



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

suppliers



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

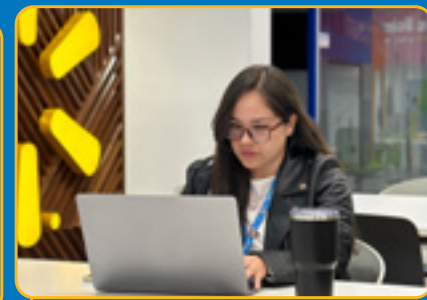
We focus on associate's experience and invest in our associates' total rewards, wellbeing, growth and development to retain the right talent

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)

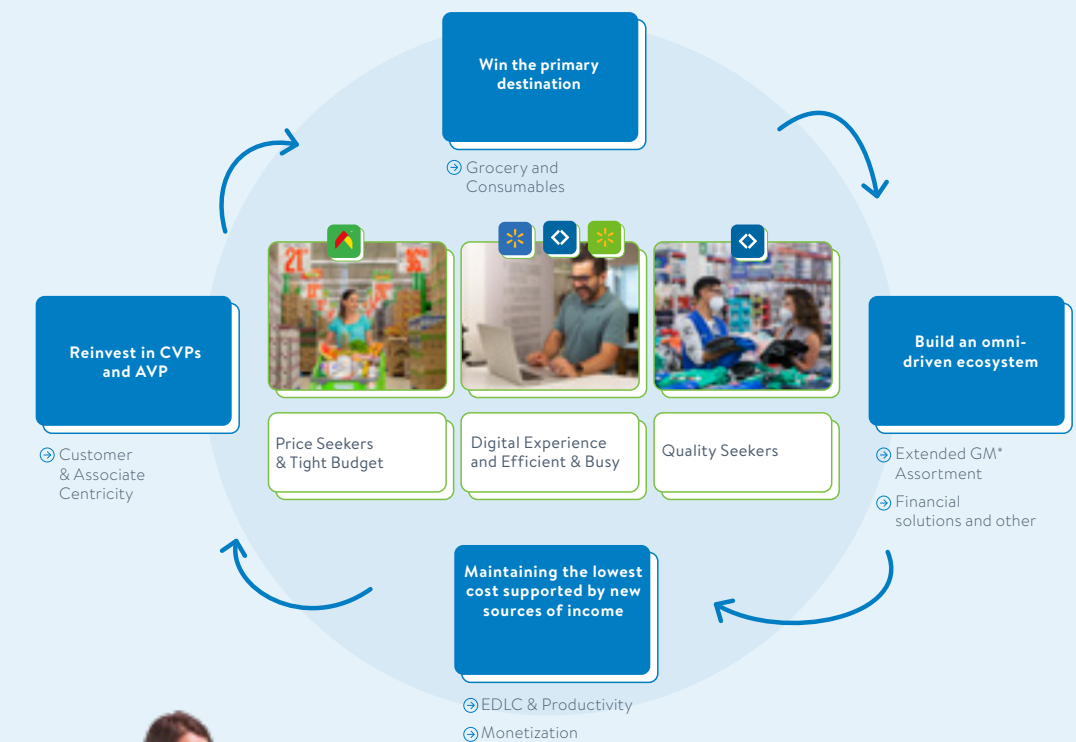
Upskill and maximize their potential

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

Simplify their ways of working

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

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

6,313

jobs generated

TOTAL ASSOCIATES

233,594

BY GENDER

45%

55%



STAFF

12,158

52%

48%

OPERATIONS

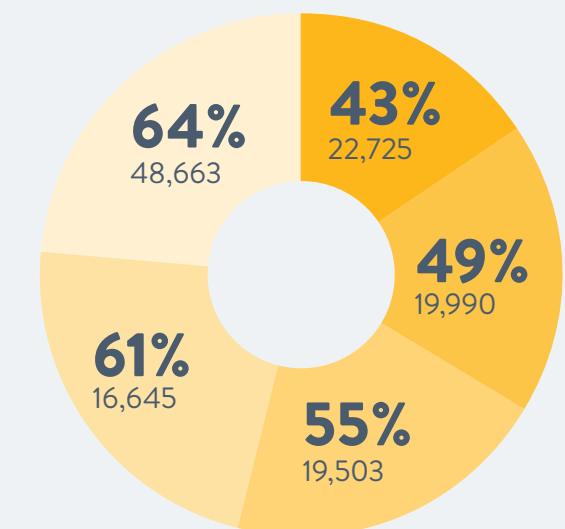
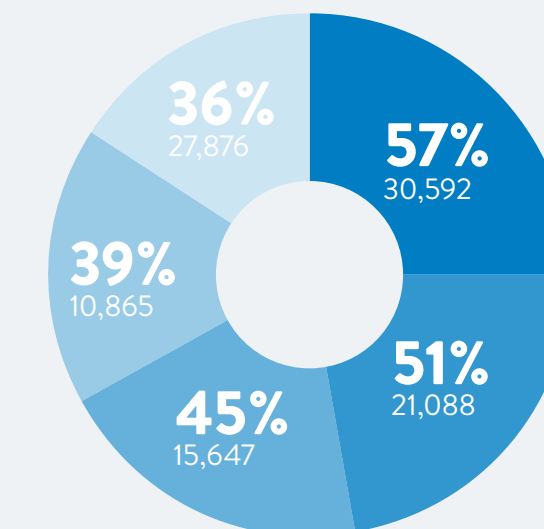
221,436

