be represented by a minimum of three billion shares and a maximum of one hundred billion shares.

As of December 31, 2022 and 2021, an analysis of paid-in stock and the number of shares representing it is as follows:

Common stock	Amount
Fixed minimum capital	\$ 5,591,362
Variable capital	36,935,265
Subtotal	42,526,627
Inflation effects	2,941,801
Total	\$ 45,468,428
Number of freely subscribed common shares	17,461,402,631

d) Distributed earnings and capital reductions that exceed the net taxed profits account (CUFIN per its acronym in Spanish) and restated contributed capital account (CUCA per its acronym in Spanish) balances, are subject to income tax, in conformity with Articles 10 and 78 of the Mexican Income Tax Law.

As of December 31, 2022 and 2021, the total balance of the tax accounts related to equity is \$73,463,886 and \$68,143,228, respectively, in conformity with the current tax laws.

e) The employee stock option plan fund consists of 175,184,709 WALMEX shares, which have been placed in a trust created for the plan.

The total compensation cost charged to Operating results during the year ended December 31, 2022 and 2021 was \$384,953 and \$354,257, respectively, which represented no cash outflow for the Company and it is included in the general expenses line in the consolidated comprehensive income statement.

Changes in the stock option plan are as follows:

	Number of shares	Weighted average price per share (pesos)
Balance as of December 31, 2020	156,507,494	44.64
Granted	38,038,202	64.25
Exercised	( 27,740,024)	41.20
Cancelled	( 4,116,186)	53.96
Balance as of December 31, 2021	162,689,486	49.76
Granted	40,943,537	76.42
Exercised	( 25,227,765)	45.00
Cancelled	( 11,742,622)	55.39
Balance as of December 31, 2022	166,662,636	56.64
Shares available for option grant:		
December 31, 2022	8,522,073	
December 31, 2021	4,170,988	

As of December 31, 2022, the granted and exercisable shares under the stock option plan fund are 166,662,636 and 62,971,554 respectively.



#### 19. OTHER DISCLOSURES OF REVENUE

a) The other revenue that forms part of the main activity of the Company as of December 31, 2022 and 2021 is as follows:

	202	22	202	1
Memberships	\$ 2,500,083	\$	2,216,732	
Rent	2,571,438		2,546,968	
Sale of waste	943,799		846,716	
Parking	93,670		81,291	
Total	\$ 6,108,990	\$	5,691,707	

As of December 31, 2022, rental income includes investment properties of \$581,894 (\$479,092 in 2021).

b) The Company analyzes and manages its operation through its geographical location and business format.

An analysis of income from contracts with customers for the year ended December 31, 2022 and 2021 is as follows:

	202	2 2021
Mexico:		
Self-service	61.3%	61.3%
Price Clubs	21.6%	21.4%
Central America:	17.1%	17.3%

Of **WALMEX**'s total net sales, approximately \$34.3 billion and \$29.4 billion relates to electronic commerce in Mexico for the years ended December 31, 2022 and 2021, respectively.

In Central America, the net sales related to electronic commerce are \$898 million and \$853 million for the years ended December 31, 2022 and 2021, respectively, and includes the sales made through home delivery platforms.

#### 20. COST OF SALES AND GENERAL EXPENSES

Cost of sales and general expenses are presented in the consolidated statement of comprehensive income and mainly include the purchase of merchandise, personnel expenses, depreciation and amortization, rent, advertising, maintenance, utilities, royalties, and technical assistance.

#### 21. FINANCIAL INCOME (EXPENSES)

An analysis of financial income (expenses) for the years ended December 31, 2022 and 2021, is as follows:

	2022		2021	
Financial income:				
Financial income	\$ 2,025,182	\$	866,112	
Currency exchange gain	961,132		789,624	
Income on changes in fair value of derivatives	465,885		562,541	
	\$ 3,452,199	\$	2,218,277	
Financial expenses:				
Interest on finance leases	\$ (7,049,835)	\$	( 6,478,994)	
Currency exchange los	(532,631)		( 778,259)	
Loss on changes in fair value of derivatives	(389,373)		( 586,603)	
Other financial income (expenses)	(125,418)		13,569	
	\$ (8,097,257)	\$	( 7,830,287)	

Financial income primarily consists of interest earned on investments.



#### 22. SEGMENT FINANCIAL INFORMATION

Segment financial information is prepared based on the information used by the CODM to make business decisions.

An analysis of financial information by operating segments and geographical zones is as follows:

	Year ended December 31, 2022						
Segment	Operating income			Financial expenses, net		Income before income taxes	
Mexico	\$	59,236,007	\$	(4,004,968)	\$	55,231,039	
Central America		8,775,610		(640,090)		8,135,520	
Consolidated	\$	68,011,617	\$	(4,645,058)	\$	63,366,559	

	Year ended December 31, 202					
Segment	Operating income		Financial expenses, net			Income before income taxes
Mexico	\$	55 526,742	\$	(4,823,930)	\$	50,702,812
Central America		7,380,916		(788,080)		6,592,836
Consolidated	\$	62,907,658	\$	(5,612,010)	\$	57,295,648

		Year ended Dece	embe	er 31, 2022	
Segment	Purchase of long term definite-lived assets	Depreciation and amortization		Total assets	Current liabilities
Mexico	\$ 17,691,399	\$ 15,357,415	\$	316,184,388	\$ 116,407,749
Central America	3,612,340	4,001,790		67,010,279	21,278,005
Goodwill	-	-		35,613,704	-
Consolidated	\$ 21,303,739	\$ 19,359,205	\$	418,808,371	\$ 137,685,754

		Year ended Dece	mbei	· 31, 2021	
Segment	Purchase of long term definite-lived assets	Depreciation and amortization		Total assets	Current liabilities
Mexico	\$ 17,650,154	\$ 14,144,339	\$	278,742,447	\$ 109,278,330
Central America	2,816,210	4,161,542		79,879,783	23,430,137
Goodwill		-		35,767,241	-
Consolidated	\$ 20,466,364	\$ 18,305,881	\$	394,389,471	\$ 132,708,467

An analysis of income from customer contracts is presented in note 19.



#### 23. OTHER DISCLOSURES

- a) As of January 24, 2022, the Company informed its shareholders and the investing public at large that, as approved by its Board of Directors, it is considering strategic alternatives regarding its operations in El Salvador, Honduras and Nicaragua as it focuses efforts and capital on its core business and geographies. These alternatives could include, among others, possible joint ventures, strategic partnerships or alliances, a sale or other possible transactions.
  - The Company gives no assurance that the process will result in a transaction. **WALMEX** will inform its shareholders and the investing public at large as provided under applicable laws and regulations.
- b) Since April 24, 2021, approved laws related to subcontracting became effective. As of December 31, 2021, the Company has fully implemented said reforms and contemplates that it will continue to comply with them in the future.
- c) On November 23, 2020, **WALMEX** received a notification from the Federal Economic Competition Commission (COFECE), in connection to an ex officio investigation initiated in the wholesale supply and distribution of consumer goods, retail and related services market for an alleged commission of relative monopolistic practices. The Company has promptly responded to various information requirements and is awaiting review comments from the regulator. COFECE has extended the investigation stage and is currently in the last extension available to it, which ends in mid-2023.

**WALMEX** is confident that its actions have always adhered to applicable legislation, and that its participation in the Mexican market has always resulted in lower prices for the consumer, particularly benefiting lower-income Mexican families, and in remote areas of the country that have not been served by others, which we will demonstrate before the corresponding authorities and in the appropriate forums, in which we will exercise our rights.

#### 24. APPROVAL OF THE FINANCIAL STATEMENTS

The consolidated financial statements and accompanying notes for the years ended December 31, 2022 and 2021, were approved by the Company's management and Board of Directors on February 15, 2023 and are subject to approval by the Shareholders meeting. Subsequent events are considered through this date.



# ABOUT THIS REPORT

In 2004 we began reporting on a wide range of ESG subjects. Walmart de México y Centroamérica strives to provide continuity to the clear and transparent publication of our performance.

This report has been prepared pursuant to the comprehensive option of the Global Reporting Initiative Standards -GRI, and the Sustainability Accounting Standards Board -SASB. Similarly, frameworks such at the UN SDOs and the Task Force on Climate-Related Financial Disclosures -TCFD- are reflected in the key subjects included in our reports. We also disclose our external reporting programs, such as the Carbon Disclosure Project -CDP.

The information contained in this document covers the period comprising January 1 to December 31, 2022. It describes the performance of all the business formats belonging to Walmart de México y Centroamérica, in the six countries where we operate. Said information covers unit operations, distribution centers, eCommerce, and offices.

We provide additional information on a range of ESG subjects found in the following: **CODE OF CONDUCT** SUPPLIER STANDARDS WORK SCHEDULE POLICY REMUNERATION EQUALITY POLICY **HUMAN RIGHTS DECLARATION RESPONSIBLE SOURCING** FREEDOM OF ASSOCIATION POLICY MATERIALITY ANALYSIS **ENVIRONMENTAL SUSTAINABILITY POLICY** SUSTAINABLE PACKAGING POLICY LABOR STANDARDS **ENVIRONMENTAL FISHERIES ANTICORRUPTION POLICY DEFORESTATION POLICY** SUPPLIER REQUIREMENTS

## **GRI CONTENT INDEX**

#### **GRI STANDARDS**

The report herein was structured in keeping with the main GRI Standards published by the Global Reporting Initiative (GRI). At Walmart de México y Centroamérica we strive to provide continuity to the clear and transparent publishing of our performance; therefore, this report has been prepared in accordance with the GRI Standards: Comprehensive option.

For the Materiality Disclosures Service, GRI Services reviewed that the GRI Content Index is clearly presented and the references for disclosures GRI 3-2 align with appropriate sections in the body of the report. The service was conducted in the English version of the report.

### Scope

This report outlines the performance of all the business formats belonging to Walmart de México y Centroamérica, in the six countries where we operate; its coverage includes omnichannel operations, distribution centers and offices.

#### Period

The information contained in this report, covers the period from January 1st to December 31st, 2022.



## **GRI Content Index**



**CAM:**Cenrtral America **MEXCAM:** Mexico and Central America **MEX:** Mexico **EXTERNAL** ESTÁNDAR GRI DISCLOSURE **PAGE URL AND/OR DIRECT ANSWER** SDGS SASB CODES ASSURANCE **GRI 1: FOUNDATION 2021 GRI 2: GENERAL DISCLOSURES 2021** 1. The organization and its reporting practices "Walmart de México y Centroamérica Wal-Mart de México SAB de CV https://www.walmex.mx/nosotros/ BLVD. MANUEL ÁVILA CAMACHO 2-1 Organizational details # 647, COLONIA PERIODISTA ALCALDÍA MIGUEL HIDALGO, C.P. 11220 CIUDAD DE MÉXICO TEL. (52) 55 5283-0100 Entities included in "Walmart de México y Centroamérica 2-2 the organization's 200 Wal-Mart de México SAB de CV" sustainability reporting "January 1 to December 31, 2022, Annual Integrated Report. Points of Contact: https://www.walmex.mx/globales/contacto.html **INVESTOR RELATIONS** inversionistas@walmart.com Reporting period, 2-3 frequency and CORPORATE RESPONSIBILITY AND contact point INSTITUTIONAL RELATIONS CLAUDIA DE LA VEGA MARTÍNEZ claudia.delavega@walmart.com CORPORATE COMMUNICATIONS comunicacion@walmart.com" Restatements of 2-4 200 information \* 2-5 257-288 External assurance Number of retail FB-FR-000.A 51, 186 locations and CG-MR-000.A distribution centers FB-FR-000.B Total area of retail space \* and distribution centers CG-MR-000.B



GRI STANDARDS	DISCLOSURE	PAGE		URL AND/OR DIRECT ANSWER			SDGS	SASB CODES	EXTERNAL ASSURANCE
2. Activit	ies and workers								
2-6	Activities, value chain and other business relationships		https://www.walmex.mx/nosotros/						
2-7	Employees	41, 72, 74, 75, 186					8, 10	CG-EC-330a.4	*
2-8	Workers who are not employees	74, 75							
3. Govern	nance								
2-9	Governance structure and composition	166-167					5, 16		
2-10	Nomination and selection of the highest governance body	166-167					5, 16		
2-11	Chair of the highest governance body	166-167					16		
2-12	Role of the highest governance body in overseeing the management of impacts	166-167					16		
2-13	Delegation of responsibility for managing impacts	66							
2-14	Role of the highest governance body in sustainability reporting	166-167							
2-15	Conflicts of interest	151					16		
2-16	Communication of critical concerns	150							
2-17	Collective knowledge of the highest governance body	166-167			100% of the board of directors have been of the organization's anti-corruption policies and procedures as of October 31, 2022. This indicator only considers information of Anticorruption policies and procedure Board of Directors until October 31st, 20	of the communication s to the active			



RI STANDARDS	DISCLOSURE	PAGE					URL AND/OR DIRECT ANSWER				SDGS	SASB CODES	EXTERNAL ASSURANCE
2-18	Evaluation of the performance of the highest governance body	166-167											
2-19	Remuneration policies	167									16		
2-20	Process to determine remuneration	167									16		
2-21	Annual total compensation ratio	167											
4. Strateg	gy, policies and praction	ces											
2-22	Statement on sustainable development strategy	12-13, 56-66										CG-MR-410a.3 CG-EC-130a.3 CG-EC-410a.2 FB-FR-430a.4	
2-23	Policy commitments	12-13, 56-66											
2-24	Embedding policy commitments	12-13, 56-67											
2-25	Processes to remediate negative impacts	172-173											
2-26	Mechanisms for seeking advice and raising concerns	172-174									16		
			Type of Claim	MEX	CAM MI	EXCAM		Mexico:					
			From Associates Received	10,024	85	10,109		In 2022 there were no significant enviror For the purposes of the report, a fine is o		nificant.			
			From Associates Completed	8,188	15	8,203		if it exceeds \$1,000,000.00 USD (One m				FB-FR-310a.4	
2-27	Compliance with laws and regulations	143-165	From Providers Received	730	3	733		Central America:				CG-MR-310a.3	*
			From Providers Concluded	329	-	329		In 2022 there was a fine of \$27,233 USD	for			CG-MR-330a.2	
			From Authority Received	-	7	7		environmental non-compliance. For the purposes of the report, a fine is o	considered to be siar	nificant			
			From Authority Completed	-	5	5		if it exceeds \$10,000 USD (Ten thousand					
2-28	Membership associations		https://www.walmartmexico.co	om/respons	sabilidad-corp	orativa/go	ierno-corporativo						



GRI STANDARDS	DISCLOSURE	PAGE		URL AND/OR DIRECT ANSWER									
5. Stakeh	older engagement												
2-29	Approach to stakeholder engagement						16						
2-30	Collective bargaining agreements		In Mexico, 61.60% of employees have a collective bargaining agreement. In Central America there are no collective bargaining agreements.				8	FB-FR-310a.2					
7. e-Comi	merce												
	Entity-defined measure of user activity	22						CG-EC-000.A					
	Data processing capacity, percentage outsourced	22						CG-EC-000.B					
	Number of shipments	22						CG-EC-000.C					
				GRI 3: MATERIAL TOPICS 2021									
3-1	Process to determine material topics	66	https://files.walmex.mx/upload/files/2021/es/anual/ASG/Walmex_	Materialidad_2021.pdf									
3-2	List of material topics	66	https://files.walmex.mx/upload/files/2021/es/anual/ASG/Walmex_	Materialidad_2021.pdf									
3-3	Management of material topics	66	https://files.walmex.mx/upload/files/2021/es/anual/ASG/Walmex_	Materialidad_2021.pdf									
			CHAP	TERS: FINANCIAL VALUE AND ETHICS & INTEGRI GRI 201: Economic Performance 2016	TY								
201-1	Direct economic value generated and distributed	135-138		In 2022, more than 2,038 million purchase tickets were generated.	Exchange Rate Used: \$20.1132 MXN/USD		8,9		*				
201-2	Financial implications and other risks and opportunities due to climate change	113					13						
201-3	Defined benefit plan obligations and other retirement plans	84-87											
201-4	Financial assistance received from government		Not Available										



