



OPPORTUNITY

GRI 2-6, 2-7

CUSTOMER FIRST

we foster the
development of our
people and suppliers

237,605

associates are part of
our workforce

50,452

suppliers



OPPORTUNITY

Our actions are focused on creating opportunities that generate trust and promote the development of our associates and suppliers.



Create good jobs and development opportunities for our associates.



Promote belonging, diversity, equality and inclusion.



Develop our suppliers and local economies.



OPPORTUNITY



CREATE GOOD JOBS AND DEVELOPMENT OPPORTUNITIES FOR OUR ASSOCIATES

GRI 2-7

We recognize the value our associates bring to our company's success. That's why we focus on leveraging their talent as a key enabler of our strategy.

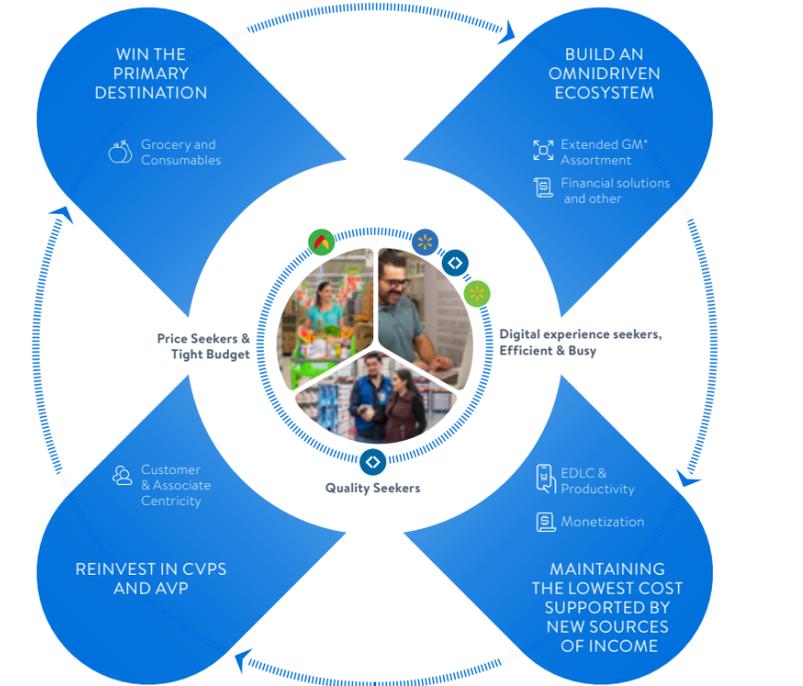
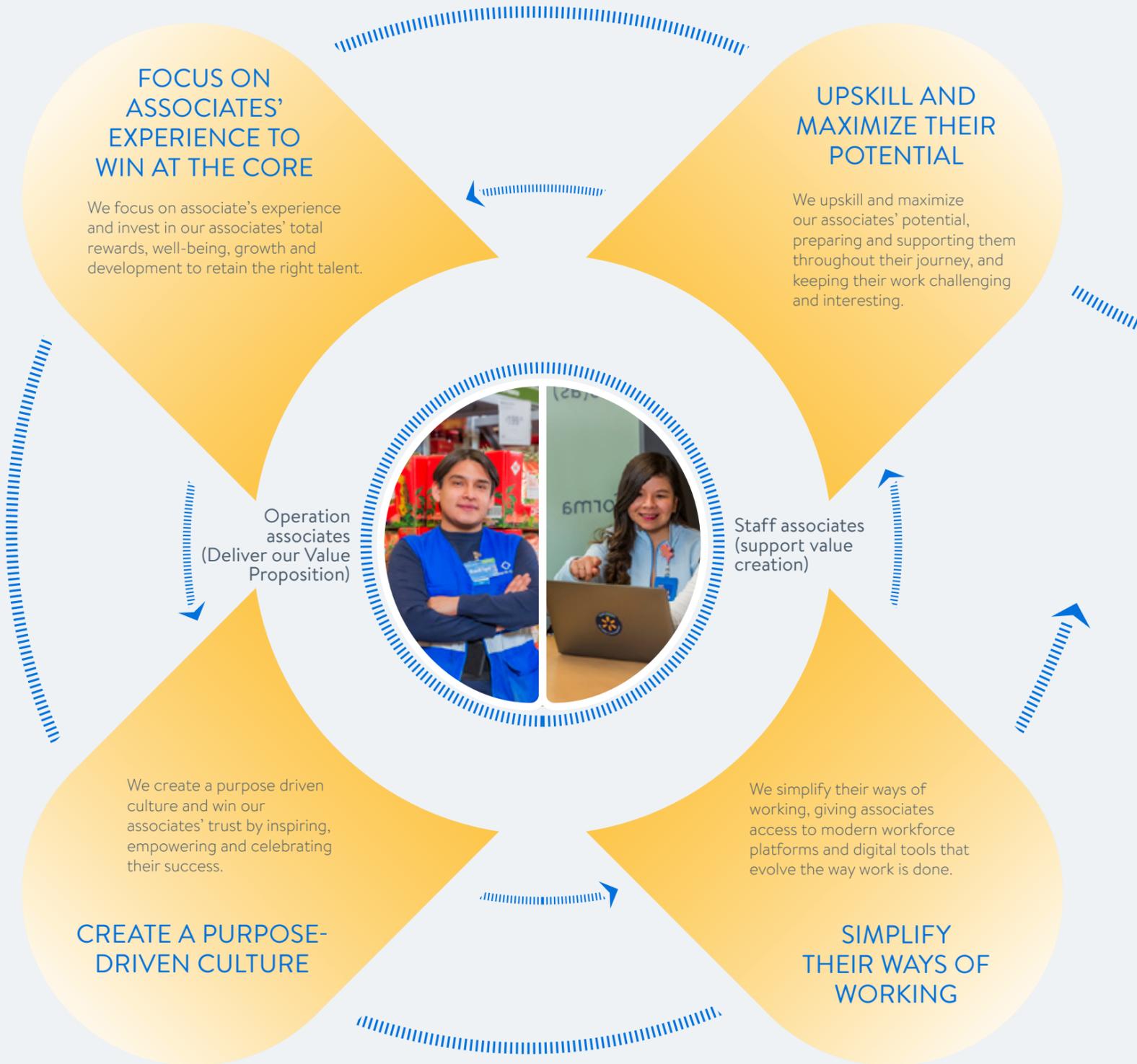




ASSOCIATE FLYWHEEL

One year after its inception, our Flywheel creates a virtuous cycle connecting the value proposition we offer to our customers with the one we provide to our associates.

We strive to empower and prepare our associates throughout their career, keeping their work challenging and interesting. We simplify their work processes by giving them access to modern platforms and digital tools that change the way we work.



*GM: General Merchandise

Building on the Flywheel, we prioritize four key areas to support our corporate strategy:

- 1. Business agility.** We are focused on transforming our processes to improve productivity and reinvest in the business.
- 2. World-class talent.** We identify talent gaps to execute development and retention initiatives.
- 3. High-performing organization.** We foster innovation while providing our associates with a reliable and suitable value proposition.
- 4. Evolution in culture and well-being.** We developed a model to become the employer of choice.



This approach has allowed us to maximize our Associate Value Proposition (“Propuesta de Valor al Asociado”, PRODI), providing a unique experience that promotes Purpose, Challenge, Opportunity, Enjoyment and Inclusion.



#Purpose

We promote our culture through events like the Spark Meeting. In this meeting, our President and CEO shares success stories of our associates and motivational messages, connecting our culture’s values to the company’s purpose.

#Challenge

We embrace agility as a way of working, adopting innovative methodologies to face challenges. This year, we worked on automation to make it easier for our associates to apply for internal positions.

#Opportunity

We empower servant leadership and psychological health at work through leadership certifications. We also provide mentorship and professional development programs to support our associates’ growth as individuals.

#Enjoyment

We prioritize the well-being of our associates by extending our benefits, such as extended maternity leave. We also honored more than 130 associates for their long trajectory and valuable contributions to Walmart de México y Centroamérica.

#Inclusion

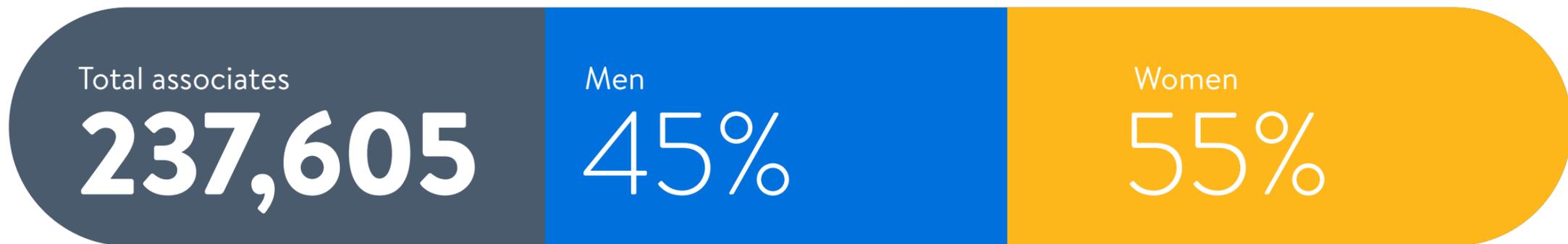
We delivered Sign Language workshops to over 200 associates, and participated in marches to advocate for the inclusion of groups that may face discrimination and marginalization. In addition, 190 suppliers joined the Business Commitment for Diversity, Equality and Inclusion.



OUR TALENT

GRI 2-7, 401-1, 405-1
SASB CG-EC-330A.3, CG-MR-330A.1

We remain committed to attracting, retaining and integrating the best talent.