45%

55%

TOTAL ASSOCIATES BY AGE
Years

=<25 26-30 31-35 36-40 >=41





ASSOCIATES BY LEVEL

Mexico Central America Mexico and Central America

Vice presidents



Directors



Asst. Directors



Managers



Asst. Managers



Department Managers



Hourlies



ASSOCIATES BY GENERATION

Mexico Central America Mexico and Central America

Traditionalists



Baby Boomers



Generation X



Generation Y



Generation Z



ASSOCIATES WITH FOREIGN NATIONALITY

1,388

0.098%

3.23%

AVERAGE SENIORITY OF ASSOCIATES

5.10 years

5.01

5.18

TURNOVER RATE

37.54%





Associates

Mexico

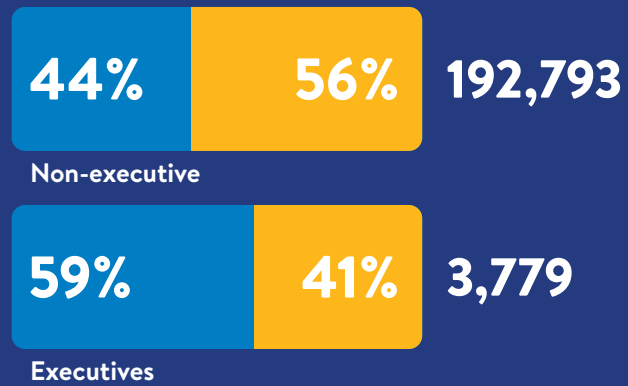
GRI 2-7, 2-8, 401-1
SASB CG-EC-330A.3

Men Women

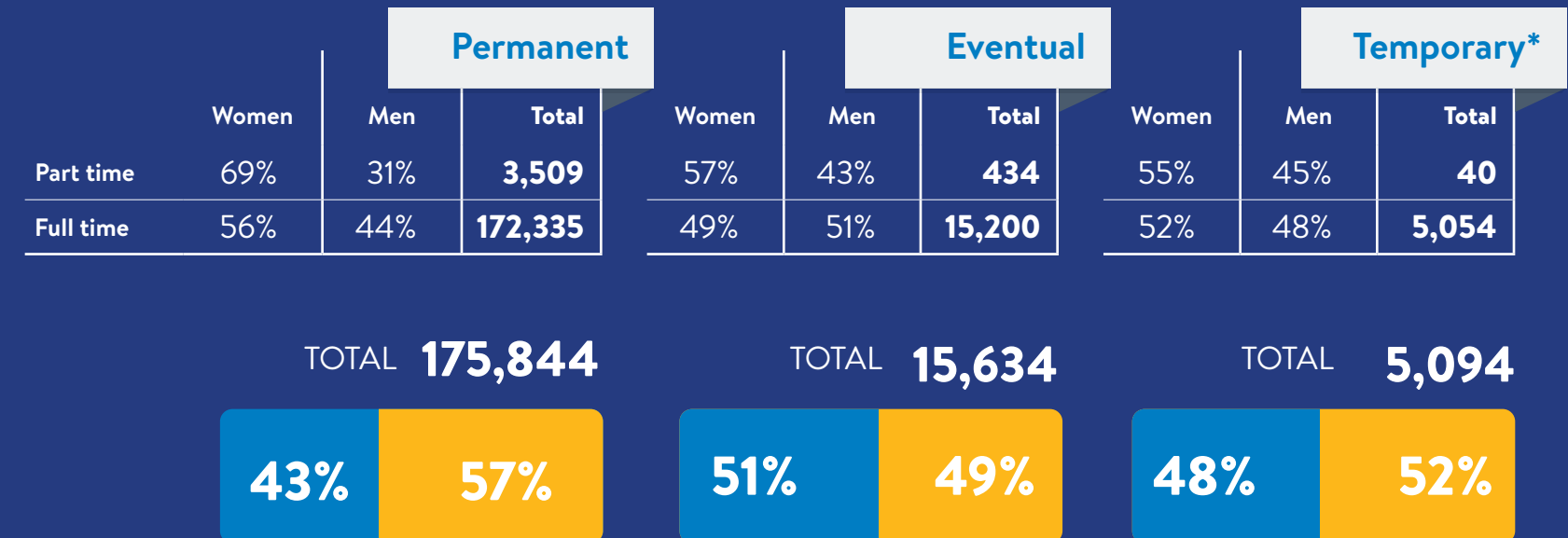
TOTAL

196,572

BY LEVEL



BY TYPE OF CONTRACT



BY GENDER



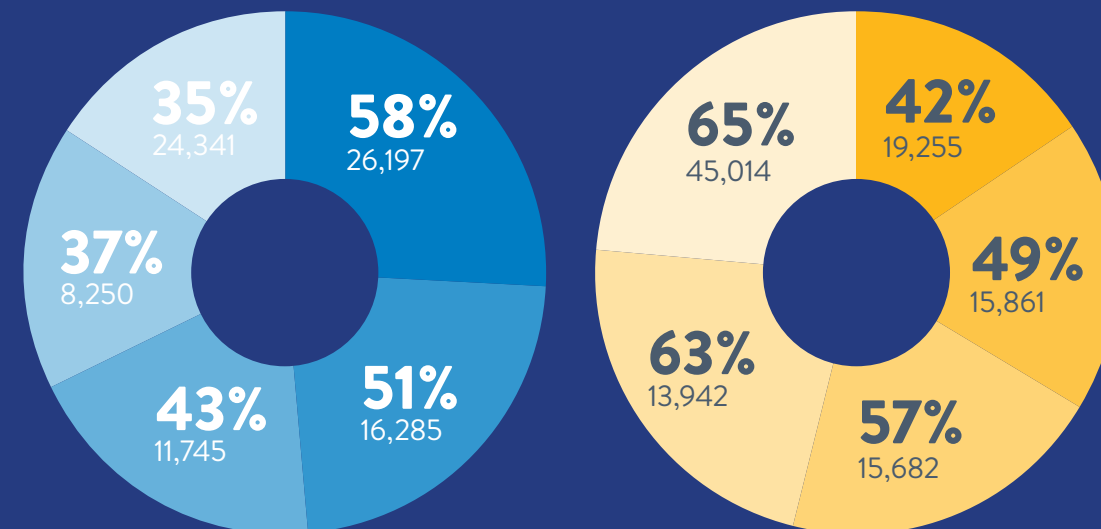
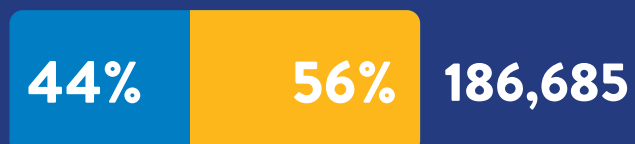
BY AGE Years



