

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

units with On Demand service



I am Cristian
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"

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%**

We have focused on building a sustainable business, achieving a **67% two-year stacked growth and 340% in a three-year stacked basis**

Our customers are appreciating what we do, and their satisfaction was reflected in **a 470 bps increase in the NPS (Net Promoter Score)**



470 bps

increase in the NPS (Net Promoter Score)

We increased **eCommerce penetration in total sales to 5.1%**

eCommerce contributed 0.8% to total sales growth



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

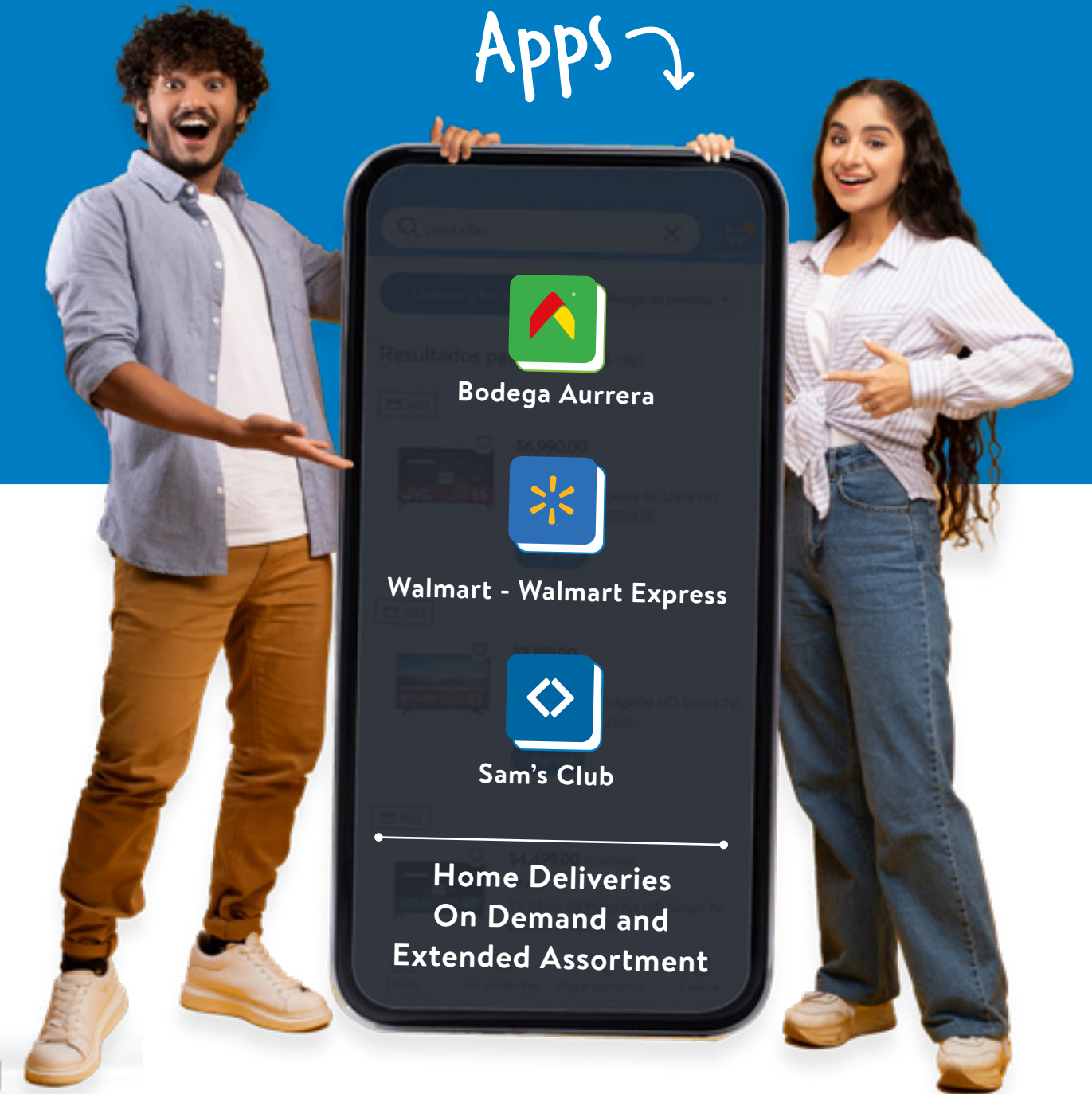
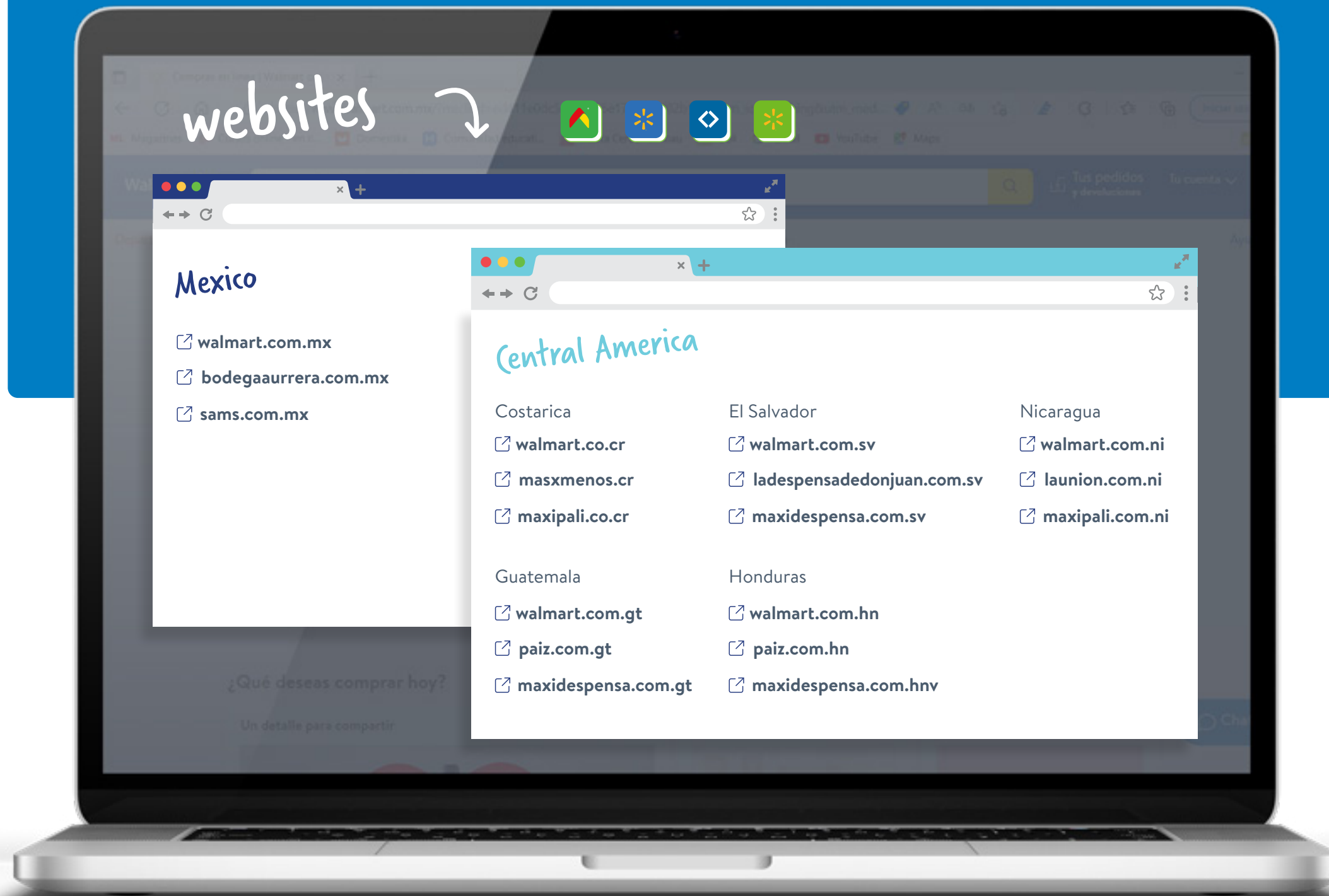