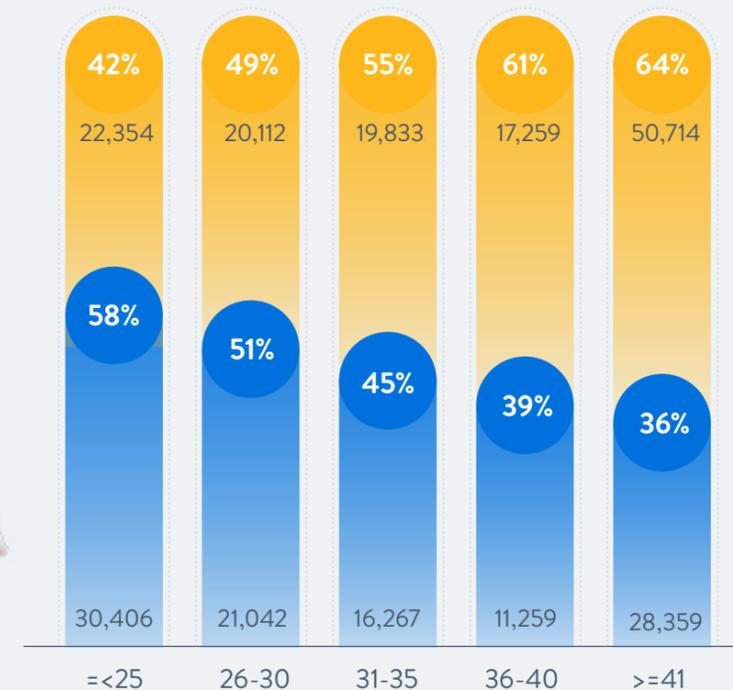


TOTAL ASSOCIATES BY AGE

AGE

Men

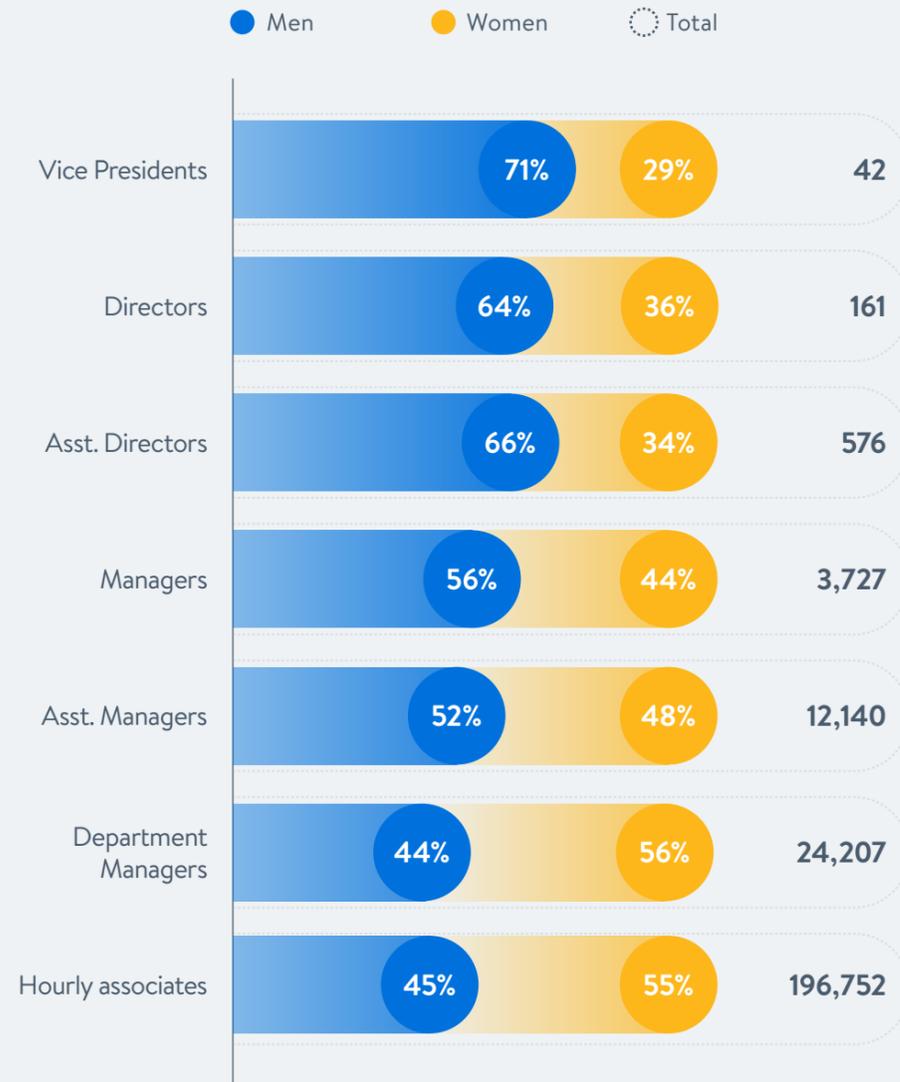
Women





ASSOCIATES BY LEVEL

Mexico and Central America



ASSOCIATES BY GENERATION



1,325

associates with foreign nationality

386
Mexico

939
Central America

4.64

average seniority of associates

4.5
Mexico

5.2
Central America

38.72%

turnover rate

40.18%
Mexico

31.5%
Central America



Mexico associates

GRI 2-7, 2-8, 401-1, 405-1
SASB CG-EC-330A.3

Men Women



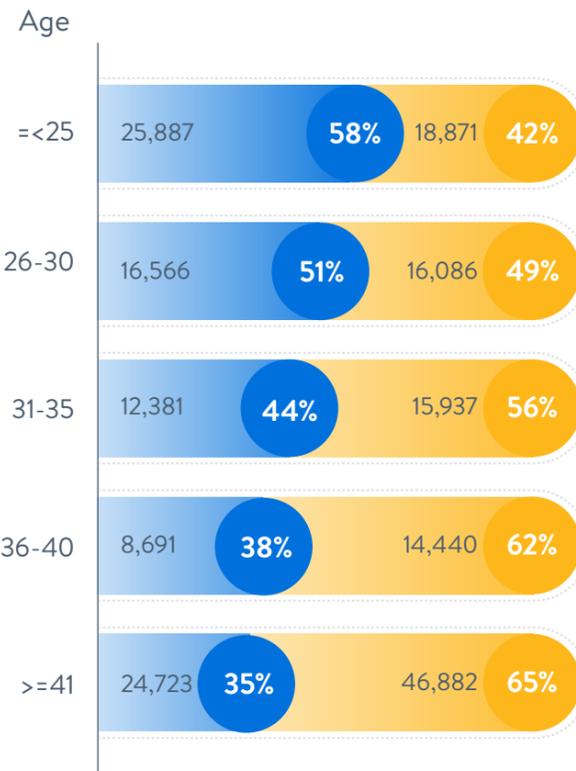
9,325
staff



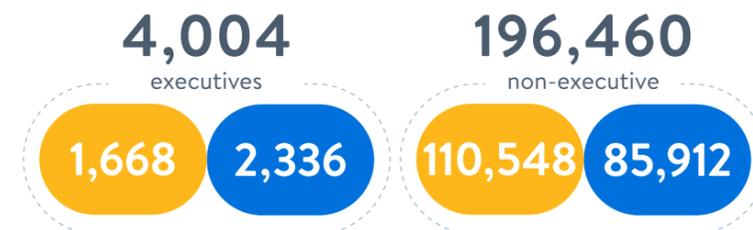
191,139
operations



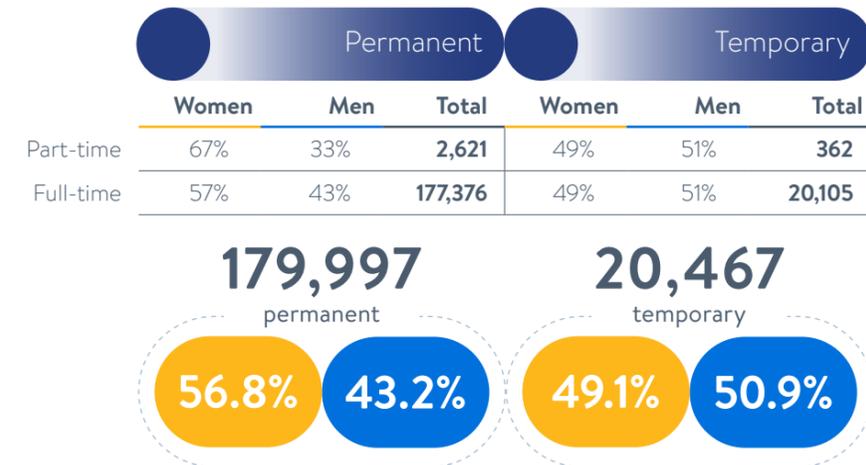
BY AGE



BY LEVEL



BY TYPE OF CONTRACT



NEW HIRES AND TERMINATIONS

	New hires			Terminations		
	Women	Men	Total	Women	Men	Total
=<25	41%	59%	72,749	41%	59%	66,402
26-30	47%	53%	27,570	46%	54%	28,230
31-35	54%	46%	18,620	53%	47%	18,749
36-40	59%	41%	12,802	58%	42%	12,623
>=41	59%	41%	25,926	58%	42%	27,773