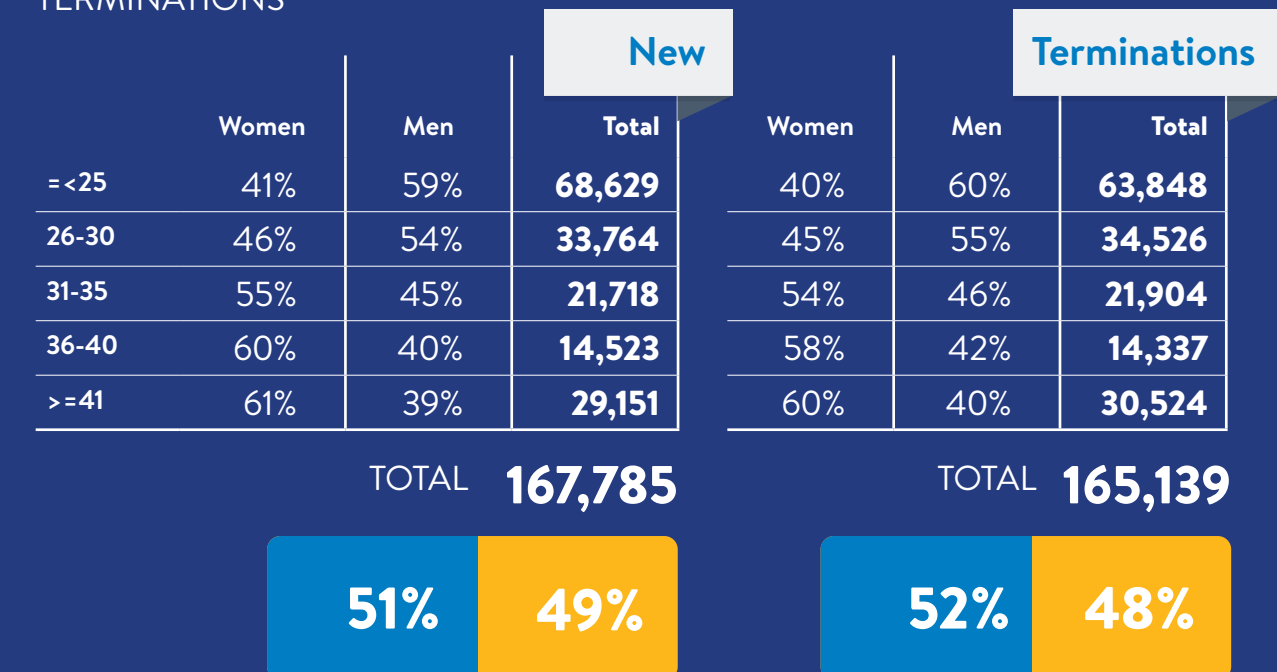
STAFF



OPERATIONS



NEW AND TERMINATIONS



*Defined period of time, not necessarily 90 days

Associates

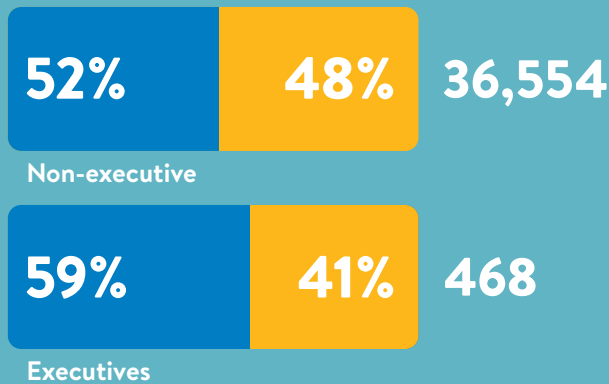
Central America

GRI 2-7, 2-8, 401-1
SASB CG-EC-330A.3 Men  Women

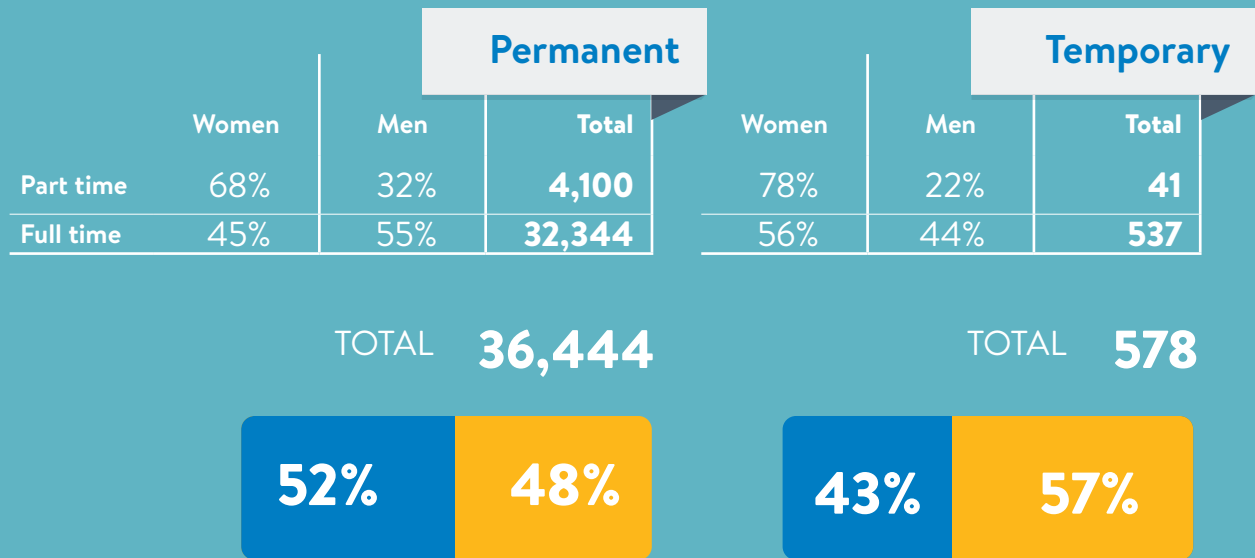
TOTAL

37,022

BY LEVEL



BY TYPE OF CONTRACT



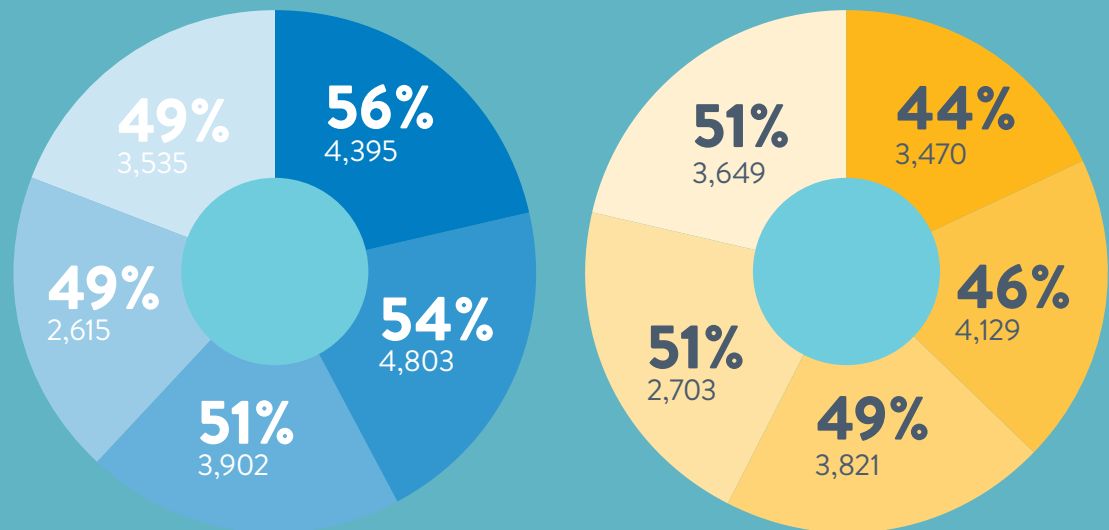
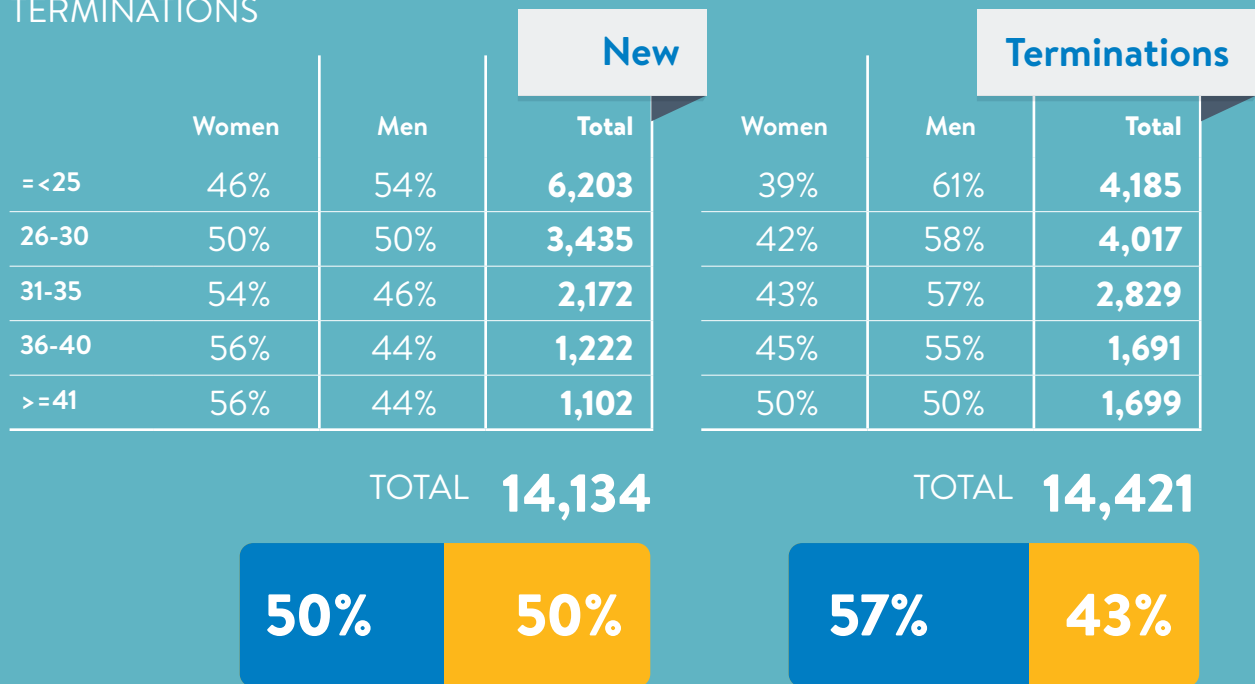
BY GENDER

BY AGE
Years

STAFF



OPERATIONS

NEW AND
TERMINATIONS



Developing our Talent

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*

	Man Hours	Mexico	Man Hours	Central America
		Hours per associate		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

*Considers active and non-active associates

Development Programs *Mexico*



Quality Tools
and Continuous
Improvement



Data Literacy



Trainee Category
Program



Self-service
Management
Certification



Up to Date with
Memberships



CER On Demand



Talent with
Disabilities



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

Central America



Prometeo



eCommerce
(Superformats)



Openings



Analytical HR



Data Literacy



DAR
Perishables



Customer Experience CX
(Superformats)



LESCO



Logistics World



Digital platforms for training in Mexico and Central America



LINKEDIN LEARNING

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

ULEARN

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



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.

