



MORE THAN

THEY
ARE

STRENGTHS OPPORTUNITIES

2021 REPORT



OPPORTUNITY

- Our Talent
- Developing Our Talent
- Work-Life Balance
- Diversity, Equality and Inclusion
- Responsible and Inclusive Value Chain
- Diverse and Inclusive Supply Chain

54%
of our associates are **women**

86,260
suppliers

GRI 102-8





OPPORTUNITY

Our goal is to increase inclusive opportunities so our associates may build a better life for themselves and for their families. Likewise, we strive to create economic opportunities for our suppliers, their employees, communities, and for those working in the supply chains.





OUR TALENT

GRI 102-8, 203-2, 401: 103-1, 103-2, 103-3

We work to provide our associates a healthy, diverse, and inclusive workplace. Through our Value Proposition for Associates -**PRODI**- we established our commitment to supply five benefits of working in our company.



#Purpose

This is the place where we have a Purpose, where we care for the quality of life of all families in Mexico and Central America

#Reto (Challenge)

Where every day we have a Challenge and reinvent ourselves

#Opportunities

Where we find great Opportunities, having more than a job we have a dream

#Disfrute (Enjoy)

This is the place where we Enjoy what we do every day

#Inclusion

This is the place where Inclusion and Diversity are part of our culture, letting you be yourself 100%



Stemming from the global pandemic, in 2021 our associates have received support action for their well-being in three main areas: physical, emotional and financial



PHYSICAL WELL-BEING

- Appointment of a **Medical Director**
- Support for **+11,000 vulnerable associates**
- **Remote work** for staff associates
- **Medical assistance free** of charge for associates and their family
- Adjustments made to **insurance coverage** for COVID-19 cases
- **Post COVID-19 assistance** through mobile app (APAC)
- Influenza **vaccination campaign**
- Continuous **medical checkups**
- **23,500** PCR tests and **1,400** antigen tests applied



EMOTIONAL WELL-BEING

- Raising awareness of the **Integral Attention Program (PAI)** including psychological, nutritional, legal, and financial matters
- Campaigns and webinars on **emotional and psychological** matters
- **We Are Well** campaign that strives to create a healthy culture on remote work



FINANCIAL WELL-BEING

- A permanent **10% discount** in our stores for all associates
- Change in **payroll to weekly payments**
- Appreciation **bonuses** throughout the year
- Finance **webinars**
- **Special permissions** for absenteeism due to COVID-19
- **Advanced payments** from the savings fund
- **Support to families** for deceased associates





OUR TALENT BY GENDER

MEXICO AND CENTRAL AMERICA

GRI 102-7, 405-1
SASB CG-EC-330A.3, CG-MR-330A.1

Women

Men

231,259

associates

6,234

jobs generated

54%

46%



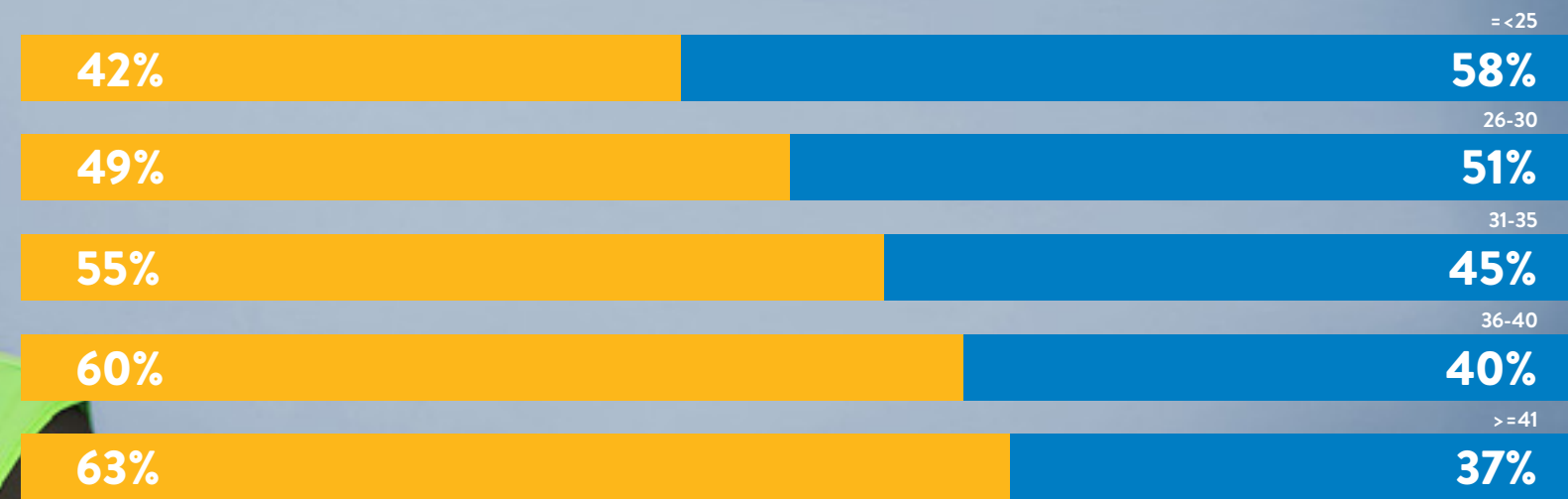


GRI 102-8
SASB CG-EC-330A.3, CG-MR-330A.1

MEXICO AND CENTRAL AMERICA



Total associates by age range



Operations and staff associates



11,609
staff associates

219,650
operations associates



Associates by level

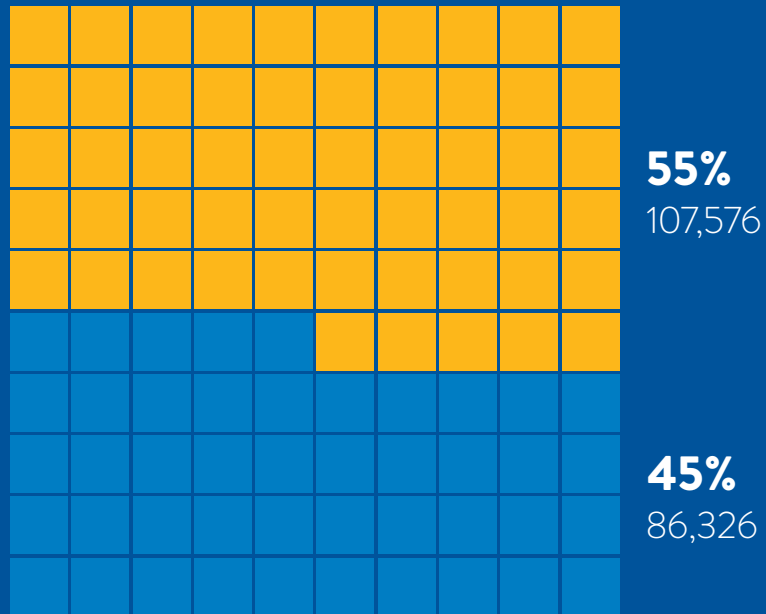
	Mexico	Central America	Total
Total associates who are VPs	38	3	41
Total associates who are Directors	122	33	155
Total associates who are Asst. Directors	442	62	504
Total associates who are Managers	2,820	377	3,197
Total associates who are Asst. Managers	10,391	631	11,022
Total associates who are Department Managers	23,951	2,254	26,205
Total associates who are Hourlies	156,138	33,997	190,135
Total associates	193,902	37,357	231,259



GRI 102-8
SASB CG-EC-330A.3.



193,902
total associates



Associates by age



Operations and staff associates



9,303
staff associates

184,599
operations associates





	Non executives	Total
56%	44%	190,480
	Executives	
40%	60%	3,422

Permanent		Total
56%	44%	169,048
Part time		
68%	32%	5,029
Full time		
56%	44%	164,019
Temporary		
Total		
50%	50%	24,854
Part time		
57%	43%	796
Full time		
49%	51%	20,441

Age Group	Yes (%)	No (%)	Total
= <25	41%	59%	82,625
26-30	49%	51%	27,557
31-35	57%	43%	17,053
36-40	62%	38%	11,583
>= 41	62%	38%	22,194
Total	48%	52%	161,012

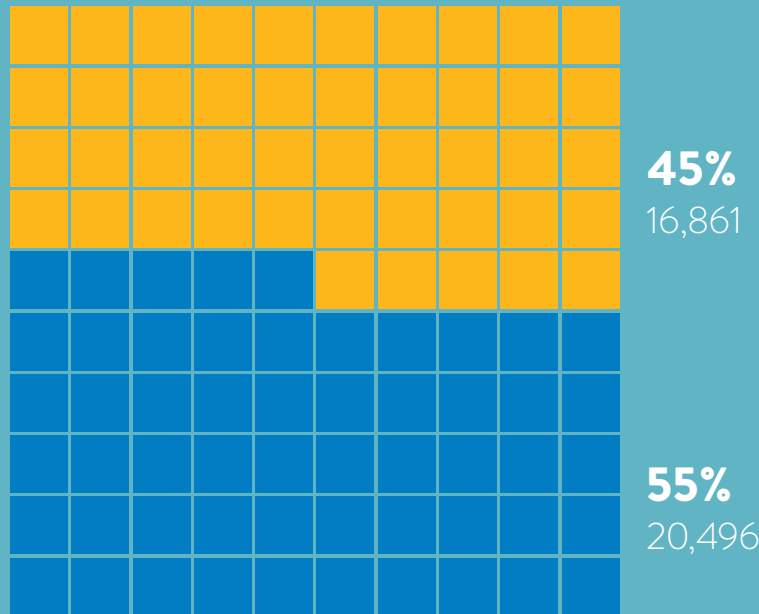
		2019	2020	2021
Age	<25	39%	61%	68,395
	26-30	45%	55%	32,305
	31-35	54%	46%	19,364
	36-40	59%	41%	12,753
	>=41	61%	39%	27,695
	Total	47%	53%	160,512



