



THE FOUNDATION OF THE BUSINESS: OUR STORES

Along our journey to lead in omnichannel, our stores are the foundation of the business.

Our brick-and-mortar business is solid and it has progressed profitably and sustainably for many years, always with Every Day Low Prices. Our Company has great potential for growth and it is exciting to continue moving forward with firm steps. Our future is bright and our stores are the starting point to continued evolution.



PRESENCE

696

Cities. We want all families in Mexico and Central America to have access to our new omnichannel experience. In 2021, all our store formats continued growing successfully



131

new stores were opened: 122 in Mexico and 9 in Central America, as compared to the 82 new stores last year

88%

of population lives within 10 minutes of one of our stores, in the top five cities in Mexico



1.3%

contribution from new stores to consolidated sales growth



STORES

Walmart*

Walmart*
Express

GRI 102-10

WALMART SUPERCENTER AND WALMART EXPRESS

Customers today want a supermarket shopping experience that is practical, adapted to their lifestyle and to their changing needs, with omnichannel offerings that give them access to quality, low-priced products.

To meet the needs of our customers, we continue working with our value proposition of offering quality merchandise, ample assortments, good service, and Every Day Low Prices. The availability of a Walmart store -either Walmart Supercenter or Walmart Express- closer to them, with complete omnichannel capabilities to make their lives easier.

Market evolution and digital adoption of our customers, compels us to accelerate and enhance their shopping experience to position ourselves as omnichannel leaders, simplifying our commercial operation, eCommerce operation and management. Integrating our hypermarkets and supermarkets into a single management system.



Integrating our
hypermarkets and
supermarkets into a single
management system



WALMART SUPERCENTER

7
new stores

41,000
m² added to our
sales floor



WALMART EXPRESS

85%
progress of
Superama to
Walmart Express
conversion

4
new
stores

+5,800
m² added to
our sales floor



STORES



GRI 102-10

We have progressed this year in the conversion of Superama to Walmart Express, including the change in image, infrastructure, distribution, adjustments, and mobilization. This transformation has allowed for simpler and more efficient processes such as:



Optimizing our advertising, leveraging the position of the Walmart brand



Unifying the development of our talent in both formats



Sharing best practices in marketing, signage, and customer service



Utilizing one single platform for our eCommerce site and our app



Simplifying merchandise management and price decisions

This year we opened four Walmart Express stores, one of them in Merida. Now we have the opportunity to reach locations in the country where we were not present before, giving the customers of this region access to a great variety of products with Every Day Low Prices.

NEW INITIATIVES

By consistently listening to our customers and through customer insight, with the purpose of obtaining their perception on the transition of Superama to Walmart Express, we have fostered improvements to serve them better and to enhance their shopping experience.



The image was improved and assortment enlarged, with special focus on Fresh



Prices have been unified with those of Walmart Supercenter



A special function of guide associate has been assigned, **with special training, to assist customers** on how to find products



Self-checkout has been implemented for an agile shopping experience



Implementation of Semana de la Frescura **(Week of Freshness)** has taken place, in which we offer products with a different penetration



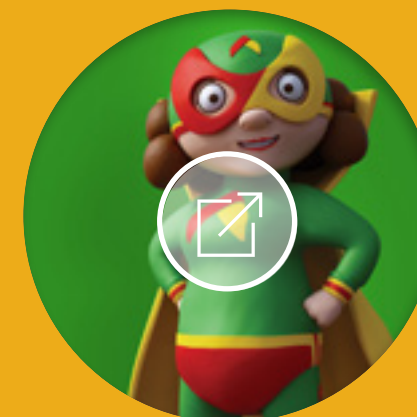


BODEGAS AND DISCOUNT STORES

This year, our Bodega format continued as a leader of growth in the number of stores for the Company. The number of price seekers is on the rise, and in response we are increasing access to products and services via omnichannel, our ecosystem, and by expanding our presence throughout the region.

