

RISK ASSESSMENT

GRI 2-25, 2-26

Each year, Global Audit Services conducts a Risk Assessment following the methodology established by Walmart Inc. and adapting it to the reality of Mexico and Central America

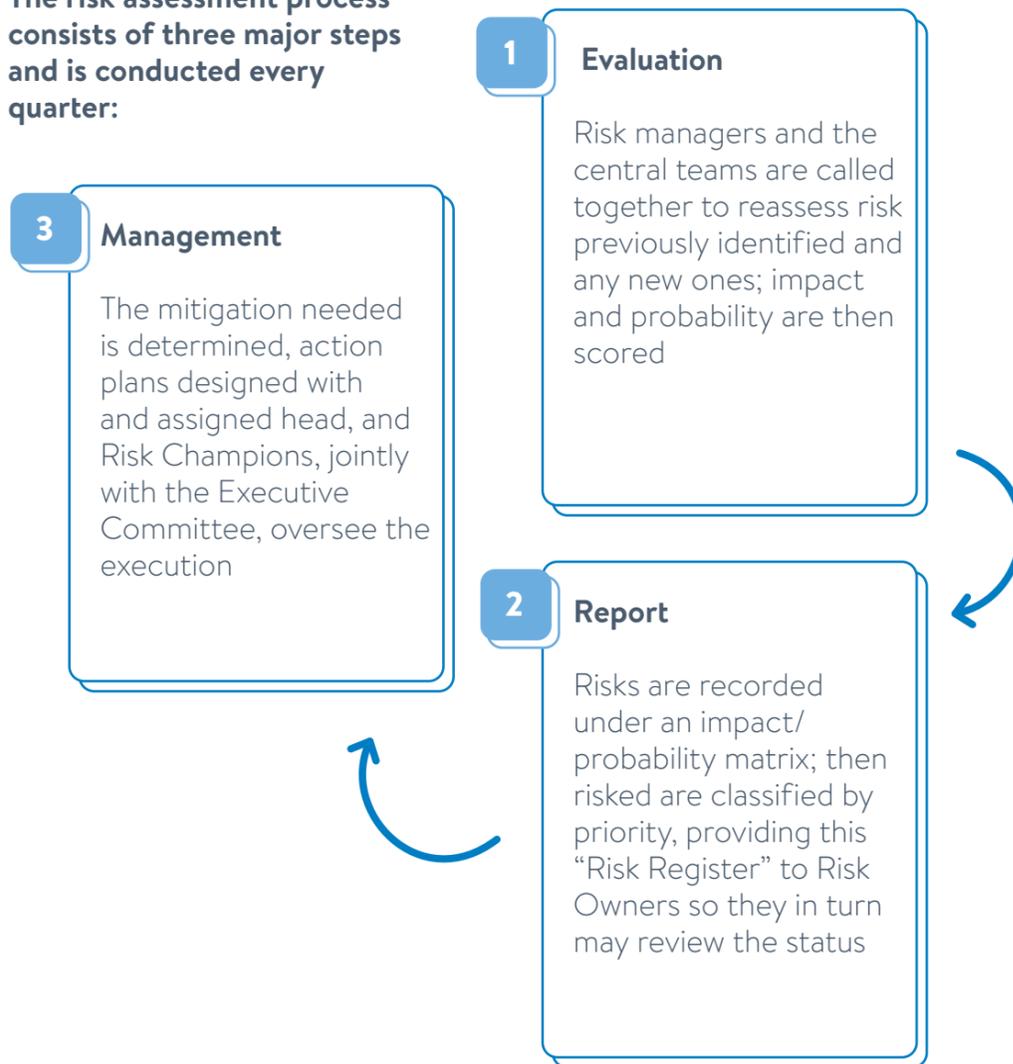
Enterprise Risk Management (ERM)

With every step we take, we strengthen our culture of risk identification and management. At Walmart de México y Centroamérica, through the ERM (Enterprise Risk Management) process, we play a fundamental role in guaranteeing the right balance between risk management and risk mitigation. In this way, we achieve the safe implementation of our strategies, in order to reach our goals despite operating in a highly changing environment.