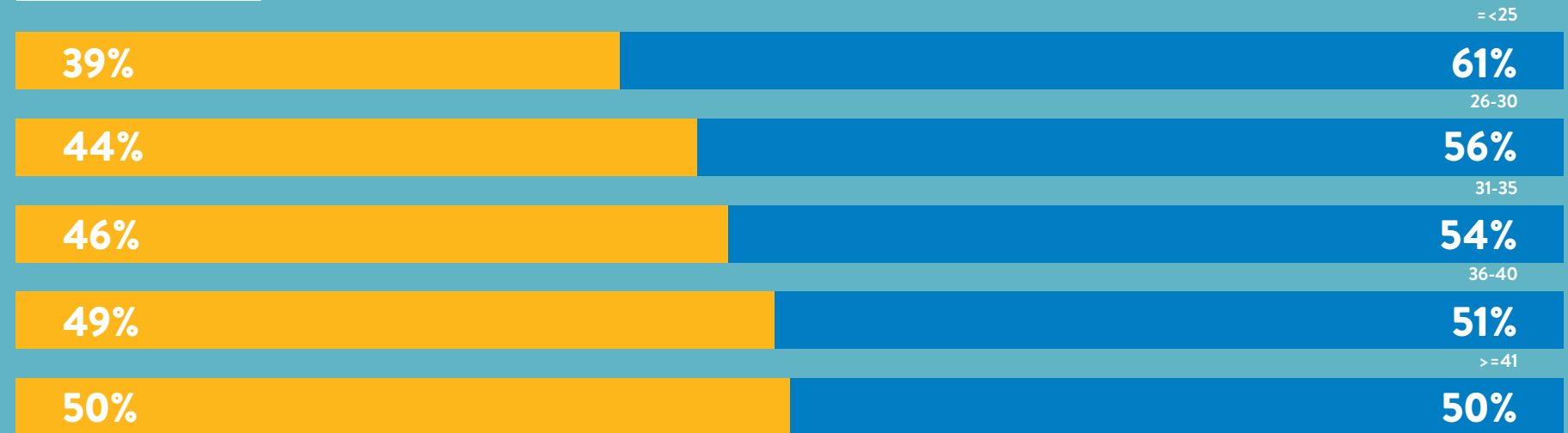
GRI 102-8
SASB CG-EC-330A.3.