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

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.

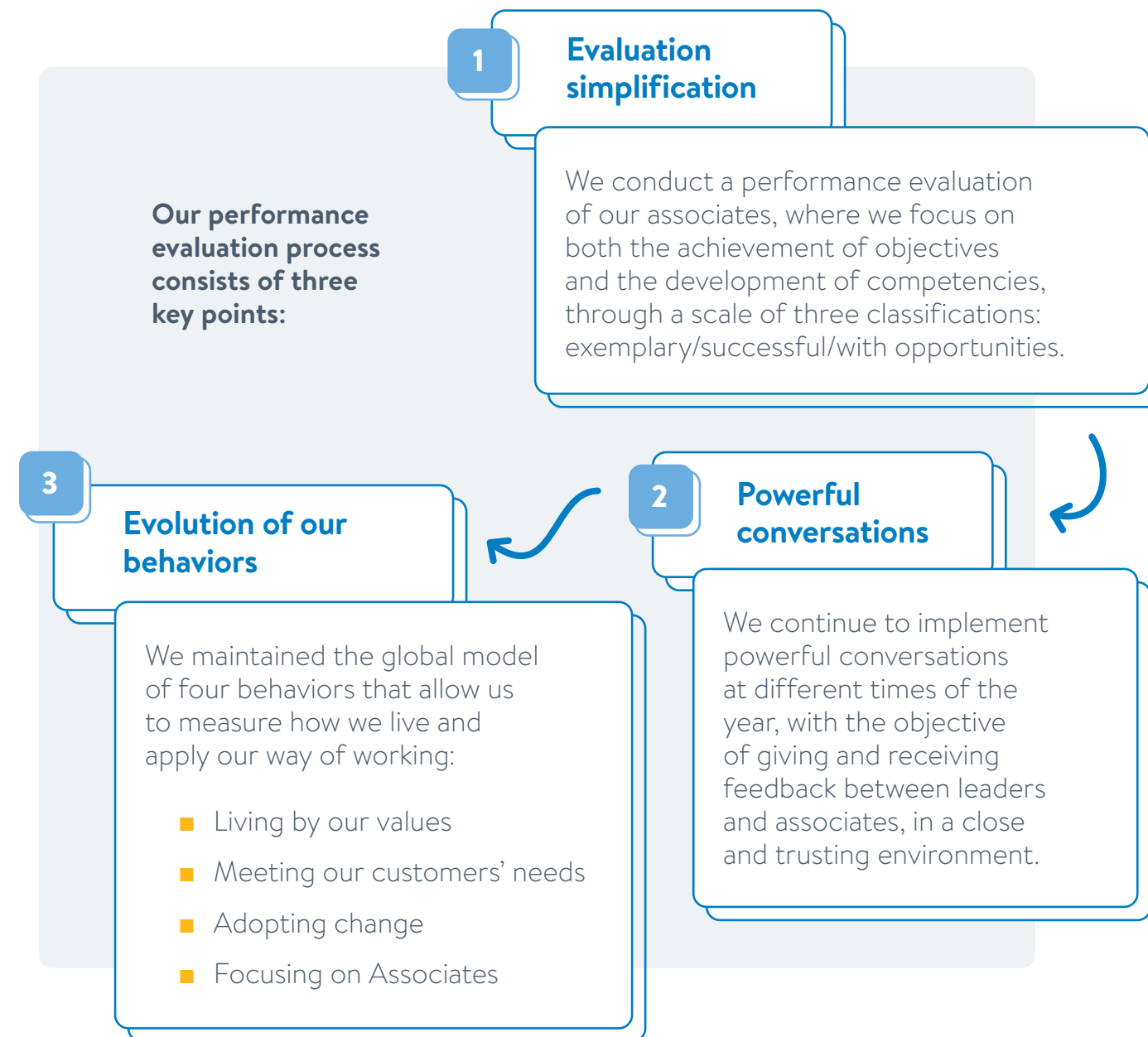
Mentoring: this is a learning program in which two people (individual mentoring) or more (mentoring circles) can share experiences and learnings in order to create actionable tools to improve an area of opportunity or to empower a talent.

This 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

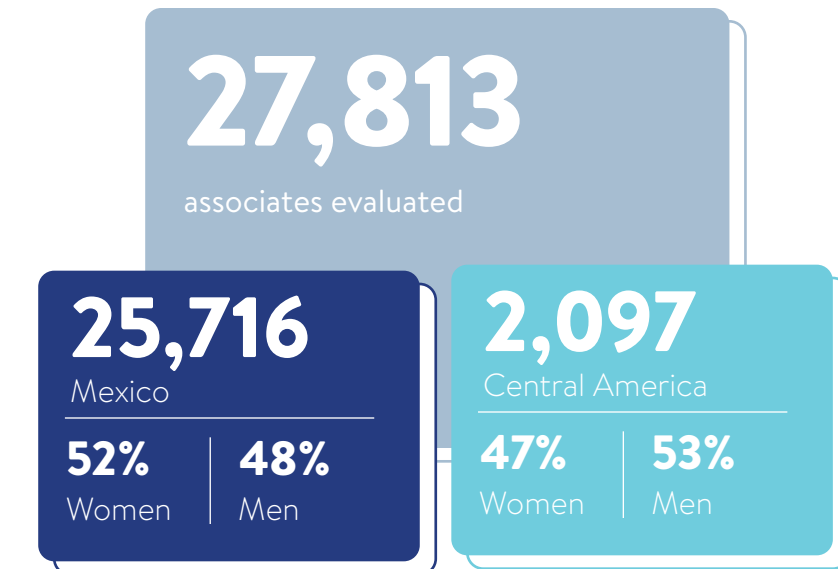
GRI 404-3

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.



It should be noted that the results and competencies have the same weight and change according to each associate's level.

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

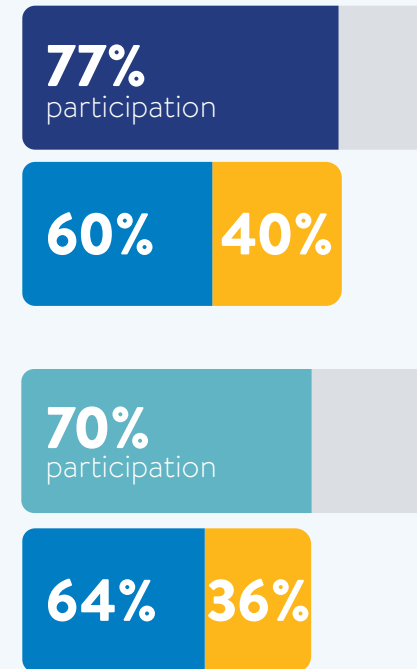
SASB CG-EC-330A.1

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.

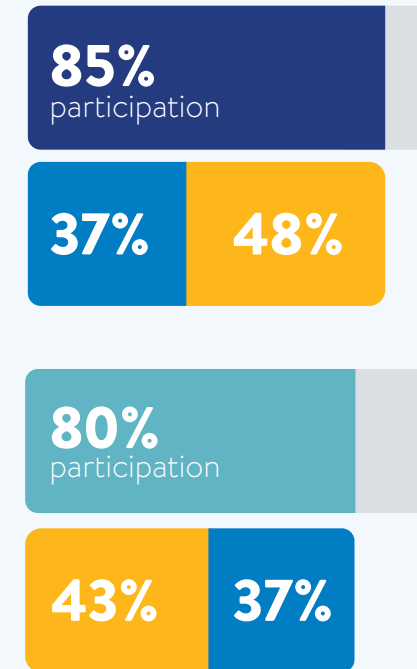
In this way, we conducted the Feedback Month, composed of different activities among which we invited 100% of our associates to answer the Engagement Survey and the Feedback Survey for Your Leader. It should be noted that both surveys are confidential and administered by a third party.