We created more than **300 positions for omnichannel** that did not exist, through the revaluation, attraction of talent and profile renewal

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





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 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.



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

In 2022, On Demand NPS increased by

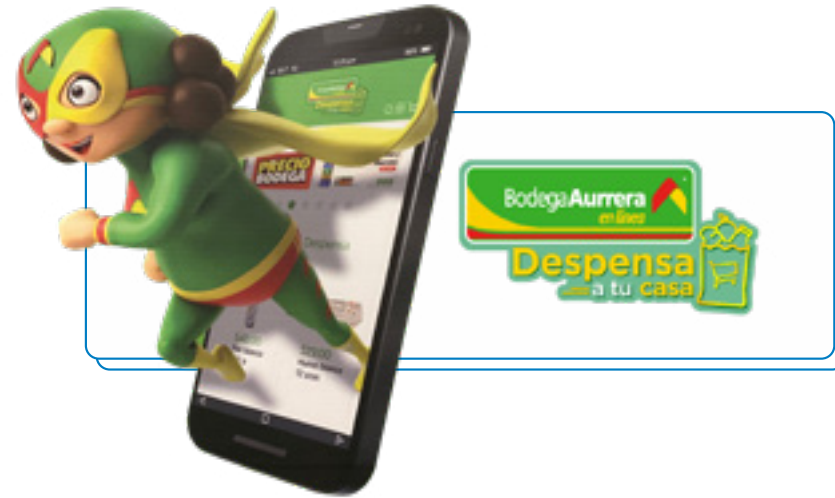
560 bps

compared to last year



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 added 600 vehicles, which led to a **40% reduction in delivery times**



We added **20 electric vehicles** to our fleet, reaching a total of 94

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.



the NPS for our operation increased by
510 bps
during the year



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 reengineering **increased sales at a faster pace than before this process.**

Similarly, we applied a machine learning algorithm to improve the results of our customers' product searches, as they are now shown products in line with their preferences or market trends, thus improving their experience from search to purchase.

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.





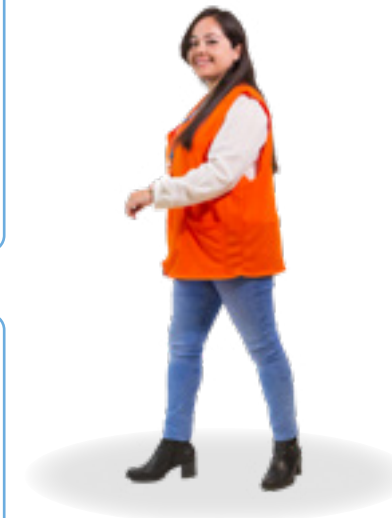
We continue to increase our technological capacity and improve our supply chain plans to be even faster and more efficient



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