*Defined period of time, not necessarily 90 days



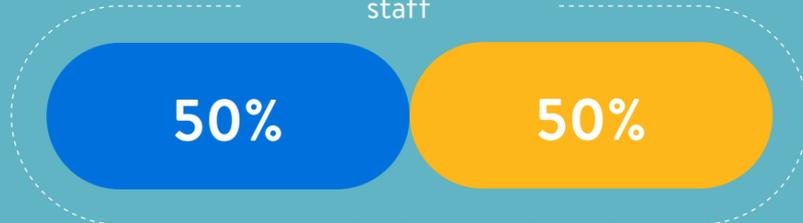
Central America associates

GRI 2-7, 2-8, 401-1, 405-1
SASB CG-EC-330A.3

Men Women



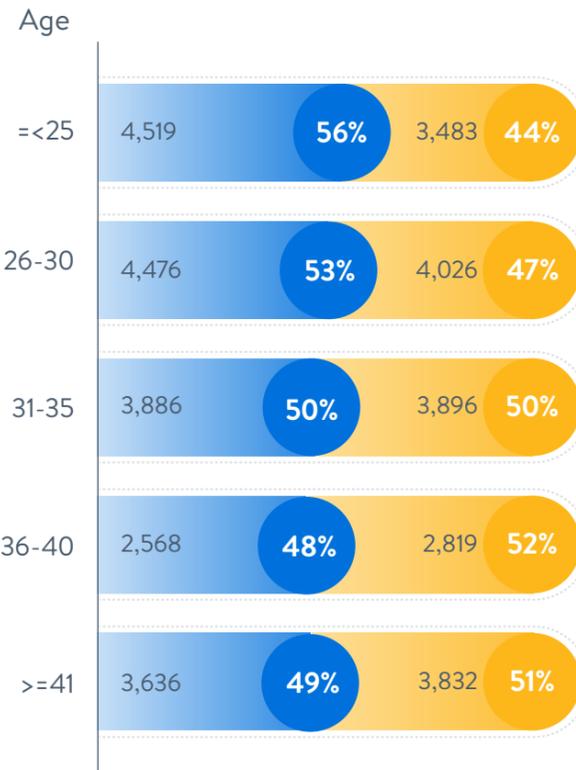
2,293
staff



34,848
operations



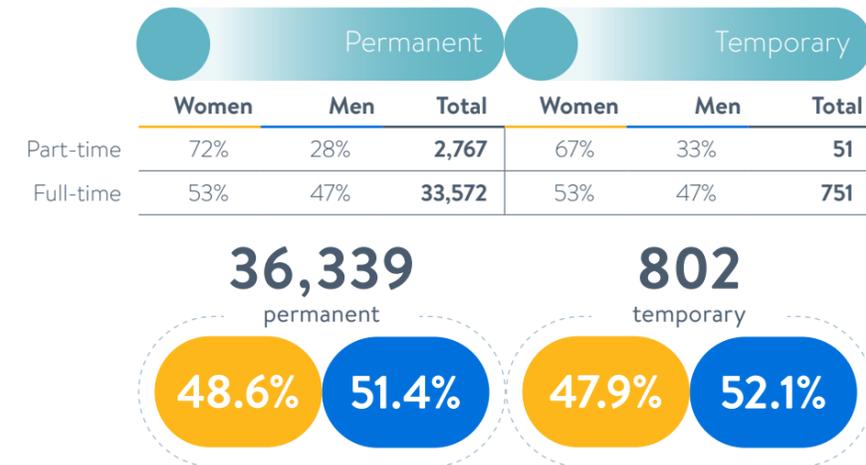
BY AGE



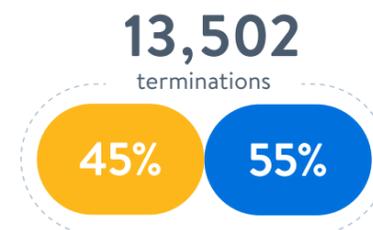
BY LEVEL



BY TYPE OF CONTRACT



NEW HIRES AND TERMINATIONS



*Defined period of time, not necessarily 90 days

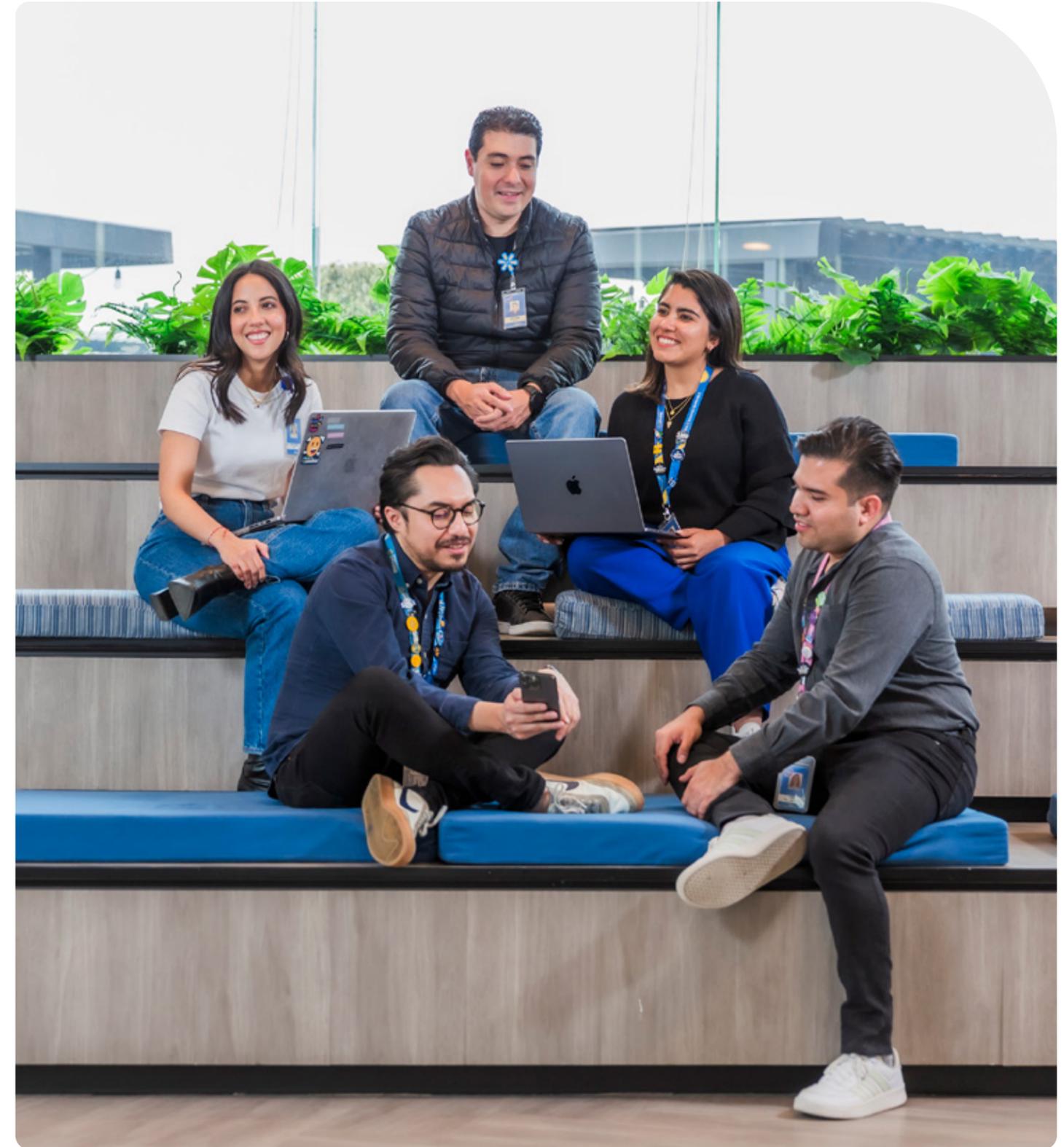


ATTRACTING THE BEST TALENT

The effort we put into digitalizing and automating the recruitment and selection process has changed our hiring procedures, saving time and boosting our competitiveness.

Thanks to our advanced dashboards, we get a complete and detailed view of talent needs. This information helps us make informed decisions and develop tailored strategies for the demanding labor market.

Additionally, at Walmart de México y Centroamérica, we continue to strengthen our position as the employer of choice by drawing in over 13,000 candidates each month through our cutting-edge EMI program, powered by QR codes. This streamlines the recruiting process and saves time.





DEVELOPING OUR TALENT

GRI 404-1, 404-2

We provide opportunities for learning and growth through our training program.

We have established a robust and diverse learning network, ranging from teaching technical skills to cultivating an agile and collaborative corporate culture. Our commitment to continuous growth is the foundation on which our associates can build their full potential.



ASSOCIATES TRAINED*

Mexico and Central America



TRAINING HOURS BY LEVEL*

	Mexico		Central America	
	Person hours	Hours per associate	Person hours	Hours per associate
Vice Presidents (Tribe leads)	99.10	2.8	0.95	0.2
Directors (Tribe leads)	1,304.28	9.2	132.85	4.9
Asst. Directors (Squad leads)	3,779.89	6.9	266.02	4.2
Managers (Squad members)	22,962.52	6.5	4,000.76	9.3
Asst. Managers (Squad members)	70,110.11	5.6	5,386.35	7.5
Dept. Managers (Squad members)	375,384.50	14.7	24,206.80	9.3
Hourlies (Squad members)	3,819,480.74	15.8	128,493.05	3

* This data considers active and non-active associates as of December 31, 2023.



We created a broad array of courses in 2023 with the goal of advancing leadership, fostering professional development, and strengthening education as the mainstay of our progress as a Regenerative Company.



Development programs

Mexico and Central America



Leadership Certification

We provided in-person and virtual training to more than 4,000 associates in Mexico and Central America to develop their leadership competencies for the future.



Compensation and benefits certification

We certified our team in compensation and benefits, seeking to standardize knowledge and update key topics using Mercer as our strategic partner.



Harvard Manage Mentor® and Harvard Manage Mentor Spark®

We provided more than 16,000 associates with licenses to access these well-known platforms, offering more than 24,000 courses in management, leadership, strategy and business skills.



Looker Tool Certification

In line with our data-driven approach, we certified Finance associates in the use of the Looker tool, strengthening their skills to efficiently generate and interpret data, optimize our processes and access information.

DEVELOPMENT PROGRAMS IN MEXICO



Sustainability

We digitally trained 2,000 associates on Circular Economy issues, providing them with knowledge on innovative production and consumption models.



Self-Service Management Certification

We develop technical competencies and soft skills in self-service store managers. A 12-week digital program focused on “Centros de Excelencia 2.0” (Centers of Excellence 2.0), aimed at improving operational and service indicators through in-store action plans.



Every Day Low Prices

We strengthened the Every Day Low Prices (EDLP) philosophy among leaders and associates, training more than 119,000 associates. We seek to integrate and embed the EDLP culture into day-to-day operations by developing key competencies.



Fintech

We successfully promoted a specialized program for developing the skills needed to lead digital transformations in the financial sector.



Living the Operation

We provide our new staff associates with an in-depth knowledge of the company, making them aware of how our operation works and enabling them to make strategic decisions through guided visits to our stores and Distribution Centers.



Omnichannel Customer Care Agent Multi-Format

It allows agents to be prepared to take calls from any business, which significantly improves customer satisfaction.



“Brazo Escuela” (Arm School)

This initiative was first implemented in two of our Distribution Centers in Mexico: Chalco and Guadalajara. The primary objective was to provide practical instruction to our associates on how to operate the arms of the sorter, a machine with a conveyor belt over 2.5 kilometers long that can automatically sort an average of 200 boxes.



Trainee Category

We provide operational training to new associates. The program aims to prepare them for more specialized roles at the end of training by providing them with theoretical and practical experience, such as the opportunity to present projects and solve cases, consequently enhancing their abilities to execute their duties.



Super functional

A program designed specifically for newly hired self-service associates that provides the fundamentals of blending into our corporate culture while also gradually teaching them new skills and knowledge that will allow them to efficiently follow different processes.