We work to deepen the execution of our value proposition, which we are accomplishing through proper leveraging of expenses, multifunctional structures that were spearheads in operations, an efficient catalog, and the program for Private Brands.

Consequently, continued investment in prices was possible, closing 2021 with a reinforced price gap, the highest we have had in recent years and which has enabled us to accelerate our omnichannel presence without generating additional expenses.



For further information on the results of Win in Discount —one of the priorities of our strategy this year— go to

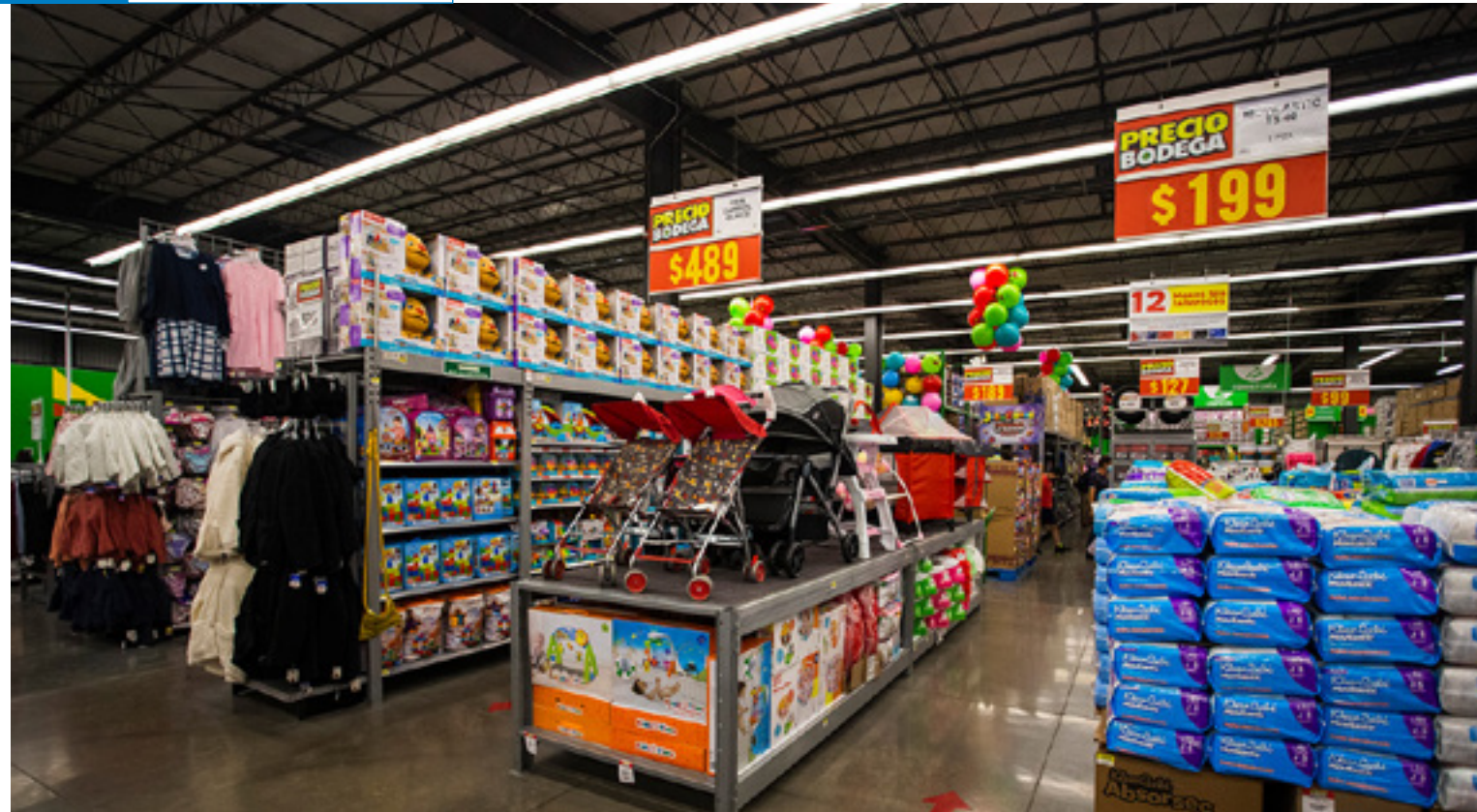
WIN IN DISCOUNT



STORES



GRI 102-10



110
new
stores



+72,000
m² added to
our sales floor



NEW INITIATIVES



We have taken **Mi Bodega format** to **urban areas in Mexico City** due to a detected market need