GRI STANDARDS	DISCLOSURE	PAGE			URL AND/OR DIRECT ANSWER			SDGS	SASB CODES	EXTERNAL ASSURANCE
	_				GRI 202: Market Presence 2016					
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	90	Our general minimum wage band is minimum wage in Mexico and Centr					1, 5, 8	FB-FR-310a.1 CG-MR-310a.1	*
202-2	Proportion of senior management hired from the local community		Not Available					8		
					GRI 203: Indirect Economic Impacts 2016					
			Percentage of Sustainable Investme	nt by Category						
			a) Renewable Energy	80.45%						
			b) Energy Efficiency	4.33%						
			c) Emissions Reduction	0.13%						
	Infrastructure		d) Sustainable Transportation	0.20%		The savings are related to		5, 9,		
203-1	investments and services supported	105, 183	e) Zero Waste and Circular Economy	0.20%		renewable energy consumption and energy efficiency projects.		11		
			f) Water Management	14.53%						
			g) Conservation and Restoration of Ecosystems and Biodiversity	0.15%						
				100.00%						
203-2	Significant indirect economic impacts		https://www.walmex.mx/quienes-sor	nos/		Note: Only new positions for Staff and Coassociates are considered.	ommercial	1,3,8		*
					GRI 204: Procurement Practices 2016					
	Proportion of spending	0 ( 10 )	Market % of budget for pur from local suppliers		The average supplier payment period is 32 days	"In all the poultry, meat and seafood data homologate values, the conversion from	local currency to dollars is			*
204-1	on local suppliers	96-104	Mexico 92.03%*		in Mexico and 33 days in Central America.	carried out with an exchange rate defined The term local refers to the terms ""regio				•
			CAM 88.20%*			state/country" of the indicator."			FB-FR-310a.1	



GRI STANDARDS	DISCLOSURE	PAGE		URL AND/OR DIRECT ANSWER			SDGS	SASB CODES	EXTERNAL ASSURANCE
				GRI 205: Anti-corruption 2016					
205-1	Operations assessed for risks related to corruption	152					16		
205-2	Communication and training about anticorruption policies and procedures	152	Total number of associates informed about anticorruption policies and procedures  MEX CAM MEXCAM  197,137 37,006 234,143		The company's anti-corruption policies and proced were communicated to 100% of the members of the Board of Directors Active until October 31, 2022.  This indicator only considers information of the coof Anticorruption policies and procedures to the a Board of Directors until October 31st, 2022.	ne mmunication	16		*
205-3	Confirmed incidents of corruption and actions taken	151-152			There were no confirmed cases of corruption with associates or suppliers during 2022.				*
				GRI 206: Anti-competitive Behavior 2016					
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	160					16		
		'		GRI 207: Tax 2019		'			
207-1	Approach to tax	200-226					1, 10, 17		
207-2	Tax governance, control, and risk management	167					1, 10, 17		
207-3	Stakeholder engagement and management of concerns related to tax	200-226					1, 10, 17		
207-4	Country-by-country reporting	200-226					1, 10, 17		



RI STANDARDS	DISCLOSURE	PAGE				URL ANI	NSWER	SDGS	SASB CODES	EXTERNAL ASSURANCE
						CHAPTER: S	ТҮ			
						GRI 301: <i>I</i>				
			Total Materials Consumed	MEX	CAM	MEXCAM				
			Renewable with recycling	196,863.17	2,226.84	199,090.01				
			Renewable without recycling	5,661.35	6,350.06	12,011.41				
			Non-renewable with recycling	8,429.99	-	8,429.99				
			Non-renewable without recycling	61,370.85	7,187.84	68,558.69				
			Total	272,325.36	15,764.74	288,090.10	"Fuel estimates for gasoline, diesel, LP gas, natural gas and			
							bunker are based on the generated expenditure and the			
			Refrigerants	189.21	25.43	214.64	average prices published by suppliers by state or region.  Other expenses such as cost of service, capacity, distribution			
			Cleaning Chemicals	1,827.68	151.64	1,979.32	and commercialization of the fuels considered for the calculation of these indicators may be included.			
			Consumables Plastics				In Mexico, gasoline liters are calculated based on the average			
301-1	Materials used by	119	Virgin consumption (t)	19,641.06	1,742.10	21,383.16	km traveled per area/department and the efficiency of the engine of the Aveo LS Sedan 4-Door 1.5L 4 CIL 107HP MAN,	8, 12		*
	weight or volume		Recycled consumption (t)	8,334.37	-	8,334.37	the Italika Urban Work 125z and the Honda GL 150 cargo type.	0, 12		
			Total	27,975.43	1,742.10	29,717.53	Refrigerant consumption is obtained from the			
							invoice date, not from the refill/use date.			
			Marketing Plastics				The value reported in the indicator considers the volumes of ink an	d		
			Virgin consumption (t)	75.00	25.54	100.54	toner as well as the packaging corresponding to their cartridges."			
			Recycled consumption (t)	75.00	-	75.00	The total volume of cardboard consumption is not			
			Total	150.00	25.54	175.54	presented in the results of this indicator.			
			Toners							
			Virgin consumption (t)	-	_	_				
			Recycled consumption (t)	20.62	-	20.62				
			Total	20.62	-	20.62	<b>1</b>			



GRI STANDARDS	DISCLOSURE	PAGE			URL A	AND/OR DIRECT	ANSWER		SDGS	SASB CODES	EXTERNAL ASSURANCE
			Continue	Total Materials Consumed	MEX	САМ	MEXCAM				
				Consumables Paper							
				Virgin consumption (t)	4,865.25	5,617.02	10,482.27				
				Recycled consumption (t)	196,787.78	2,226.84	199,014.62				
				Total	201,653.03	7,843.86	209,496.89				
				Marketing Paper							
				Virgin consumption (t)	676.25	28.98	705.23				
				Recycled consumption (t)	0.39	-	0.39	The consumption of Virgin Marketing Paper is calculated with a			
				Total	676.64	28.98	705.62	mix of estimations and data with supported source evidence.	8, 12		*
								The virgin wood used corresponds to wooden crossarms for trees.			
				Cartonl Marketing							
				Virgin consumption (t)	-	704.06	704.06				
				Recycled consumption (t)	75.00	-	75.00				
				Total	75.00	704.06	779.06				
				Timber							
				Virgin consumption (t)	119.85	-	119.85				
				Recycled consumption (t)	-	-	-				
				Total	119.85	-	119.85				
301-2	Recycled input materials used	119						Mexico: 81.68% of our Private Brands' packaging is recyclable according to a survey conducted among 71.91% of our Private Brands' suppliers.  Central America: 72.72% of our Private Brands' packaging is recyclable according to a survey conducted among 75.29% of our Private Brands' suppliers.	8, 12		*
301-3	Reclaimed products and their packaging materials	119							8, 12		



I STANDARDS	DISCLOSURE	PAGE				URL	DIRECT ANSWER	SDGS	SASB CODES	EXTERN ASSURAI
						GRI	gy 2016			
			Internal Energy	MEX	CAM	MEXCAM				
			Non-renewable electricity (GJ)	3,122,548.71	1,211,675.46	4,334,224.46				
			Purchased renewable electricity (GJ)	5,114,536.84	-	5,114,536.84				
			Renewable electric energy generated (GJ)	62,624.20	31,130.35	93,754.54				
			Diesel (GJ)	145,722.47	66,787.69	212,510.16				
			LP Gas (GJ)	1,493,615.33	100,987.44	1,594,602.76	The heating values used to obtain energy from diesel, lp gas and gasoline correspond to the list for the 2021 operating			
			Natural Gas (GJ)	304,457.77		304,457.57	year, since the list for 2022 has not yet been published.	7.0		
	Faces		Gasoline (GJ)	10,308.91	16,104.65	26,413.56	Fatiguates for fively evalue as possible discal ID and returned	7.0	FB-FR-110a.1 FB-FR-130a.1	
302-1	Energy consumption within the organization  111	111	Bunker (GJ)		53,918.02	53,918.02	Estimates for fuels such as gasoline, diesel, LP gas, natural gas and bunker are based on the generated expenditure	7, 8, 12, 13	CG-MR-130a.1	*
			Jet Fuel (GJ)		1,050.69	1,050.69	and the average prices published by suppliers by state or		CG-EC-130a.1	
			Total Internal Energy (Operations) (GJ)	10,253,814.02	1,481,654.30	11,735,468.31	region. Other expenses such as cost of service, capacity, distribution and commercialization of the fuels considered for the calculation of these indicators may be included.			
			Renewable energy by type	MEX	CAM	MEXCAM				
			Hydroelectric power (GJ)	775,984.31	-	775,984.31				
			Solar electric power (GJ)	62,624.20	31,130.35	93,754.54				
			Wind electric power (GJ)	4,338,552.52	-	4,338,552.52				
			TOTAL Renewable Energy (GJ)	5,177,161.04	31,130.35	5,208,291.38				
			Renewable Energy %	62.38%	2.50%	54.58%				
			External Energy	MEX	CAM	MEXCAM				
302-2	Energy consumption outside of the	111	3PL Trucks Diesel (GJ)	5,569,612.23	3 513,594.59	6,083,206.82		7, 8,		
	organization		Last Mile Stores & Clubs (GJ)	138,383.89	)	138,383.89		12, 13		
			Last Mile Fulfillment Centers (GJ)	61,012.56		61,012.56				
			Total External Energy (GJ)	5,769,008.68	513,594.59	6,282,603.27				



GRI STANDARDS	DISCLOSURE	PAGE				URL AND/OR	DIRECT ANSWER	SDGS	SASB CODES	EXTERNAL ASSURANCE
			Energy Intensity (GJ/m2)	MEX	CAM	MEXCAM				
302-3	Energy intensity	111	Internal Intensity 2022 (GJ/m2)	0.94	0.85	0.93		7, 8,		*
302 3	Life gy intensity	'''	External Intensity 2022 (GJ/m2)	0.53	0.30	0.50		12, 13		
			Total Intensity 2022 (GJ/m2)	1.47	1.15	1.43				
				MEX	CAM	MEXCAM	They do not include the total number of stores in Mexico, but only			
302-4	Reduction of energy consumption	111	Reduction/Increase of energy consumption (GJ)	890,356.82	-231,472.80	658,884.02	those stores with controls connected in line, which represent 11.2%. Energy used in "business travel (commercial	7, 8, 12, 13		*
			% Reduction/Increase of energy consumption	5.88%	-10.40%	3.80%	and private airplane)" is excluded.			
302-5	Reductions in energy requirements of products and services		Not applicable because the company does not manufacture products					7, 8, 12, 13		
					GR	l 303: Water and	ffluents 2018			
303-1	Interactions with water as a shared resource	126-127					In Mexico there are 885 wastewater treatment plants serving 926 stores. There are combo business units that share WWTPs.  In Central America, there are 492 wastewater treatment plants, two of these are in a combo.	6, 12, 14, 15	CG-EC-130a.2	*
303-2	Management of water discharge- related impacts	127						6, 14		



GRI STANDARDS	DISCLOSURE	PAGE	URL AND/OR DIRECT ANSWER	SDGS	SASB CODES	EXTERNAL ASSURANCE
303-3	Water withdrawal	126-127	In Mexico, the total volume of water extraction reported consider water supply from the municipal network, tanker trucks and well Note 1: The volume of water from the municipal network is an estimate based on actual available consumption of approximated 44.18% of the determinants. The estimate is based on the volume of water extraction considered for each business unit prototype region and month of the year, which in turn is estimated based on actual historical data for the same prototype in the same region.  Note 2: The volume of well water is estimated by considering the stores that have well water extraction concession titles. In other words, the volume of well water is calculated following the criteria described in Note 1.  The total volume of water extracted in Mexico in 2021 from 8,410,115 to 8,520,039 m² is modified due to the update of the volume of water obtained through tanker trucks that was shared after the publication of the 2021 report.  In Central America, the volume of water extracted is an estimate based on actual available consumption of approximately 58.5% of the determinants. The estimate is based on the volume of water withdrawal considered for each business unit prototype by region and month of the year, which in turn is estimated based on actual historical data for the same prototype in the same region.	6, 14	CG-EC-130a.2	*



GRI	DISCLOSURE	PAGE			URL ANI	D/OR DIRECT ANSWER		SDGS	SASB CODES	EXTERNAL ASSURANCE
GRI STANDAR	RDS		Water discharged by destination  Municipal Sewage Third parties (vactors) Reuse Tanker truck/Tank Receiving Water Body Municipal Drainage Soil infiltration	MEX 8,588,486.69	36,463.85 11,366.03 567,176.52 1,396,793.30 320,884.65	MEXCAM  8,588,486.69  -  36,463.85  11,366.03  567,176.52  1,396,793.30  320,884.65	"The volume of water discharged is calculated based on a water balance according to the CDP Water Security methodology, where the total water discharged is equal to the total water extracted minus consumptions. When not reporting consumptions, the volume of water discharged is equal to the volume of water extracted. In 2022, we adopted the CDP Water Security methodology for water reporting. Previously, only excess treated wastewater was reported as discharges.  The volume of water discharged in water stressed			
303-4	Water discharge	126-127	Total m³ of wastewater discharged  Total water discharged according to type of treatment (primary, secondary and tertiary)  Primary  Secondary  Tertiary  Untreated	8,588,486.69  MEX  - 3,254,718.36	CAM -	149,192.35 11,070,363.39 MEXCAM  - 4,726,480.70	areas is calculated as a water balance according to the CDP Water Security methodology.  Water stress zones are identified according to CONAGUA.  In Mexico, 3% of stores used a third party wastewater disposal service in 2022. However, there is no information on the volume of water disposed of through a third party.  In Central America there are 9 stores that opened at the end of 2022 that do not register water extraction and therefore no water discharge is registered."	6, 14		*
303-5	Water consumption	126-127					"In Mexico, water consumption is being considered as zero, since it is calculated based on the water balance according to the CDP Water Security methodology, where total water discharged is equal to total water extracted minus consumptions. We currently do not have an estimate of the water absorbed in the production processes (bakery, tortilla, kitchen, etc.) in our business units. Therefore, we report zero consumption. In 2022, we adopted the CDP Water Security methodology for water reporting. Previously, water extraction was reported as water consumption.  In Central America, the reported volume of water consumed is an estimate based on 10% of water extracted. Based on the reference in the book Wastewater Engineering (Metcalf and Eddy, p. 33), a factor of 0.9 is taken to estimate the volume of wastewater discharged and therefore the difference corresponds to the water consumed in the operations of the business units (factor of 0.1 or 10% over the water extracted)."	6, 14	CG-EC-130a.2	*



GRI STANDARDS	DISCLOSURE	PAGE	URL AND/OR DIRECT ANSWER		SDGS	SASB CODES	EXTERNAL ASSURANCE
			GRI 304: Biodiversity 2016				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	155		Ranchería Marín DC - The project is located in a rustic property on the Coatzacoalcos-Villahermosa highway, in the Cárdenas-Villahermosa section at kilometer 141+320 to 141+515 on the right side of route 180, in the municipality of Cunduacán, Tabasco. It has a total area of 236,930.59 m² and 140,180 m² of operative area.	6, 14, 15		*
304-2	Significant impacts of activities, products, and services on biodiversity	155			6, 14, 15		*
304-3	Habitats protected or restored	155			6, 14, 15		
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	155		Walmart's activities are guided solely by the Mexican legal framework applicable to each of its activities.			*



