# REGENERATIVE COMPANY

GRI 2-22, 2-23, 2-24

Being a Regenerative Company implies going beyond compliance and duty, to have a positive socioeconomic and environmental footprint.

This means contributing to restoring the health and well-being of people, communities and the planet, and creating shared value for our stakeholders, and therefore for our business.

We place people and the planet at the center of our business decisions and practices







# Strategy

By joining forces and diverse perspectives within the company, and aligned with Walmart Inc., we are laying a path towards a sustainable and regenerative future.

In 2023, we have set ambitious five-year goals, marking a significant milestone for the year 2028:

#### PRIORITIES' GOALS

PILAR	KPI	Results 2023	Goals 2028
OPPORTUNITY	SME farmers penetration purchases	13.2% MX 68% CAM	31%
	Managerial positions held by women	41.6% MX 43.8% CAM	47%
	Associates with disabilities	3.4% MX 4.7% CAM	5%
COMMUNITY	Food and general merchandise retrieved by donation	45%	51%
	Donations (million MXN)	3,241.6	3,972.3
SUSTAINABILITY	Scope 1 and 2 emissions vs. 2015	16.1%	3.8%
	Waste diversion	78.5%	81.8%
	Sustainable packaging for Private Brands (reusable, recyclable, compostable)	87% MX (SKUs) 42.6% CAM (Ton)	100%
ETHICS AND INTEGRITY	Lost Time Case Rate – associates accidents	-69%	-75%
	Factor – customers accidents	-69%	-75%
	Percentage of applications in production with an approved Solutions Security Plan	60%	100%

CAM: Central America

To achieve these goals, some of the main initiatives we launched in 2023 were:

## Regenerative stores

One of the main objectives for 2023 was to create a management model for the year 2040 that would allow us to transition 100% of our present and future units into regenerative ones, so contributing to becoming a Regenerative Company. In other words, we strive to improve the social and environmental well-being of the communities in which we operate while adhering to the highest ethical and integrity standards. This process began in 2023 and will continue through 2024.

We have a total of 106 units into regenerative stores. These stores feature several initiatives, including the use of LED lighting, low-GWP refrigeration systems, and on-site renewable energy generation using solar panels. In addition, their infrastructure guarantees accessibility for people with disabilities, and they encourage volunteerism among both our associates and customers. They also donate to food banks.



106 regenerative stores in 25 states





### Regenerative Company Summit 2023, "Collective actions to live better"

The Summit's objective was to encourage our stakeholders to work together to achieve our vision of becoming a Regenerative Company that helps people live better, by taking positive actions that strengthen families, communities, and the planet. Among those who participated in the event were representatives from the World Economic Forum, the World Resources Institute, the United Nations Food and Agriculture Organization, P&G, Mattel, and SME suppliers including Grupo Aguaviento and Frutas Chanitos, as well as authorities from the governments of Guerrero and Querétaro.



Invitados especiales:

Transmisión en vivo

28 de junio 8:30 AM

(tiempo del centro de México)





















## Earth Month and Children's Day

In addition, in line with Earth Month and Children's Day, we carried out a dynamic and educational activity in collaboration with Henkel and Grupo Promesa, focused on waste sorting and recycling. During this activity, attendees took part in an exciting rally that taught them how to identify and properly sort different materials, such as PET, cans, cardboard, and paper, into the appropriate containers.





### Walmart Summer Camp

Walmart Summer Camp has become an emblematic event, not only for our staff and operations associates, but also for their children, nieces and nephews, to whom we dedicate a special space for access and entertainment. This event took place both in person and digitally, with the main goal of entertainingly educating younger generations about critical challenges for the planet's well-being and future.

One of the activities was the Healthy Kids Fair, which was organized in collaboration with Nestlé and provided a vibrant space for young participants to learn about the importance of the Sustainable Development Goals, healthy eating, reducing food waste, climate change, water and biodiversity conservation as well as pet care, in an interactive manner.

We also developed three webinars in partnership with Kenvue, Colgate and Huerto de Tlatelolco. These webinars provided valuable information about proper skincare, oral healthcare and how to cultivate seeds. We set out to address a broad variety of subjects so that participants could explore their interests and become aware of the importance of these issues in their daily lives.





### Regenerative Company training

We continue to implement the multi-year Regenerative Company course. The goal is for associates to understand the strategy's four pillars and their importance, allowing them to participate on each one through environmental, social, and governance education and practice.

In 2023, we launched the third module aimed at operations managers, assistant directors, directors and vice presidents, focused on the second pillar of Sustainability: Circular Economy.

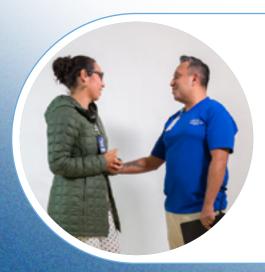
> associates trained on Regenerative Company

associates trained on Circular Economy



# ESG Management

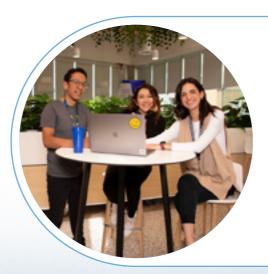
GRI 2-13, 3-1, 3-2, 3-3



#### **Executive Committee**

ESG topics are reviewed by the Executive Committee, who meets on a weekly basis, and is responsible of defining longterm priorities, adjusting operational processes, making decisions, and developing action plans for each particular topic.





#### ESG Governance Model

We launched the ESG Governance Policy in 2023 to ensure that our ESG disclosure processes are accurate, timely, and accessible to all of our associates who participate in them. Furthermore, our new governance model includes quarterly audits of key ESG indicators by our Controllership team to reduce risks and monitor performance.



#### Contribution to the Sustainable Development Goals (SDGs)

Since 2020, we implemented an annual historical report that measures our SDGs priorities allowing us to track our progress toward attaining them.





#### United Nations Global Compact

We have been a signatory to the United Nations Global Compact since 2019.

