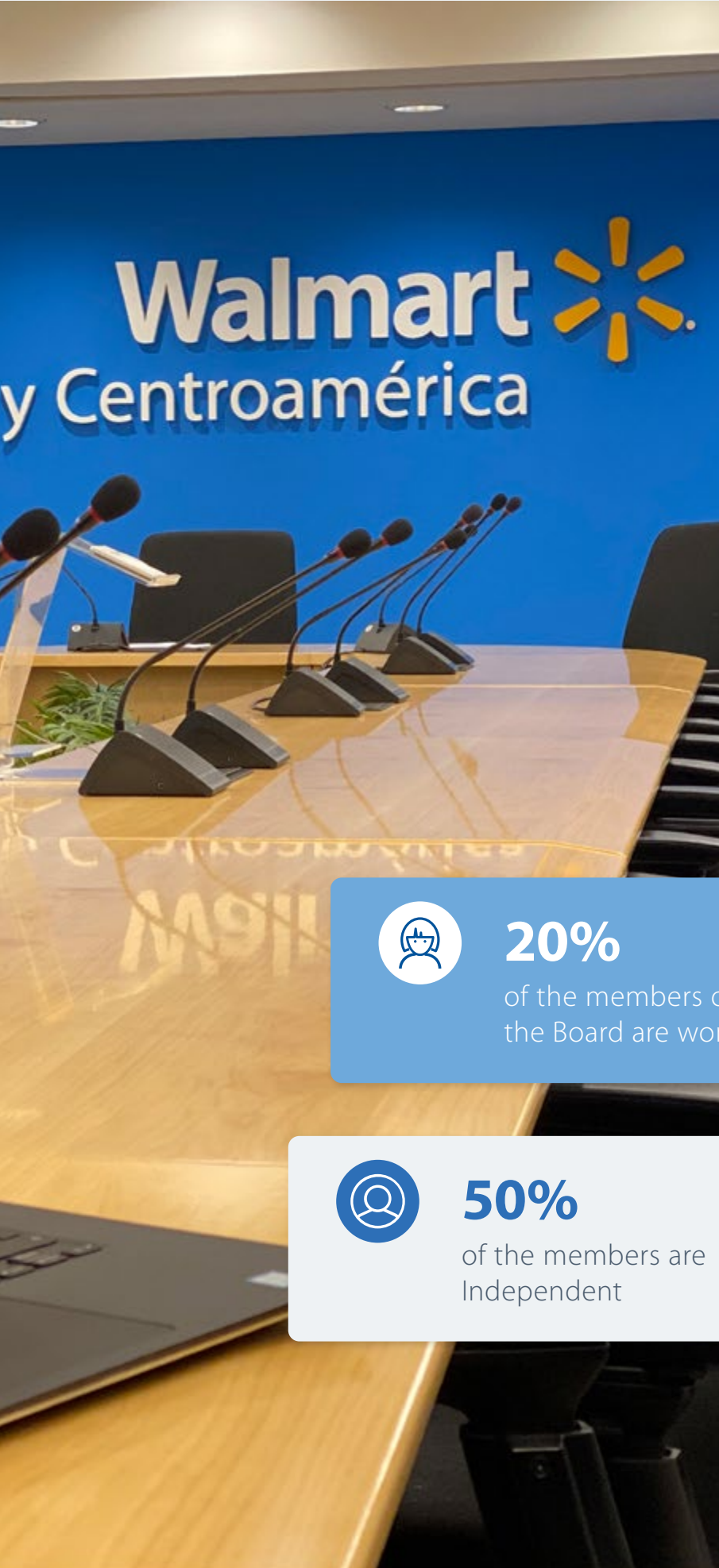




# CORPORATE GOVERNANCE

GRI 102-18

**Our company is built on the foundations of integrity and the highest of standards in ethics; we always guarantee strict adherence to all applicable legislation in those countries where we operate**



## BOARD OF DIRECTORS


GRI 102-22, 102-24, 405-1  
SASB CG-EC-330a.3, CG-MR-330a.1

### Makeup and Frequency

- The Board is comprised solely by statutory members
- Members are appointed each year by the Ordinary Shareholders' Assembly
- Independent Directors must constitute a minimum of 25% of total amount; at December 31, 2020, 50% of all Directors are independent
- Minority shareholders, whose shares represent a minimum of 10% of owners' equity have the right to choose a Director, who in turn may be removed only when other Board members are so removed
- To date, 29.49 % of company shares are traded among the investor public
- The participation of officers for the company and its subsidiaries is limited, and only the CEO is a member of the Board.
- The Board of Directors meets a minimum of four times a year; there were 11 sessions held throughout 2020. The average attendance as these meetings was 89.9%.