STANDARDS	DISCLOSURE	PAGE			URL AND	OR DIRECT ANSWE		SDGS	SASB CODES	EXTERNAL ASSURANC
					GRI 305: E	missions 2016				
					GRI 3: Mater	rial Topics 2021				
3-3	Management of material topics	66	https://files.walmex.mx/upload/files/2021/es/ar	nual/ASG/Walmex_Materi	alidad_2021.pdf					
			Refrigerant Emissions (ton CO <sub>2</sub> e)	MEX	CAM	MEXCAM				
			R-22	2,736.72	62.40	2,799.12				
			R-134	799.37	28.79	828.16				
			R-141 b	58.00	-	58.00				
			R-290	0.02	0.02	0.04	"Fuel estimates are based on the generated expenditure and the average prices published by suppliers by state or			
			R-404 A	616,737.17	88,650.70	705,387.87	region. Other expenses such as cost of service, capacity,			
			R-410	27,929.09	377.42	28,306.51	distribution and commercialization of the fuels considered for the calculation of these indicators may be included.			
			R-448	8,289.78	318.74	8,608.51				
			R-1233zd	0.82	-	0.82	In Mexico, the heating values used to obtain energy from diesel, lp gas and gasoline correspond to the list for the 2021 operating			
			SF80	0.05	-	0.05	year, since the list for 2022 has not yet been published.			
			R-507	569.86	43.38	613.24	In Central America, GHG emissions from diesel consumption			
			Ammonia	-	-	-	in stationary sources are calculated using the CO <sub>2</sub>	3, 12,		
805-1	Direct (Scope 1) GHG emissions	110	R-438A	-	147.09	147.09	emission factor for stationary sources and the EPA's $\mathrm{CH_4}$ and $\mathrm{N_2O}$ emission factors for mobile sources.	13, 14,	FB-FR-110b.1	*
			R-407A	-	4,683.03	4,683.03		15		
			R-428A	-	117.80	117.80	GHG emissions from turbo fuel consumption in mobile sources are calculated using the CO2 emission factor for mobile sources and			
			TOTAL	657,120.86	94,429.37	751,550.23	the EPA's $\mathrm{CH_4}$ and $\mathrm{N_2O}$ emission factors for stationary sources.			
			Emissions generated by the consumption of fuels (ton CO <sub>2</sub> e)	MEX	CAM	MEXCAM	In Mexico, gasoline liters are calculated based on the average km traveled per area/department and the efficiency of the			
			LP GAS	94,328.53	5,958.00	100,286.53	engine of the Aveo LS Sedan 4-Door 1.5L 4 CIL 107HP MAN, the Italika Urban Work 125z and the Honda GL 150 cargo type.			
			Natural GAS	17,096.66	-	17,096.66				
			Gasoline	743.48	1,118.67	1,862.15	Refrigerant consumption is obtained from the invoice date, not from the refill/use date."			
			Diesel	10,833.45	4,742.15	15,575.60	invoice date, not nom the remiluse date.			
			Bunker		3,945.67	3,945.67				
			Jet Fuel		80.71	80.71				
			TOTAL	123,002.12	15,845.28	138,847.28				



GRI STANDARDS	DISCLOSURE	PAGE			URL AND	OR DIRECT ANSWER	R	SDGS	SASB CODES	EXTERNAL ASSURANCE
	Emisiones indirectas		Emisiones por Alcance (ton CO <sub>2</sub> e)	MEX	CAM	MEXCAM		3, 12,		*
305-2	de GEI asociadas a la energía (alcance 2)	111	Emissions Scope 2	377,310.99	66,125.43	443,436.41		13, 14, 15		*
305-3	Energy indirect (Scope 2) GHG emissions	112					Scope 3 emissions by DCs-Stores transportation were calculated based on the data of liters of fuels consumed. The data for 2021 was updated considering the same methodology for comparative purposes.  For utility cars (assigned), km calculations are made with an assumption of distance between the store and the customer's home.  For the company's utility vehicles used for product distribution, the kilometers traveled in the categories "DCs-Stores, Last Miles-Stores and Last Miles-FC" are considered.  Only business trips made by associates by means of commercial and private air transportation are considered.	3, 12, 13, 14, 15	CG-EC-410a.1 CG-EC-410a.2 FB-FR-000.D FB-FR-000.C	*
			Emissions by Scope (ton CO <sub>2</sub> e)	MEX	CAM	MEXCAM				
			Emissions Scope 1	780,123.00	110,274.65	890,397.65				
			Emissions Scope 2	377,310.99	66,125.43	443,436.41				
			Emissions Scope 3	440,941.73	45,659.19	486,600.93				
			Total Emissions (Scope 1,2,3)	1,598,375.72	222,059.27	1,820,434.99				
			GHG EMISSIONS INTENSITY	MEX	CAM	MEXCAM				
	Other indirect (Scope		Scope 1 Intensity (ton/m2)	0.07	0.06	0.07		13 1/1		,t.
305-4	3) GHG emissions	109	Scope 2 Intensity (ton/m2)	0.03	0.04	0.04		15, 14,	FB-FR-110b.3	*
			Scope 1 &2 Intensity 2022 (ton/m²)	0.11	0.10	0.11				
			Decrease/increase in INTENSITY of GHG emissions Scope 1 & 2 (ton/ m2) vs. previous year (%)	MEX	CAM	MEXCAM				
			Scope 1 Intensity Change (ton/m2) vs. LY	-14.26%	22.40%	-10.86%				
			Scope 2 Intensity Change (ton/m2) vs. LY	-0.94%	0.80%	-0.70%				
			Scope 1&2 Intensity Change (ton/m2) vs. LY	-10.33%	13.30%	-7.72%				



GRI STANDARDS	DISCLOSURE	PAGE	URL AND/OR DIRECT ANSWER  Decrease/increase in total GHG emissions by  MEX CAM MEXCAM									EXTERNAL ASSURANCE
			Decrease/increase in total GHG emissions by scope 1,2,3 of operations vs. previous year (%)	MEX	CAM	MEXCAM						
			Scope 1 Emissions Variation	-11.82%	23.01%	-8.61%						
305-5	Reduction of GHG emissions	109	Scope 2 Emissions Variation	1.89%	1.30%	1.80%				13, 14, 15		*
	GLIG EIIIISSIOLIS		Scope 3 Emissions Variation	5.34%	-21.45%	2.08%				10		
			Total Emissions Variation (Scopes 1,2,3) vs. LY	-4.49%	4.23%	-3.51%						
				MEX	CAM	MEXCAM						
	Emissions of		Refrigerants with ZERO ozone depletion potential (ton)	187.62	25.39	213.01						
305-6	ozone-depleting substances (ODS)		% vs. Total Refrigerants	99.16%	99.86%	99.24%				3, 12	FB-FR-110b.2	
	, ,			MEX	CAM	MEXCAM						
			R-22 Emissions (ton)	1.51	0.03	1.54						
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		Not aplicable							3, 12, 14, 15		
					GRI 306:	Waste 2020	·	·				
					GRI 3: Mater	rial Topics 2021						
3-3	Management of material topics	66	https://files.walmex.mx/upload/files/2021/es/anual/AS0	G/Walmex_Mate	erialidad_2021.pdf							
306-1	Waste generation and significant waste- related impacts	116-118								1, 3, 12	FB-FR-150a.1	
306-2	Management of significant wasterelated impacts	116-118								3, 12		



GRI STANDARDS	DISCLOSURE	PAGE			URL AND	OR DIRECT ANS	WER			SDGS	SASB CODES	EXTERNAL ASSURANCE
			Total generated (t)	MEX	CAM	MEXCAM						
			Hazardous	521.53	65.29	586.82						
306-3	Waste generated	116-118	Non-Hazardous Organic	270,399.32	67,349.04	337,748.36		Data for this indicator contains estimated	values	3, 12	FB-FR-150a.1	*
300-3	waste generated	110 110	Non-Hazardous Inorganic	367,432.47	41,700.07	409,132.54		Data for this indicator contains estimated	values.	5, 12	TBTK ISOU.I	
			Sanitary	1,929.91	-	1,929.91						
			TOTAL Generated	640,283.23	109,114.40	749,397.63						
			Diverted from landfills (t)	MEX	CAM	MEXCAM						
			Hazardous	436.95	65.29	502.24						
207.4	Waste diverted	116 440	Non-Hazardous Organic	201,651.23	22,870.56	224,521.79				3, 6,		*
306-4	from disposal	116-118	Non-Hazardous Inorganic	313,107.00	41,700.07	354,807.07				12	FB-FR-150a.1	, r
			Sanitary	-	-	-						
			TOTAL Diverted	515,195.18	64,635.92	579,831.10						
			Waste Incinerated or Sent to Landfill (t)	MEX	CAM	MEXCAM						
			Hazardous	84.58	-	84.58						
306-5	Waste directed	116-118	Non-Hazardous Organic	68,748.09	44,478.48	113,226.57				6		*
	to disposal		Non-Hazardous Inorganic	54,325.47	-	54,325.47						
			Sanitary	1,929.91	-	1,929.91						
			TOTAL Incinerated or Landfill	125,088.05	44,478.48	169,566.53						
	Discussion of strategies to reduce the environmental impact of packaging	115, 119, 128									CG-MR-410a.3 FB-FR-430a.4	
				GRI 308	: Supplier Enviro	onmental Assessr	ment 2016					
					GRI 3: Mater	rial Topics 2021						
3-3	Management of material topics	66	https://files.walmex.mx/upload/files/2021/es/anua	al/ASG/Walmex_Mater	ialidad_2021.pdf							
308-1	New suppliers that were screened using environmental criteria	162-165			P. 24	I.E.						



RI STANDARDS	DISCLOSURE	PAGE			URL AND	OR DIRECT ANSWER				SDGS	SASB CODES	EXTERNAL ASSURANCE
308-2	Negative environmental impacts in the supply chain and actions taken	162-165						Central America: In terms of Paper, Pulp and Wood response only 30.23% of the total suppliers related indicator contribute to the reported data In terms of Palm Oil responsible sourcing suppliers related to this indicator contribu	to this , only 38.98% of the			*
				•	Animal	Welfare						
	Percentage of revenue from eggs that originated from a cage-free environment and pork produced without the use of gestation crates	128									FB-FR-430a.2	
			СНАРТЕ	RS: ENABLERS	S, OPPORTUNITY	COMMUNITY AND	ETHICS	& INTEGRITY				
					GRI 401: Em	oloyment 2016						
					GRI 3: Mater	ial Topics 2021						
3-3	Management of material topics	66	https://files.walmex.mx/upload/files/2021/es/anual/ASG	3/Walmex_Mate	erialidad_2021.pdf							*
				MEX	CAM	MEXCAM						
			Voluntary	33.38%	22.99%	31.43%						
			Involuntary	5.48%	9.13%	6.11%						
			Total	38.87%	31.12%	37.54%		For new associates, new associates and				
401-1	New employee hires	73-75	In-Store Voluntary	36.03%	23.50%	34.03%		rehired associates are considered.		5, 8,	CG-MR-310a.2	*
	and employee turnover		In-Store Involuntary	5.26%		7.02%		For turnover indicators, only permanent of considered. Some categories of departure		10	CG-EC-330a.2	
			DC Voluntary	21.25%		21.19%		·				
			DC Involuntary	8.47%		10.04%						
			In-store and DC Voluntary	28.64%		27.61%						
			In-store and DC Involuntary	6.86%	16.50%	8.53%						



TANDARDS	DISCLOSURE	PAGE						URL AN	ID/OR DIRE	CT ANSWER
401-2	Benefits provided to full-time employees that are not provided to temporary or part- time employees	83-87								
							MEXCA	M		
			Associates that:	M	en	Woi	men	Total		%
			Are entitled to parental leave	105962	45.40%	127445	54.60%	233407		
401-3	Parental leave	87	Used their right to take parental leave	71	2.39%	2902	97.61%	2973	1.27%	vs. are entitled to
	3 Parental leave		Returned from parental leave	70	2.89%	2356	97.11%	2426	81.60%	vs. used their right
			Were retained for 12 months after returning to work from parental leave	64	3.03%	2050	96.97%	2114	87.14%	vs. returned after leave
							GRI 402	2: Labor/Ma	nagement l	Relations 2016
								GRI 3: Mat	erial Topics	2021
3-3	Management of material topics	66	https://files.walmex.mx/uploa	ıd/files/202	1/es/anual/	ASG/Walme	ex_Materiali	dad_2021.p	df	
402-1	Minimum notice periods regarding operational changes	159	We comply with applicable la	bor legislat	ion					
	Number of work stoppages and total days idle									



GRI STANDARDS	DISCLOSURE	PAGE					URL AND	O/OR DIRECT ANS	SWER				SDGS	SASB CODES	EXTERNAL ASSURANCE
			Engagement Ind	ex %		MEX	CAM	MEXCAM							
			Men			86%	91%	87%							
			Women			85%	91%	86%							
			Total			86%	91%	86%		All staff or permanent associates with tw					
			MEXC	CAM	MEXC	CAM				areas and levels are eligible for the survey.  The methodology used to calculate the elindex is an average of seven questions:		ırvey).			
	Employee engagement		Generation	Engagement Index %	Level	Engagement Index %	:			1) My work makes a difference to improve of life of families in Mexico and Central A					ماد
	as a percentage	81	Traditionalists	87%	VP	95%	,			<ul><li>2) I feel part of my team</li><li>3) My ideas and suggestions are taken int</li></ul>	o account			CG-EC-330a.1	*
			Baby Boomers	91%	Director	91%				4) My immediate boss gives me effective					
			Generation X	87%	Asst. Director	91%				timely feedback on my performance 5) My immediate boss lives our values and	d behaviors				
			Generation Y	86%	Manager	93%	_			6) I believe the company makes the best	decisions for its asso	ociates			
			Generation Z	85%	Asst. Manager	92%	_			7) I feel free to be myself at work every day					
			Total	86%	Dept. Managers	_	_								
					Frontline	85% <b>86%</b>	_								
					Total	80/6	•								
						GRI 4	03: Occupation	al Health and Saf	ety 2018						
403-1	Occupational health and safety management system	146-148											8		
403-2	Hazard identification, risk assessment, and incident investigation	146-148											8		
403-3	Occupational health services	83-87											8		
403-4	Worker participation, consultation, and communication on occupational health and safety	146-148											8, 16		



GRI STANDARDS	DISCLOSURE	PAGE		URL AND/OR	DIRECT ANSWE	R				SDGS	SASB CODES	EXTERNAL ASSURANCE
				MEX	CAM	MEXCAM						
403-5	Worker training on occupational	146	Number of safety and health training courses	276,369	7	276,37				8		*
100 0	health and safety	110	Number of associates trained in safety and health	155,601	8,505	164,10				J		
			Total hours of health and safety training	772,014.00	30,174.92	802,188.9	92					
			Average number of hours of safety and health training per employee (Total Hours/Total Employees)	4.96	3.55	4.2	25					
403-6	Promotion of worker health	83-87								3		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	146-148	Accident reduction vs. last year  Associate accident reduction vs. last year  Customer accident reduction vs. last year  Contractor/ supplier accident reduction vs. last year	-7.80% -4.50% -15.00%	-23.00% -27.40% -20.97% -14.00%	acc me tha	pplier/contractor accident rates are no cidents are investigated in order to take easures. S&H-MEX is working on the Sa at suppliers have sufficient skills to perf well as on supplier development to stre	e corrective and pre fety Approach to en form their activities s	ventive sure safely,	8		
403-8	Workers covered by an occupational health and safety management system	146-148								8		
403-9	Work-related injuries	146								3, 8, 16		*
403-10	Work-related ill health	146-148	Confidential information							3, 8, 16		
		·		GRI 404: Training and	Education 2016	5						
				GRI 3: Material To	opics 2021							
3-3	Management of material topics	66	https://files.walmex.mx/upload/files/2021/es/anual/ASG/Walmex_N	Naterialidad_2021.pdf								