37,357
total associates



Associates by age



Operations and staff associates



2,306
staff associates

35,051
operations associates





GRI 102-8, 401-1
SASB CG-EC-330A.3, CG-MR-330A.1

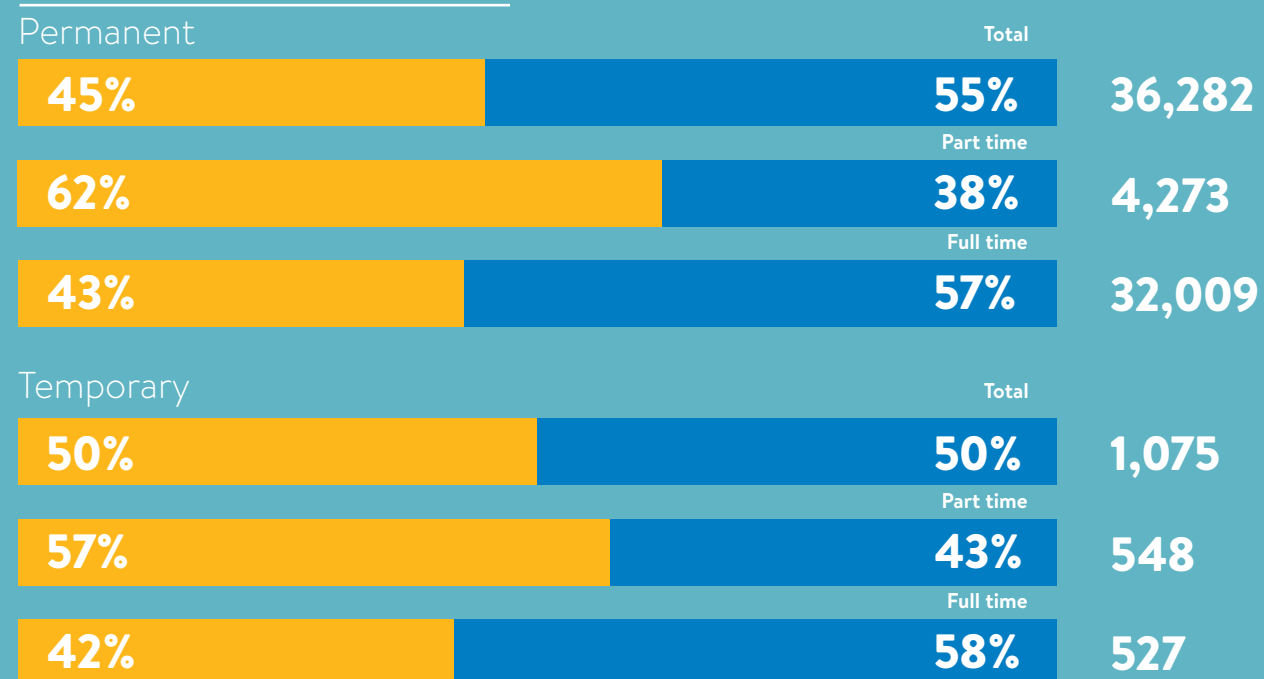
Women
Men



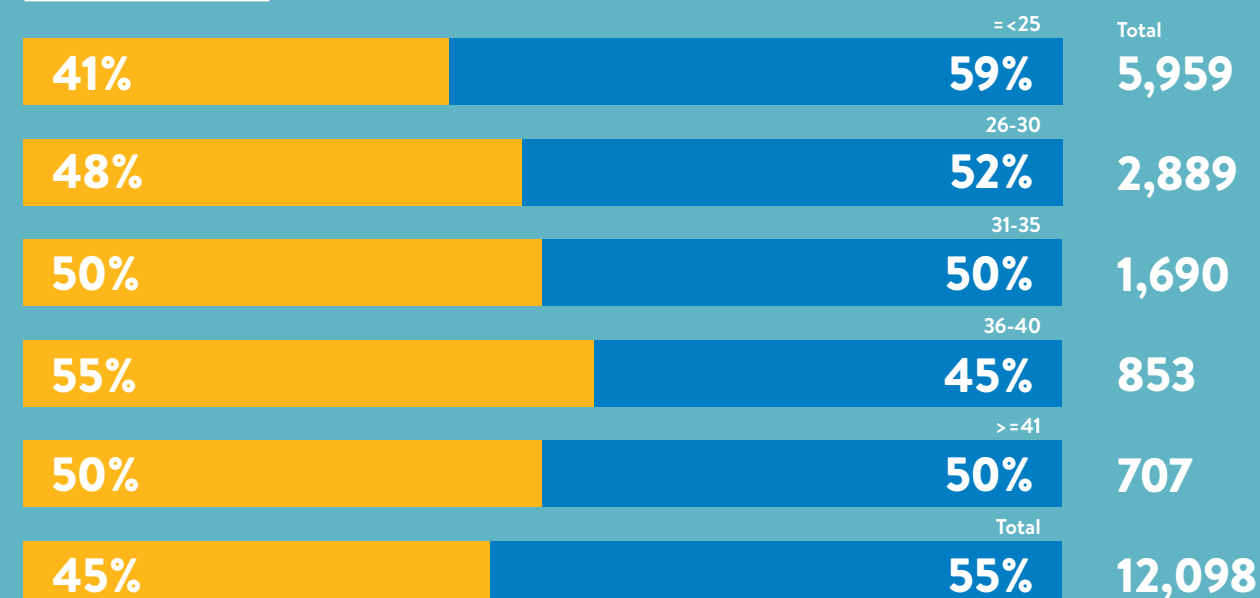
Associates by level



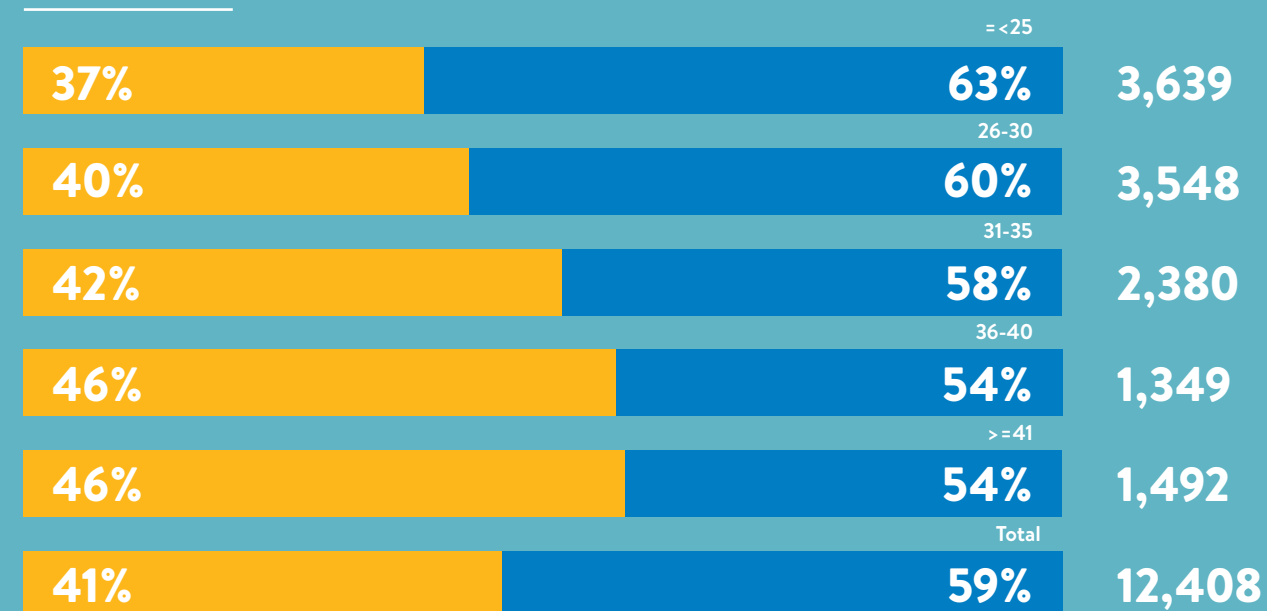
Associates by type of contract



New associates



Terminations





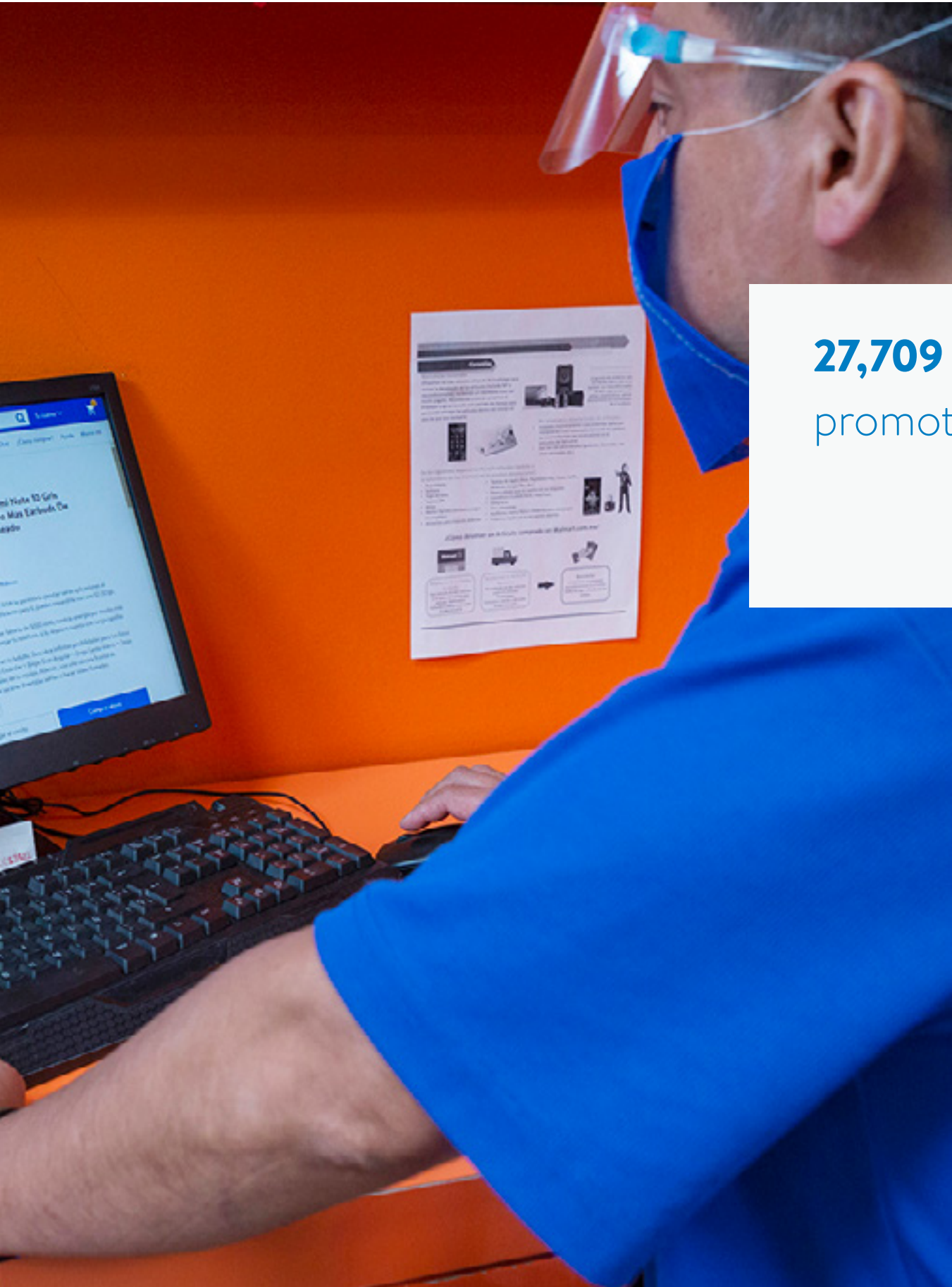
DEVELOPING OUR TALENT

GRI 404: 103-1, 103-2, 103-3, 404-2



Investments have been made in the growth of our associates, both personal as well as professional. Different training programs are offered so our associate may develop the skills needed to boost their talent.





ASSOCIATE TRAINING

27,709
promotions

43 million pesos
invested in
training

7.2 million
hours of training

23 average
training hours
per associate

GRI 404-1

Training hours per level

	Mexico		Central America	
	Man hours	Hours per associate	Man hours	Hours per associate
VP	252	6.8	8	2.8
Directors	1,233	9.3	148	5.7
Asst. Directors (Squad Leads)	5,421	11.9	621	10.5
Managers	62,980	21.2	5,148	13.3
Asst. Managers	425,322	38.5	8,548	13.4
Dept. Managers	625,879	26.4	34,157	14.6
Frontline associates	5,761,981	24.3	350,457	9.4



DIGITAL PLATFORMS FOR TRAINING



ULEARN

A platform launched to improve the experience of our associates, incorporating instructional and didactic training material. Over **200 courses**, **3 certifications**, and more than **150 programs** were uploaded to the platform

LINKEDIN LEARNING:

The use of LinkedIn Learning has been continuously reinforced, thereby achieving **training for 3,279 associates**





DEVELOPMENT PROGRAMS



Self-service Managerial Certification

The purpose is to develop soft and technical competencies in Managers and improve indicators in their units through digital training that focuses on Centers of Excellence 2.0



CER Program for Fresh at Sam's Club (Consistency, Excellence, Results)

A program created to develop associate decision-making skills to produce a positive impact in all business indicators, such as sales and shrink



DAR360 Operations Program (Discover and Learn Retail)

A training and integration program for new associates that provides the tools they need to perform their duties, accompanied by a trainer or fellow associate to clarify any doubts



CER Omnichannel at Sam's

A program created to develop associate skills for handling business strategy-related challenges with greater agility, thereby having a positive effect on the four pillars of transformation



CER Fresh for Asst. Managers and Department Managers

This program focuses on end-to-end process management, enhancing data-driven decisions and sales, margin, and shrink indicators



Onboarding for Executives

A program for new executives, aimed at providing training and guidance to round out their technical and people skills, and successfully perform their role as leaders

**Omnichannel Category**

Training for Category Strategy associates, to instill a new omnichannel mindset that focuses on transformation and the primary processes to be impacted

**Behavioral Sciences**

This enables the application of tools and processes based on behavioral economics, to conduct research, design and/or implementation of interventions and behavioral change projects

**Private Brands**

Training designed for Category Tribes on the roles, interactions, and principal processes that improve the positioning of the new model for Private Brands

**Platzi**

A training program for Technology Department associates aimed at developing technical skills in specialized content technology, and in new digital trends within eCommerce profiles

**Python Data Scientist**

The aim is to develop statistics techniques and machine learning with R programming, to analyze and interpret complex data, specializing the DASC department in the creation of statistical models and network analysis through Python

**ITIL (Information Technology Infrastructure Library)**

Training designed for the IT department to improve IT management and services aligned with the area and for suppliers in business strategy

**BIM Methodology (Building Information Modeling) and Revit Modeling Workshop**

Training in the use of tools and practical cases in construction projects through the use of the BIM methodology, and basic modeling of buildings through the use of specialized Revit Architecture tools

**DAR Maintenance**

Onboarding training that provides the necessary tools for Conservation Leaders whose main activities take place in stores, so they make successfully perform their duties as per all safety standards

**Preparation for PLD Certification**

Specialized training for Compliance Officers, internal and independent auditors, in preparation of the mandatory certification process with the National Banking and Securities Commission of Mexico



Advanced Negotiations Workshop

This program helps participants recognize their attitudes and behavior during negotiations and enables them to assess their skills during conflict situations and where there are multiple interests at stake



Onboarding

Training designed for newly hired associates in Administration and Finance, through an education program with special and didactic materials that employs friendly and colloquial language elements



Grand Openings Training

To contribute to the Company's Expansion plans, this programs trains associates and leaders in the technical and strategic elements of their duties, and in the importance of their roles



Learning Center (Trainees)

A seedbank and multiformat program whose purpose is to provide associates with the knowledge and skills needed to correctly perform their duties, focusing on operational excellence and leadership based on decision making and data analysis skills



**Support Leader / Evolution Leader**

A program designed to reinforce managerial competencies for store managers

**My Updating at the Register**

Training for front-end associates to provide updating in processes required in this area and which have a direct impact on customer service

**LESCO**

Training for associates in Costa Rica's units, to certify them in the use of sign language for improved communication with persons having auditory disabilities

**Remittances**

Training for associates in remittance payment services in business units

**Modular Efficiency**

Training that provides information to associates on the correct implementation of modulares in the stores

**Butcher Model**

A program designed to provide associates detailed training in butcher products so they may offer customers personalized and differentiated service



Mindset Consultor for HR

A program aimed at developing a culture of internal service and accompaniment as an HR consultant, for the entire company



Getting Things Done

The purpose of this program is to increase associate performance by offering the right focus, clarity, and confidence



BIM (Building Information Modeling)

A program that teaches our associates the Autodesk software tools that optimize workflow management in construction projects through BIM process efficiency





In addition to our development programs and tools, we promote experiences that enrich the career of our high-potential associates. Consequently, in 2021, the following practical activities were conducted for Managers and Directors in Mexico and Central America:

JUDGMENT

35 participants

Skill developed: **analysis, decision making**

Duration: **3 weeks**



EXPEDITION

100 participants

Skill developed: **planning and improvement, decision making**

Duration: **2 days**

COMMANDER

100 participants

Skill developed: **influence and communication**

Duration: **2 days**

CHAIN REACTION

40 participants

Skill developed: **adaptability and innovation**

Duration: **3 weeks**

LANDING

25 participants

Skill developed: **influence and communication**

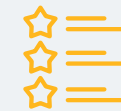
Duration: **4 weeks**



ASSOCIATE PERFORMANCE EVALUATIONS

GRI 404-3 SASB CG-EC-330A.1

At Walmart de México y Centroamérica, a business strategy enabler is to have the best talent in the market. Therefore, in 2021 the performance evaluation process continued evolving, focusing on the following points:



1. SIMPLIFIED EVALUATION:

The evaluation criteria for our talent was changed from five to three performance classifications:

- Exemplary
- Successful
- With Opportunities

Our focus continued on the “what”, in terms of objectives met, and the “how” regarding competencies exhibited. During the yearly evaluation process, continued reinforcement was given to our philosophy of meritocracy through total compensation programs aligned with individual and company performance, thus allowing us to discover the contributions made by our associates.