 **20%**  
of the members of the Board are women

 **50%**  
of the members are Independent

 **Chairman**  
GRI 102-23

Enrique Ostalé, member since 2013

 **Members**

	Member since
Adolfo Cerezo*	2012
Ernesto Cervera*	2014
Kirsten Evans	2018
Guilherme Loureiro	2016
Richard Mayfield	2015
Roberto Newell*	2014
Christopher Nicholas	2019
Eric Perez Grovas*	2014
Blanca Treviño*	2006

Members at Dec. 31, 2020  
\*Independent Directors

### Other Practices

- Independent Directors are experienced in the core business and strategic areas of the company
- The Board has access to independent consultants
- The Chairman of the Board may neither act as Secretary nor preside any Board Committee



**The Board of Directors receives the support of two committees for its duties; said committees are charged with in-depth analysis of matters related to its field of expertise and offer make recommendations to the Board so it may study the information and make the best decision, creating value for our shareholders and stakeholders**

In 2020 we initiated work on specific gender equality guidelines for the Board of Directors; with the support of Heidrick & Struggles, we are currently defining proper profiles and improving the selection process for Directors.

## PRIMARY RESPONSIBILITIES:

GRI 405-1, 102-20, 102-22, 102-26, 102-27



**Appoint** the President and CEO of the company



Work with Top Management to **develop overall strategies** for the company and its subsidiaries



Approve **information and communication policies** regarding shareholders and the market



Act as **adviser/consultant** for company Top Management



**Oversee management and operation** of the company and its subsidiaries



Ensure that overall strategy is **in line with company principles on Corporate Responsibility**

## BIOS OF THE MEMBERS OF THE BOARD OF DIRECTORS



### Enrique Ostalé

Recently retired as Executive Vice President, president and CEO of Walmart Latin America, UK and Africa, he is the current Chairman of the Board of Directors of Walmart Mexico and Central America, and Walmart Chile. He has a degree in Commercial Engineering with a major in Business Administration from Adolfo Ibáñez University in Chile; and an MSc in Accounting and Finance from the London School of Economics (LSE).

Enrique assumed his extended role at Walmart in February 2016, after serving as President and CEO of Walmart de México y Centroamérica, and LATAM. From 2006 to February 2013, Enrique served as President and CEO of Walmart Chile. His experience in this latter position included his leadership for the successful transition of the D&S chain -acquired by Walmart Stores Inc. in 2009- into today's Walmart Chile. Part of his work involved imprinting the seal of Walmart's corporate culture on the organization, adopting along with his team the mission of *helping people save money so they can live better*, and making the incorporation sustainability one of the operational pillars of the business.

Ostalé joined D&S in 1989, working initially as a manager of its financial division, then the merchandising division, and subsequently as manager of its *Líder* format before becoming its CFO. In 2000, he left the company to take up a position as CEO of Emol, an online service of El Mercurio newspaper. Between 2002 and 2006, he was dean of the Business School of Adolfo Ibáñez University before returning to D&S as its General Manager, President and CEO.

In 2012, he received the "Executive of the Year" award, from Ernst & Young and El Mercurio.



### Adolfo Cerezo

His BS is in Chemical Engineering from UNAM -the National Autonomous University of Mexico- and he has an MBA from the IPADE Business School.

Adolfo has taken postgraduate courses at the University of Southern California's Future Research Center and the Harvard Business School.

He worked for TELMEX as Chief Finance Officer from 1991 to August 2011, when he retired. Before holding this position he held several positions since joining TELMEX in 1978, including Treasurer and Financial Analysis Manager.

He has been a member of Banco Inbursa's Board of Directors, a member of the Executive Committee for all TELMEX subsidiaries, a World Bank Consultant, Chairman of the Mexican Stock Exchange Issuers' Committee, Professor at the IPN -National Polytechnic Institute- master-level courses, and a speaker at various finance and telecommunications forums.



## Ernesto Cervera

CEO and co-founder of GEA since 1990, he was born in Mexico City in 1958. An economist from ITAM (1984), his B.A. dissertation received first place in the Tlacaclael Consulting Award granted by International Consultants, and honors from the Banamex National Economics Award.

In 1986 he received his Master's Degree in Economics, and in 1988 advanced to Ph.D. candidacy at UCLA. From 1987-1988 he was awarded the Sloan Fellowship for research on foreign trade.

From January 2006 to the present, he is the CEO of Grupo de Economistas y Asociados (GEA), a firm for which he has been partner-consultant since 1990, and where he has participated in more than 200 consultancy projects.



## Kirsten S. Evans

Executive Vice President for Marketing at Walmart Canada. Kirsten is responsible for leading Walmart Canada's marketing strategy and the Walmart Media Group, along with the Financial Services business unit.