Men Women Mexico Central America Mexico and Central America

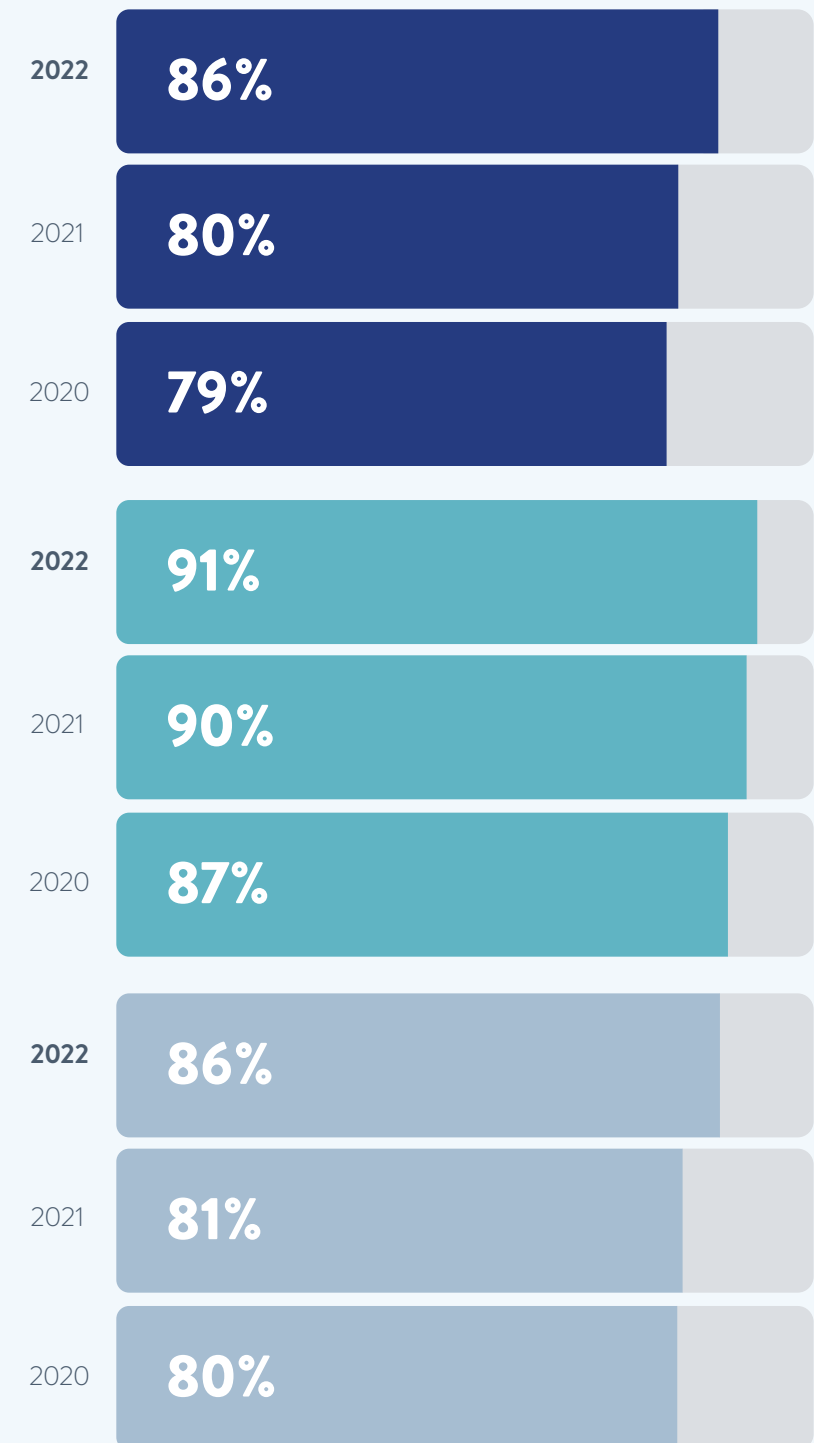
FEEDBACK SURVEY FOR YOUR LEADER



ENGAGEMENT SURVEY



ENGAGEMENT INDEX



The consolidated Engagement Index increased to

86%
vs. 81% in 2021



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.

Up to
70%

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.

Satisfaction index with the hybrid back-to-office experience was 84% in Mexico and 91% in Central America



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



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.

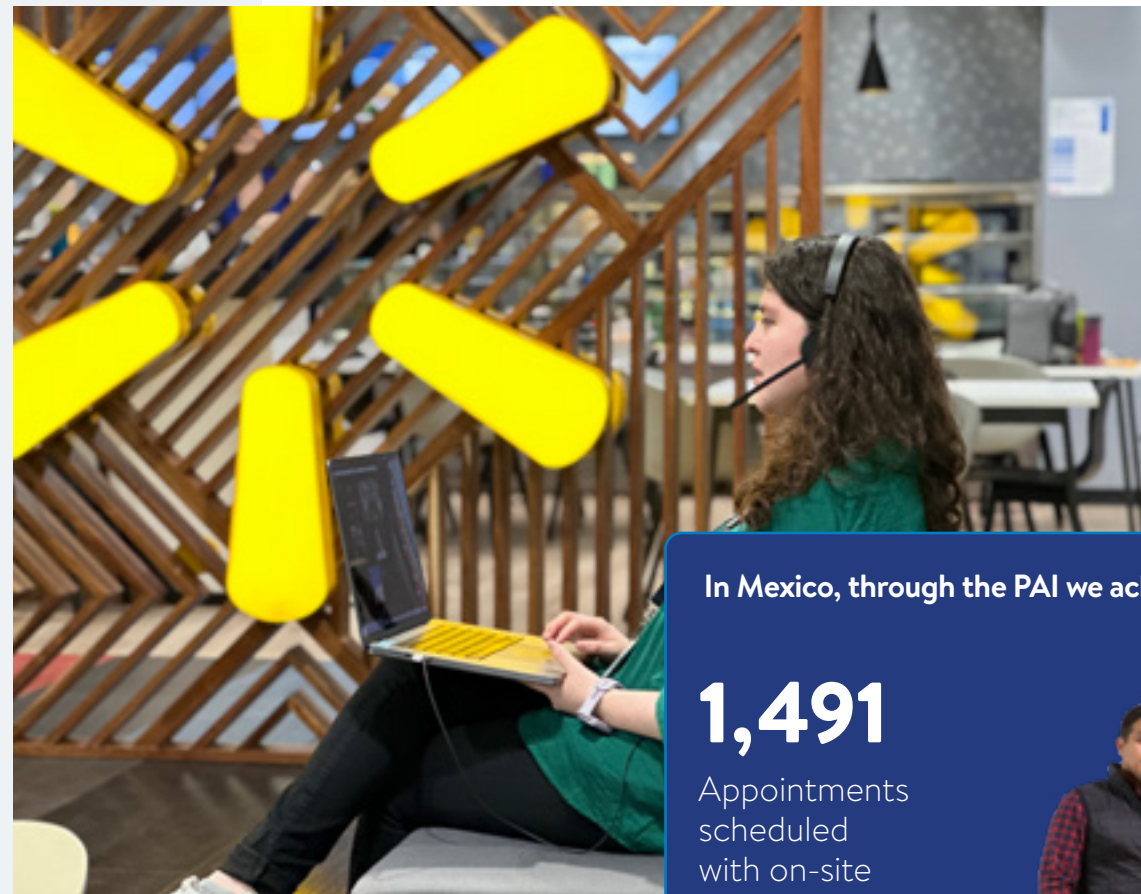


Integral Assistance Program (PAI)

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.



In Mexico, through the PAI we achieved:

1,491

Appointments scheduled with on-site psychologists (offices and DCs)



During 2022, we received more than 8,800 calls in Mexico



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.



