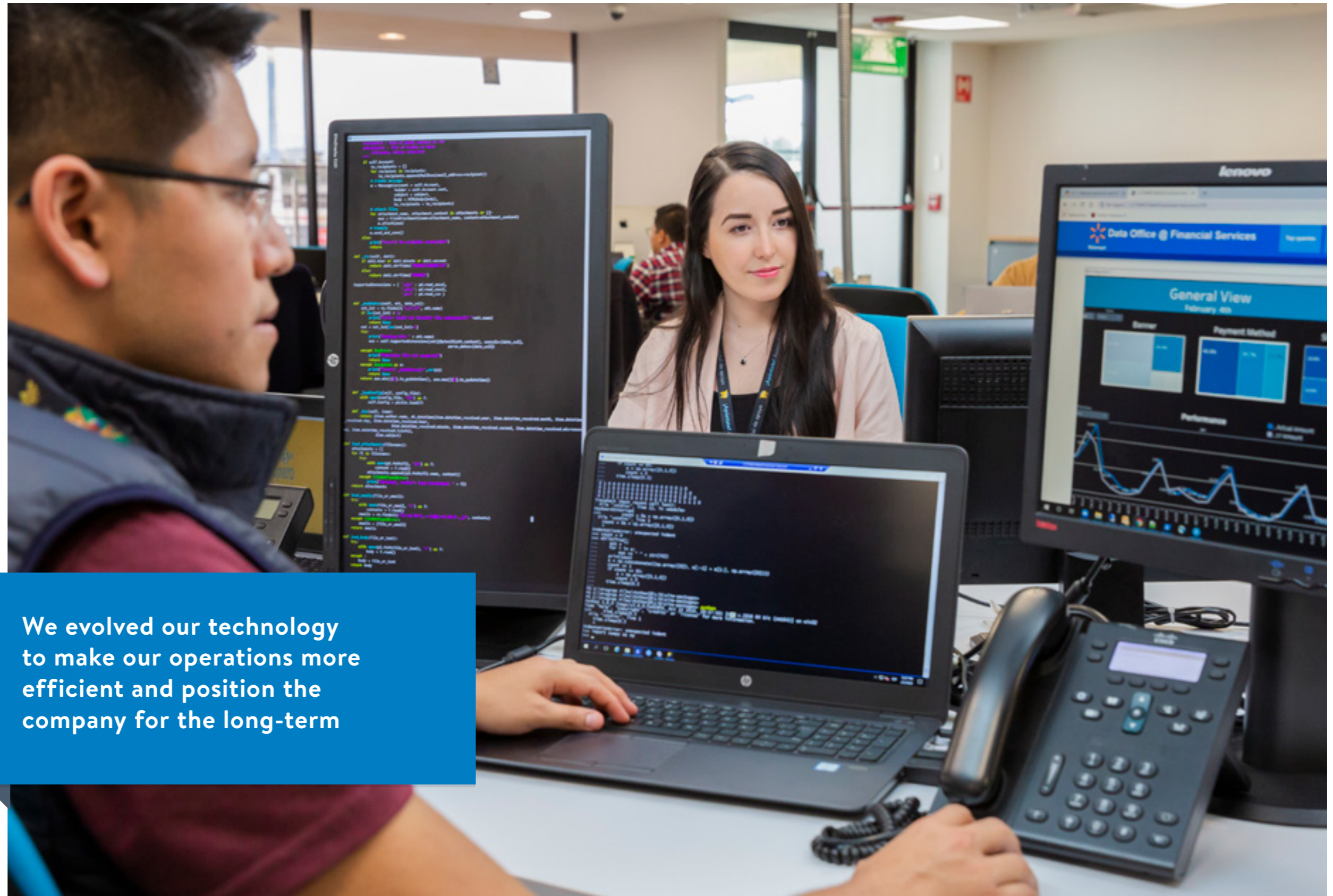


## TECHNOLOGY AND DATA

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.



**We evolved our technology to make our operations more efficient and position the company for the long-term**

## 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 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 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 use technology to help our associates do their jobs more easily**



## Operation Optimization

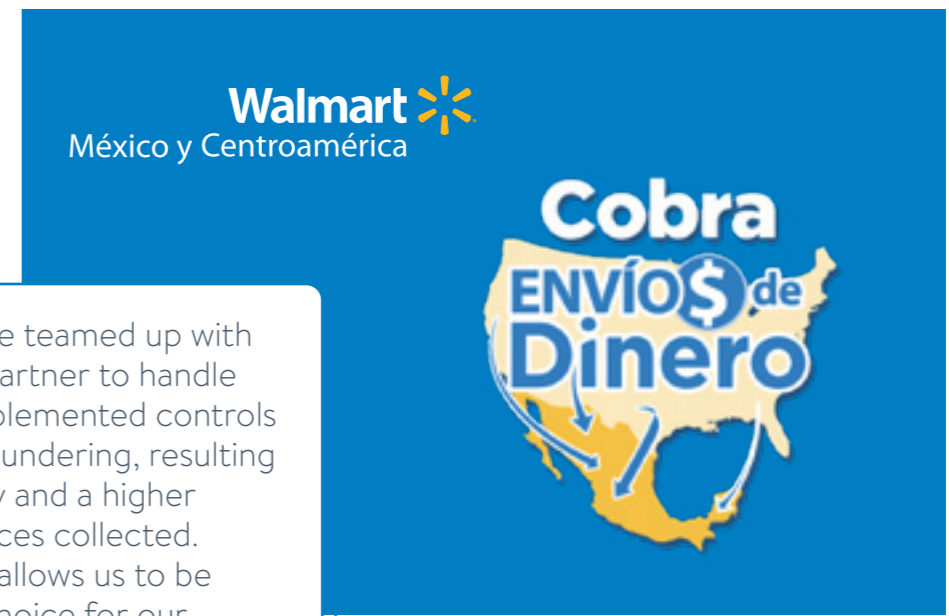
This year, the company's operational activity increased substantially, therefore, the technology requirements increased in the same way.

**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**

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.

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.



## Technology and Systems

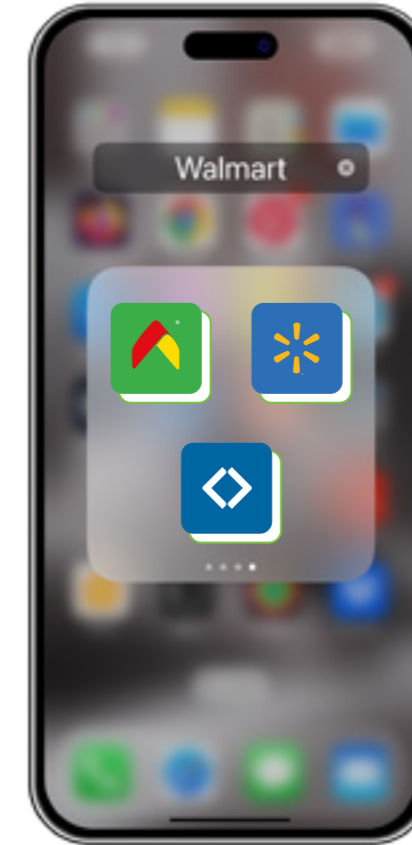
2022 required us to redefine our connectivity, prompting the need to rethink our technology to make it more flexible, secure and efficient



We designed initiatives that gave greater stability to our digital ecosystem, facilitating our evolution, strongly accelerating our technological transformation and providing support to our company's operations

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**



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

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.



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.