404-1 training per empl  Program upgradin skills and assistance  Percenta employee regular per and caree.	grams for and transition stance programs	76 77-79					MEX: 18.14   CAM: 2.70   MEXCAM:	n 16.18 h estment in train te (MXN) 35 9	This indicator considers active and non-active personnel throughout 2022.	4, 8,	*
404-2 upgradin skills and assistance  Percenta employee regular p and caree	rading employee s and transition	77-79									
404-3 employee regular p and caree									Exchange rate used: \$20.1132 MXN/USD for training investment calculations.		
404-3 employee regular p and caree			% Opened positions filled by internal candidates		MEX 27	7.49% MEXCA	17.92%	MEXCAM 25.97% Total			
404-3 employee regular p and caree			VP	-	0%	-	0%	-			
404-3 employee regular p and caree			Director	7	50%	7	50%	14			
404-3 regular p	centage of ployees receiving		Asst. Director	42	68%	20	32%	62	"This indicator only considers associates with permanent contracts that have been with the company for at least one year.		
	ular performance	80, 81, 89	Divisional Manager	-	0%	-	0%	-		5, 8, 10	*
·	elopment reviews		Manager	327	53%	295	47%		Total promotions are considered, including associates who may have more than one promotion during the year."		
	•		Asst. Manager	1,093	49%	1,141	51%				
			Dept. Managers	2,569	43%	3,446	57%	6,015			
			Frontline	8,406	45%	10,420	55%	18,826			
			Total	12,444	45%	15,329	55%	27,773.00			
					MEX		CAM	MEXCAM			
			Total associates evaluated	ı		5,716	2,097	27,813			



GRI STANDARDS	DISCLOSURE	PAGE			SDGS	SASB CODES	EXTERNAL ASSURANCE	
				GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	72-75, 88-90, 166-167	MEX CAM MEXCAM  % de Representación Femenina en el top 10% salarial  47.63% 45.44% 47.29%	95.36% of managers completed their Diversity and Inclusion training related to Gender Bias.	"Quartiles are found by lining up the overall compensation of all permanent full-time employees from highest to lowest, then dividing the total population into four equal parts. The highest paid employees are the upper quartile, followed by the upper-middle quartile, lower-middle quartile and lower quartile, respectively.  The top 10% is found by lining up the overall compensation of all employees from highest to lowest, then dividing the total population into ten equal parts. The top 10% is the highest paid division."	5, 8	CG-MR-330a.1 CG-EC-330a.3	*
405-2	Ratio of basic salary and remuneration of women to men	90	Confidential information			5, 8, 10		*
				GRI 406: Non-discrimination 2016				
406-1	Incidents of discrimination and corrective actions taken	95, 151				5, 8		
			GRI 407:	Freedom of Association and Collective Bargaining	2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	82	In Mexico, 61.60% of employees have a collective bargaining agreement, that is to say, 100% of eligible associates according to the law.			8	FB-FR-310a.2	
				GRI 408: Child Labor 2016				
408-1	Operations and suppliers at significant risk for incidents of child labor	159, 162-163				8, 16		
				GRI 409: Forced or Compulsory Labor 2016		·		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	159, 162-163, 82				8		



GRI STANDARDS	DISCLOSURE	PAGE	URL AND/OR DIRECT ANSWER				SDGS	SASB CODES	EXTERNAL ASSURANCE
GRI 410: Security Practices 2016									
410-1	Security personnel trained in human rights policies or procedures	169					16		
GRI 411: Rights of indigenous peoples 2016									
411-1	Incidents of violations involving rights of indigenous peoples	169	In 2022, no cases of violation of the rights of indigenous peoples were reported.				2		
GRI 413: Local Communities 2016									
GRI 3: Material Topics 2021									
3-3	Management of material topics	66	https://files.walmex.mx/upload/files/2021/es/anual/ASG/Walmex_	Materialidad_2021.pdf					
413-1	Operations with local community engagement, impact assessments, and development programs	133, 135-140		The information under 'kg' may vary because of Bound having weighing scales; because of the pallets and cardboard used by the corresponding institut because of the shrink originated during the logistic To calculate the number of beneficiaries of the Nafamily members are accounted for per every box	s, RPCs (reusable plastic containers), ions to weigh the donations; and cs processes of the donations.  atural Disaster program, 4.5				*
413-2	Operations with significant actual and potential negative impacts on local communities		In Mexico, there were 100 social impact claims addressed by the Community Support area.			1,2			
GRI 414: Supplier Social Assessment 2016									
GRI 3: Material Topics 2021									
3-3	Management of material topics	66	https://files.walmex.mx/upload/files/2021/es/anual/ASG/Walmex_Materialidad_2021.pdf						
414-1	New suppliers that were screened using social criteria	162-165		In Mexico, 3.78% of new suppliers were selected using social criteria, while in Central America it was 3.68%.  For the 2022 report, the method of consolidating the information is modified, differentiating between active and inactive suppliers during the reporting year.		5, 8, 16			
414-2	Negative social impacts in the supply chain and actions taken	162-165					5, 8, 16		



GRI STANDARDS	DISCLOSURE	PAGE		URL AND/OR DIRECT ANSWER					!	SDGS	SASB CODES	EXTERNAL ASSURANCE	
						GRI 415: Public Policy 2016			'				
415-1	Political contributions		Political contributions are totally	Political contributions are totally prohibited by the company's Anti-Corruption policy.					1	16			
GRI 416: Customer Health and Safety 2016									,				
	GRI 3: Material Topics 2021												
3-3	GRI 3: Material Topics 2021	66	https://files.walmex.mx/upload/f	ttps://files.walmex.mx/upload/files/2021/es/anual/ASG/Walmex_Materialidad_2021.pdf		.Materialidad_2021.pdf					FB-FR-260a.2		
			MEXCAM			"Total inspections to DCs (food safety system) in <b>Mexico: 61,583</b> Species identification in our meat raw							
				Question	Answer		material and cooking products:						
					Number of Medimart 45 suppliers 45								
			Number of Medimart plants	68		Number of food fraud analyses to verify ingredient integrity of Private Brands'							
	Evaluación de los impactos de las	15 ( 15 0	Number of completed audits	20	products such as honey, milk, olive oil, 100% natural juices and coffee:	The word plants translates as facilities, which is why both warehouses		ehouses			*		
416-1	categorías de productos y servicios en la salud	156, 158	Number of ongoing audits	2		-Mexico: 24 - Central America: 9	and plants are added to the establishmen				CG-MR-410a.2	T	
	y la seguridad		Number of unapproved audits pending re-audit	3		Validation of certificates for							
			Number of audits pending	1		products marketed as organic: -Mexico: 169							
		Testing with accredited external laboratories for validation of certificates for alcoholic beverages:  -Mexico: 385 - Central America: 3"											



GRI STANDARDS	DISCLOSURE	PAGE		URL AND/OR DIRECT ANSWER			SASB CODES	EXTERNAL ASSURANCE
416-2	Incidents of non- compliance concerning the health and safety impacts of products and services		Non-compliance cases related to health and safety impacts of product and service categories  MEX  CAM  MI  2,910  137	3,047	PROFECO visits in Mexico: 468 Random and operational visits were made, with the highest incidence being: Ticket review, lack of price tag, expired product, 2.3% charge for card payment and review of NOMs.  Health authority visits Mexico: 2,713 The legal operations area has accounted for 2,713 total visits in the areas of health and pharmacy, the detail of these visits is available in the control of legal operations visits 2023.  Health authority visits Central America: 417	16		*
	High-risk food safety	452	Total number of complaints filed with consumer protection institutions  TOTAL 3,098 196 3,294  The number of visits corresponds to the inspections that the authorities have carried out at Walmart's facilities: 275 visits without observations, 49 advisory visits, 43 visits with observations, 45 visits with violations and 5 visits involving the application of a fine.					
	violation rate	153					FB-FR-250a.1	
	Number of recalls, number of units recalled, percentage of units recalled that are private-label products		MEX CAM MI Total SKUs recalled 2,215 167	2,382	In Central America, 10 out of the 17 existing Class I food recalls corresponded to private branded products.*  Supplementary information:  The various Compliance departments have set up policies, procedures, manuals, SOPs (Standard Operating Procedures), etc., which have led the company to mitigate the risk of having "Not Fit for Sale" products on the sales floor. A procedure to report and recall products is in place.  A person fills out a form to request a product recall in SIGO. The Compliance-Food Safety team writes an e-mail with the information included in the form and makes sure of the accuracy of such information. The Compliance-Food Safety team sends the e-mail to SAC (Customer Service, as per the initials in Spanish). The SAC team forwards the e-mail to the stores where the recall applies.		FB-FR-250a.2	*



GRI STANDARDS	DISCLOSURE	PAGE		URL AND/OR DIRECT ANSWER			SDGS	SASB CODES	EXTERNAL ASSURANCE
	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	134						FB-FR-260a.2	
				GRI 417: Marketing and Labeling 2016			·		
417-1	Requirements for product and service information and labeling	161					12		
417-2	Incidents of non- compliance concerning product and service information and labeling	161	MEX CAM  Total labeling incidents 22 26	MEXCAM 48			16	FB-FR-270a.1	*
417-3	Incidents of non-compliance concerning marketing communications	161					16		*
	Total amount of monetary losses as a result of legal proceedings associated with marketing and/ or labeling practices	161			In Mexico, for the purposes of the report, considered to be significant if it exceeds 1	a fine is million pesos		FB-FR-270a.2	*
	Revenue from products labeled as containing genetically modified organisms (GMOs) and non-GMO							FB-FR-270a.3	
	Revenue from products labeled and/or marketed to promote health and nutrition attributes	161						FB-FR-260a.1	



GRI STANDARDS	DISCLOSURE	PAGE		URL AND/OR DIRECT ANSWER			SDG	S SASB CODES	EXTERNAL ASSURANCE
				Data Security					
	Description of approach to identifying and addressing data security risks	170, 171						FB-FR-230a.2 CG-MR-230a.1 CG-EC-230a.1	
				GRI 418: Customer Privacy 2016			·		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	154	Information regarding claims is confidential.				16	FB-FR-230a.1 CG-MR-230a.2 CG-EC-230a.2	*
	Number of users whose information is used for secondary purposes	154	Information regarding customers is confidential.		All persons who enter the ecommerce plat the primary and secondary uses. By accep- notice in order to place their purchase ord all the uses indicated in said notice.	ting the privacy		CG-EC-220a.1	*
	Description of policies and practices relating to behavioral advertising and user privacy	154	Information regarding customers is confidential.					CG-EC-220a.2	
		'	CHAP	TERS: SUSTAINABILITY AND ETHICS & INTEGRIT	Υ	'			
	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	113, 127, 162-165						FB-FR-430a.3	
	Revenue from products third-party certified to environmental and/ or social sustainability standards	124-125, 128						FB-FR-430a.1 CG-MR-410a.1	



GRI 2-5



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# Independent Limited Assurance Report on the Contents of the Standards Global Reporting Initiative ("GRI") and Sustainability Accounting Standards Board ("SASB") (Non-Financial Information)

To Nueva Wal-Mart de México, S. de R.L. de C.V.:

We were engaged by the Administration of Nueva Wal-Mart de México, S. de R.L. de C.V. (hereinafter "Walmart") to report on the Environmental, Social and Corporate Governance (ESG) Performance Indicators of the Contents of the Global Reporting Initiative ("GRI") and the Sustainability Accounting Standards Board ("SASB") (Non-Financial Information), prepared and presented by Walmart's ESG and Corporate Development areas, included in Walmart's 2022 Report for the period from January 1 to December 31, 2022 (the "Annual Report"), that are detailed in Annex A attached to this report (the "Contents"), in the form of an independent conclusion of limited assurance, regarding whether, based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Contents are not prepared in all material aspects, with reference to the Standards of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board ("SASB").

#### Management responsibilities

Walmart Management is responsible for the preparation and presentation of the information subject to our review and the information and statements contained within it.

Walmart Management is responsible for designing, implementing, and maintaining the relevant internal control for the preparation and presentation of the information subject to our review, which is free from material errors, whether due to fraud or error.

Walmart Management is also responsible for ensuring that the personnel involved in the preparation of the Contents are adequately trained, the information systems are duly updated and that any change in the presentation of data and/or in the form of reporting, include all significant reporting units.

#### Our responsibilities

Our responsibility is to review the information concerning the Contents included in the 2022 Report and to express an independent conclusion of limited assurance based on the evidence obtained. We carry out our work based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board, that standard requires that we plan and perform the engagement to obtain limited assurance about whether, based on our work and the evidence obtained, nothing has come to our attention that causes us to believe that the Contents included in the 2022 Report for the period from January 1 to December 31, 2022, are not prepared in all material respects, with reference to the Standards of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board ("SASB").

1 (Continue)





KPMG CARDENAS DOSAL, S.C. (the "Firm") applies International Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the requirements of the International Ethics Standards Boards for Accountants (including international independence standards), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The procedures selected depend on our knowledge and experience of the Contents presented in the 2022 Report and other circumstances of the work, and our consideration of the areas in which material errors may occur.

When obtaining an understanding of the Contents included in the 2022 Report, and other work circumstances, we have considered the processes used to prepare the Contents, in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of Walmart's internal control over the preparation and presentation of the Contents included in the 2022 Report.

Our engagement also included assessing the appropriateness of the main subject, the suitability of the criteria used by Walmart in the preparation of the Contents, assessing the appropriateness of the methods, policies and procedures, as well as models used.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed.

#### Criteria

The criteria on which the preparation of the Contents has been evaluated refer to the established requirements and with reference to the Standards of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board ("SASB") that are detailed in Annex A.

#### **Inherent limitations**

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Report may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Report, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

2 (Continue)





#### Conclusion

Our conclusion has been formed based on, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

Based on the procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the Contents detailed in Annex A attached to this assurance report, prepared by Walmart's ESG and Corporate Development areas and included in Walmart's 2022 Report for the period from January 1 to December 31, 2022 are not prepared in all material aspects, with reference to the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board ("SASB").

#### Restriction of use of our report

Our report should not be regarded as suitable to be used or relied on by any party to acquire rights against us other than Walmart's ESG and Corporate Development areas, for any purpose or in any other context. Any party other than Walmart's ESG and Corporate Development areas who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk.

To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Walmart for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to Walmart, on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent.

KPMG CARDENAS DOSAL S.C.

Alberto Dosal Montero

Partner

Mexico City, March 7<sup>th</sup>, 2023.

3 (Continue)





## Annex A

Description of the Contents object of the limited assurance engagement.