2. HOLDING POWERFUL CONVERSATIONS:

This year we evolved from formally established conversations to moments of powerful conversation throughout different periods of the year, that is, as often as the leader and the associate required and decided it was necessary.

We are convinced these conversations are important drivers of closeness and trust among the teams, of providing and receiving ongoing feedback, and of recognizing efforts made, placing our associates at the heart of all our decisions.



3. EVOLVING OUR BEHAVIORS:

We have transitioned to a global model of four behaviors that reflect the evolution of our Walmart DNA. These include:



In addition to the new performance evaluation, there are different tools that allow us to measure the performance and existence of skills and strengths of our associates when we have to make decisions and contribute to their growth:

- **Individual Development Plan (IDP):** This provides clarity to the associates on what needs improving and the way to accomplish it.
- **Calibration:** This process informs associates on how they are perceived within the Company and so they can know if they possess the elements needed to be considered talent, which implies demonstrating outstanding performance and having the necessary potential to fill positions where tasks are increasingly difficult and complex.



Our new performance evaluation model values these four behaviors to measure how we live by and apply our new day-to-day way of working

48,375
associates
evaluated
in 2021

26,753
women
evaluated

21,622
men
evaluated



SASB CG-EC-330A.1

DIALOG WITH ASSOCIATES

The Associate Value Proposition is a fundamental part of our culture and what makes us unique and different. To evaluate the experience, it is important to listen to our associates who, in expressing their opinions, helps us make Walmart de México y Centroamérica the best place to work.

Feedback Month is held each year during two key events: the Engagement Survey, and the Feedback Survey for Your Leader. Both questionnaires are very important because they provide the opinions of over 200,000 associates throughout Mexico and Central America.

The results lead to actions to continue promoting a culture of leadership and open communication, which enhances the work experience for all of us who are part of this company.

The surveys are administered by a third party in charge of concentrating the individual responses, which are handled with confidentiality and whose results are reported at a group level.



In 2021 we achieved:

89% participation in Mexico

57% women

43% men

79% participation in Central America

45% women

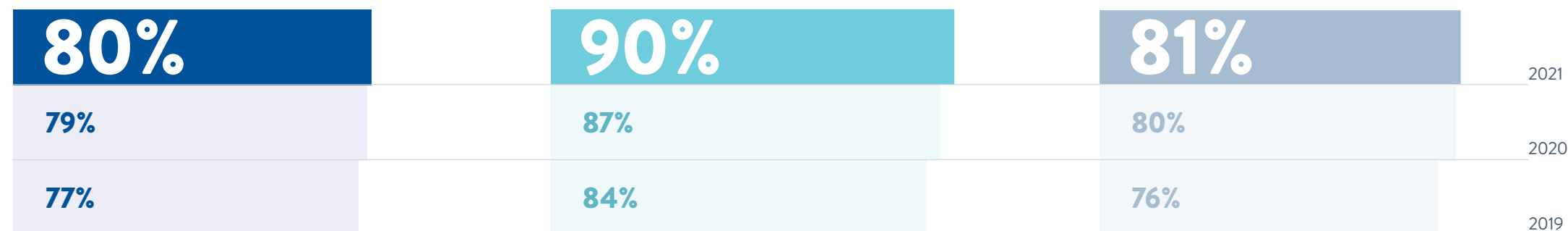
55% men



The Engagement Index increased to **81%** vs **80%** in 2020

Engagement Index

■ Mexico ■ Central America ■ Consolidated





FREEDOM OF ASSOCIATION

GRI 102-41, 407: 103-1, 103-2, 103-3, 407-1
SASB FB-FR-310A.2



The labor rights of our associates are permanently guaranteed so they may freely belong to the labor union of their choice

Our Policy on Freedom of Association also honors the following commitments:

Ensure that our associates may exercise their freedom of association or non-association with others

Permanently recognize the freedom of association and collective bargaining of our associates

Respect the rights of our associates regarding: legal and peaceful association, organization and collective bargaining without sanctions, threats, dismissals, or interference

Under our collective bargaining system for hiring, 67% of our associates are represented by a union or covered under collective bargaining agreements, that is, 100% of associates eligible for this, as per the law.



WORK SCHEDULE

GRI 409: 103-1, 103-2, 103-3, 409-1, 412: 103-1, 103-2, 103-3, 412-1, 412-2, 412-3



Work schedules are established so they may contribute to quality of life within the Company, as well as a positive work environment

Therefore, in our Policy on Work Schedules we have the following commitments, among others:

Respect for breaks and work schedules of our associates

Ensure payment of overtime for our associates

Guarantee the right of our associates to vacation and free time





WORK-LIFE BALANCE

GRI 201-3, 403: 103-1, 103-2, 103-3, 403-3, 403-6



The new way of working implemented due to the pandemic has presented many challenges. Innovation is pursued through new initiatives that help to build a healthy, collaborative and flexible work environment.

Benefits for our associates:



BREASTFEEDING ROOMS

6

at the corporate offices, for Staff personnel

133

throughout our units for operations associates



DOCTOR'S OFFICES

5

at the corporate offices

23

throughout our DCs

300

doctor's offices at pharmacies in operation in our units



APPLYING

37,273

COVID-19 tests

20,499

flu vaccinations for our operations associates

732

Staff associates vaccinated against influenza



Platform for agreements and benefits with app and website access, available to all associates nationwide, offering from 10% to 70% discounts in different categories: automotive, beauty, wellness, meals and beverages, e-entertainment and technology, education and training, household goods, fashion, travel, among others; we currently have 360 brands offering over 536 promotions

A team of nutritionists who offer guidance in nutrition plans and care for associates at the corporate offices:

3,453

appointments given

686

patients assisted



BENEFITS FOR OUR ASSOCIATES

GRI 201-3, 401-2, 401-3



- ● Granted in accordance with the law
- ● The law does not require, but the company grants it
- ○ Granted above the requirements of the law
- x x N/A

* For management only

** From divisional manager and up

	MEXICO		CENTRAL AMERICA	
	Permanent	Temporary	Permanent	Temporary
Executive vacations	○	x	●	x
Non-Executive vacations	●	●	●	●
Days off (holidays)	○	○	●	●
Personal days	●	●	○	●
Special permission	●	●	x	○
Meal subsidy	x	x	●	●
Food coupons	●	x	x	x
Shopping discounts	●	●	●	●
Company car for executives**	●	●	●	x
Medical check-up for executives	●	x	●	x
Life insurance	●	x	●	x
Social security expense	●	●	●	x
Major medical expense insurance	●	x	●	x
Sick leave grant	●	x	●	●
Seniority recognition	●	●	●	●
Maternity leave	○	○	○	●
Paternity leave	○	○	●	●
Christmas bonus	○	○	○	○
Vacation premium	●	●	x	x
Sunday bonus (if applicable)	●	●	x	x
Seniority bonus	●	●	x	x
Profit sharing	●	●	○	○
Nursing period	○	○	○	○
Productivity bonus	●	●	●	●
Stock-option plan*	●	x	●	●



In addition to measures for physical, emotional, and financial well-being of our associates due to the global pandemic, this year we conducted activities that lead to improving their quality of life



Webinars:

Several were produced in nutrition-related subjects such as:

- **COVID-19, What should I eat?**
- **Polycystic ovary syndrome and nutrition**
- **Reading labels**
- **Lifetime of food products**
- **Vitamins and minerals**

A total of **five webinars were offered with 19,252 attendees; 19 training sessions for Nutri-cafeterias with 108 posters, working closely with Private Brands and Medimart**; tips on nutritional health for Staff, operations and Central America associates; and five informative capsules aimed at fostering the adoption of healthy habits that benefit the health and wellness of our associates.

Moreover, our Nutrition team participated actively in training for suppliers and in reviewing menus for meals provided in our DCs.



Integral Assistance Program (PAI, in Spanish):

A cost-free, optional and confidential hotline is made available to our associates and their family members to address any personal questions or concerns related to:

- In 2021, **7,497 calls were addressed** on different subjects such as emotional, financial, legal, daily life, and COVID-19
- At the close of 2021, through the medical **assistance hotline, 26,894** advice was provided to associates and/or family members
- In addition, we offered training throughout the year, covering emotional-related subjects through **48 webinars with 21,866 attendees; 8 training sessions for 529 units**, including the following:
 - **Stress management**
 - **The pressure of being a professional and having children**
 - **The importance of play in your life**
 - **Your well-being is our priority**
 - **Developing a resilient mind**
- Communication was developed on raising awareness and **sensitivity for emotional healthcare**, through different digital media

¿Conoces el PAI?