Prior to her international assignment, Kirsten was Senior Vice President for Corporate Marketing in Walmart US, where she was responsible for the Walmart brand and media strategies, and for supporting strategic initiatives for Merchandising and omnichannel growth. Kirsten was actively involved in integrating Walmart's enterprise marketing teams to improve customer experience and gain scale in an ever-changing retail environment.

Kirsten was named to Ad Age's 2016 Women to Watch and is a founding executive member of the Walmart Entertainment Council, whose charter is to elevate partnerships and opportunities with leading entertainment companies.



## Guilherme Loureiro

Guilherme Loureiro is Executive President and CEO of Walmart México y Centroamérica since February 2016. He started his career in Walmart in 2012, assuming the role of Executive President and CEO of Walmart Brazil in 2013.

He worked over 20 years in Unilever, performing several roles in different markets including Global Manager of M&A, CEO Mexico, Global Head of Strategy, Chairman of Unilver Ventures, and CFO for the Americas.

Guilherme holds a BA in Business Administration, a Master's and a PhD in Business Administration from Universidad Fundação Getulio Vargas, in Sao Paulo; and he has attended the TGMP at Harvard.



## Richard Mayfield

Executive Vice President and Regional CEO for Walmart de México y Centroamérica, Canada and the U.K.

Before being appointed to his current role, he served as Senior Vice President and CFO for the Walmart region of Europe, Middle East and Africa (EMEA); International Strategy, Mergers and Acquisitions; and Financial Services.

Richard joined Walmart Inc. as Financial Director for Walmart's U.K. business, ASDA. He has a broad range of experience in financial and strategic leadership roles at retailers, including Kingfisher, House of Fraser and Waitrose, as well as strategy consulting experience with L.E.K. Consulting.

Richard has a BSc in Economy from the University of Cambridge, and is a Fellow of the Royal Society of the Arts.



## Roberto Newell

Vice President and Senior Fellow of the Instituto Mexicano para la Competitividad, A.C., (IMCO), a privately sponsored, independent think-tank located in Mexico City, whose mandate is to analyze and propose policies that will enhance Mexico's competitiveness in the global economy.

During 2003, he served as Deputy Secretary for Agribusiness in Mexico's federal government, having previously served in the same administration as the CEO of the *Fideicomiso de las Empresas Expropiadas del Sector Azucarero* (Trust for Expropriated Sugar-Industry Companies) a holding company that operated the 27 sugar mills that were taken over by Mexico's government as part of a turn-around program for these failed sugar mills.

Between 1984 and 2001, Mr. Newell worked for McKinsey & Co., Inc., the international consulting firm. He retired as a Director (senior partner) of the Firm.

During his years as a consultant, he served clients throughout Latin America, the Caribbean and the United States. His clients included companies in the financial and telecommunications sectors, but Newell also served several national governments on issues of deregulation, privatization, and financial sector crisis.



## Chris Nicholas

The Executive Vice President and Chief Financial Officer of Walmart International. In this complex division of Walmart operations, Chris leads the International Finance team and has additional commercial responsibilities including international supplier leverage and cost analytics.

Chris joined the company in 2018 as Deputy CFO for Walmart International where he partnered with the business to lead key strategic and financial initiatives.

He has more than 17 years of experience in retail and spent the last decade serving in leadership roles with Tesco, The Salling Group; and most recently the Coles Group, where he held a combined position of Finance Director and Merchandise Director. He played a key role in leading Coles through unprecedented change within the Australian Supermarket industry.

He graduated from the University of Manchester Institute of Science and Technology with a Bachelor of Science (Hons) in Management Science and is a Chartered accountant (ACMA).



## Eric Pérez-Grovas

A co-founder and managing partner of Jaguar Ventures, an investment fund created by Mexican eCommerce entrepreneurs dedicated to investing in internet-based business models.

He graduated with honors in Industrial Engineering, specializing in Finance at the Technological Institute of Monterrey. He also holds a master's degree in Business Administration and Public Administration from Stanford University. At the latter university, Eric was elected co-president of the Association of Latin American Students of the School of Business and Vice President of the Association of Mexican Students in Stanford.

Prior to founding Jaguar, Eric acquired experience in electronic commerce starting in 1999, when he opened and directed *Mercado Libre Mexico*. Since then he has served as executive director, investor and adviser in various Internet companies. He is currently on the Board of sites such as Aventones.com, Gaudena.com, Viajamex.com, Yaxi.mx, Conekta.io and Yogome.com. He also provides support to entrepreneurs as a mentor to Endeavor Mexico. Eric Pérez-Grovas worked in the Strategic Consulting department for McKinsey & Co. and for Bain & Co. In these firms he participated in various strategic planning projects for companies in Mexico, the US, and South America, in addition to his experience in consulting.