GRI Standard		Content	SASB	Organizat ion Coverage (MX/CA M)	Metric / Indicator
	2-6-b-ii	Activities, value chain and other business relationships		MX	Total new suppliers
	2-6-b-ii	Activities, value chain and other business relationships		CAM	Total new suppliers
	2-6-b-ii	Activities, value chain and other business relationships		MX	Total Suppliers (RFCs)
	2-6-b-ii	Activities, value chain and other business relationships		CAM	Total Suppliers (RFCs)
	2-6-b-ii	Activities, value chain and other business relationships		MX	Number of suppliers of Our Brands
GD. 4	2-6-b-ii	Activities, value chain and other business relationships		CAM	Number of suppliers of Our Brands
GRI 2 General	2-6-b-ii	Activities, value chain and other business relationships		MX	Percentage of Self-Service Providers that are SMEs
Disclosures 2021	2-6-b-ii	Activities, value chain and other business relationships		CAM	Percentage of Self-Service Providers that are SMEs
	2-7-a	Employees		MX	Total associates
	2-7-a	Employees		CAM	Total associates
	2-7b	Employees		MX	Total staff associates
	2-7b	Employees		CAM	Total staff associates
	2-7b	Employees		MX	Total operations associates
	2-7b	Employees		CAM	Total operations associates
	2-7a	Employees		MX	Total female associates
	2-7a	Employees		CAM	Total female associates
	2-7b	Employees		MX	Total female staff associates
	2-7b	Employees		CAM	Total female staff associates
	2-7b	Employees		MX	Total female operations associates





2.7h	Employage	CAM	Total famala aparations associates
2-7b	Employees	CAM	Total female operations associates
2-7a.	Employees	MX	Total male associates
2-7a.	Employees	CAM	Total male associates
2-7b.	Employees	MX	Total male staff associates
2-7b.	Employees	CAM	Total male staff associates
2-7b.	Employees	MX	Total male operations associates
2-7b.	Employees	CAM	Total male operations associates
2-7b.	Employees	MX	Total Executive associates
2-7b.	Employees	CAM	Total Executive associates
2-7b.	Employees	MX	Total male executive associates
2-7b.	Employees	CAM	Total male executive associates
2-7b.	Employees	MX	Total female executive associates
2-7b.	Employees	CAM	Total female executive associates
2-7b.	Employees	MX	Total of non-executive associates
2-7b.	Employees	CAM	Total of non-executive associates
2-7b.	Employees	MX	Total male non-executive associates
2-7b.	Employees	CAM	Total male non-executive associates
2-7b.	Employees	MX	Total female non-executive associates
2-7b.	Employees	CAM	Total female non-executive associates
2-7b.	Employees	MX	Total permanent associates
2-7b.	Employees	CAM	Total permanent associates
2-7b.	Employees	MX	Total temporary associates
2-7b.	Employees	CAM	Total temporary associates
2-7b.	Employees	MX	Total seasonal associates
2.71	F1	MX	Average tenure of associates in the company
2-7b.	Employees	MA	(years)
2.7h	Employees	CAM	Average tenure of associates in the company
2-7b.	Employees	CAM	(years)
2-26	Mechanisms for seeking advice and	MX	Total man hours in Code of Conduct
2-20	raising concerns	MA	training
2.26	Mechanisms for seeking advice and	CAM	Total man hours in Code of Conduct
2-26	raising concerns	CAM	training
2-27	Compliance with laws and regulations	MX	Total law suits received
2-27	Compliance with laws and regulations	CAM	Total law suits received
2-27	Compliance with laws and regulations	MX	Total law suits received from suppliers
2-27	Compliance with laws and regulations	CAM	Total law suits received from suppliers





	2-27	Compliance with laws and regulations	MX	Total law suits received from associates
	2-27	Compliance with laws and regulations	CAM	Total law suits received from associates
	2-27	Compliance with laws and regulations	MX	Total law suits concluded in the reporting period
	2-27	Compliance with laws and regulations	CAM	Total law suits concluded in the reporting period
	2-27	Compliance with laws and regulations	MX	Total monetary liability of significant fines for non-compliance with environmental laws or regulations (MXN)
	2-27	Compliance with laws and regulations	CAM	Total monetary value of significant fines for non-compliance with environmental laws or regulations (USD)
	2-29-a-iii	Approach to stakeholder engagement	MX	Referral Rate (NPS)
	2-29-a-iii	Approach to stakeholder engagement	CAM	Referral Rate (NPS)
	2-29-a-iii	Approach to stakeholder engagement	MX	Customer satisfaction rate
	2-29-a-iii	Approach to stakeholder engagement	CAM	Customer satisfaction rate
	2-29-a-iii	Approach to stakeholder engagement	MX	Number of satisfaction surveys conducted (answered)
	2-29-a-iii	Approach to stakeholder engagement	CAM	Number of satisfaction surveys conducted (answered)
	2-29-a-iii	Approach to stakeholder engagement	MX	IES BRICK. Net Promotion Score (NPS)
	2-29-a-iii	Approach to stakeholder engagement	CAM	ONLINE. (eCommerce). General Satisfaction
	2-29-a-iii	Approach to stakeholder engagement	CAM	ONLINE. (eCommerce). Net Promotion Score (NPS)
	2-29-a-iii	Approach to stakeholder engagement	MX	BODEGA AURRERA. IEC NPS
	2-29-a-iii	Approach to stakeholder engagement	MX	MI BODEGA. IEC NPS
	2-29-a-iii	Approach to stakeholder engagement	MX	WALMART. IEC NPS
	2-29-a-iii	Approach to stakeholder engagement	MX	WALMART EXPRESS/SUPERAMA. IEC NPS
	2-29-a-iii	Approach to stakeholder engagement	CAM	MAXI PALI/MAXI DESPENSA. IEC NPS
	2-29-a-iii	Approach to stakeholder engagement	CAM	PALI. IEC NPS
	2-29-a-iii	Approach to stakeholder engagement	CAM	DESPENSA FAMILIAR. IEC NPS
	2-29-a-iii	Approach to stakeholder engagement	CAM	WALMART. IEC NPS
GRI 203:	203-2a.	Significant indirect economic impacts	MX	Total new jobs generated
Indirect	203-2a.	Significant indirect economic impacts	CAM	Total new jobs generated





economic impacts 2016				
	3-3	Management of material issues	MX	ADOPT AN SME. Number of suppliers participating in the current generation
	3-3	Management of material issues	MX	ADOPT AN SME. Sales in the year in million Mexican pesos
	3-3	Management of material issues	CAM	TIERRA FERTIL (Fertile soil). Number of small farmers benefiting from the program
	3-3	Management of material issues	CAM	TIERRA FERTIL (Fertile soil). Number of families benefited
	3-3	Management of material issues	CAM	TIERRA FERTIL (Fertile soil). Number of current direct jobs
	3-3	Management of material issues	CAM	Purchases from producers of the TIERRA FERTIL (Fertile soil) program (USD)
	3-3	Management of material issues	CAM	UNA MANO PARA CRECER (A HAND TO GROW). Number of suppliers (SMEs) benefited in the program.
GRI 204:	3-3	Management of material issues	CAM	UNA MANO PARA CRECER (A HAND TO GROW). Number of current direct jobs
Procurement Practices 2016	3-3	Management of material issues	CAM	UNA MANO PARA CRECER (A HAND TO GROW). Manufacturing sales in USD
	3-3	Management of material issues	CAM	UNA MANO PARA CRECER (A HAND TO GROW). Percentage increase vs. last year
	204-1-a	Proportion of spending on local suppliers	MX	Percentage of sales of national self-service suppliers
	204-1-a	Proportion of spending on local suppliers	CAM	Percentage of sales of regional self-service suppliers
	204-1-a	Proportion of spending on local suppliers	MX	Percentage of sales of national self-service suppliers
	204-1-a 204-1-a	Proportion of spending on local suppliers	CAM	Percentage of sales of regional self-service suppliers
		Proportion of spending on local suppliers	MX	FRUITS AND VEGETABLES. Percentage of purchase from national suppliers
	204-1-a	Proportion of spending on local suppliers	CAM	FRUITS AND VEGETABLES. Percentage of purchase from regional suppliers





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	204-1-a	Proportion of spending on local	MX	FRUITS AND VEGETABLES. Percentage
		suppliers		of purchase of regional product
	204-1-a	Proportion of spending on local	CAM	FRUITS AND VEGETABLES. Percentage
	20114	suppliers	071117	of regional product suppliers
	204-1-a	Proportion of spending on local	MX	FRUITS AND VEGETABLES. Percentage
		suppliers	IVIX	of direct purchase from the producer
	204-1-a	Proportion of spending on local	CAM	FRUITS AND VEGETABLES. Percentage
	204-1-a	suppliers	CAIVI	of direct purchase from the producer
	204-1-a	Proportion of spending on local	MX	FRUITS AND VEGETABLES. Percentage
	204-1-a	suppliers	IVIX	of purchases from import suppliers
	204.1	Proportion of spending on local	CAM	FRUITS AND VEGETABLES. Percentage
	204-1-a	suppliers	CAM	of purchases from import suppliers
	204-1-a	Proportion of spending on local	MV	MEATS. Percentage of purchase from
		suppliers	MX	national suppliers
	204.1	Proportion of spending on local	CANA	MEATS. Percentage of purchase from
	204-1-a	suppliers	CAM	regional suppliers
	204-1-a	Proportion of spending on local	100	MEATS. Percentage of purchase of
		suppliers	MX	domestic product
	204-1-a	Proportion of spending on local	CANA	MEATS. Percentage of regional product
		suppliers	CAM	purchase
	204.1	Proportion of spending on local	107	MEATS. Percentage of direct purchase from
	204-1-a	suppliers	MX	the producer
	204.1	Proportion of spending on local	CANA	MEATS. Percentage of direct purchase from
	204-1-a	suppliers	CAM	the producer
	204.1	Proportion of spending on local	100	MEATS. Percentage of purchases from
	204-1-a	suppliers	MX	import suppliers
	•	Proportion of spending on local	2115	MEATS. Percentage of purchases from
	204-1-a	suppliers	CAM	import suppliers
	•	Proportion of spending on local		POULTRY. Percentage of purchase from
	204-1-a	suppliers	MX	national suppliers
		Proportion of spending on local		POULTRY. Percentage of purchase from
	204-1-a	suppliers	CAM	regional suppliers
		Proportion of spending on local		POULTRY. Percentage of purchase of
	204-1-a	suppliers	MX	domestic product
		Proportion of spending on local		POULTRY. Percentage of regional product
	204-1-a	suppliers	CAM	purchase
		54PP.1415		A 41 41140 4





	I	Proportion of spending on local	I	POULTRY. Percentage of direct purchase
	204-1-a	suppliers	MX	from the producer
		Proportion of spending on local		POULTRY. Percentage of direct purchase
	204-1-a	suppliers	CAM	from the producer
	204.1	Proportion of spending on local	M	POULTRY. Percentage of purchases from
	204-1-a	suppliers	MX	import suppliers
	204-1-a	Proportion of spending on local	CAM	POULTRY. Percentage of purchases from
	204-1-4	suppliers	CHIVI	import suppliers
	204-1-a	Proportion of spending on local	MX	FISH AND SEAFOOD. Percentage of
		suppliers		purchase from national suppliers
	204-1-a	Proportion of spending on local suppliers	CAM	FISH AND SEAFOOD. Percentage of purchase from regional suppliers
		Proportion of spending on local		FISH AND SEAFOOD. Percentage of
	204-1-a	suppliers	MX	purchase of domestic product
		Proportion of spending on local		FISH AND SEAFOOD. Percentage of
	204-1-a	suppliers	CAM	regional product purchase
	204.1	Proportion of spending on local	MX	FISH AND SEAFOOD. Percentage of direct
	204-1-a	suppliers	WIX	purchase from the producer
	204-1-a	Proportion of spending on local	CAM	FISH AND SEAFOOD. Percentage of direct
	204-1-4	suppliers	CHIVI	purchase from the producer
	204-1-a	Proportion of spending on local	MX	FISH AND SEAFOOD. Percentage of
		suppliers		purchases from import suppliers
	204-1-a	Proportion of spending on local suppliers	CAM	FISH AND SEAFOOD. Percentage of purchases from import suppliers
				Percentage of the purchasing budget
	204-1-a	Proportion of spending on local	MX	allocated to local suppliers where the
	20114	suppliers	14121	company's activities are carried out
		B .: 0 1: 1 1		Percentage of the purchasing budget
	204-1-a	Proportion of spending on local	CAM	allocated to local suppliers where the
		suppliers		company's activities are carried out
	204-1-a	Proportion of spending on local	MX	Percentage of goods sold that are purchased
	20114	suppliers	1717.	domestically
	204-1-a	Proportion of spending on local	CAM	Percentage of goods sold that are purchased
GRI 205:		suppliers		in the region
GRI 205: Anti-	205-2	Communication and training about anti-corruption policies and	MX	Number of business partners who have been briefed on the organization's anti-corruption
Corruption	203-2	procedures	IVIA	policies and procedures, as well as anti-
Corruption	l	procedures		poneres and procedures, as well as allti-





2016				corruption training. Trained
	205-2	Communication and training about anti-corruption policies and procedures	CAM	Number of business partners who have been briefed on the organization's anti-corruption policies and procedures, as well as anti-corruption training. Trained
	205-2	Communication and training about anti-corruption policies and procedures	MEX	Number of associates who have been briefed on the organization's Anti-Corruption policies and procedures, as well as anti- corruption training. Informed.
	205-2	Communication and training about anti-corruption policies and procedures	CAM	Number of associates who have been briefed on the organization's Anti-Corruption policies and procedures, as well as anti- corruption training. Informed.
	205-2	Communication and training about anti-corruption policies and procedures	MEX	Number of associates who have been briefed on the organization's Anti-Corruption policies and procedures, as well as anti- corruption training. Trained
	205-2	Communication and training about anti-corruption policies and procedures	CAM	Number of associates who have been briefed on the organization's Anti-Corruption policies and procedures, as well as anti- corruption training. Trained
	205-2	Communication and training about anti-corruption policies and procedures	MX	Percentage of members of the Board of Directors to whom the organization's anti-corruption policies and procedures have been communicated.
	205-3	Confirmed incidents of corruption and actions taken	MX	Number of confirmed cases of corruption for which associates have been reprimanded or dismissed.
	205-3	Confirmed incidents of corruption and actions taken	CAM	Number of confirmed cases of corruption for which associates have been reprimanded or dismissed.
	205-3	Confirmed incidents of corruption and actions taken	MX	Number of confirmed cases where a contract with a business partner has been terminated or not renewed due to corruption-related infringements
	205-3	Confirmed incidents of corruption and actions taken	CAM	Number of confirmed cases where a contract with a business partner has been terminated





				or not renewed due to corruption-related infringements
	3-3	Management of material issues	MX	Avoided/reduced virgin plastic oil (ton)
	3-3	Management of material issues	MX	Percentage reduction of virgin plastic avoided vs. the previous year
	3-3	Management of material issues	MX	Percentage of progress towards the goal of reducing 3,000 tons of virgin plastic by 2025, baseline 2020
	3-3	Management of material issues	MX	Kilograms sold of bulk products
	301-1	Materials used by weight or volume	MX	Total of materials used to offer the services of the company (ton)
	301-1	Materials used by weight or volume	CAM	Total of materials used to offer the services of the company (ton)
	301-1	Materials used by weight or volume	MX	LP gas consumption (ton) (Bakery, Rotisserie, Kitchen, etc.)
	301-1	Materials used by weight or volume	CAM	LP gas consumption (ton) (Bakery, Rotisserie, Kitchen, etc.)
GRI 301:	301-1	Materials used by weight or volume	MX	Natural gas consumption (ton) (Bakery, Rotisserie, Kitchen, etc.)
Materials 2016	301-1	Materials used by weight or volume	CAM	Natural gas consumption (ton) (Bakery, Rotisserie, Kitchen, etc.)
	301-1	Materials used by weight or volume	MX	Gasoline consumption (ton) (utility vehicles)
	301-1	Materials used by weight or volume	CAM	Gasoline consumption (ton) (utility vehicles)
	301-1	Materials used by weight or volume	MX	Diesel Consumption (ton) (Emergency Plants)
	301-1	Materials used by weight or volume	CAM	Diesel Consumption (ton) (Emergency Plants)
	301-1	Materials used by weight or volume	CAM	Bunker Consumption (ton)
	301-1	Materials used by weight or volume	MX	Chemical consumption for cleaning (ton)
	301-1	Materials used by weight or volume	CAM	Chemical consumption for cleaning (ton)
	301-1	Materials used by weight or volume	MX	Consumption of consumable plastics (ton)
	301-1	Materials used by weight or volume	CAM	Consumption of consumable plastics (ton)
	301-1	Materials used by weight or volume	MX	Plastic marketing consumption (ton)
	301-1	Materials used by weight or volume	CAM	Plastic marketing consumption (ton)
	301-1	Materials used by weight or volume	MX	Consumption of inks and toners (ton)
	301-1	Materials used by weight or volume	CAM	Consumption of inks and toners (ton)