PAI (Programa de Asistencia Integral), pone a tu disposición y a la de tu familia una línea gratuita, opcional y confidencial para atender dudas o inquietudes personales relacionadas con temas como:



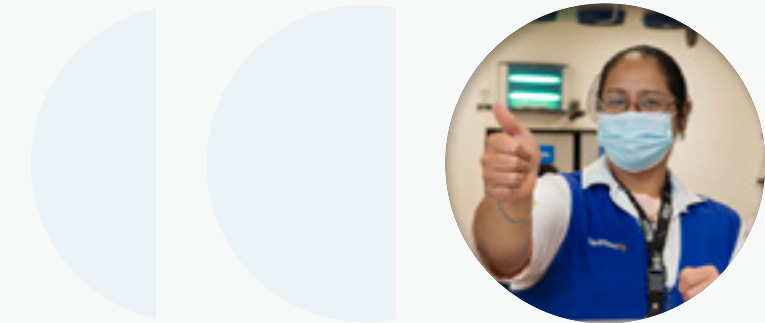
- The associates may use the service from any point throughout Mexico, 24/7, via telephone, email, and/or the online site



WORK FLEXIBILITY

GRI 401-3

To provide greater value for our associates, we have programs that allow them to balance their work life with their family life.



- **Maternity and paternity leave**

Periods of medical leave are offered to benefit associates found in this stage of their life:

- **Maternity:** 5 months
- **Paternity:** 2 weeks

- **Postnatal leave for mothers and fathers**

Women are allowed to gradually return to their work life up through six months after giving birth. In the case men, they are offered a flexible work schedule of six hours for a month

- **Operations personnel**

There is a fixed work schedule during the breastfeeding stage; special schedules for students; quality-of-life transfers; fixed shifts for single parents; quarterly rest periods; and one weekend a month off for unit managers and asst. managers

- **Flex week program for Staff associates**

This entails freeing up afternoon hours on Fridays, adding those hours from Monday to Thursday so these associates may have a shorter workday on Fridays

- **Remote work**

Associates may work from home one day a week, respecting and fulfilling their habitual work hours. Among the primary benefits observed are: increased productivity, maximized results-oriented mindset, and an enhanced work-life balance



Due to the prolonged pandemic, in 2021 we continued with permanent remote work for 100% of our Staff associates



We have implemented certain complementary measures in addition to maternity and paternity benefits, including the following:



In emergency cases (death of the mother during childbirth or hospitalization of the baby due to severe illness) the parents may take additional maternity leave instead of paternity leave



In cases of adoption or surrogacy, our associates may take a week off prior to the arrival of the baby



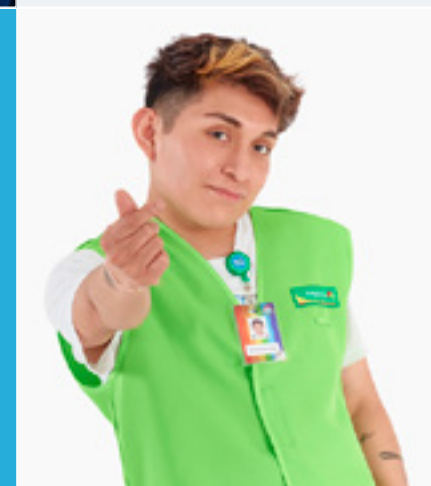
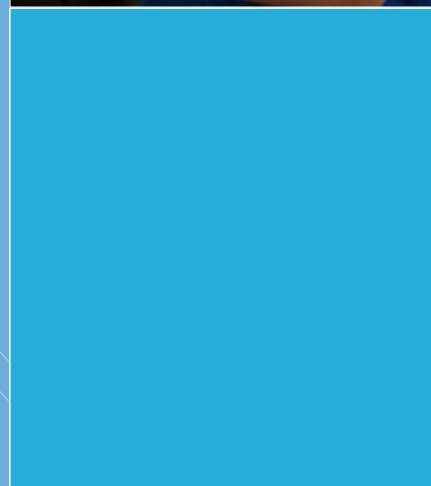
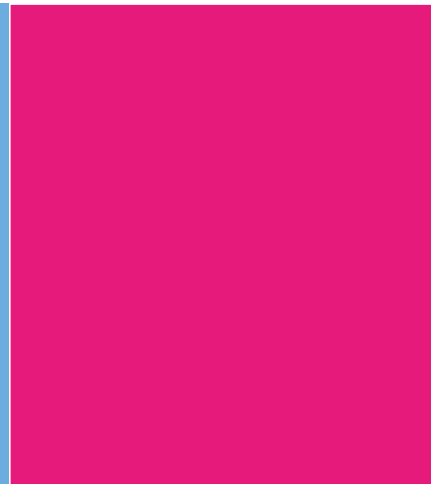
In cases of premature birth, the birthdate of the child is taken into account to guarantee the weeks granted by law



DIVERSITY, EQUALITY AND INCLUSION



GRI 405: 103-1, 103-2, 103-3, 405-1, 406: 103-1, 103-2, 103-3, 406-1
SASB CG-EC-330A.3, CG-MR-330A.1



Our purpose is to create a culture of safe work and workplace, where all our associates, customers, suppliers and community may feel included and treated with respect and equality; where there is no discrimination against anyone and people are free to be themselves.

The happiest associates, with equal employment opportunities, perform much better and provide better service to our customers and members.

54% of our labor force are women

5,222 of our associates in Mexico have some type of disability and **1,570** associates in Central America



DIVERSITY, EQUALITY, AND INCLUSION POLICIES

There are several policies in our company that strictly forbid any discrimination or harassment based on an individual's status, including ethnic or national origin; skin color; sex; gender; age; disability; social, economic, health or legal status; religion; physical appearance; genetic features; migratory status; pregnancy; language; opinions; sexual orientation; gender identity; political leanings or membership; civil status; family situation; family responsibilities; criminal background; or for any other reason that may prevent or nullify the recognition or exercising of equal opportunity rights of individuals.



DIVERSITY, EQUALITY, AND INCLUSION ADVISORY COUNCIL

We have created a Diversity, Equality, and Inclusion Advisory Council for Mexico and Central America, comprising teams of leaders from our businesses and operations. The purpose of the Council is to develop, implement, and oversee strategy initiatives in diversity and inclusion.

Objectives of Members

Create a DE&I strategy aligned with the corporate strategy

Oversee initiatives for the building of inclusive spaces and processes

Propose and implement programs aimed at closing the gender gaps, talent with disabilities, for the LGBT+ community and to create inclusive spaces within and outside the organization

Ensure a culture of living by our values throughout the whole organization



OUR STRATEGY FOR DIVERSITY, EQUALITY AND INCLUSION

We work continuously to create spaces where our associates may develop with their genuine personality and tap into their maximum potential in an inclusive atmosphere where all ideas come together.





1. GENDER EQUALITY



We work to offer men and women alike equal opportunities, conditions and treatment, recognizing their respective needs.

Our commitment focuses on continuously driving the presence of women in the Company, especially in leadership positions. We are convinced that diverse work teams produce better ideas, which in the end lead to better results.

As a result of our work to create diverse and inclusive workspaces, for the fifth consecutive year Walmart de México y Centroamérica was included in Bloomberg's Gender Equality Index (GEI) which analyzes global corporate performance in equality and gender. Some considerations for this index include flexible work atmospheres and a culture of inclusion.



40%
of executive
positions are held
by women

56%
of promotions
were women



Our goal for 2022 is to fill 41% of executive positions with women

Developing Female Talent

Diverse programs in support of the professional development of our female associates have been established:

Women in Retail

This program, that is designed for our female associates, lasts 18 months and seeks to develop and retain the best talent through better prepared women who are committed and have a sense of belonging. There are four development pillars: experience, exposure, education, and mentoring, with the purpose of reinforcing skills and competencies that help them increase their leadership and networking.

- The fifth generation of this program is currently underway
- In 2021, 174 participants enrolled

Unstoppable Women

This program is for high-potential female managers, aimed at reinforcing their skills and competencies so they may undergo accelerated development within the organization.

- In 2021, 108 participants enrolled
- 21% were promoted to the next level

Women executives and circles of confidence

The program has the purpose of developing personal leadership and self-management, talent management, strategic thinking, transformation leadership, change management, persuasion, power and influence, among other subjects.

Women's Month

In commemoration of this month, education and communication activities aimed at equality took place.

- 8,000 participants in Mexico and Central America signed up for five webinars, focused on raising awareness and teaching gender equality issues, in addition to presenting success stories within the Company that serve as examples for the rest of our female associates



STEAM Movement

An alliance was entered with the STEAM movement, a not-for-profit association that leads the regional movement to foster education and talent -STEAM (Science, Technology, Engineering, the Arts, and Mathematics)- jobs of the future and innovation with a social and inclusive vision. In addition, it fosters the inclusion of women in academia and at work in STEM areas (Science Technology, Engineering and Mathematics). Through this alliance we have reinforced our commitment to equality and the elimination of biases, discrimination, and in favor of social justice, accomplished through the following:

- Awareness workshop for leaders, on subject related to gender bias and gender equality in STEM areas
- Participation in university forums for attendee awareness, demonstrating our determination to lead change within STEM areas
- Visibility on the actions of our leaders as promoters of female talent in STEM areas



Orange Award

In 2021, Walmart de México was the recipient of the Orange Award for Equality in Companies, granted by the Secretary of Women for the State of Mexico, for recognizing and promoting the implementation of best practices in employment equality among men and women, whose purpose is to combat on-the-job violence, and favor the access, retention, empowerment, and personal development of women at the workplace.





2. SEXUAL AND GENDER DIVERSITY

We have focused on creating a safe workplace for all associates of the LGBT+ community, thus our implementation of initiative to raise awareness make it visible that Walmart is a company that values diversity.

This is a place where you can truly be yourself, 100%

Walmart de México y Centroamérica has become an important place to raise awareness and reinforce our position through human rights; respecting all differences, including sexual identity and expression; promoting an atmosphere that assures our associates that this is the place where you can be your true self.