Agility

We have enhanced organizational agility with our Pillars of Transformation course, reaching more than 650 associates in different areas. We build team management abilities through in-person workshops and creative learning approaches, which allows our associates to recognize and overcome challenges while rapidly and easily developing useful solutions.



Centralized onboarding

The course provided new associates with the necessary knowledge for proper integration into the company. We trained more than 8,700 operations associates.



“Fénix Aprende y Crece” (Phoenix Learn and Grow)

We launched the program for assistant managers, focusing on the development of key talent. The objective is to improve strategic competencies, leadership, innovation, and data-driven decision making to prepare them for future short- and medium-term challenges.



Sam's Perishables

Introducing the Fresh Institute, aimed at preserving the freshness and quality of perishable products at Sam's Club, while also ensuring optimal service to members through the identification and execution of key processes.



Sam's Omnichannel

We developed key technical skills for the omnichannel process, with the help of more than 1,300 associates.

DEVELOPMENT PROGRAMS IN CENTRAL AMERICA



eCommerce

We created this program to train the eCommerce team in Central America, covering everything from basic eCommerce knowledge to skills related to technology, logistics, digitization and marketing.



“Asociado de Excelencia” (Excelling Associate)

The program focused on transforming, developing, and retaining talent in perishables, adopting an end-to-end business perspective. This positioned perishables as an aspirational area, exceeding our customers’ expectations by providing a superior experience.



Kairos

We conducted country-specific trainings to provide key technical knowledge to associates based on their strategic roles within the company. Over 17,000 associates completed the training.



Lean Retail

This program provided a hands-on approach and understanding of basic Lean Six Sigma methodologies, supporting projects and daily performance routines.



Prometeo

This program trained associates in Central America on how to transform business operations in stores, using new technological tools to improve efficiency, indicators and generate value for the business.



Sign language

After 10 weeks of intensive training, associates are certified in sign language so that they can communicate in a basic way with hearing impaired people.



Digitalization

Program to simplify store operational processes using digital tools.





Developing leadership skills

We focus our efforts on strengthening leadership within our company. We provided a specialized accreditation in servant leadership and psychological safety for over 3,000 associates. We consolidated leadership behaviors at all stages of the associate cycle through the 360 comprehensive campaign. We strengthened our Mentorship program by establishing an internal mentor pool to help our associates grow professionally. In addition, we strengthened our “Red Crecemos Juntas” (Growing Together Network) to promote gender equity and women’s development. Additionally, we successfully adopted SAP SuccessFactors, which improved our talent management and streamlined operations.

We promoted “Perspectiva Decide” (Decide Perspective), an interactive and gamified experience that enables each associate to take control of their own development. It provides tools for individuals to enhance and acquire abilities that will allow them to become change agents.

We aligned our associates’ personal goals with those of the company. Our approach is based on two fundamental pillars:

“Yo Soy Cambio” (I am the Change): we drive individual and collective change in key areas such as digitalization, talent development, productivity, culture and customer experience.

Strengthening skills for change: working with over 200 influencer associates, and change leaders across different teams, we developed a support and strategic network model. Its objective is to motivate all our associates and raise awareness about the importance of change.



EduWalmart

We helped our associates continue their personal and professional growth by resuming and completing their education from elementary school to bachelor’s degree. In 2023, we awarded 2,475 scholarships, totaling a 28.5 million pesos investment.

+2,400

associates from our different formats completed their junior high school, high school or bachelor’s degree studies



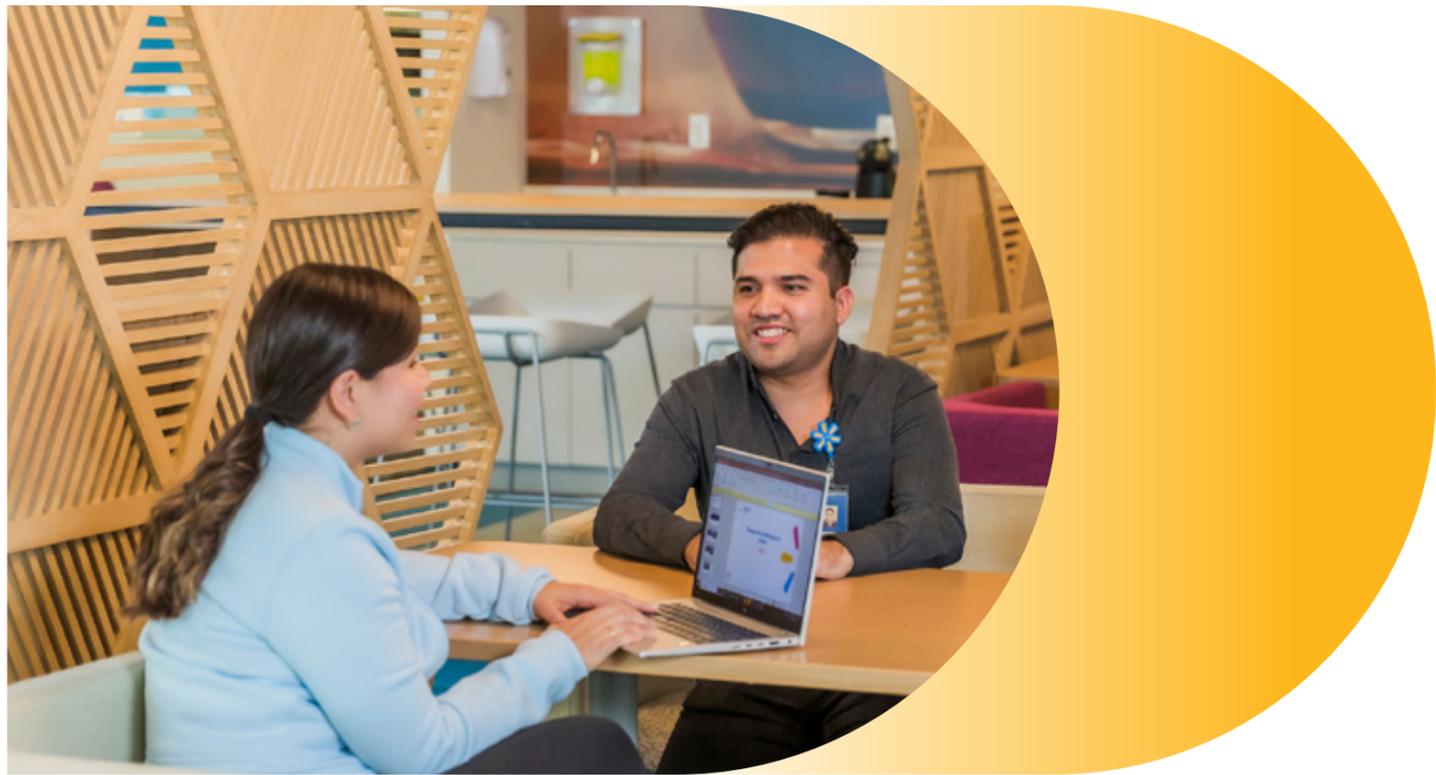
Associate evaluation

GRI 404-3

We employ a comprehensive evaluation method that focuses on the development of competences and goal achievement, and we use a scale of three classifications—exemplary, successful, and opportunity—to evaluate our associates in Mexico and Central America.

We conduct powerful conversations between leaders and associates to provide constructive feedback. We assessed four important behaviors: embodying our values, meeting customer needs, adapting to change, and putting associates first, in addition to the accomplishment of previously established objectives.

Results and competencies are equally important and vary depending on the associate’s level. In addition to assessments, we have a calibration process that helps associates understand how their behaviors are perceived and prepare them for more challenging roles.





WE LISTEN TO OUR ASSOCIATES

SASB CG-EC-330A.1

Listening to their opinions and understanding their needs is essential to us. Our “Walmart te escucha” (Walmart listens to you) program allows us to know first-hand the opinion of our associates regarding their experience in the company.

The program is divided into stages, during which we invite 100% of our associates to engage in two surveys:

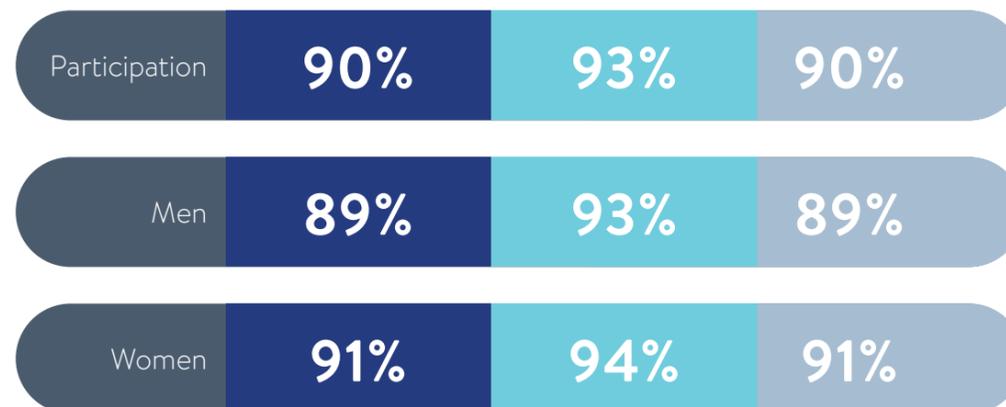
- Engagement
- Feedback to your leader

In order to learn about their thoughts, suggestions, and perceptions. It is important to note that both surveys are strictly confidential and completely voluntary.

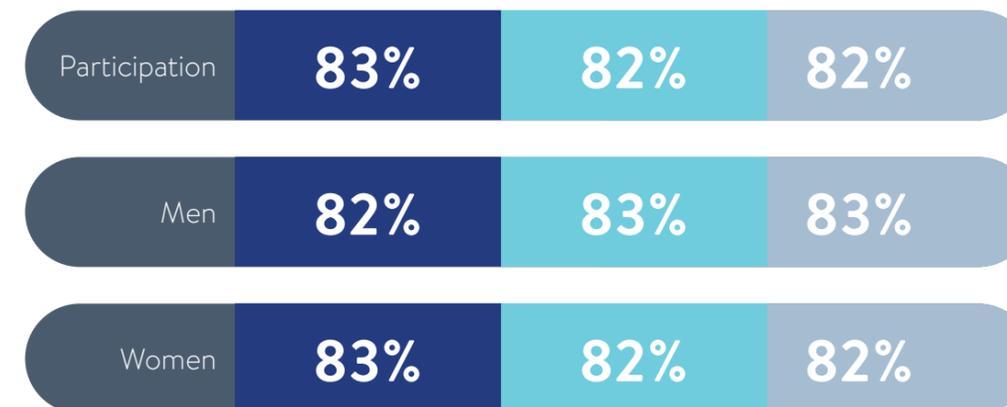
In 2023, the Engagement Index stood at 90%, the best in our history.