	301-1	Materials used by weight or volume		MX	Paper consumption – consumables (ton)
	301-1	Materials used by weight or volume		CAM	Paper consumption – consumables (ton)
	301-1	Materials used by weight or volume		MX	Paper consumption – marketing (ton)
	301-1	Materials used by weight or volume		CAM	Paper consumption – marketing (ton)
	301-1	Materials used by weight or volume		MX	Cardboard consumption – marketing (ton)
	301-1	Materials used by weight or volume		CAM	Cardboard consumption – marketing (ton)
	301-1	Materials used by weight or volume		MX	Non-renewable materials used in the packaging of Our Brands' products (ton)
	301-1	Materials used by weight or volume		CAM	Non-renewable materials used in the packaging of Our Brands' products (ton)
	301-1	Materials used by weight or volume		MX	Renewable materials used in the packaging of Our Brands products (ton)
	301-1	Materials used by weight or volume		CAM	Renewable materials used in the packaging of Our Brands products (ton)
	301-1	Materials used by weight or volume		MX	Waste recovered from total post-consumer programmes (kg)
	301-1	Materials used by weight or volume		CAM	Waste recovered from total post-consumer programmes (kg)
	301-2	Recycled inputs used		MX	Percentage of packaging of Our Brands' products that are recyclable
	301-2	Recycled inputs used		CAM	Percentage of packaging of Our Brands' products that are recyclable
	301-2	Recycled inputs used		MX	Percentage of packaging of Our Brands' products that are compostable
	301-2	Recycled inputs used		CAM	Percentage of packaging of Our Brands' products that are compostable
	301-2	Recycled inputs used		MX	Percentage of post-consumer recycled material in the packaging of Our Brand products
	301-2	Recycled inputs used		CAM	Percentage of post-consumer recycled material in the packaging of Our Brand products
GRI 302: Energy 2016	302-1	Energy consumption within the organization	CG-MR-130a.1 CG-EC-130a.1 FB-FR-130a.1	MX	Total renewable electricity consumption (GJ)
	302-1	Energy consumption within the	CG-MR-130a.1	CAM	Total renewable electricity consumption (GJ)





	organization	CG-EC-130a.1		
		FB-FR-130a.1		
	Energy consumption within the	CG-MR-130a.1		Percentage of renewable electric energy vs.
302-1	organization	CG-EC-130a.1	MX	Total electrical energy consumed
	organization	FB-FR-130a.1		Total electrical energy consumed
	Energy consumption within the	CG-MR-130a.1		Percentage of renewable electric energy vs.
302-1	organization	CG-EC-130a.1	CAM	Total electrical energy consumed
	organization	FB-FR-130a.1		Total electrical energy consumed
	Energy consumption within the	CG-MR-130a.1		
302-1	organization	CG-EC-130a.1	MX/CAM	Total renewable electricity consumption (GJ)
	organization	FB-FR-130a.1		
	Energy consumption within the	CG-MR-130a.1		Percentage of renewable electric energy vs.
302-1	organization	CG-EC-130a.1	MX/CAM	Total electrical energy consumed
	organization	FB-FR-130a.1		Total electrical energy consumed
	Energy consumption within the	CG-MR-130a.1		Total energy consumption of purchased
302-1	organization	CG-EC-130a.1	MX	renewable energy (GJ)
	organization	FB-FR-130a.1		
	Energy consumption within the organization	CG-MR-130a.1		Total energy consumption of purchased
302-1		CG-EC-130a.1	CAM	renewable energy (GJ)
		FB-FR-130a.1		renewable energy (G3)
	-1 Energy consumption within the organization	CG-MR-130a.1	MX	Total energy consumed from renewable energy generated (GJ)
302-1		CG-EC-130a.1		
		FB-FR-130a.1		
	Energy consumption within the	CG-MR-130a.1		Total energy consumed from renewable
302-1	organization	CG-EC-130a.1	CAM	energy generated (GJ)
	organization	FB-FR-130a.1		chergy generated (G3)
	Energy consumption within the	CG-MR-130a.1		
302-1	organization	CG-EC-130a.1	MX	Total hydropower consumption (GJ)
	organization	FB-FR-130a.1		
	Energy consumption within the	CG-MR-130a.1		
302-1	organization	CG-EC-130a.1	CAM	Total hydropower consumption (GJ)
	organization	FB-FR-130a.1		
	Energy consumption within the	CG-MR-130a.1		
302-1	Energy consumption within the	CG-EC-130a.1	MX	Total solar electric power consumption (GJ)
	organization	FB-FR-130a.1		
302-1	Energy consumption within the	CG-MR-130a.1	CAM	Total solar electric power consumption (GJ)
302-1	organization	CG-EC-130a.1	CAIVI	Total solal electric power consumption (GJ)





		FB-FR-130a.1		
302-1	Energy consumption within the organization	CG-MR-130a.1 CG-EC-130a.1 FB-FR-130a.1	MX	Total consumption of wind electric power (GJ)
302-1	Energy consumption within the organization	CG-MR-130a.1 CG-EC-130a.1 FB-FR-130a.1	CAM	Total consumption of wind electric power (GJ)
302-1	Energy consumption within the organization	CG-MR-130a.1 CG-EC-130a.1 FB-FR-130a.1	MX	Total non-renewable electricity consumption (GJ)
302-1	Energy consumption within the organization	CG-MR-130a.1 CG-EC-130a.1 FB-FR-130a.1	CAM	Total non-renewable electricity consumption (GJ)
302-3	Energy intensity		MX	Internal energy intensity rate (GJ/m <sup>2</sup> )
302-3	Energy intensity		CAM	Internal energy intensity rate (GJ/m <sup>2</sup> )
302-3	Energy intensity		MX/CAM	Internal energy intensity rate (GJ/m <sup>2</sup> )
302-4	Reduction of energy consumption		MX	Increase in energy consumption (GJ) and percentage vs. last year
302-4	Reduction of energy consumption		CAM	Reduction of energy consumption (GJ) and percentage vs. last year
302-4	Reduction of energy consumption		MX/CAM	Reduction of energy consumption (GJ) and percentage vs. last year
302-4	Reduction of energy consumption		MX	Reduction of energy consumption achieved by each conservation and efficiency initiative (GJ)
302-4	Reduction of energy consumption		CAM	Reduction of energy consumption achieved by each conservation and efficiency initiative (GJ)
302-4	Reduction of energy consumption		MX	LOGISTICS EFFICIENCY – REVERSE LOGISTICS. Liters of fuel avoided
302-4	Reduction of energy consumption		CAM	LOGISTICS EFFICIENCY – REVERSE LOGISTICS. Liters of fuel avoided
302-4	Reduction of energy consumption		MX	LOGISTICS EFFICIENCY – BACKHAUL. Liters of fuel avoided
302-4	Reduction of energy consumption		CAM	LOGISTICS EFFICIENCY – BACKHAUL. Liters of fuel avoided





	303-3	Water withdrawal	CG-EC-130a.2	MX	Total water extraction (m <sup>3</sup> )
	303-2	Management of water discharge- related impacts		MX	Number of current water treatment plants
	303-2	Management of water discharge- related impacts		CAM	Number of current water treatment plants
	303-3	Water withdrawal	CG-EC-130a.2	CAM	Total water extraction (m <sup>3</sup> )
	303-3	Water withdrawal	CG-EC-130a.2	MX	Water withdrawal intensity (m <sup>3</sup> /m <sup>2</sup> )
	303-3	Water withdrawal	CG-EC-130a.2	CAM	Water withdrawal intensity (m <sup>3</sup> /m <sup>2</sup> )
	303-3	Water withdrawal	CG-EC-130a.2	MX/CAM	Water withdrawal intensity (m <sup>3</sup> /m <sup>2</sup> )
	303-4	Water discharge		MX	Wastewater discharged (m <sup>3</sup> )
	303-4	Water discharge		CAM	Wastewater discharged (m <sup>3</sup> )
GRI 303:	303-4	Water discharge		MX	Discharged water – municipal drainage (m <sup>3</sup> )
Water and	303-4	Water discharge		CAM	Discharged water – reuse (m <sup>3</sup> )
effluents 2018	303-4	Water discharge		CAM	Discharged water – pipe/cistern (m <sup>3</sup> )
	303-4	Water discharge		CAM	Discharged water – receiving body (m <sup>3</sup> )
	303-4	Water discharge		CAM	Discharged water – municipal drainage (m <sup>3</sup> )
	303-4	Water discharge		CAM	Discharged water – soil infiltration (m <sup>3</sup> )
	303-4	Water discharge		CAM	Discharge water – third/shopping Centre, industrial park (m³)
	303-4	Water discharge		MX	Water discharged – secondary treatment (m <sup>3</sup> )
	303-4	Water discharge		CAM	Water discharged – secondary treatment (m <sup>3</sup> )
	303-4	Water discharge		MX	Reused water (m <sup>3</sup> )
	303-4	Water discharge		CAM	Reused water (m <sup>3</sup> )
	303-4	Water discharge		MX	Wastewater treated (m <sup>3</sup> )
	303-4	Water discharge		CAM	Wastewater treated (m <sup>3</sup> )
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		MX	Subsurface and underground land owned, leased, or managed by the company (m <sup>2</sup> )
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		MX	Operational site size (m <sup>2</sup> )
	304-2	Significant impacts of activities, products, and services on biodiversity		MX	Reduction of species of flora and/or fauna
	304-2	Significant impacts of activities,		MX	Extension of impacted areas (m <sup>2</sup> )





		products, and services on biodiversity	,		
	3-3	Management of material issues		MX	Investment in the environmental field (MDP)
	3-3	Management of material issues		CAM	Investment in the environmental field (USD)
	3-3	Management of material issues		MX	Savings due to the implementation of sustainable initiatives (MDP)
	3-3	Management of material issues		CAM	Savings due to the implementation of sustainable initiatives (MDP)
	3-3	Management of material issues		MX	LOGISTICS EFFICIENCY – BACKHAUL. Kilometers not traveled
	3-3	Management of material issues		CAM	LOGISTICS EFFICIENCY – BACKHAUL. Kilometers not traveled
	3-3	Management of material issues		MX	LOGISTICS EFFICIENCY – BACKHAUL. Total trips avoided
	3-3	Management of material issues		CAM	LOGISTICS EFFICIENCY – BACKHAUL. Total trips avoided
	3-3	Management of material issues		MX	LOGISTICS EFFICIENCY – REVERSE LOGISTICS. Kilometers not traveled
GRI 305: Emissions	3-3	Management of material issues		CAM	LOGISTICS EFFICIENCY – REVERSE LOGISTICS. Kilometers not traveled
2016	3-3	Management of material issues		MX	LOGISTICS EFFICIENCY – REVERSE LOGISTICS. Total trips avoided
	3-3	Management of material issues		CAM	LOGISTICS EFFICIENCY – REVERSE LOGISTICS. Total trips avoided
	305-1	Direct (Scope 1) GHG emissions	FB-FR-110b.1 FB-FR-110b.3	MX	Scope 1 GHG emissions (tCO <sub>2</sub> e)
	305-1	Direct (Scope 1) GHG emissions	FB-FR-110b.1 FB-FR-110b.3	CAM	Scope 1 GHG emissions (tCO <sub>2</sub> e)
	305-1	Direct (Scope 1) GHG emissions	FB-FR-110b.1 FB-FR-110b.3	MX	Emissions generated by fuel consumption (tCO <sub>2</sub> e)
	305-1	Direct (Scope 1) GHG emissions	FB-FR-110b.1 FB-FR-110b.3	CAM	Emissions generated by fuel consumption (tCO <sub>2</sub> e)
	305-1	Direct (Scope 1) GHG emissions	FB-FR-110b.1 FB-FR-110b.3	MX	Refrigerant gas consumption R-22 (ton)
	305-1	Direct (Scope 1) GHG emissions	FB-FR-110b.1 FB-FR-110b.3	CAM	Refrigerant gas consumption R-22 (ton)
	305-2	Energy indirect (Scope 2) GHG		MX	Scope 2 indirect GHG emissions (tCO <sub>2</sub> e)





	emissions			
305-2	Energy indirect (Scope 2) GHG emissions		CAM	Scope 2 indirect GHG emissions (tCO <sub>2</sub> e)
305-3	Other indirect (Scope 3) GHG emissions	FB-FR-110a.1 CG-EC-410a.1	MX	Scope 3 GHG emissions (tCO <sub>2</sub> e)
305-3	Other indirect (Scope 3) GHG emissions	FB-FR-110a.1 CG-EC-410a.1	CAM	Scope 3 GHG emissions (tCO <sub>2</sub> e)
305-3	Other indirect (Scope 3) GHG emissions	FB-FR-110a.1 CG-EC-410a.1	MX	CO <sub>2</sub> emissions by product distribution (tCO <sub>2</sub> e)
305-3	Other indirect (Scope 3) GHG emissions	FB-FR-110a.1 CG-EC-410a.1	CAM	CO <sub>2</sub> emissions by product distribution (tCO <sub>2</sub> e)
305-3	Other indirect (Scope 3) GHG emissions	FB-FR-110a.1 CG-EC-410a.1	MX	Emissions by personnel transport (tCO <sub>2</sub> e)
305-3	Other indirect (Scope 3) GHG emissions	FB-FR-110a.1 CG-EC-410a.1	CAM	Emissions by personnel transport (tCO <sub>2</sub> e)
305-4	GHG emissions intensity		MX	Total GHG emissions intensity ratio (tCO <sub>2</sub> e/m <sup>2</sup> )
305-4	GHG emissions intensity		CAM	Total GHG emissions intensity ratio (tCO <sub>2</sub> e/m <sup>2</sup> )
305-4	GHG emissions intensity		MX	Scope 1 emissions intensity (tCO <sub>2</sub> e/m <sup>2</sup> )
305-4	GHG emissions intensity		CAM	Scope 1 emissions intensity (tCO <sub>2</sub> e/m <sup>2</sup> )
305-4	GHG emissions intensity		MX	Scope 2 emissions intensity (tCO <sub>2</sub> e/m <sup>2</sup> )
305-4	GHG emissions intensity		CAM	Scope 2 emissions intensity (tCO <sub>2</sub> e/m <sup>2</sup> )
305-5	Reduction of GHG emissions	CG-EC-410a.2	MX	LOGISTICS EFFICIENCY - BACKHAUL. CO <sub>2</sub> emissions avoided (tCO <sub>2</sub> e)
305-5	Reduction of GHG emissions	CG-EC-410a.2	CAM	LOGISTICS EFFICIENCY - BACKHAUL. CO <sub>2</sub> emissions avoided (tCO <sub>2</sub> e)
305-5	Reduction of GHG emissions	CG-EC-410a.2	MX	LOGISTICS EFFICIENCY – REVERSE LOGISTICS. CO <sub>2</sub> emissions avoided (tonCO <sub>2</sub> eq)
305-5	Reduction of GHG emissions	CG-EC-410a.2	CAM	LOGISTICS EFFICIENCY – REVERSE LOGISTICS. CO <sub>2</sub> emissions avoided (tonCO <sub>2</sub> eq)
305-5	Reduction of GHG emissions	CG-EC-410a.2	MX	Percentage decrease/increase in GHG emissions by scope 1,2,3; vs. the previous year





	305-5	Reduction of GHG emissions	CG-EC-410a.2	CAM	Percentage decrease/increase in GHG emissions by scope 1,2,3; vs. the previous year
	305-5	Reduction of GHG emissions	CG-EC-410a.2	MX/CAM	Percentage decrease/increase in GHG emissions by scope 1,2,3; vs. the previous year
	305-5	Reduction of GHG emissions	CG-EC-410a.2	MX	Percentage decrease/increase in emission intensity (tCO <sub>2</sub> e/m <sup>2</sup> ) GHG Scope 1 & 2 vs. the previous year
	305-5	Reduction of GHG emissions	CG-EC-410a.2	CAM	Percentage decrease/increase in emission intensity (tCO <sub>2</sub> e/m <sup>2</sup> ) GHG Scope 1 & 2 vs. the previous year
	305-5	Reduction of GHG emissions	CG-EC-410a.2	MX/CAM	Percentage decrease/increase in emission intensity (tCO <sub>2</sub> e/m <sup>2</sup> ) GHG Scope 1 & 2 vs. the previous year
	305-6	Emissions of ozone-depleting substances (ODS)	FB-FR-110b.2	MX	Total consumption (tons) and percentage of refrigerants with zero ozone-depleting potential
	305-6	Emissions of ozone-depleting substances (ODS)	FB-FR-110b.2	CAM	Total consumption (tons) and percentage of refrigerants with zero ozone-depleting potential
	3-3	Management of material issues		MX	Percentage of achievement to the Zero Waste goal by 2025
	3-3	Management of material issues		CAM	Percentage of achievement to the Zero Waste goal by 2025
	3-3	Management of material issues		MX/CAM	Percentage of achievement to the Zero Waste goal by 2025
GRI 306:	3-3	Management of material issues		MX	Space released from landfill by the recovery of hazardous and non-hazardous waste (m³)
Waste 2020	3-3	Management of material issues		CAM	Space released from landfill by the recovery of hazardous and non-hazardous waste (m³)
	306-3	Waste generated		MX	Company-generated waste (ton)
	306-3	Waste generated		CAM	Company-generated waste (ton)
	306-3	Waste generated		MX	Hazardous waste generated by the company (ton)
	306-3	Waste generated		CAM	Hazardous waste generated by the company (ton)