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DIVERSITYDIVERSITYDIVERSITYDIVERSITYD
ERSITYDIVERSITYDIVERSITYDIVERSITYDIVE



June marked the celebration of LGBTQ+ pride, with the participation of thousands of associates from Mexico and Central America who, through their commitment to diversity and inclusion, made it possible to achieve the following results:



+6 mil

associates connected to our sessions to delve deeper into the importance of this subject



+1,200

participants from the seven countries of Walmart de México y Centroamérica, and Chile, joined our virtual march, with 99% satisfaction



+100

associates shared their experiences on how they found a place to be themselves, grow, and belong at Walmart

[WATCH VIDEO](#)

These actions are examples of how we are an inclusive company, free of harassment and discrimination for everyone.

Moreover, this year we did the following:

- Conducted webinars and panel discussions on: “Walmart, a safe place for the LGBTQ+ community”, “Trans experiences”, “LGBT+ phobia”, “LGBT+ executives”, all in synergy with Coca Cola, AT&T and Nestlé



LGBTQ+ Best Place to Work Recognition



For the fifth consecutive year, we have been awarded “Best Place to Work” recognition from the Human Rights Campaign, for our culture of promoting #LGBTQ+ Inclusion and for building workspaces that are safe, and free of harassment and discrimination



3. INCLUSION OF PEOPLE WITH DISABILITIES

Our work continues on initiatives that allow us to offer work opportunities and professional development for people with disabilities.

6,792

associates with disabilities are part of our labor force

51%

+ vs 2020

5,222 associates
in Mexico

43% women **57%** men

1,570 associates
in Central America

38% women **62%** men



Our goal in 2021 was to have 2.5% of talent with disabilities, as part of our total headcount, achieving 117%. Our goal for 2022 is 3%






Initiatives that were implemented in 2021 include the following:

<ul style="list-style-type: none"> Listening sessions with our talent with disabilities to better understand how to improve their work experience in the company 	<ul style="list-style-type: none"> Implementation of new inclusive stores, prototypes, and distribution centers
<ul style="list-style-type: none"> Awareness raising and training sessions with the purpose of showing our associates that Walmart is a company that does not discriminate under any conditions whatsoever, through six webinars and panel discussions with 4,000 participants 	<ul style="list-style-type: none"> Design of inclusive transportation for DCs, including adaptations for talent with disabilities
<ul style="list-style-type: none"> The First Job Fair to Attract Inclusive Talent and the Talent Attraction Campaign aimed at external audiences 	<ul style="list-style-type: none"> In Mexico we provided over 1,000 special vests with “Hi! I can’t hear you but I can help you” printed on them for hearing-impaired talent, in support of associate and customers experiences
<ul style="list-style-type: none"> Review of job positions to focus efforts on attracting talent with disabilities 	<ul style="list-style-type: none"> In Central America, “Say it with Sign Language” was launched, seeking to promote a culture of diverse and inclusive communication with GIFs in the sign language of each country
<ul style="list-style-type: none"> Sign language courses were offered in both Mexico and Central America, together with videos demonstrating the basics of communication with our hearing-impaired talent 	



-  We were recipients of the *Éntrale* Award for our commitment to the inclusion of people with disabilities, granted by the *Éntrale* Alliance and the Mexican Business Council. This award recognizes the commitment of Walmart de México y Centroamérica to building a place where each and every associate has the possibility of developing their skills, growing, and being successful, with the assurance that there are no differences due to individual conditions



WAGE EQUALITY

GRI 202-1, 405-2, 102-35, 102-36
SASB FB-FR-310A.1, CG-MR-310A.1



We are committed to equality for all our associates without distinction or preference and based on achievements and performance

Our Compensation Equality Policy establishes different commitments, including the following:

A guarantee that there are no wage differences based on age, gender, religion, sexual preferences, or political ideology

Assurance that any pay differences are due to individual performance, and/or achievements for each associate

Comply with and exceed minimum wage established by the authorities

Our wage band allows us to maintain control; any existing differences stem from individual performance for each associate, who is evaluated annually according to seniority in the Company and in keeping with success factors described under the Policy on A Workplace Free of Violence, Harassment, and Discrimination.





RESPONSIBLE AND INCLUSIVE VALUE CHAIN

GRI 102-9, 204: 103-1, 103-2, 103-3, 204-1
SASB FB-FR-000.C, FB-FR-000.D

Walmart de México y Centroamérica recognizes the importance of our value chain as a core part of our business. Therefore, we are committed to improving working conditions and protecting human rights and the environment, working side-by-side with our more than **86,000 suppliers**.

We have adopted the approach of creating shared value and make efforts to help our suppliers prosper, identifying opportunities for them to grow with us by building a responsible and inclusive supply chain that is both a reflection of our values as well as the needs of our customers.



It is our responsibility to promote respect for human rights; thus, we strive to use our scale in such way that allows us to achieve a positive change and become an agent for change



51,327
suppliers
in Mexico



92%
of merchandise
sold in Mexico are
sourced in the
country



93%
of our self-service
suppliers in Mexico
are SMEs



34,933
suppliers in
Central America



83%
of merchandise
sold in Central
America are
sourced in the
region

86,260
Suppliers
in the region

Work is being done with our suppliers in programs aimed at preventing forced labor, improving and protecting working conditions, and promoting the dignity of women.

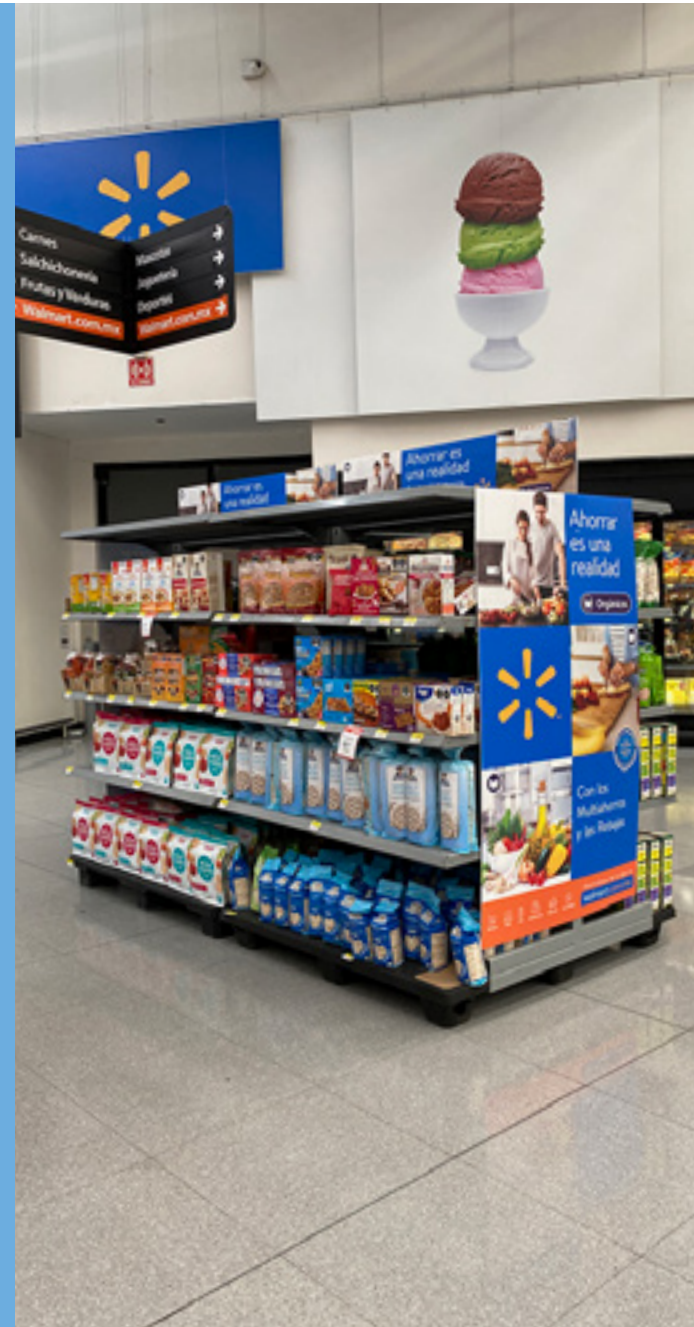


DIVERSE AND INCLUSIVE SUPPLY CHAIN

GRI 102-9, 204-1

One way of fulfilling our purpose of saving people's money so they can live better is by accepting diversity in all aspects of our organization -from our talented associates to the suppliers who work with us to offer the products and services that our customers want and need.

In line with our purpose of creating a culture of safe work and atmosphere, where everyone feels included and treated with respect and equality, we have a supplier inclusion program. It offers efficient working conditions to those companies owned and operated by minorities, women, people with disabilities, and members of the LGBTQ+ community, as well as also making their own business grow alongside us.



Our purchasing power has become a two-pronged development tool:



To develop different suppliers



To support small farmers in vulnerable situations

As mentioned in our [Statement on Supplier Inclusion](#), signed by Doug McMillon, the CEO for Walmart, Inc., we believe that a diverse supply chain allows us to offer better quality and variety of products to the communities we serve.



By working with Walmart, our suppliers gain access to 5 million customers who shop in our stores, clubs, and eCommerce sites every day



DIRECT PURCHASING FROM LOCAL SUPPLIERS

We use our scale in benefit of our suppliers, and one way to do this is by buying directly from local suppliers, without the use of intermediaries, which translates to greater income for them.