● Mexico ● Central America ● Mexico and Central America

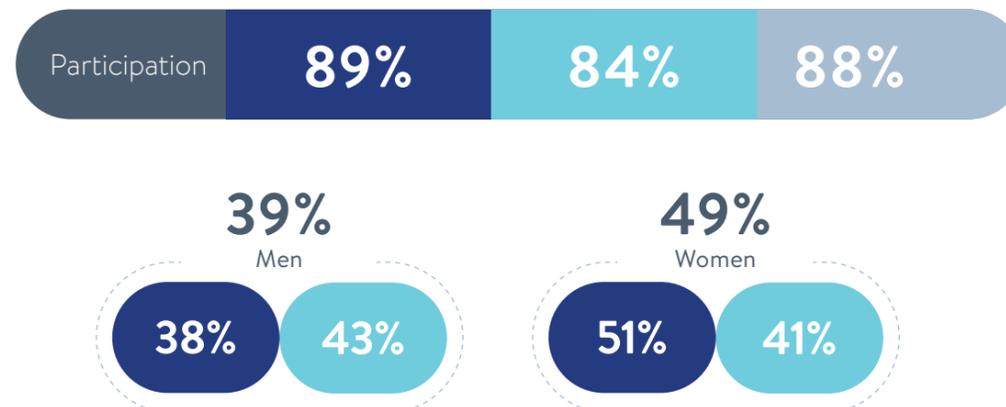
ENGAGEMENT SURVEY



FEEDBACK TO YOUR LEADER SURVEY



ENGAGEMENT INDEX





WORK-LIFE BALANCE

GRI 201-3, 403-3, 403-6

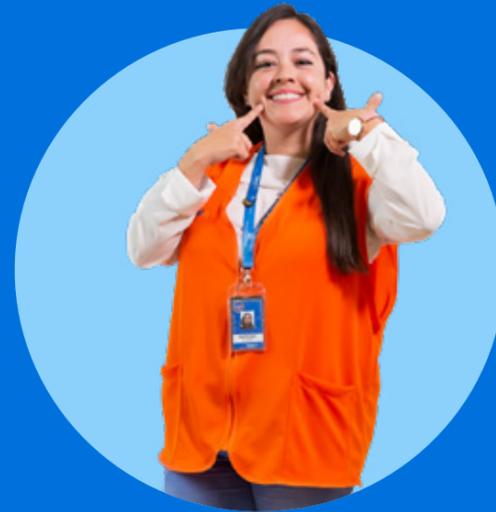
We value our associates' well-being and offer competitive salaries, benefits and working conditions to create a healthy work environment and work-life balance.

In Mexico and Central America, we run a variety of initiatives aimed at our associates' overall well-being, including programs to care for their emotional, physical, financial, and nutritional health.



ASSOCIATE WELLNESS

- Wellness Week: stress management, partner relations, emotional intelligence.
- Second Wellness Week: focused on emotional well-being during the holiday season.



PHYSICAL HEALTH

- Wellness Day for staff associates.
- Preventive Health Week: general check-ups, ophthalmic check-ups, nutrition, massages.
- "Cuida tu salud, vive mejor" (Care for your health, live better) campaign: dental cleanings, check-ups.
- Diabetes screening campaign: glucose testing.
- Hypertension screening campaign: blood pressure screening.
- COVID-19 screening tests.
- Breast Cancer Day: trainings and mammograms.
- 11,250 influenza vaccines administered.
- 6 breastfeeding rooms in corporate offices for staff associates in Mexico.
- 296 breastfeeding rooms in our units for operations associates in Mexico.

Medical attention and consultations

- 14,000 associates received medical attention and consultations in our stores' doctor's offices.
- 3,028 psychological consultations.
- 5,184 nutrition consultations.
- +450 doctor's offices in corporate offices, Distribution Centers and stores in Mexico.

FINANCIAL HEALTH

- Financial Health Week: personal finance webinars.
- Retirement Week: tools for the retirement process.



NUTRITIONAL HEALTH

- Nutritional Health Week: webinars, physical and mental activation sessions, and support from a nutrition influencer.





Benefits

GRI 201-3, 401-2

- Basic check-up at low prices for associates and family members.
- Comprehensive Health Membership: includes accidental death life insurance, medical service discounts, financial, psychological, legal and veterinary assistance, among other benefits.
- “Membresía Más” (More Membership), designed to offer our associates and their families: more health, more mental wellness, more financial stability and more care for their families.
- Funeral assistance.
- Emergency ambulance service.
- New coverages included in fertility/sterility treatments and egg freezing.
- Welcome kit for associates experiencing parenthood.
- Extended maternity benefits: two months in addition to the three months of leave required by law, for a total of five months with pay, among other advantages.

WELLNESS AREA

We created a space for our staff associates, where they could find a wide variety of services, including massages and dry cleaning, health fairs and medical attention from an insurance company, as well as supplier fairs and much more.



ACKNOWLEDGED FOR FOSTERING HEALTHY ENVIRONMENTS

We are proud to announce that, within our first year of participation, we been awarded the International Well Building Institute’s Wellbeing Certification. This certification highlights our commitment to the health and well-being of all of our associates. It assesses physical and mental health, work environment, and other elements that affect well-being.



BENEFITS PLATFORM

Through our partnership platform, we offer savings of up to 70% on a variety of items and services, including automotive, beauty, technology, and home.



TO LEARN MORE ABOUT THE BENEFITS FOR OUR ASSOCIATES, CLICK HERE





Integral Assistance Program (“Programa de Asistencia Integral”, PAI)

Through PAI, we provide comprehensive emotional, legal, medical and nutritional support to our associates and their immediate family members, including partners, parents, children and siblings.



15,156

calls related to:

60.76%
psychological attention

9.90%
legal attention

2.20%
nutritional attention

24.50%
medical attention

0.80%
general information

1.20%
veterinary attention

0.64%
financial attention





Work flexibility

GRI 401-3

We recognize the value of work flexibility for our associates throughout Mexico and Central America. We provide a variety of leave alternatives and schedule accommodations to help our teams:

Working hours:
We create schedules that promote a positive work environment and improve the quality of life.




Special leaves:
We provide five months of maternity leave and 25 days of paternity leave, which exceeds the Mexican legislation. In Central America, licenses comply with social security regulations.

In addition, we offer postnatal leave, additional weeks of normal leave, and flexible schedules for fathers and mothers during the first month.

Flexible schedules:
Our staff associates can arrange their working hours to enjoy shorter Fridays. We also offer fixed shifts during the breastfeeding period, specific schedules for students and transfers to improve quality of life.

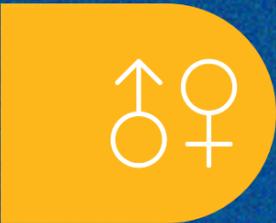



Hybrid-flexible work:
The hybrid-flexible work model has brought benefits for our staff associates such as strengthening a culture of trust and commitment, balancing work and family life and streamlining communication between work teams, among others. Our associates are currently able to work remotely two days per week and come into the office three times per week.

Special Case Support:
In adoption or surrogacy cases, associates can take one week off prior to the baby's arrival. In an emergency, such as maternal death or baby hospitalization, parents may modify their leave to care for their family.



[Click to consult the policy](#)



FOSTERING BELONGING, DIVERSITY, EQUALITY AND INCLUSION

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

In order to demonstrate our strong commitment to diversity, equity, and inclusion throughout the region, we take measures that benefit our associates, customers, suppliers, and the communities in which we operate. Our strategy is based on four pillars:

- 1. Gender equality
- 2. Sexual orientation and gender diversity (LGBT+)
- 3. Talent with disabilities
- 4. Non-discrimination

Click to consult the policy



DIVERSITY, EQUALITY AND INCLUSION ADVISORY COUNCIL

Our Diversity, Equality and Inclusion Advisory Council is made up of operations and business leaders from Mexico and Central America, with the purpose of consolidating inclusive strategies in our organization.

We have policies in place that strongly support our culture of diversity, equity and inclusion, banning all forms of discrimination.