30	06-3	Waste generated	MX	Non-hazardous organic waste generated by the company (ton)
30	06-3	Waste generated	CAM	Non-hazardous organic waste generated by the company (ton)
30	06-3	Waste generated	MX	Non-hazardous inorganic waste generated by the company (ton)
30	06-3	Waste generated	CAM	Non-hazardous inorganic waste generated by the company (ton)
30	06-3	Waste generated	MX	Company-generated sanitary waste (ton)
30	06-3	Waste generated	CAM	Company-generated sanitary waste (ton)
30	06-4	Waste diverted for disposal	MX	Recovered or diverted waste from landfill (ton)
30	06-4	Waste diverted for disposal	CAM	Recovered or diverted waste from landfill (ton)
30	06-4	Waste diverted for disposal	MX	Hazardous waste recovered or diverted from landfill (ton)
30	06-4	Waste diverted for disposal	CAM	Hazardous waste recovered or diverted from landfill (ton)
30	06-4	Waste diverted for disposal	MX	Non-hazardous organic waste recovered or diverted from landfill (ton)
30	06-4	Waste diverted for disposal	CAM	Non-hazardous organic waste recovered or diverted from landfill (ton)
30	06-4	Waste diverted for disposal	MX	Inorganic non-hazardous waste recovered or diverted from landfill (ton)
30	06-4	Waste diverted for disposal	CAM	Inorganic non-hazardous waste recovered or diverted from landfill (ton)
30	06-4	Waste diverted for disposal	MX	NON-HAZARDOUS ORGANIC WASTE donated to organizations (ton)
30	06-4	Waste diverted for disposal	CAM	NON-HAZARDOUS ORGANIC WASTE donated to organizations (ton)
30	06-4	Waste diverted for disposal	MX	NON-HAZARDOUS ORGANIC WASTE donated to associates (ton)
30	06-4	Waste diverted for disposal	CAM	NON-HAZARDOUS ORGANIC WASTE donated to associates (ton)
30	06-4	Waste diverted for disposal	MX	NON-HAZARDOUS ORGANIC WASTE composted (ton)





	306-4	Waste diverted for disposal	CAM	NON-HAZARDOUS ORGANIC WASTE composted (ton)
	306-4	Waste diverted for disposal	MX	Recycled Non-hazardous inorganic waste, by waste type (ton)
	306-4	Waste diverted for disposal	CAM	Recycled Non-hazardous inorganic waste, by waste type (ton)
	306-5	Waste destined for disposal	MX	Waste sent to landfills or incinerated (ton)
	306-5	Waste destined for disposal	CAM	Waste sent to landfills or incinerated (ton)
	306-5	Waste directed for disposal	MX	Dangerous waste sent to landfill or incinerated (ton)
	306-5	Waste directed for disposal	CAM	Dangerous waste sent to landfill or incinerated (ton)
	306-5	Waste directed for disposal	MX	Organic non-hazardous waste sent to landfill (ton)
	306-5	Waste directed for disposal	CAM	Organic non-hazardous waste sent to landfill (ton)
	306-5	Waste directed for disposal	MX	Inorganic non-hazardous waste sent to landfill (ton)
	306-5	Waste directed for disposal	CAM	Inorganic non-hazardous waste sent to landfill (ton)
	306-5	Waste directed for disposal	MX	Sanitary waste sent to landfill (ton)
	306-5	Waste directed for disposal	CAM	Sanitary waste sent to landfill (ton)
	308-2	Negative environmental impacts in the supply chain and measures taken	MX	Number of products with low environmental impact characteristics – total
	308-2	Negative environmental impacts in the supply chain and measures taken	MX	Number of products with low environmental impact characteristics – organic
GRI 308:	308-2	Negative environmental impacts in the supply chain and measures taken	MX	Number of products with low environmental impact characteristics – hydroponics
Supplier Environmental	308-2	Negative environmental impacts in the supply chain and measures taken	MX	Number of products with low environmental impact characteristics – biodegradable
Assessment 2016	308-2	Negative environmental impacts in the supply chain and measures taken	MX	Number of products with low environmental impact characteristics – water and energy savers
	308-2	Negative environmental impacts in the supply chain and measures taken	MX	Number of products with low environmental impact characteristics – sustainable certification and free grazing





	308-2	Negative environmental impacts in	MX	Number of products with low environmental
-		the supply chain and measures taken		impact characteristics – recycled packaging
	308-2	Negative environmental impacts in the supply chain and measures taken	MX	Number of products with low environmental impact characteristics – textiles
-		Negative environmental impacts in		Number of products with low environmental
	308-2	the supply chain and measures taken	MX	impact characteristics – recycled polyester
	308-2	Negative environmental impacts in	MX	Volume (ton) and percentage of sustainable
	306-2	the supply chain and measures taken	IVIA	supply and – paper, pulp, and wood
	308-2	Negative environmental impacts in	CAM	Volume (ton) and percentage of sustainable
-		the supply chain and measures taken	67.11.2	supply and – paper, pulp, and wood
	308-2	Negative environmental impacts in the supply chain and measures taken	MX/CAM	Volume (ton) and percentage of sustainable
-		Negative environmental impacts in		supply and – paper, pulp, and wood  Volume (ton) and percentage of sustainable
	308-2	the supply chain and measures taken	MX	supply and palm oil
	200.2	Negative environmental impacts in	CAM	Volume (ton) and percentage of sustainable
	308-2	the supply chain and measures taken	CAM	supply and palm oil
	308-2	Negative environmental impacts in	MX/CAM	Volume (ton) and percentage of sustainable
_	300 2	the supply chain and measures taken	IVIZ ( CI IIVI	supply and palm oil
	308-2	Negative environmental impacts in	MX	Volume (ton) and percentage of sustainable
-		the supply chain and measures taken  Negative environmental impacts in		supply and – fresh and frozen seafood  Volume (ton) and percentage of sustainable
	308-2	the supply chain and measures taken	CAM	sourcing – fresh and frozen seafood
-	••••	Negative environmental impacts in	2.577(0.12.5	Volume (ton) and percentage of sustainable
	308-2	the supply chain and measures taken	MX/CAM	sourcing – fresh and frozen seafood
	308-2	Negative environmental impacts in	MX	Volume (ton) and percentage of sustainable
	306-2	the supply chain and measures taken	IVIX	sourcing – canned tuna
	401-1	New employee hires and employee turnover	MX	Total of new associates
	401-1	New employee hires and employee	CAM	Total of new associates
GRI 401:		turnover	2.2.17	
Employment 2016	401-1	New employee hires and employee turnover	MX	Total of new female associates
2010	401-1	New employee hires and employee turnover	CAM	Total of new female associates
	401-1	New employee hires and employee turnover	MX	Total of new male associates





	401.1	New employee hires and employee	T	C111	T . 1 . 6
	401-1	turnover		CAM	Total of new male associates
	401-1	New employee hires and employee turnover		MX	Total associate layoffs
	401-1	New employee hires and employee turnover		CAM	Total associate layoffs
	401-1	New employee hires and employee turnover		MX	Total female associate layoffs
	401-1	New employee hires and employee turnover		CAM	Total female associate layoffs
	401-1	New employee hires and employee turnover		MX	Total male associate layoffs
	401-1	New employee hires and employee turnover		CAM	Total male associate layoffs
	401-1	New employee hires and employee turnover		MX	Total turnover rate
	401-1	New employee hires and employee turnover		CAM	Total turnover rate
	401-1	New employee hires and employee turnover		MX/CAM	Total turnover rate
	401-1	New employee hires and employee turnover	CG-EC 330a.2 CG-MR-310a.2	MX	Voluntary employee turnover rate
	401-1	New employee hires and employee turnover	CG-EC 330a.2 CG-MR-310a.2	CAM	Voluntary employee turnover rate
	401-1	New employee hires and employee turnover	CG-EC 330a.2 CG-MR-310a.2	MX/CAM	Voluntary employee turnover rate
	401-1	New employee hires and employee turnover	CG-EC 330a.2 CG-MR-310a.2	MX	Involuntary employee turnover rate
	401-1	New employee hires and employee turnover	CG-EC 330a.2 CG-MR-310a.2	CAM	Involuntary employee turnover rate
	401-1	New employee hires and employee turnover	CG-EC 330a.2 CG-MR-310a.2	MX/CAM	Involuntary employee turnover rate
GRI 403: Occupational	403-5	Worker training on occupational health and safety		MX	Number of health and safety trainings
Health and Safety 2018	403-5	Worker training on occupational health and safety		CAM	Number of health and safety trainings





	403-5	Worker training on occupational health and safety	MX	Number of associates trained in health and safety
	403-5	Worker training on occupational health and safety	CAM	Number of associates trained in health and safety
	403-5	Worker training on occupational health and safety	MX	Health and safety training hours
	403-5	Worker training on occupational health and safety	CAM	Health and safety training hours
	403-5	Worker training on occupational health and safety	MX	Average hours of health and safety training per employee (total hours)
	403-5	Worker training on occupational health and safety	CAM	Average hours of health and safety training per employee (total hours)
	403-9	Work related injuries	MX	Accident rate due to occupational hazards
	403-9	Work related injuries	CAM	Accident rate due to occupational hazards
	403-9	Work related injuries	MX	Days of disability
	403-9	Work related injuries	CAM	Days of disability
	403-9	Work related injuries	MX	Total of customer accidents
	403-9	Work related injuries	CAM	Total of customer accidents
	403-9	Work related injuries	MX	Accident rate
	403-9	Work related injuries	CAM	Accident rate
	3-3	Management of material issues	MX	Total investment in training per person (MXN)
	3-3	Management of material issues	CAM	Total investment in training per person (USD)
	3-3	Management of material issues	MX/CAM	Total investment in training per person (USD)
GRI 404:	3-3	Management of material issues	MX	Total Investment in Training (MDP)
Training and	3-3	Management of material issues	CAM	Total investment in training (USD)
Education 2016	404-1	Average hours of training per year per employee	MX/CAM	Average hours of training per associate
	404-1	Average hours of training per year per employee	MX	Trained associates (including those who left the company)
	404-1	Average hours of training per year per employee	CAM	Trained associates (including those who left the company)
	404-1	Average hours of training per year per employee	MX	Total man-hours of training





	404-1	Average hours of training per year per employee		CAM	Total man-hours of training
	404-2	Programs for upgrading employee skills and transition assistance programs		MX	Total of promoted associates
	404-2	Programs for upgrading employee skills and transition assistance programs		CAM	Total of promoted associates
	404-2	Programs for upgrading employee skills and transition assistance programs		MX	Total of promoted female associates
	404-2	Programs for upgrading employee skills and transition assistance programs		CAM	Total of promoted female associates
	404-2	Programs for upgrading employee skills and transition assistance programs		MX	Total of promoted male associates
	404-2	Programs for upgrading employee skills and transition assistance programs		CAM	Total of promoted male associates
	404-3	Percentage of employees receiving regular performance and career development reviews		MX	Percentage of positions filled by internal candidates
	404-3	Percentage of employees receiving regular performance and career development reviews		CAM	Percentage of positions filled by internal candidates
	404-3	Percentage of employees receiving regular performance and career development reviews		MX/CAM	Percentage of positions filled by internal candidates
	404-3	Percentage of employees receiving regular performance and career development reviews		MX	Total associates who were evaluated (applies to permanent associates with at least one year in the company)
	404-3	Percentage of employees receiving regular performance and career development reviews		CAM	Total associates who were evaluated (applies to permanent associates with at least one year in the company)
GRI 405: Diversity and	405-1	Diversity of governing bodies and employees	CG-EC-330a.3 CG-MR-330a.1	MX	Total associates with disabilities





equal opportunities	405-1	Diversity of governing bodies and employees	CG-EC-330a.3 CG-MR-330a.1	CAM	Total associates with disabilities
2016	405-1	Diversity of governing bodies and employees	CG-EC-330a.3 CG-MR-330a.1	MX	Total associates with disabilities, women
	405-1	Diversity of governing bodies and employees	CG-EC-330a.3 CG-MR-330a.1	CAM	Total associates with disabilities, women
	405-1	Diversity of governing bodies and employees	CG-EC-330a.3 CG-MR-330a.1	MX	Total associates with disabilities, men
	405-1	Diversity of governing bodies and employees	CG-EC-330a.3 CG-MR-330a.1	CAM	Total associates with disabilities, men
	405-2	Ratio between basic salary and Remuneration of women and men		MX/CAM	Percentage of women represented in the top 10% salary
	413-1	Operations with local community engagement, impact assessments, and development programs		MX	NATURAL DISASTERS. Tones of aid channeled to support those affected by the health sector
	413-1	Operations with local community engagement, impact assessments, and development programs		CAM	NATURAL DISASTERS. Tones of aid channeled to support those affected by the health sector
	413-1	Operations with local community engagement, impact assessments, and development programs		MX	NATURAL DISASTERS. Number of national disasters supported and description of them (place, date, type of natural disaster)
GRI 413: Local	413-1	Operations with local community engagement, impact assessments, and development programs		CAM	NATURAL DISASTERS. Number of national disasters supported and description of them (place, date, type of natural disaster)
Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs		MX	FOOD SAFETY. Total of direct beneficiaries
	413-1	Operations with local community engagement, impact assessments, and development programs		CAM	FOOD SAFETY. Total of direct beneficiaries
	413-1	Operations with local community engagement, impact assessments, and development programs		MX	FOOD SAFETY. Number of institutions benefited
	413-1	Operations with local community engagement, impact assessments, and development programs		CAM	FOOD SAFETY. Number of institutions benefited
	413-1	Operations with local community		MX	FOOD SAFETY. Channeled food





	engagement, impact assessments, and development programs			
	Operations with local community			
413-1	engagement, impact assessments, and	CAM	FOOD SAFETY. Channeled food	
413-1	development programs	Criw	1 OOD 5/11 E.T.1. Chamicica food	
	Operations with local community			
413-1	engagement, impact assessments, and	MX	VOLUNTEERING. Rate of voluntary	
113 1	development programs	IVIZ	participation	
	Operations with local community			
413-1	engagement, impact assessments, and	CAM	VOLUNTEERING. Rate of voluntary	
113 1	development programs	Criti	participation	
	Operations with local community			
413-1	engagement, impact assessments, and	MX	VOLUNTEERING. Number of voluntary	
113 1	development programs	14171	participations of associates	
	Operations with local community			
413-1	engagement, impact assessments, and	CAM	VOLUNTEERING. Number of voluntary participations of associates	
110 1	development programs			
	Operations with local community			
413-1	engagement, impact assessments, and	MX	VOLUNTEERING. Percentage of total staff participating or undertaking voluntary work	
	development programs	1		
	Operations with local community		WOLLDITEEDING C. L. L. C. L. A.	
413-1	engagement, impact assessments, and	MX	VOLUNTEERING. Schedule of voluntary activities carried out during the year	
	development programs			
	Operations with local community			
413-1	engagement, impact assessments, and	CAM	VOLUNTEERING. Total volunteer hours	
	development programs			
	Operations with local community		CHANNELED RESOURCES. Total of	
413-1	engagement, impact assessments, and	MX	resources channeled into community	
	development programs		investments (MDP)	
	Operations with local community		CHANNELED RESOURCES. Total of	
413-1	engagement, impact assessments, and	CAM	resources channeled into community	
	development programs		investments (USD)	
	Operations with local community			
413-1	engagement, impact assessments, and	MX	CHANNELED RESOURCES. Total	
	development programs		beneficiaries	
412.1	Operations with local community	CAM	CHANNELED RESOURCES. Total	
413-1	engagement, impact assessments, and	CAM	beneficiaries	





		development programs		
	413-1	Operations with local community engagement, impact assessments, and development programs	MX	CHANNELED RESOURCES. Number of collaborating institutions by region/state
	413-1	Operations with local community engagement, impact assessments, and development programs	CAM	CHANNELED RESOURCES. Number of collaborating institutions by region/state
	413-1	Operations with local community engagement, impact assessments, and development programs	CAM	Number of beneficiaries of the "Do Magic" campaign
	413-1	Operations with local community engagement, impact assessments, and development programs	MX	SMALL PRODUCER. Total producers benefited
	413-1	Operations with local community engagement, impact assessments, and development programs	MX	SMALL PRODUCER. Total number of female producers benefited
	413-1	Operations with local community engagement, impact assessments, and development programs	MX	Total purchases to Small Producers (MDP)
	413-1	Operations with local community engagement, impact assessments, and development programs	MX	Percentage of average increase in income of small producers
	413-1	Operations with local community engagement, impact assessments, and development programs	MX	Number of current direct jobs
	413-1	Operations with local community engagement, impact assessments, and development programs	MX	Total tons commercialized
CDI 416	416-1	Assessment of the impacts of product and service categories on health and safety	MX	OWN BRANDS FOOD. Total of inspections to Cedis (to the food safety system)
GRI 416: Customer Health and	416-1	Assessment of the impacts of product and service categories on health and safety	CAM	OWN BRANDS FOOD. Total of inspections to Cedis (to the food safety system)
Safety 2016	416-1	Assessment of the impacts of product and service categories on health and safety	MX	Species identification in our meat and kitchen products raw material