Direct purchasing from local suppliers of Private Brands

■ Mexico ■ Central America

Self-service suppliers which are national



Sales which stem from national suppliers





DIRECT PURCHASING FROM LOCAL SUPPLIERS OF FRESH



SEAFOOD

■ Mexico ■ Central America

Purchasing of national/regional products

31%

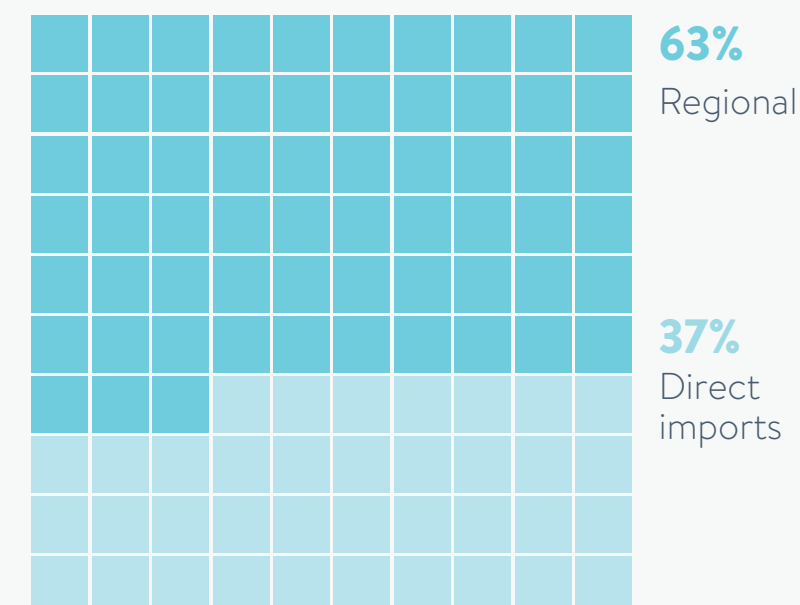
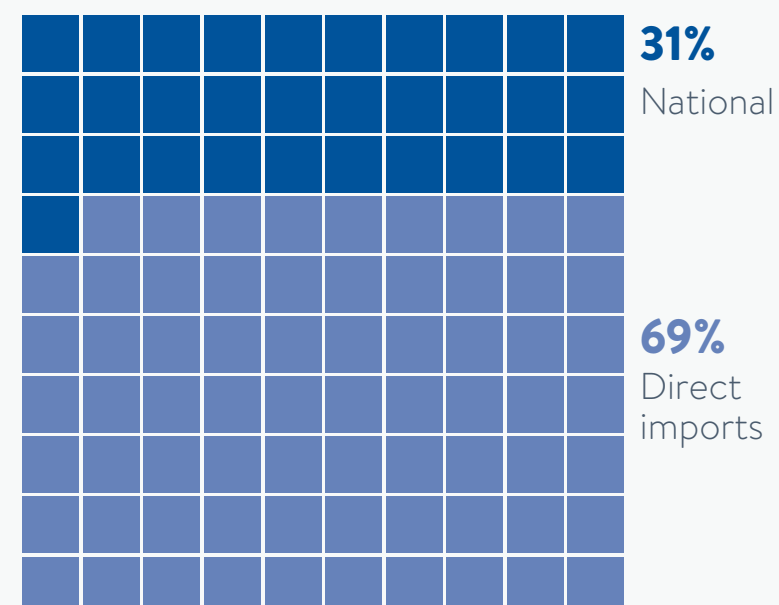
41%