86

PAI webinars

Work flexibility

GRI 401-3

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

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

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

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



TO LEARN MORE ABOUT ALL THE **BENEFITS FOR OUR ASSOCIATES** [CLICK HERE](#)

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

POSTNATAL LEAVE

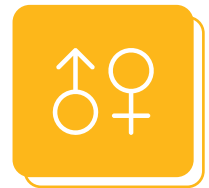
- 20 weeks of additional leave in addition to Social Security maternity leave
- Paternity: flexible schedule with 6-hour workdays for one month after the 14 days of paternity leave
- In Central America, they can opt for 4 months of reduced hours or between 28 and 33 working days of leave depending on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

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

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

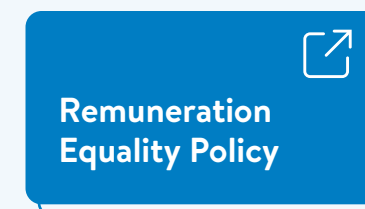
The Diversity, Equality and Inclusion Advisory Council is comprised of business and operations leaders from Mexico and Central America, with the purpose of consolidating inclusive initiatives as part of our strategy.

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



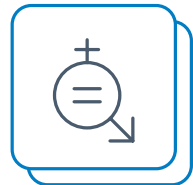
Policies and codes that support our culture of diversity, equality and inclusion

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



GRI 404-3

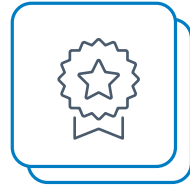
Likewise, we consider training relevant, which is why we integrated three modules to the diversity, equality and inclusion training program:



Gender Equality



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

1



Gender Equality

55%

of promotions were for women

57%

Mexico

43%

Central America

55%

of our workforce are women

56%

Mexico

48%

Central America

171

women are developing in engineering and information technologies positions

127

Mexico

44

Central America

In 2022, we met the goal of having 41% of executive positions held by women

OUR GOAL

To reach

42%

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.



Unstoppable Women

A program aimed at women 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.

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 (Companies 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.

2



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% TÚ

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.



3



Talent With Disabilities

7,763

associates with some type of disability

6,010

Mexico

1,753

Central America

We increased 14% our talent with disabilities vs. 2021

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



BY GENDER

Mexico

43%

women

57%

men

Central America

41%

women

59%

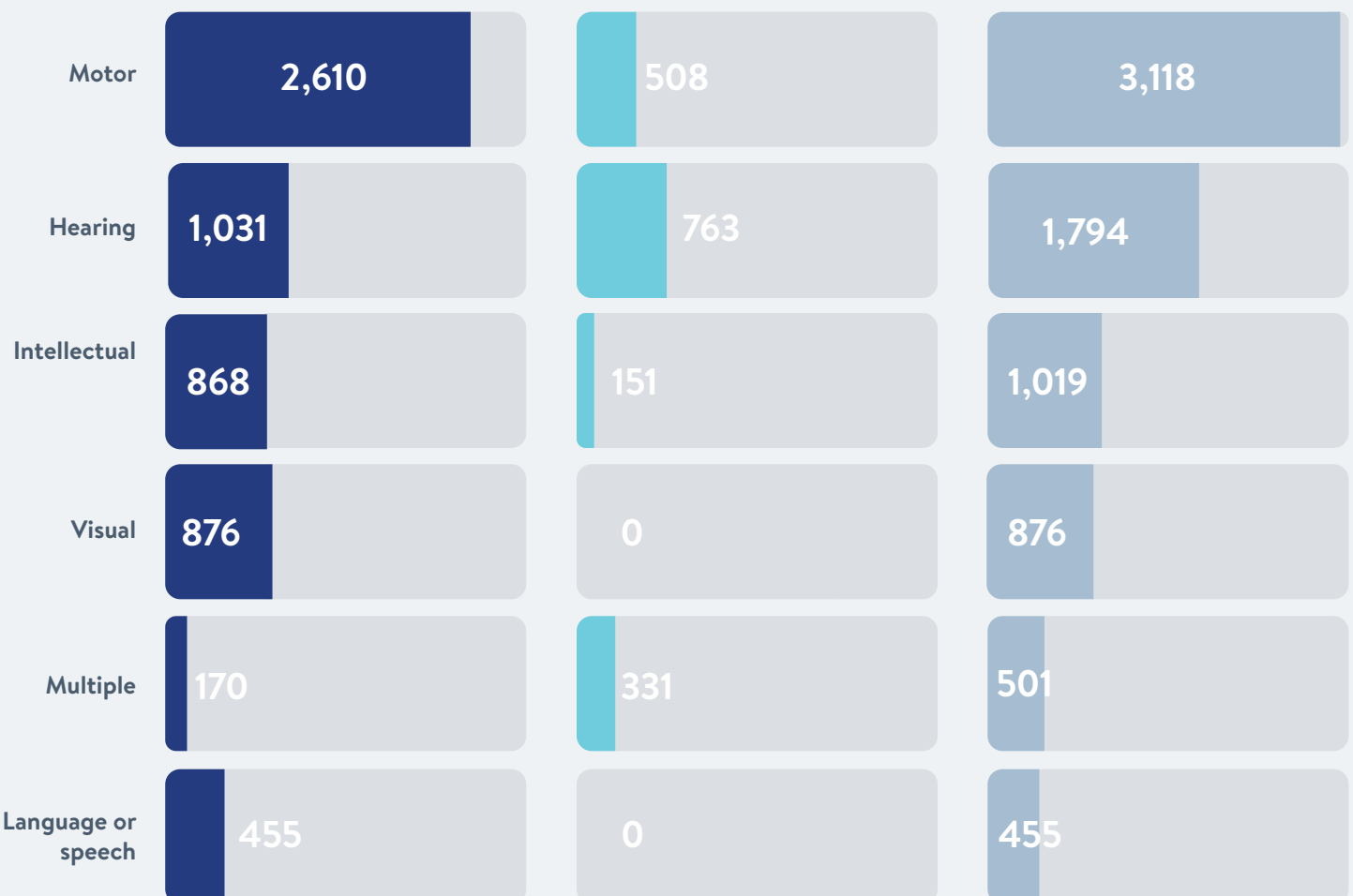
men

BY TYPE OF DISABILITY

Mexico

Central America


Mexico and Central America




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**

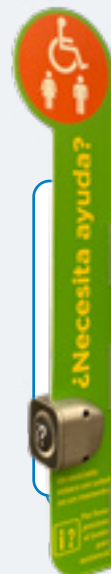
 We created **programs for the development of talent with disabilities**

 **+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**

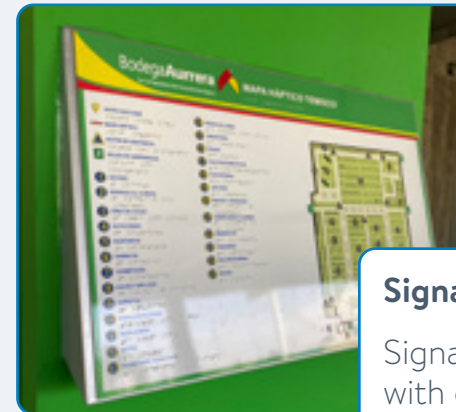
Accessibility and inclusion

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:



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."



Signage in Braille system

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

Haptic maps

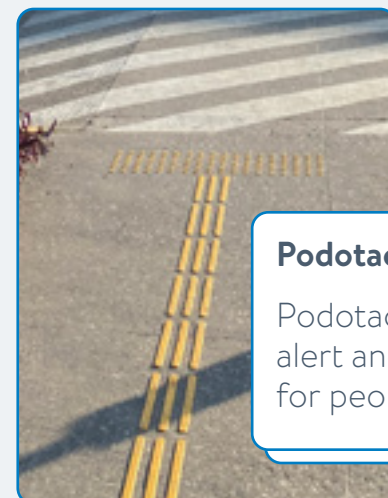
General map of the unit's sales floor and/or restroom configuration, with embossed graphic representations and text in Braille alphabet.