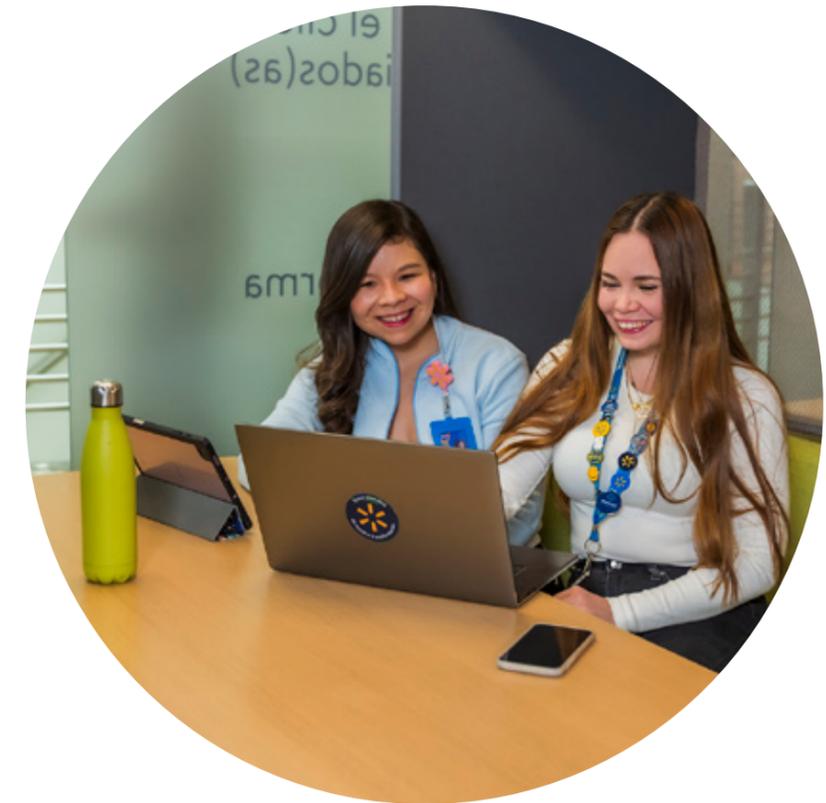
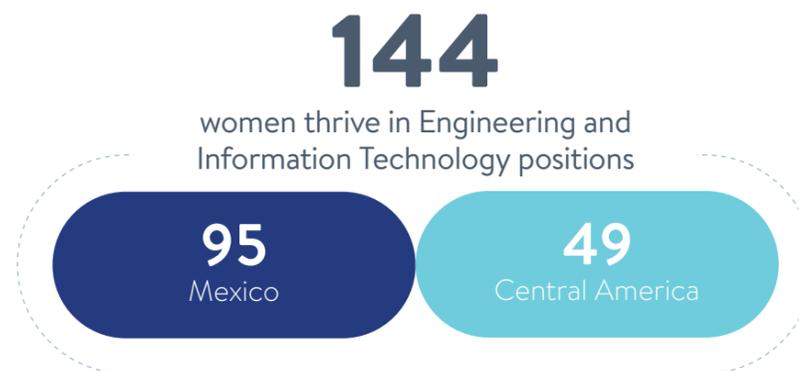
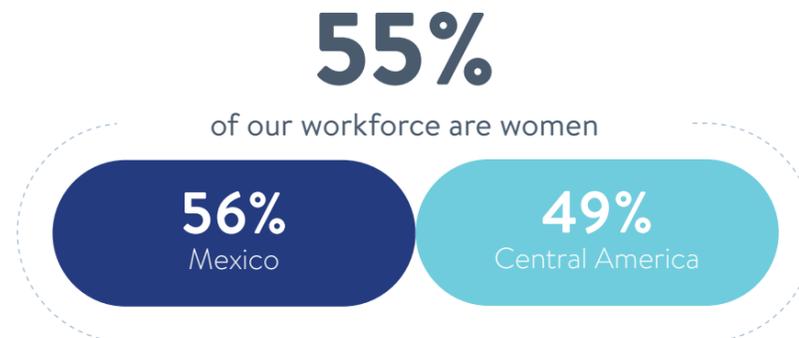
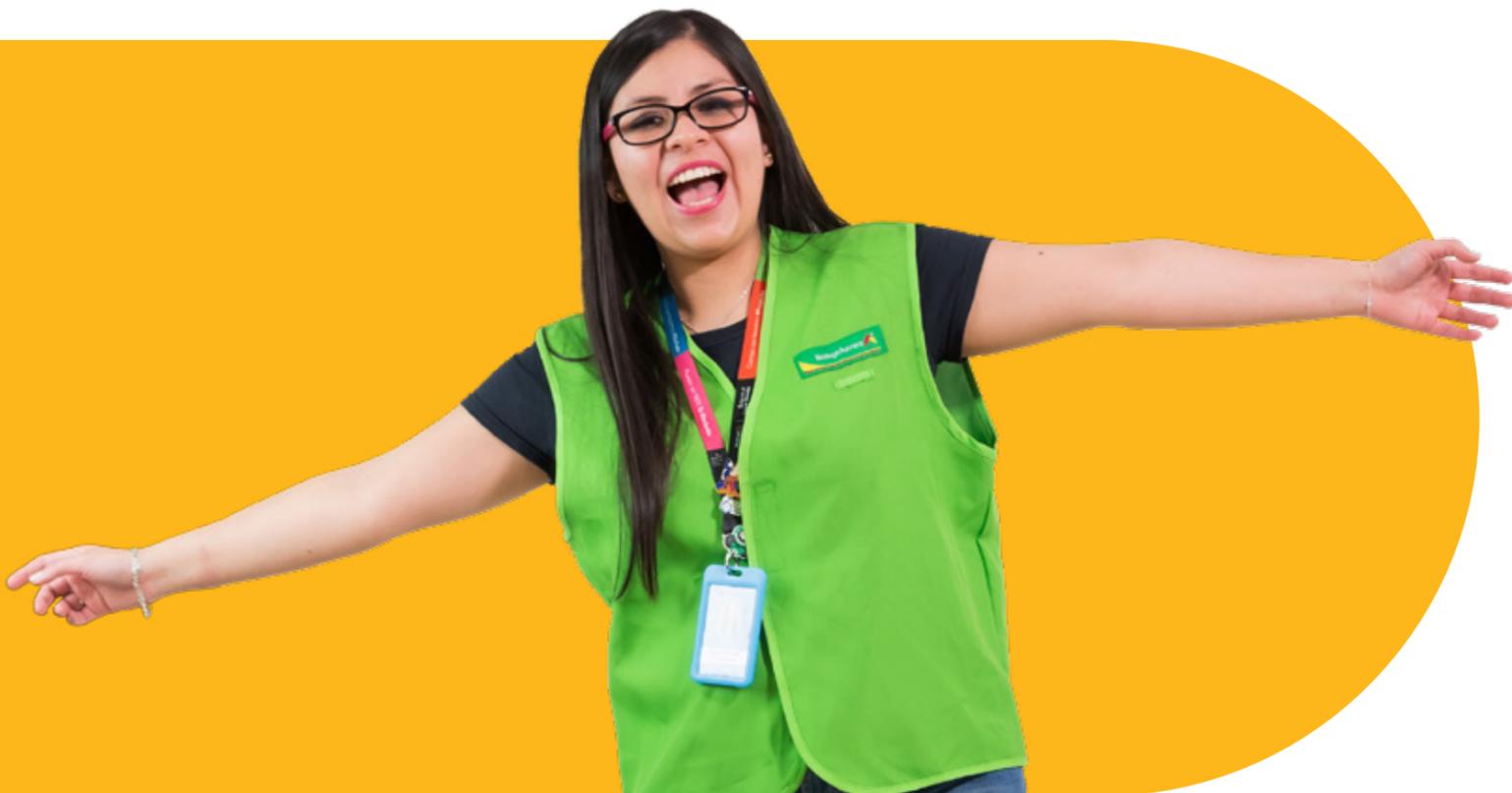
- Code of Conduct
- Remuneration Equality Policy
- Global Harassment and Discrimination Prevention Policy



GENDER EQUALITY

GRI 404-3

We promote respect, equal opportunity and an inclusive environment for our associates, which leads to excellent performance.



We recognized over 900 women in March, a month dedicated to celebrating women, by reiterating our commitment through conferences, panels, and mentoring initiatives.

Our “Red Crecemos Juntas” (Growing Together Network) has managed to bring together more than 400 women in an environment of collaborative growth.

Our +10 million reach on social media has allowed us to spread the word about our commitment to equity and consolidated a movement for equality.



SEXUAL AND GENDER DIVERSITY (LGBT+)

At Walmart de México y Centroamérica, we encourage respect for differences and value diversity. We constantly work to build a safe environment where our associates can be completely authentic.

We highlight the importance of promoting the inclusion of the LGBT+ community. We have a total of 11,680 LGBT+ associates across the region¹. We strive to create an environment in which each individual feels valued and respected to be, grow and belong.

During June, LGBT+ pride month, we carried out different awareness and education actions to promote inclusion:



For the seventh consecutive year, we have been certified by the Human Rights Campaign, being recognized as one of the best places to work for the LGBT+ community, obtaining a perfect score in the evaluation.

Webinars on relevant topics such as “*El Closet Laboral*” (The Workplace Closet) and “*Etiquetas e Identidades*” LGBT+ (LGBT+ Labels and Identities).

Unveiling of the LGBT+ flag at our corporate headquarters, crosswalks and at all our Distribution Centers.

Participation in on-site marches, with more than 450 attendees in Guadalajara, Monterrey, Culiacán and Costa Rica.

Virtual March in Mexico and Central America.

We performed significant volunteer work in the Trans community, delivering 90 cleaning and personal hygiene packages to prison centers.

Participation in the Pride Connection Summit.

¹ Associates self-identify for statistical purposes only and do so voluntarily.



TALENT WITH DISABILITIES

GRI 405-1



In Mexico, we have received the **Éntrale** Distinction for the fifth consecutive year, thanks to our commitment, inclusive policies and processes for people with disabilities. This recognition is granted by the **Alianza Éntrale** and the Mexican Business Council.

Throughout 2023, we implemented a number of programs focused on engaging people with disabilities in our workforce, giving them opportunities to integrate into the organization and advance professionally.

2024 GOAL:

Increase our talent with disabilities by

3.8%

in Mexico and 4.9% in Central America



8,539

associates with disabilities

6,765
Mexico

1,774
Central America

BY GENDER

59%
Men

41%
Women

60%
Men

40%
Women

TYPE OF DISABILITY*

Motor	2,904	511	3,415
Hearing	1,365	658	2,023
Intellectual, mental or psychosocial	1,053	150	1,203
Visual	808	119	927
Multiple	245	0	245
Language or speech	390	22	412
Other**	0	314	314

* Associates self-identify for statistical purposes only and do so voluntarily.

** In 2023, the "other" category was opened, which considers disabilities different from the previous ones in Central America.

In Central America, we had over 15 groups teaching Mexican and Costa Rican sign language lessons. We work with foundations like **Yo puedo** and **Juntos** in Mexico, as well as **Vos** in Central America, to help the integration of our talent with disabilities.



Accessibility and inclusion

We promote accessibility and inclusion for our associates with disabilities in our stores, offices and Distribution Centers, as well as in our eCommerce platforms. We provide specialized infrastructure including:



Adapted furniture: checkout counters with accessible sections designed for people with disabilities.



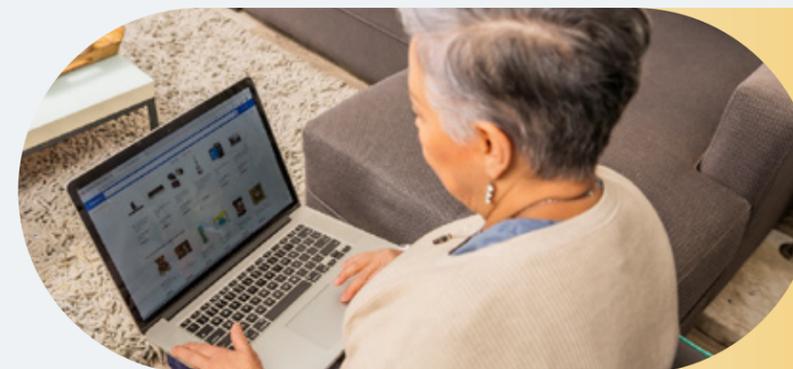
Assistance button: a wireless device connected to associates' portable radios that emits a predefined signal to request assistance in specific areas for people with disabilities.