Buying direct from farmers

21%

40%

Buying from suppliers





DIRECT SOURCING FROM FRESH LOCAL SUPPLIERS



FRUITS AND VEGETABLES

■ Mexico ■ Central America

Purchasing of national/regional products

79%

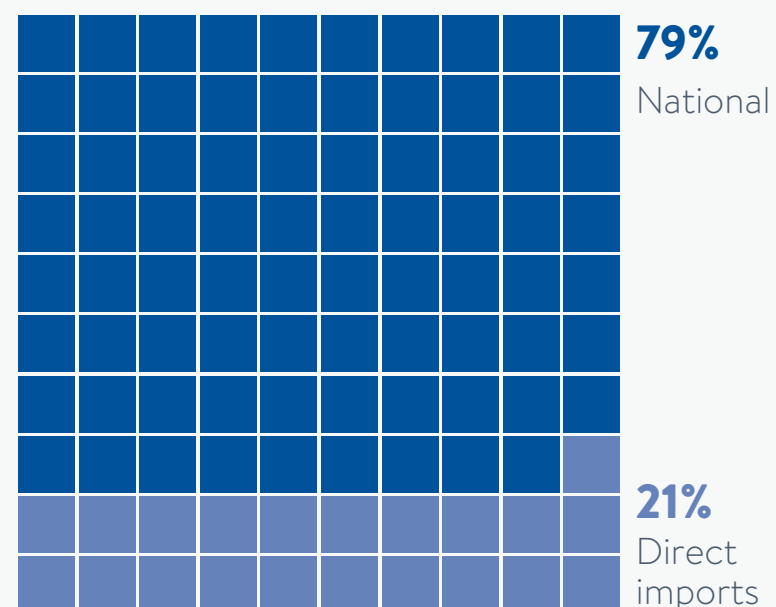
71%

Buying direct from farmers

50%

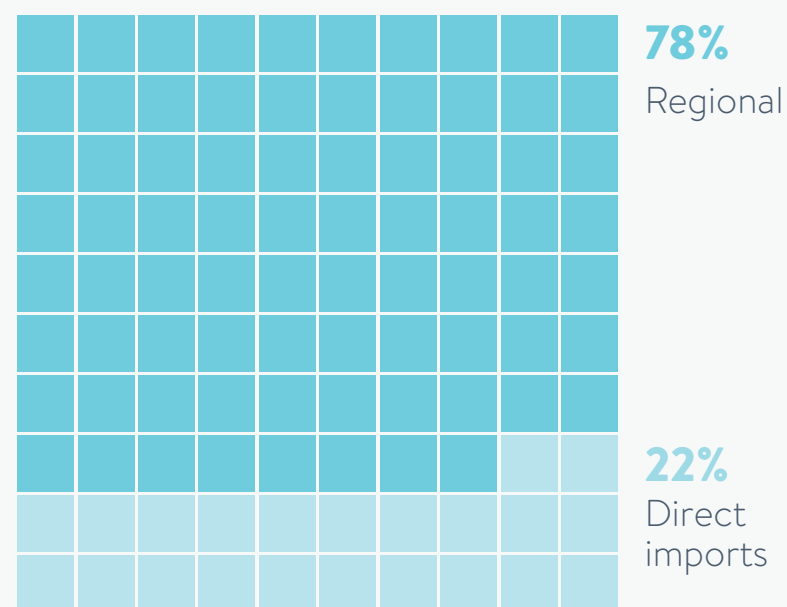
55%

Buying from suppliers



79%
National

21%
Direct
imports



78%
Regional

22%
Direct
imports





DIRECT SOURCING FROM FRESH LOCAL SUPPLIERS



MEAT

Mexico

Central America

Purchasing of national/regional products

89%

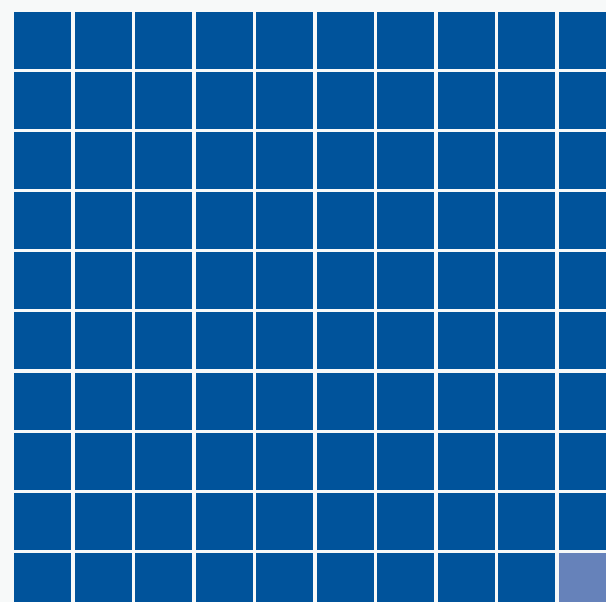
64%

Buying direct from farmers

49%

65%

Buying from suppliers

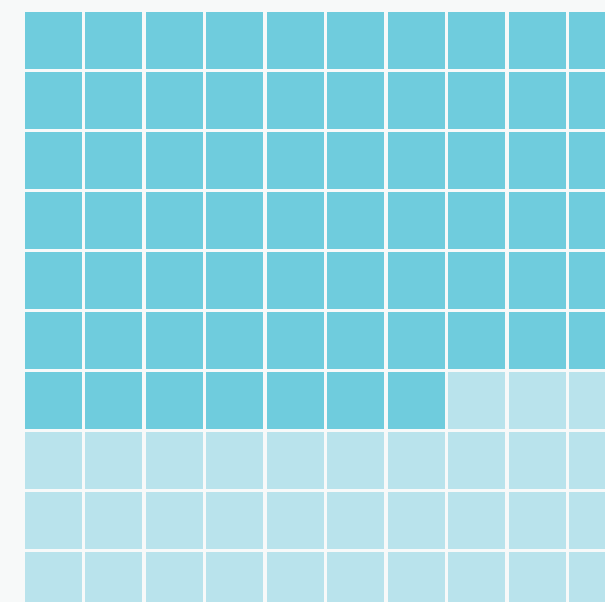


99.9%

National

0.1%

Direct imports



67%

Regional

33%

Direct imports



DIRECT SOURCING FROM FRESH LOCAL SUPPLIERS



POULTRY

Mexico Central America

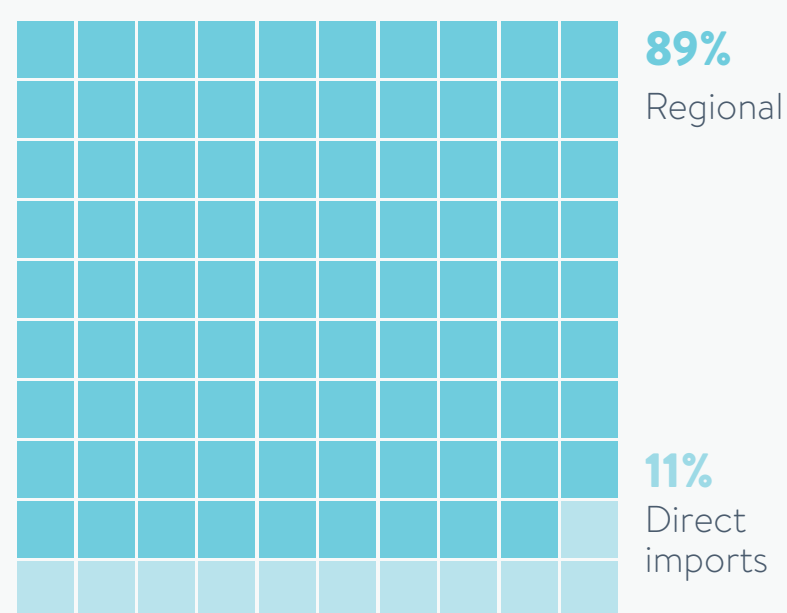
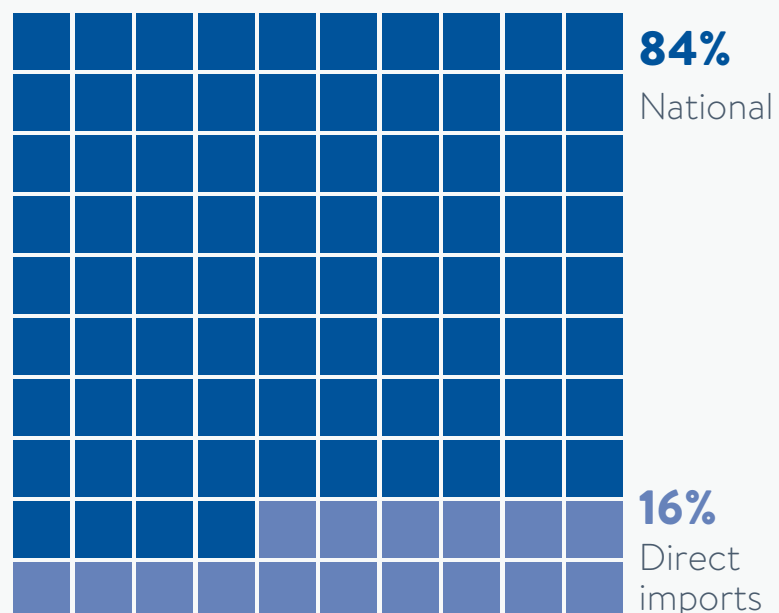
Purchasing of national/regional products



Buying direct from farmers



Buying from suppliers





DEVELOPING OUR SUPPLY CHAIN

GRI 204-1



Through our **Adopt an SME** program, we help small and medium-sized companies increase their sales and develop their operating, financial, and logistics capabilities.

The purpose of the program is to endow our suppliers with a broader vision of the business with tools that assist in enhancing their performance, thereby strengthening their commercial strategy.

Through this program we not only contribute to the development of our suppliers, but also to that of our country and families throughout Mexico.

Some of the benefits for the suppliers who are part of the program include:



Commercial advice



Training in logistics, commercial strategies, and promotions



Positioning their products in the media



Access to shared promotions



Each year, we select the suppliers with the greatest potential, so they obtain training and mentoring, allowing them to improve performance and reinforce their commercial strategy.

26

suppliers supported, who offered their products in Bodega Aurrera, Walmart and Walmart Express, nationwide

50%

increase goal for sales in 2021 achieved 104% accomplishment

+151

million pesos in sales posted for 2021

23%

of suppliers who are part of this program are women

Our associates participate in helping companies focus their efforts on learning about retail



A HELPING HAND TO GROW



A Helping Hand to Grow is the program through which the Shared Value Initiative fosters the development of SME manufacturers, with special attention paid to the economic empowerment of women.

Our mission is to incorporate SMEs to the value chain and help these small and medium-sized enterprises grow through training and business opportunities.

The program fosters the growth and development of our suppliers in Central America, ensuring the availability of top-quality products for our customers and the continuous growth of these SMEs.



454
SMEs

33%
are headed
by women

10.5%
increase
in sales by
SMEs

11,111
families
benefited

Pillars of the program:



SUGGESTING NEW PRODUCTS

- Training in How to Be a Walmart Supplier
- Public call
- Online app
- 90-day test period in pilot stores
- Test period evaluation



TRAINING SUPPLIERS

- Walmart processes
- Developing managerial skills



ACCOMPANIMENT DURING THE FIRST 3 YEARS

- Internal link
- SME rates
- Business review



A HELPING HAND TO GROW RESULTS

2018

2019

2020

2021



SALES

9%

\$948 millions

10.5%

\$1,035 millions



12.1%

\$1,193 millions



10.5%

\$1,227 millions



PURCHASES

7.3%

\$724 millions

9%

\$832 millions



5%

\$909 millions



8.29%

\$966 millions





FERTILE SOIL



Fertile Soil is a support program for SME farmers who seek access to a safe market, direct purchases, technical advice, and specific investments in equipment and the purchasing of raw materials.

Fertile Soil has become a global benchmark for the organization, working with small and medium-sized farmers to ensure farming practices that are sustainable for the environment; a long-term business relationship; and growth in innovation, sales, and the market for SMEs.



The top three pillars for this program include:



BUYING DIRECTLY FROM FARMERS:

This enables the farmer to be an active part of the value chain, with competitive prices and a reduction in intermediaries. Thereby, ensuring timely payment and greater income for the suppliers.



ENSURING ACCESS TO TECHNOLOGY AND KNOW-HOW

This is managed through NGOs, direct donation of goods, or through the implementation of projects aimed at providing tools, equipment, new agricultural technologies, and direct investment resources.



TRAINING AND TECHNICAL ASSISTANCE:

Through the help of subject-matter experts at Walmart and outside consultants, we provide training and technical assistance to our suppliers in different areas of expertise -seed quality, crop rotation, post-harvest handling, responsible use of water resources, Good Manufacturing Practices (GMP), basic management skills in agrobusiness, and financial assistance. In addition, we offer ongoing and frequent training for farmers in Good Agricultural Practices (GAP).



These NGOs continuously visit the farmers and provide advice on clean production with low levels of agrochemicals, disease and pest control, nutrition, careful planting, soil management, and rational use of resources



During 2021, **1,553 people received training**, of which **30% were women**, in reduced environmental impact techniques, enhanced productivity, guaranteed food safety of products we purchase and how to increase sales.

Through this program we have contributed by purchasing directly from **632 small and medium-sized farmers**, thus benefiting **13,238 families in Central America**; **71 of these farmers are women** and represent **11% of fruit, herb, and vegetable suppliers**.

We purchased a total of more than **1.7 billion pesos** from these farmers, representing **68% of the produce and cereals** sold by our stores in Central America.

During 2021, we helped to train **563 farmers** by offering **126 technical training sessions** and helped to create business skills for **26 farmers**, in alliance with the *Tecnológico de Costa Rica*.



Our goal by 2025 is to increase access to the sustainable market and improve living conditions for small farmers



FERTILE SOIL RESULTS



2018

\$1,116 millions

2019

37%
\$1,563 millions

2020

6%
\$1,684 millions

2021

5%
\$1,793 millions



SMALL FARMERS

GRI 413-1

In recent decades, Mexican farmers have faced several challenges due to different factors that have notably impacted the economy and social structure of the most vulnerable communities.

In 2011, the Walmart Mexico Foundation created the Small Farmer program with the purpose of increasing income for Mexican farmers, through training sessions that help them to drive their agricultural, logistics and entrepreneurial production processes. This has afforded them the opportunity to market their products in our units under preferential conditions or in any other self-service, and to even export them.

Thanks to this program we have contributed to greater productivity, increased earnings and economic spillover, and created jobs and new businesses with a special focus on the inclusion of young people and women.



10 AÑOS
Conectando al campo
Mexicano contigo



This program involves monetary resources, sales floor, purchasing power, and the time and talent of associates from all commercial areas and from logistics



In 10 years we have achieved the following:

36

agrobusinesses currently selling

23,637

small farmers with training

1,149

million pesos generated tin sales

42

crops benefited in 18 states

1,590

jobs created

59,000

tons sold

1,196

communities benefited

In 2021 we achieved:

569

million pesos in purchases from small farmers

4,963

farmers benefited

19%

women farmers benefitted

86%

increase in income





SMALL FARMER: CONNECTIVITY

In 2021, we created an alliance with BAIT, our virtual mobile operator, to provide access and connectivity to small farmers and their communities by offering cellular phone equipment and affordable voice plans.



During 2021 we delivered 565 BAIT devices to small farmers

To achieve this connectivity goal, we are focusing on three components:



1.- CONNECTIVITY ACCESS:

Increase the inclusion of information technologies in alliance with BAIT.



3.- ACCESS TO MARKETS WITH TRACEABILITY APP:

A traceability system for small farmers.



2.- COMBINE TRAINING:

Increase the number of in-person training sessions for farmers regarding digital media (audio and video) to enhance learning and the adoption of practices such as increased participation of young farmers.

Our goal is to digitally enable 25,000 farmers by 2030





A SUCCESS STORY

The Vegetable Farmer Union of Matamoros, Coahuila (Uprohma) was created in 2015 with 15 watermelon and melon farmers as members. That year they joined the Small Farmer program to receive agronomical and business training that would enable their access to formal markets. During the first year of operation, they invoiced 1.9 million pesos and placed their products in the distribution center of Monterrey, Nuevo León.

The Uprohma farmers -willing to adapt and innovate- worked to transform the quality of their crops and their income, applied their new knowledge and skills acquired within the program, and were able to sell their fruit in formal markets at a price of up to 75% higher than in the past.

The Union obtained certification from Global Market NSF International and awarded Best Walmart Supplier in March 2018. As a result of improved processes, quality, and shelf-life of their products, in addition to placement in the Monterrey distribution center, today they deliver their products in five distribution centers throughout Mexico.

With the earnings from the agrobusiness, they invested in purchasing their own forklift equipment, two picker machines, and two cold rooms. Moreover, throughout the years the agrobusiness has opened its doors to new members, now comprising 57 small farmers, thereby increasing the impact in their community.



In 2021, seven years into the program, Uphroma invoiced **17 million pesos**: a **700% increase** in sales since 2015

[WATCH VIDEO](#)