We listen to our clients to **generate value in our Private Brands**, creating benefits and increasing social well-being



STORES

sam's club



SAM'S CLUB

We celebrated 30 years in Mexico and we feel very proud of this because, throughout this time, we have offered wholesale prices that offer great savings, as well as new and differentiated merchandise, thus gaining the trust and loyalty of our members.



Marking our anniversary, a strategy was put into effect that contributes to accomplishing our ambition of being “the membership you love the most”





STORES

sam's club



The three pillars for this strategy are:



1. MEMBERS:

We continue providing benefits for our Members Plus. This year, in addition to the 2% annual rebate over total purchases and access to promotions of Membership Benefits, we began free delivery in three cities: Mexico City, Guadalajara, and Monterrey.



2. MERCHANDISE:

We conduct different events offering products with very appealing prices, such as Hot Days, Irresistible Weekend, and Member Fest. In addition, new gourmet products were launched and they have been very well accepted by our members, as is the case of tequila, red wine, Day of the Dead bread, gourmet Rosca de Reyes pastry, and praline chocolates, all made by our brand, Member's Mark.



3. EXPERIENCE:

The talent of women is fostered within our stores; as a result of this, 40% of management positions are held by women.

Our mission is to be the low-cost supplier for our members —both individual and business members— This year we decided to maintain our prices in support of the economy of our members and as a way to increase our value proposition, absorbing increases due to inflation.

IMPROVING OUR PERFORMANCE

During the last five years, we have posted double-digit growth, due to the following factors:

A disciplined business model: We are firmly committed to selling at the lowest prices and consistently delivering value.

Reconstructed supplier relations: We have earned the trust of our suppliers and created synergies in working with them.

Changed approach: We have created incentives for more members to change to omnichannel shopping by promoting online events and pre-sales for groceries, consumables, and fresh products.



STORES

sam's club

NEW INITIATIVES

Several initiatives were put into effect this year, allowing us to enhance our members' experience and move further towards omnichannel shopping.

Investments were made in technological tools that help to make life for our associates and members easier, reducing pain points.

SELF-CHECKOUT

There are now registers where our customers may scan their products and pay for them without the need for a cashier to perform the transaction.



SCAN & GO

We are the only retail company with this system in Mexico, a new shopping experience where our members may use their cell phones at any of 165 clubs to purchase products easier, quicker, and with innovation.

Scan & Go follows three easy steps:



1. Download the Sam's Club app on iPhone or Android phones.



2. Once in the app, choose Scan & Go and simply scan the bar code for the product they wish to purchase in the club of their choice.



3. Pay for the products using the app.



STORES

EXPANSION OF OUR VALUE PROPOSITION

With the purpose of continuing to help families in Mexico to save money and live better, we innovate to offer better solutions to our clients. We entered into an agreement to operate gas stations in our parking lots nationwide with Gazpro, a third party that will invest in and operate co-branded gas stations, under strict operating and pricing standards. In addition, some of the service stations will have small adjoining stores to make it more convenient for customers to get gasoline,



Brands:

**Walmart,
Bodega and
Sams's Club****40-70**
m² sales floor**~500**
SKUs

This project enables continued expansion of our value proposition for our customers, always with the highest service, safety, and quality standards.



do their shopping, or even to pick up merchandise purchased via our digital platforms with the pickup service, thus providing them with this new omnichannel shopping experience.

So far, we have opened three of these gas station stores; one of them was built with used containers and fed 90% by solar energy. In this way we exemplify our commitment to become a regenerative company.