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.

This year we were recognized with the *Distintivo Éntrale* awarded by the Alianza Éntrale and the Mexican Business Council, which certifies the best practices for the inclusion of people with disabilities in the workplace.



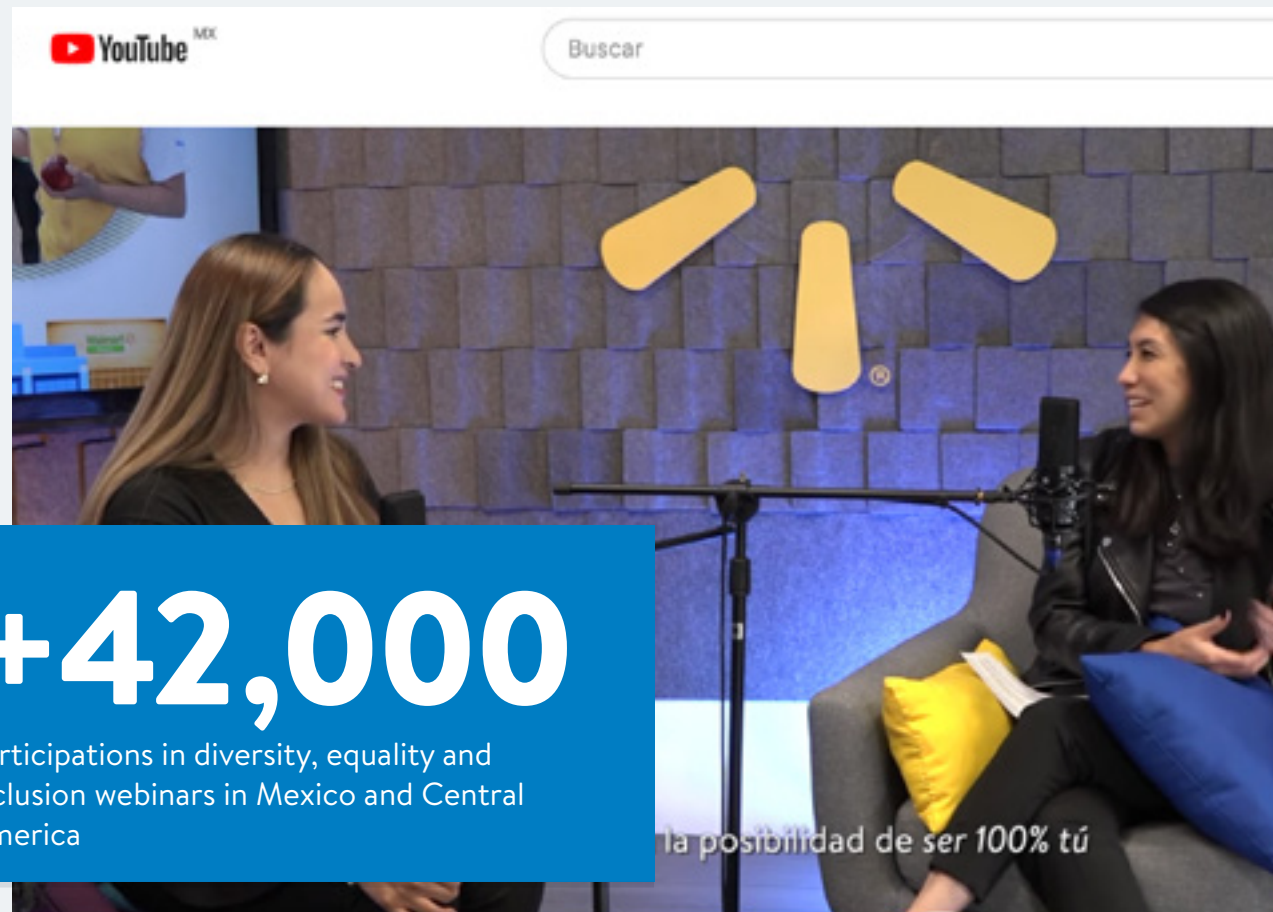
4



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:



+42,000

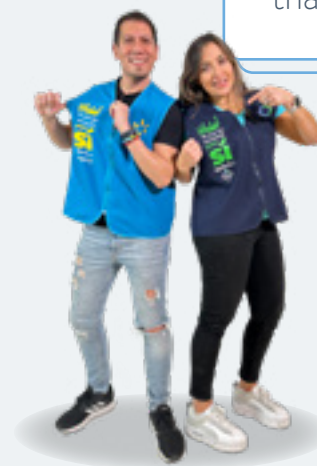
participations in diversity, equality and inclusion webinars in Mexico and Central America

Non-discrimination initiatives and campaigns

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

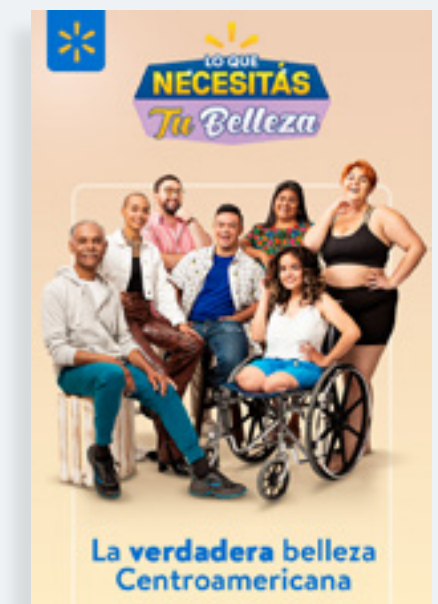
With more than 250 participants in Mexico and Central America, we launched ARGs (Associates Resources Groups), a group of allies that promote inclusive actions.

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.