Podotactile floor: tactile guides indicating direction and shifts for the visually impaired.



Signage and haptic maps: graphic representations in relief and Braille text detailing the layout of spaces, including sales floors and restrooms.



Accessible eCommerce: our eCommerce systems provide accessible sections for people with disabilities.



NON-DISCRIMINATION

GRI 406-1

Non-discrimination is not merely a value; it is also how we operate. We strive to create an environment where everyone feels valued, respected and appreciated, recognizing that true strength lies in our diversity and our commitment to equality.

Over 190 suppliers have joined our Business Commitment for Diversity, Equality and Inclusion, benefiting more than 800,000 employees through these valuable initiatives. At our Mexico-Central America Supplier Summit, we awarded the most inclusive suppliers for the first time, with PepsiCo, Nestlé, Procter & Gamble, and 3M standing out for their dedication.

Our commitment to inclusion and diversity extends even to our marketing initiatives. Throughout the year, we created inclusive campaigns in Central America to ensure diverse representation and engage these audiences.

Equal Pay Policy

GRI 2-20, 202-1, 405-2

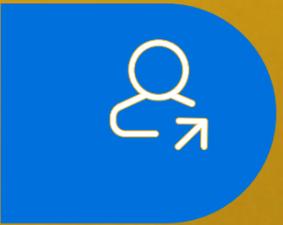
At Walmart de México y Centroamérica, we are committed to equal pay for all our associates, without discrimination based on gender, age, religion, sexual preference or political ideology.



[Click to consult the policy](#)

To meet this commitment, we focus on:

- Guaranteeing equal pay based purely on individual performance and achievements, with annual evaluations taking into account seniority and adherence to successful practices.
- Exceeding the minimum wage established by the authorities.
- Promoting equal pay for men and women.
- Implementing effective internal equal pay policies.
- Driving strategies and programs to identify, develop and retain diverse talent at all levels of the company.
- Increasing transparency and communication within the remuneration structure.
- Ensuring access to social security for all our associates.



WE DEVELOP OUR SUPPLIERS AND LOCAL ECONOMIES

GRI 2-6, 204-1
SASB FB-FR-000.C, FB-FR-000.D

We are a constantly growing company, which allows us to connect our suppliers with more than 6 million customers and members, either in our brick and mortar stores or through our eCommerce sites. Our reach also enables us to positively influence the development of our suppliers, as well as the support and empowerment of small farmers in Mexico and Central America.



50,452

suppliers in the region

33,790

Mexico

16,662

Central America

4,485

new suppliers

3,474

Mexico

1,011

Central America





INCLUSIVE SUPPLY CHAIN

At Walmart de México y Centroamérica, we recognize the critical role that our suppliers play in ensuring customer satisfaction through responsibly distributed products and services. We are committed to creating economic and development opportunities for every individual in our supply chain.



Direct purchases from local suppliers

We seek to strengthen local economies by encouraging direct purchases from suppliers in Mexico and Central America.

DIRECT PURCHASES FROM LOCAL SUPPLIERS FOR OUR PRIVATE BRANDS





DIRECT PURCHASES FROM LOCAL SUPPLIERS FOR PERISHABLE GOODS



Seafood

PURCHASES OF NATIONAL/ REGIONAL PRODUCT

21.80%

46.42%

PURCHASES FROM SUPPLIERS

58.57% national **41.43%** imported

66.65% regional **33.35%** imported

PURCHASES DIRECTLY FROM PRODUCERS

56.79%

16.61%

Fruits and vegetables

PURCHASES OF NATIONAL/ REGIONAL PRODUCT

91.98%

72.18%

PURCHASES FROM SUPPLIERS

80.82% national **19.18%** imported

71.94% regional **28.06%** imported

PURCHASES DIRECTLY FROM PRODUCERS

53.76%

55.88%



DIRECT PURCHASES FROM LOCAL SUPPLIERS FOR PERISHABLE GOODS



Meat

PURCHASES OF NATIONAL/ REGIONAL PRODUCT

94.93%

71.79%

PURCHASES FROM SUPPLIERS

98.45% national **1.55%** imported

72.23% regional **27.77%** imported

PURCHASES DIRECTLY FROM PRODUCERS

52.60%

45.83%

Poultry

PURCHASES OF NATIONAL/ REGIONAL PRODUCT

92.50%

85.06%

PURCHASES FROM SUPPLIERS

98.01% national **1.99%** imported

91.99% regional **8.01%** imported

PURCHASES DIRECTLY FROM PRODUCERS

92.50%

86.33%



Development platforms

GRI 204-1



Since its inception, the program has supported the development of 548 suppliers over nine generations.

ADOPT AN SME

Adopt an SME is a business acceleration program designed to help Mexico's small and medium-sized businesses thrive. Over the course of 18 months, our company's expert associates provide comprehensive training to suppliers, promoting a broader and more strategic vision of the business, improving their operations, finances and logistics, and increasing their sales in the process.

In 2023, the program entered its ninth generation, providing participants with access to nine trainings that cover different facets of the Walmart Culture, from business topics to reputational aspects. During an 11-month period, the SMEs received growth-focused advice, including on how to boost their development and positioning. In addition, those that were able to prove their SME status as per the Ministry of Economy's guidelines could request factoring for prompt payment.

RESULTS:

42%

sales increase

164 million

pesos in sales

De venta en

Walmart

Nuevo León y Coahuila

¡Solo Pruébalos!

SUCCESS STORY

El Tío Julio

Since its launch in 2014, **El Tío Julio Alimentos** has demonstrated exceptional commitment to its customers, consolidating a solid track record in food distribution and production engineering, which has positioned it as a leader in the sector. The project began as a dream, initially focused on selling beans in small containers and has evolved to offer the best food products.

El Tío Julio prioritizes sustainability and customer service across their diverse product offerings. The company participates in all actions that aid employees in the proper distribution of its products and to align with Walmart's three sustainability priorities: climate change, circular economy, and natural capital.

As a result of their strong dedication and the incentives provided by the Adopt an SME program, during 2023 they expanded their sales to two Mexican states: Nuevo León (with over 50 stores) and Coahuila (with over 25 stores). This growth translated into a 143% increase in sales and a 121.6% increase in units sold. These achievements are the result of the hard work and dedication of the **El Tío Julio Alimentos** team, which continues to provide the best food products and exceptional service to our customers in those locations.



SMALL FARMERS

GRI 204-1, 413-1

This program was created with the goal of transforming the Mexican countryside for small farmers by increasing their productivity, achieving a sustainable rise in income and boosting the local economy through the strengthening of their productive capabilities and the development of commercial skills.

IN 2023 WE ACHIEVED:

5,532
farmers benefited

4,856
current jobs

32,827
tons of food commercialized

40.30%
increase in income

1,257
female farmers benefited

880
million pesos in purchases from small farmers



Since its inception in 2009, the Small Farmers program has combined key elements to accomplish its impact and reach:

- We concentrate our efforts on demand, selecting productive regions and ensuring product quality, which benefits farmers and directs their training effectively.
- We identify and transform market access barriers, eliminating or modifying rules, such as shortening payment times or training buyers to incorporate farmers and promote their growth.
- We use a multi-buyer approach to help farmers learn how to offer different qualities in multiple markets, boosting their overall value.
- We provide access to information and training focused on market, production, logistics and agribusiness management.
- We incorporate regenerative agriculture practices to increase farmers' incomes and encourage immediate reinvestment, thus having a positive influence on society and the environment, strengthening farmers' economies, improving biodiversity and resilience to climate change.

In 2023, we held the Buyers and Farmers Meeting for Market Access, which promoted inclusive agriculture and connected agricultural entrepreneurs from various regions with top companies. 31 agro-entrepreneurs from 16 states took part and they had the opportunity to connect with representatives from leading firms and organizations in the industry.

Over the past 13 years, the Small Farmers program has channeled 131 thousand tons, equivalent to 2.5 billion pesos, and has helped develop more than 30 agribusinesses.



Action	2030 Goal	2023 Progress
1. Strengthen market access	Make up 20% of the total amount of perishables purchased Have 15 allied companies to expand the program	12.5% 11 allies
2. Promote regenerative agriculture	Have 100,000 hectares cultivated under regenerative agriculture	63,833 hectares
3. Increase rural connectivity	Digitally train 25,000 farmers	4,500 farmers trained
4. Contribute to creating jobs and entrepreneurial opportunities for young people	Create 10,000 jobs for young women and men	4,856 jobs created
5. Provide tools and training	Train 50,000 farmers	31,255 farmers trained



SUCCESS STORIES

Chiapas Mango Growers

Productores y Agricultores Asociados is a group of 32 farmers from the Chiapas coast, who work together to plant, produce and harvest Ataulfo mangoes in the municipality of Mapastepec from December to May. In 2021 they joined Small Farmers and in December 2022 they made their first sale to Walmart de México y Centroamérica for 710,000 pesos. At the end of the season, they had 19 successful shipments and a total revenue of 9.91 million pesos.

This group has created job opportunities for over 90 people, around 40% of whom are women.



Oaxaca Lime Growers

El Milagro Productores de Limón is an agribusiness based in Bethania, Tuxtepec, Oaxaca, specialized in producing seedless limes. They first joined Small Farmers in 2017, where they received agronomic trainings. The community built a multipurpose hall to house its post-harvest packing and shipping activities.

A year later, they were able to formalize as a business and complete their first sale to Walmart de México y Centroamérica. Its growth has been remarkable, resulting in 79 direct jobs. During 2023, they exceeded 17 million pesos in sales. Their story is a true example of how teamwork and dedication can transform a community.