416-1	Assessment of the impacts of product and service categories on health and safety	CAM	Species identification in our meat and kitchen products raw material
416-1	Assessment of the impacts of product and service categories on health and safety	MX	Number of food fraud analysis to verify the integrity of the ingredients of the own brand products of honey, milk, olive oil, 100% natural juices and coffee
416-1	Assessment of the impacts of product and service categories on health and safety	CAM	Number of food fraud analysis to verify the integrity of the ingredients of the own brand products of honey, milk, olive oil, 100% natural juices and coffee
416-1	Assessment of the impacts of product and service categories on health and safety	MX	Validation of certificates of products marketed as Organic
416-1	Assessment of the impacts of product and service categories on health and safety	CAM	Validation of certificates of products marketed as Organic
416-1	Assessment of the impacts of product and service categories on health and safety	MX	Analysis with accredited external laboratories for validation of alcoholic beverage certificates
416-1	Assessment of the impacts of product and service categories on health and safety	CAM	Analysis with accredited external laboratories for validation of alcoholic beverage certificates
416-1	Assessment of the impacts of product and service categories on health and safety	MX	MEDIMART. Number of suppliers
416-1	Assessment of the impacts of product and service categories on health and safety	MX	MEDIMART. Number of plants
416-1	Assessment of the impacts of product and service categories on health and safety	MX	MEDIMART. Number of audits completed
416-1	Assessment of the impacts of product and service categories on health and safety	MX	MEDIMART. Number of audits on going
416-1	Assessment of the impacts of product and service categories on health and	MX	MEDIMART. Number of unapproved audits pending re-audit





		safety		
41	16-1	Assessment of the impacts of product and service categories on health and safety	MX	MEDIMART. Number of audits pending
41	16-1	Assessment of the impacts of product and service categories on health and safety	MX	PHARMACIES. Total of internal audits in store
41	16-1	Assessment of the impacts of product and service categories on health and safety	MX	SUPPLIER INSPECTIONS. Number of inspections in Cedis to national suppliers
41	16-1	Assessment of the impacts of product and service categories on health and safety	MX	SUPPLIER INSPECTIONS. Number of inspections of textiles and footwear at origin to import suppliers. Direct
41	16-1	Assessment of the impacts of product and service categories on health and safety	MX	SUPPLIER INSPECTIONS. Number of inspections of textiles and footwear at origin to import suppliers. Global Sourcing
41	16-1	Assessment of the impacts of product and service categories on health and safety	MX	FOOTWEAR MAQUILA AUDITS . Number of audited suppliers
41	16-1	Assessment of the impacts of product and service categories on health and safety	MX	FOOTWEAR MAQUILA AUDITS. Number of plants audited
41	16-1	Assessment of the impacts of product and service categories on health and safety	MX	FOOTWEAR MAQUILA AUDITS. Total audits
41	16-1	Assessment of the impacts of product and service categories on health and safety	MX	FOOTWEAR MAQUILA AUDITS. Number of audits not approved
41	16-1	Assessment of the impacts of product and service categories on health and safety	MX	TEXTILE MAQUILA AUDITS. Number of audited suppliers
41	16-1	Assessment of the impacts of product and service categories on health and safety	MX	TEXTILE MAQUILA AUDITS. Number of plants audited
41	16-1	Assessment of the impacts of product and service categories on health and safety	MX	TEXTILE MAQUILA AUDITS. Total audits





4	416-1	Assessment of the impacts of product and service categories on health and safety	MX	TEXTILE MAQUILA AUDITS. Number of audits not approved
4	416-1	Assessment of the impacts of product and service categories on health and safety	MX	GENERAL MERCHANDISE MAQUILA AUDITS. Number of audited suppliers
4	416-1	Assessment of the impacts of product and service categories on health and safety	MX	GENERAL MERCHANDISE MAQUILA AUDITS. Number of plants audited
4	416-1	Assessment of the impacts of product and service categories on health and safety	MX	GENERAL MERCHANDISE MAQUILA AUDITS. Total audits
4	416-1	Assessment of the impacts of product and service categories on health and safety	MX	GENERAL MERCHANDISE MAQUILA AUDITS. Number of audits not approved
4	416-1	Assessment of the impacts of product and service categories on health and safety	MX	Number of Our Brands Food Suppliers
4	416-1	Assessment of the impacts of product and service categories on health and safety	CAM	Number of Our Brands Food Suppliers
4	416-1	Assessment of the impacts of product and service categories on health and safety	MX	Number of plants where Our Brands Food products are made
4	416-1	Assessment of the impacts of product and service categories on health and safety	CAM	Number of plants where Our Brands Food products are made
4	416-1	Assessment of the impacts of product and service categories on health and safety	MX	Number and percentage of Our Brands plants certified under a Global Food Safety Initiative (GFSI) scheme
4	416-1	Assessment of the impacts of product and service categories on health and safety	CAM	Number and percentage of Our Brands plants certified under a Global Food Safety Initiative (GFSI) scheme
4	416-1	Assessment of the impacts of product and service categories on health and safety	MX	Number and percentage of Our Brands certified plants audited under a scheme other than the Global Food Safety Initiative (GFSI) as Global Markets or Auditor





416-1	Assessment of the impacts of product and service categories on health and safety		CAM	Number and percentage of Our Brands certified plants audited under a scheme other than the Global Food Safety Initiative (GFSI) as Global Markets or Auditor
416-1	Assessment of the impacts of product and service categories on health and safety		MX	CONTINUOUS IMPROVEMENT. Total of monitoring of compliance programs (physical and virtual)
416-2	Incidents of non-compliance concerning the health and safety impacts of product and service		MX	FOOD SAFETY. Cases of non-compliance relating to the health and safety impacts of product and service categories
416-2	Incidents of non-compliance concerning the health and safety impacts of product and service		CAM	FOOD SAFETY. Cases of non-compliance relating to the health and safety impacts of product and service categories
416-2	Incidents of non-compliance concerning the health and safety impacts of product and service		MX	Number of Consumer Protection (PROFECO) visits and description
416-2	Incidents of non-compliance concerning the health and safety impacts of product and service		MX	Number of visits by the health authority and description
416-2	Incidents of non-compliance concerning the health and safety impacts of product and service		CAM	Number of visits by the health authority and description
416-2	Incidents of non-compliance concerning the health and safety impacts of product and service		CAM	Complaints to the consumer protection institution
416-2	Incidents of non-compliance concerning the health and safety impacts of product and service		MX	Total products recalled
416-2	Incidents of non-compliance concerning the health and safety impacts of product and service		CAM	Total products recalled
416-2	Incidents of non-compliance concerning the health and safety impacts of product and service		CAM	Number of food safety-related product recalls
416-2	Incidents of non-compliance concerning the health and safety impacts of product and service	FB-FR-270a.1	MX	Total of labelling incidents





	Incidents of non-compliance			
416-2	concerning the health and safety	FB-FR-270a.1	CAM	Total of labelling incidents
	impacts of product and service			
	Associate engagement, as a percentage	CG-EC-330a.1	MX	Engagement Index
	Associate engagement, as a percentage	CG-EC-330a.1	CAM	Engagement Index
	Associate engagement, as a percentage	CG-EC-330a.1	MX/CAM	Engagement Index
	Associate engagement, as a percentage	CG-EC-330a.1	MX	Engagement index women
	Associate engagement, as a percentage	CG-EC-330a.1	CAM	Engagement index women
	Associate engagement, as a percentage	CG-EC-330a.1	MX/CAM	Engagement index women
	Associate engagement, as a percentage	CG-EC-330a.1	MX	Engagement index men
	Associate engagement, as a percentage	CG-EC-330a.1	CAM	Engagement index men
	Associate engagement, as a percentage	CG-EC-330a.1	MX/CAM	Engagement index men
	Associate engagement, as a percentage	CG-EC-330a.1	MX	Participation rate
	Associate engagement, as a percentage	CG-EC-330a.1	CAM	Participation rate
	Associate engagement, as a percentage	CG-EC-330a.1	MX/CAM	Participation rate
	Associate engagement, as a percentage	CG-EC-330a.1	MX	Women's participation rate
	Associate engagement, as a percentage	CG-EC-330a.1	CAM	Women's participation rate
	Associate engagement, as a percentage	CG-EC-330a.1	MX/CAM	Women's participation rate
	Associate engagement, as a percentage	CG-EC-330a.1	MX	Male participation rate
	Associate engagement, as a percentage	CG-EC-330a.1	CAM	Male participation rate
	Associate engagement, as a percentage	CG-EC-330a.1	MX/CAM	Male participation rate
	Data security	CG-EC-230a.2	MX	Number of data breaches
	Data security	CG-EC-230a.2	CAM	Number of data breaches
	Data security	CG-EC-230a.2	MX	Number of affected users
	Data security	CG-EC-230a.2	CAM	Number of affected users



# **GLOSSARY**

A ADR: American Depositary Receipt

ANTAD: Mexican Retail Association

**APAC:** Association in Favor of People with Cerebral

Palsy

**BAE:** Bodega Aurrera Express

**Bodegas and discount stores:** Austere self-service stores offering basic merchandise, food and household items at the best price

**BPAyD:** Storage and distribution best practices

**CAM:** Central America

**CARHCO:** Central American Retail Holding Company

**CDP:** Carbon Disclosure Project

**Cetes:** Mexican Federal Treasury Certificates

**CG-MR:** Multiline and Specialty Retailers Distributors

**CO**<sub>2</sub>**eq**: Carbon dioxide equivalent

**COFEPRIS:** Federal Commission for the Protection

Against Health Risks

**COVID-19:** Severe respiratory syndrome caused by a

coronavirus

D

**Crowdsourcing:** External collaboration for picking and

delivery services

**Despensa a tu casa:** Bodega website for home delivery services

**Distribution Center/ DC:** Location for the receipt of goods from supplies and store distribution

**EBITDA:** Earnings Before Interest, Taxes, Depreciation and Amortization

**ESG:** Environmental, Social and Corporate Governance

#### Every Day Low Prices/Every Day Low Costs:

Permanent philosophy of Walmart de México y Centroamérica, in order to contribute towards improving the quality of life for the region

**FB-FR:** Food Retailers and Distributors

Flex POS: Our system to manage the Point of Sale

**Fulfillment Center:** Smaller logistics facility where customer orders through digital platforms are prepared and shipped

**GAP:** Good Aquaculture Practices

**GDP:** Gross Domestic Product

**GHG:** Greenhouse Gases

**GFSI:** Global Food Safety Initiative

**GJ:** Gigajoule

**GMV:** Gross Merchandise Value **GRI:** Global Reporting Initiative

IFRS: International Financial Reporting Standards

**ISR:** Income Tax

**LED:** Light Emitting Diode

**LGBT+:** Lesbian, Gay, Bisexual, and Transgender, the "+" sign is inclusive of other groups

MSE: Mexican Stock Exchange

**Machine learning:** Artificial Intelligence discipline that, through algorithms, gives computers the ability to identify patterns in massive data to make predictions

**Net sales:** Income from merchandise sales in our units

**NGO:** Non-governmental Organization

NOM: Mexican Official Standards

**NPS:** Net Promoter Score, indicator to measure customers' loyalty

**Private Brands:** Private label products of Walmart de México y Centroamérica

**PAI:** Walmart Comprehensive Assistance Program

**Pandemic:** An epidemic disease that spreads to many countries or that affects almost all individuals in a region. Price Clubs: Membership warehouse clubs focused on businesses and consumers who seeks the best possible prices

**Picker:** Associate responsible to collect products requested by the customers

**PM Particles:** Particles with aerodynamic diameter less than 10 microns

**POP:** Persistent Organic Pollutant

**Powered by Walmart:** Powered or Influenced by Walmart

**PRODI:** Acronym to describe the five promises that make up and represent all the benefits of working at Walmart.

**Profeco:** Consumer Protection Agency

**Risk groups:** A group or population at risk is made up of those people who, due to certain biological, physical or social characteristics, are more likely to contract certain diseases

**Royalties:** Revenue share or fixed amount of money paid to a copyright owner for approval to use it

Sale floor: Surface area set aside for merchandise retail

**SASB:** Sustainability Accounting Standards Board

**SDGs:** Sustainable Development Goals

**Sellers:** External sellers within the marketplace

Shared Value: For Walmart de México y

Centroamérica, Shared Value implies the creation of economic, environmental and social value for all our stakeholders

**SINGREM:** National System for the Management of Packaging and Medicine Waste

**SME:** Small and medium-sized enterprises

**Sox:** Sulphur Oxides

**SKU:** Stock Keeping Unit, is the unique reference number of a product

**SSA:** Secretary of Health

**Supermarkets:** Self-service stores located in

residential areas

**TCFD:** Task Force on Climate-related Financial Disclosures

**TECHO:** Organization seeking to build a fair, integrated and poverty-free society

**The Alliance:** Workers Safety Alliance in Bangladesh

**Total revenues:** Net sales plus other income

UNGC: United Nations Global Compact

**VOC:** Volatile Organic Compounds

**Walmart:** Self-service stores providing the widest assortment of goods from groceries and perishables, to apparel and general merchandise

**Walmex:** Ticker symbol for Wal-Mart de México S.A.B. de C.V.



# **INVESTOR INFORMATION**

GRI 102-52

The report may contain certain references to the future performance of Walmart de México y Centroamérica and thus should be considered estimates made in good faith by the company. Said references only reflect management's expectations and are based on assumptions and information available at that time. As such, everything shall always be dependent on future events, risks and matters that cannot be analyzed withprecision and which could affect company results.

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Ticker Symbol Bolsa Mexicana de Valores  $WALMEX^*$ 

Programa Patrocinado de ADR  $\vee\!\!\!\vee\!\!\!\wedge\!\!\!\wedge\!\!\!\vee\!\!\!\vee\!\!\!\vee$ 

#### International OTCQX

Market TIER WMMVY

### **Bloomberg**

WALMEX\* MM WMMVY US

#### Reuters

WALMEX.Mx WMMVY.Pk

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