40,887

suppliers

25,400

Mexico

15,487

Central America

4,948

new suppliers

3,783

Mexico

1,165

Central America

92%

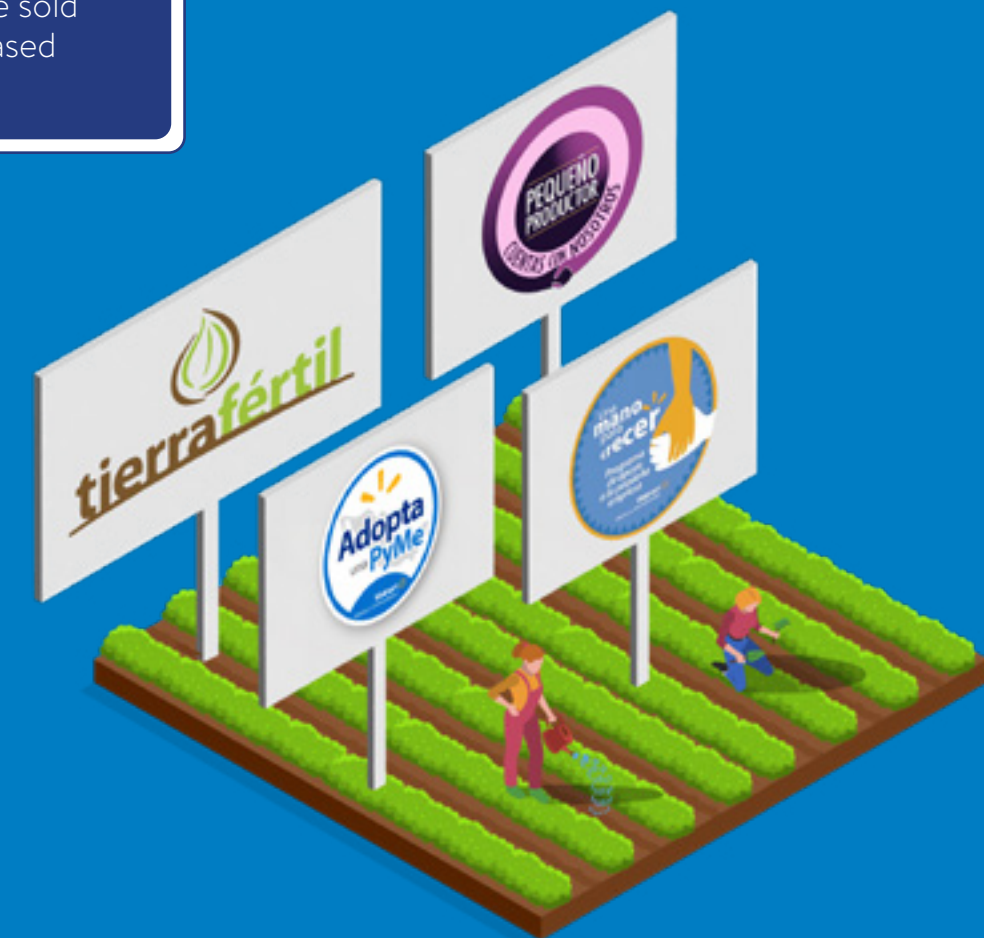
of our suppliers in Mexico are SMEs

83.49%

of the merchandise sold in Central America is purchased within the region

89.12%

of the merchandise sold in Mexico is purchased within the country



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



SELF-SERVICE SUPPLIERS WHICH ARE NATIONAL



SALES ARE FROM NATIONAL SUPPLIERS



Direct purchase from local suppliers of perishables

■ Mexico ■ Central America

SEAFOOD

PURCHASING OF NATIONAL/REGIONAL PRODUCTS

25.52%

32.80%

BUYING DIRECTLY FROM FARMERS

63.55%

11.71%

BUYING FROM SUPPLIERS

54.20%
National

45.80%
Imports

51.08%
Regional

48.92%
Imports



FRUITS AND VEGETABLES

PURCHASING OF NATIONAL/REGIONAL PRODUCTS

87.09%

72.70%

BUYING DIRECTLY FROM FARMERS

50.69%

58.29%

BUYING FROM SUPPLIERS

79.03%
National

20.97%
Imports

75.66%
Regional

24.34%
Imports



Direct purchase from local suppliers of perishables

■ Mexico ■ Central America

MEAT



PURCHASING OF NATIONAL/REGIONAL PRODUCTS

93.23%

54.57%

BUYING DIRECTLY FROM FARMERS

39.06%

24.43%

BUYING FROM SUPPLIERS

99.95%
National

0.05%
Imports

65.29%
Regional

34.69%
Imports

POULTRY

PURCHASING OF NATIONAL/REGIONAL PRODUCTS

91.86%

93.29%

BUYING DIRECTLY FROM FARMERS

91.65%

63.30%

BUYING FROM SUPPLIERS

97.85%
National

2.15%
Imports

76.98%
Regional

23.02%
Imports



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 *Promotoría 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

million pesos in sales

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.





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.

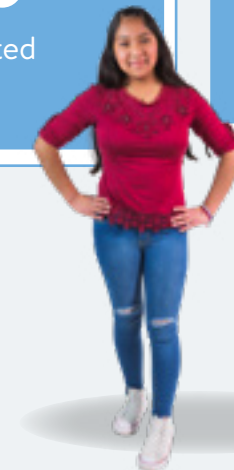
462 SMEs supported



33%
are led by women

11,306
families benefited

7,306
direct jobs

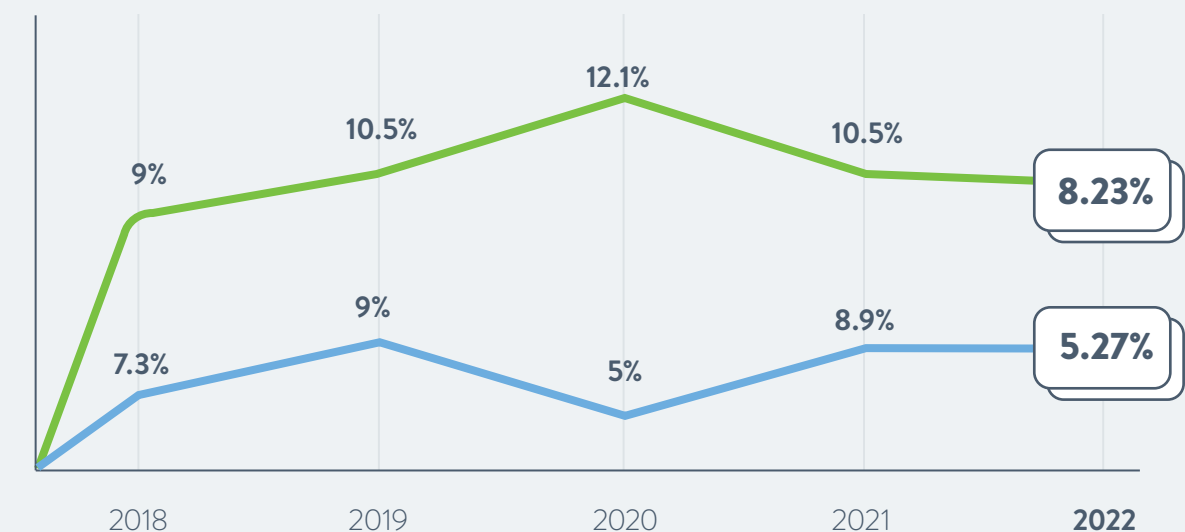


RESULTS OF A HELPING HAND TO GROW PROGRAM

Percentage increase in 2022 vs. 2021

■ Sales

■ Purchases





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:

1

Direct purchase from farmers

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

2

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



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

Fertile Soil Festivals

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

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

Opportunities for SMEs in Central America

Management development for SMEs

In order to improve the competitiveness of SMEs, during 2022 we implemented the **ACTIVATE** 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.

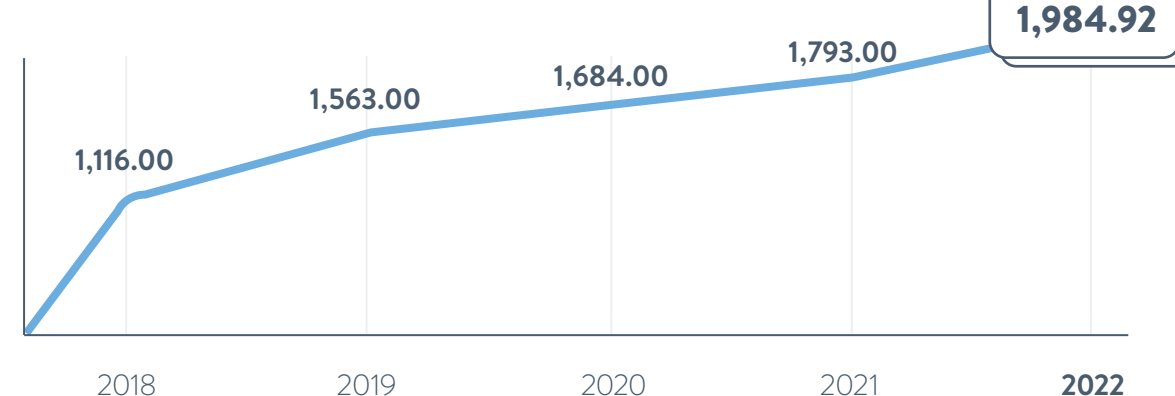
Generating business opportunities

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.

RESULTS OF FERTILE SOIL PROGRAM

Million pesos

Purchases





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:

3,844
farmers benefited

586.31
million pesos in purchases from small farmers

78.90%
increase in income

685
female farmers benefited

7,319
current jobs

26,294.36
tons commercialized

Frutos de la Llanura Costera

Amir Tapia Sánchez

Legal representative
Frutos de la Llanura Costera SPR de RL

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.