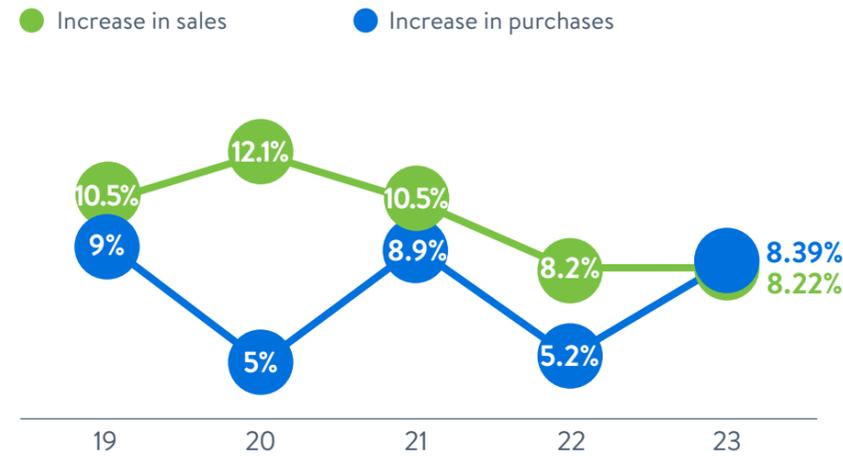


A HELPING HAND TO GROW

This program aims to promote growth and development for Central American small and medium-sized manufacturing enterprises. It is worth noting that 32% of the enterprises participating in this initiative are run by women, since we place a strong emphasis on female economic development in the region.

For three years, these SMEs are given preferential treatment, which includes prominent participation in promotional activities, access to centralized services, free training, ongoing monitoring of their business performance, and technical assistance for future expansion.

RESULTS



493

SMEs benefited

32%

are led by women

8,702

direct jobs

15,389

families benefited



SUCCESS STORY

Rosquillas Vilchez Tinoco

Rosquillas Vilchez Tinoco, a Nicaraguan manufacturing company, received the Supplier Excellence Award in the SME category for its production capabilities during our annual Central American supplier awards.

Rosquillas Vilchez Tinoco is originally from Somoto, one of Nicaragua's main municipalities. Initially, the company delivers approximately 680 bags every two weeks, but now hands out 3,850 bags each week to Walmart de México y Centroamérica.

“One of the advantages that Walmart has offered us is exporting to Central America, an opportunity for us to cross borders, reach other markets and experience growth as we cater to all of Walmart’s supermarket chains both in Mexico and in Central America, supplying our donuts, puff pastries, biscuits, and other corn-based products,” said Ana Patricia Vilchez proudly.



FERTILE SOIL

Fertile Soil's goal is to support small and medium-sized farmers to turn their businesses into thriving agribusinesses in Central America. We provide direct access to a secure market and training, as well as quick and secure payment options, without the need for intermediaries.

The program benefits suppliers while further enhancing our customer value proposition by ensuring the availability of quality local products at competitive prices.

Our team of engineers and agronomists, who serve as in-house technical consultants, play an important role in providing support to our suppliers. These professionals pay monthly visits to farmers and provide advice on a variety of topics, including sustainable growing techniques, pesticide reduction, disease and pest control, soil maintenance, and responsible resource management.



370
farmers trained for their incorporations as new suppliers, of whom **79 are women**

663
farmers received technical support, of which **76 are women**

10,132
families benefited

1,975 million
pesos in purchases from farmers

10,132
current direct jobs



According to data from the Central American Integration System, agriculture accounts for 7% of the region's total GDP, generating 20% of the region's jobs. However, approximately 70% of rural areas lack adequate internet access, with only 20% possessing basic technological capabilities.

To tackle this challenge, we launched the Fertile Soil application in 2022, which combines commercial and educational elements. This tool teaches farmers digital literacy and accompanies them through their transformation.

It provides a wide range of benefits, including agronomic databases and regional climate forecasts. It also provides information on production costs per crop, access to virtual consulting and performance analysis to drive continuous development. It also enables activity recording, pest and disease monitoring, and training across several business domains.

The application, which is accessible from any mobile device, features a calendar with all of Walmart's training offerings for the year.

SUCCESS STORY

Viveros Merliot

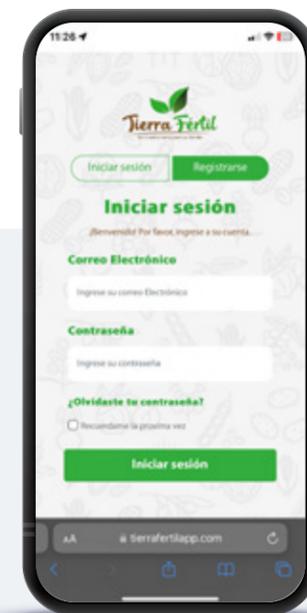
Fertile Soil has benefited many farmers in different areas of the region. One of them is **Viveros Merliot**, a family business founded in 2002 with the goal of offering El Salvadorian families products with health benefits for consumers, such as the soybean sprout, a vitamin, potassium, and fiber-rich food that launched the family business in Opico.

Viveros Merliot sold its products by visiting stores door to door for several years before being invited to join Walmart El Salvador, which from the start provided

them with support, guidance, and training on numerous agricultural topics.

One of the benefits we provided **Viveros Merliot** with was the ability to export to other Central American countries, allowing them to transcend borders and access new markets.

They currently supply roughly 200 boxes with soybean sprouts, sweet corn, endive, chives, and baby corn, providing work for 23 individuals in the area.



Among its positive impacts are:

- The tool is regarded as useful, informative, and practical, reducing errors and additional work.
- The implementation of sustainable agricultural practices has reduced production costs by up to 6%.
- A decrease of up to 7% in climate risks has been achieved.
- Product availability and a steady supply are guaranteed as a result of the tool's implementation.
- Technological advancements have enabled associates to digitize their processes, reduce paper consumption, optimize time, and minimize sourcing risks.



Opportunities for SMEs in Central America

We invested more than 4 million pesos in projects in three Central American countries to establish protected settings suitable to crop growth. The goal of this investment is to support farmers and ensure the quality of local supply.

- In Costa Rica, we allocated more than 1 million pesos to acquire 4,992 m² and set up a technified cucumber cultivation system. This has resulted in a rise in employment and a stable output.
- In Guatemala, we invested more than 1 million pesos in 3,456 m² to implement controlled systems in strawberry cultivation. This ensures a stable and quality supply.
- In Honduras, we invested more than 900 thousand pesos to create a post-harvest onion drying facility on 1,500 m².



+4 million

pesos invested in Central America

1,194,590.70

Costa Rica

1,931,848.80

Guatemala

955,127.40

Honduras

“Mercadito PyMEs” (SME Marketplace)

“Mercadito PyMEs” provides opportunities for small and medium-sized suppliers to expand into new local and international markets. We held this event simultaneously in five stores throughout the region to commemorate the International SME Day. During the event, 46 Central American companies presented and promoted their products. This effort aimed to boost these enterprises’ value chains while also benefiting the community.

“Cocina PyME” (SME Kitchen)

On Instagram, we launched an initiative to promote the use of local products. Five Central American influencers produced and shared 15 videos featuring dishes using ingredients from 19 small grocery companies. The campaign earned over 200,000 views and reached over 170,000 people, resulting in over 30,000 interactions, equivalent to more than 400 hours of playback.



GOOD BUSINESS PRACTICES IN MEXICO

In 2009, we joined the Good Business Practices Agreement to promote competitiveness, build strong connections with our Mexican suppliers and protect their well-being.

This agreement comprises 16 points that we are committed to comply with. As part of this initiative, we have introduced the role of the Good Practices Promoter, whose main function is to assist our buyers in resolving potential conflicts with our suppliers.

Good Business Practices Agreement

- 1. **PAYMENTS.** On time and as **previously agreed** by the parties.
- 2. **DISCOUNTS.** **Non-unilateral and in writing** signed by the supplier.
- 3. **RETURNS AND REJECTIONS.** Only in cases **previously agreed upon** in writing between the parties.
- 4. **SALES BELOW COST:**
As a business **strategy**
For a **determined** period
With no intention to eliminate a competitor
- 5. **PRICE CHANGES.** The supplier notifies the revised price: **within seven days** for fresh products and **within 30 days** for other products (prior to the effective date). The buyer shall inform in writing the non-acceptance of the new price within these deadlines. If they fail to do so, purchase orders will be paid at the updated price.
- 6. **QUALITY SPECIFICATIONS.** **Comply with product manufacturing and shelf life specifications**, as well as applicable product standards.
- 7. **PRIVATE BRANDS.** **Avoid misleading customers** in their purchasing decisions by employing similar combinations of labeling, colors, and/or packaging.
- 8. **REGULATORY COMPLIANCE.** Products sold to us by our suppliers, as well as Private Brands, must **adhere to the regulatory framework** for both manufacturing and industrial property.
- 9. **CONDITIONAL PURCHASE/SALES.** Individual agreements in which the purchase or sale of one product **is not subject to the purchase or sale** of another product.
- 10. **MEANS OF PRESSURE.** **The use of means of pressure is prohibited**, including suspending purchases, product deliveries or payments, as well as reducing or increasing costs as a mechanism to obtain a favorable response from us.
- 11. **MONOPOLISTIC PRACTICES.** Agreements with competitors/abuse of dominant position are **prohibited under Federal Antitrust Law from illegally displacing or reducing competition.**
- 12. **PURCHASE ORDER.** Our suppliers must be given the **possibility to reject a purchase order** for a minimum period of **three working days.**
- 13. **COMPLETE AND ON-TIME DELIVERIES.** The supplier's obligation **to provide that which has not been rejected**, under the terms and conditions agreed upon.
- 14. **PROFIT MARGINS.** They may be determined **based on the agreed-upon purchase and sale price.** The transfer of commercial costs to suppliers without prior negotiation or agreement is prohibited.
- 15. **CONTRACTS.** **Contract terms and conditions can be freely negotiated** between the parties, as long as they follow good commercial practices.
- 16. **GOOD PRACTICES PROMOTER.** **Representative** before companies adhered to the Agreement for the resolution of conflicts between parties.



OPEN CALL

For the first time, we held our Mexico Open Call event, an unparalleled expo that became the greatest purchase platform for Mexican-made, grown, or assembled items. The initiative was an invaluable opportunity for many suppliers, as it allowed them to present their items directly to a buyer from our company, thus making their products available to millions of potential customers in all our store and eCommerce formats.

More than 2,500 purchase requests were submitted in this inaugural edition, with 800 of them being fulfilled successfully. This event drew 361 suppliers from 30 states across the country.

As a result of its success, we plan to repeat this effort in 2024.



+2,500

purchase requests were submitted in this inaugural edition

361

suppliers from 30 states across the country participated