With our ERM, we work cross-functionally and collaboratively with our teams in Mexico and Central America, facilitating holistic risk management and the exchange of best practices.

Each quarter, we identify and evaluate the inclusion of new risks, updating them according to key and critical aspects. Therefore, rigorous assessment of the inherent and residual probability and impact level that a risk may cause is fundamental. Finally, we invest significantly in mitigation plans to be taken into account on a day-to-day basis.

The risk assessment process consists of three major steps and is conducted every quarter:



LEARN MORE ABOUT OUR RISK ASSESSMENT

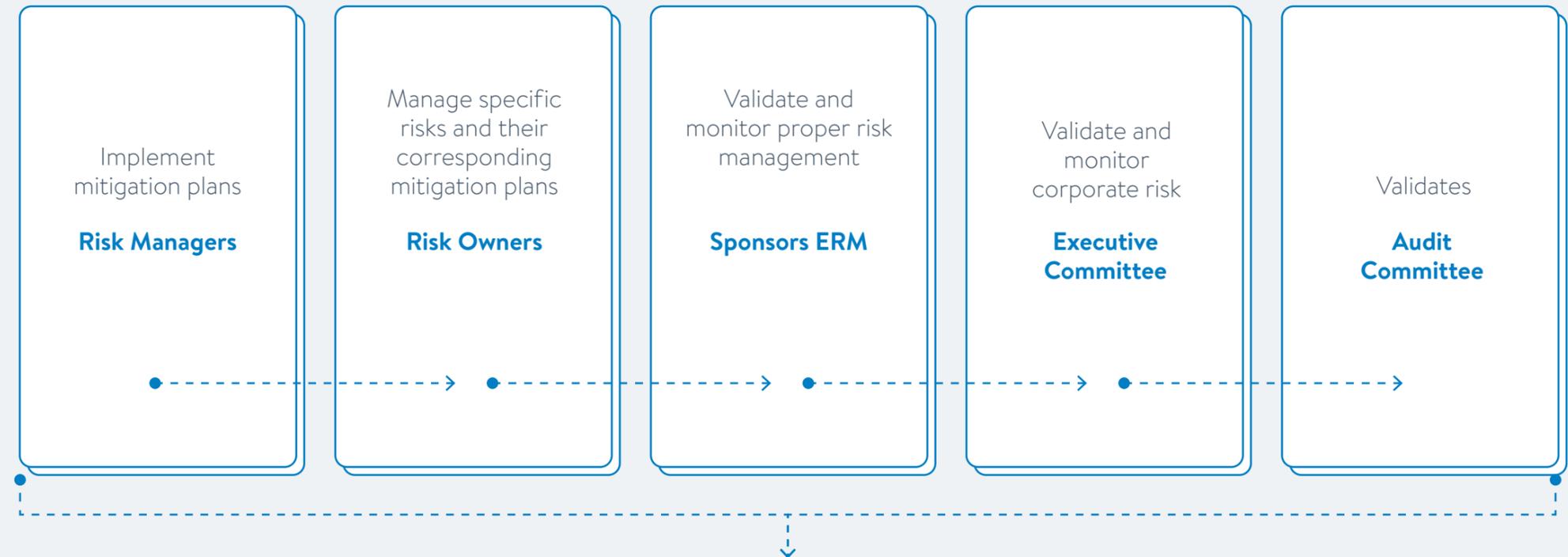


RESULTS
During 2022 we achieved

- To simplify risk registration to ensure an efficient focus on the most critical risks for our company
- To strengthen the collaboration process among our markets, to exchange best practices and maintain local risk management
- To review and strengthen mitigation plans to improve their design, adequacy, clarity of controls, roles and responsibilities

This assessment led to the identification of priority risks in the short, medium, and long terms, for example, the risk of an increase in the cost of doing business and interruptions in the supply chain

The following is an example of the ERM process:



The ERM process considers five categories



*Includes COVID-19 impact and any other natural disaster or cases of force majeure