## Blanca Treviño

Blanca Treviño is Co-Founder, President and CEO of Softtek, a global company dedicated to helping organizations evolve through digital technology. Throughout her 30-year career at Softtek, Blanca has gained international recognition as a promoter of the IT services industry in and from emerging countries —and most prominently from Mexico- with the rise of the Nearshore model.

She has spoken at conferences for the World Economic Forum, World Bank, Inter-American Development Bank, Kellogg School of Management, Harvard Business School, and Fortune. In 2019, WITI inducted Blanca into the Women in Technology Hall of Fame, and in 2018 she received the “Education Leadership Award” from Educando (formerly, Worldfund), for her contributions and influence towards improving education in Mexico.

Blanca serves as the Vice President of the Mexican Business Council, is a member of the MIT School of Engineering Advisory Board, and a board member of Walmart Mexico, the Americas Society and Council of the Americas, the Iberoamerican Council for Productivity and Competitiveness, Grupo Lala, The Mexican Stock Exchange, as well as universities, including her alma mater, ITESM (the Institute of Technology and Higher Learning of Monterrey).





# AUDIT AND CORPORATE PRACTICES COMMITTEES

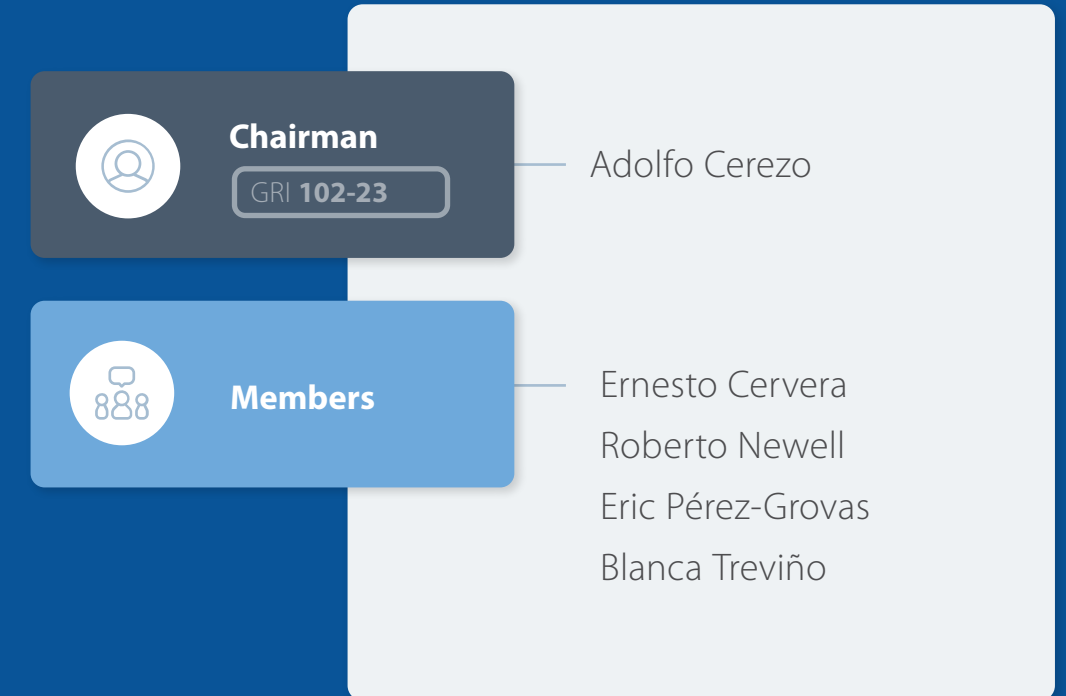
GRI 405-1, 102-22, 102-36

## Primary Responsibilities

- Voicing opinions on the hiring of the Independent Auditor for the company and establishing fees
- Ensuring the existence of a proper internal control system for the company and subsidiaries and that it meets any and all applicable accounting and legal provisions, and reviewing company transactions with related parties
- Reviewing financial statements and ensuring they are a true and accurate reflection of the financial situation for the company. There is also a set procedure for receiving, retaining, and responding to claims concerning accounting practices and controls, and any audit-related issues. Moreover, they have the authority and necessary resources to retain the services of legal counsel and/or any other outside consultant need to perform their duties
- Reducing the risk of conducting operations such that could affect company worth or result in the granting of favorable conditions to any one group of shareholders

- Approving policies for the use of property pertaining company net worth
- Authorizing related-party transactions, CEO remuneration, and remuneration policies regarding important company officers
- Serving as support for the Board of Directors in producing reports on accounting practices
- Holding private meetings and receiving periodic reports from Internal Audit, Legal, Compliance, and Ethics
- Calling shareholder meetings and making sure the order of business includes all points deemed necessary

These committees have four statutory Directors, all of them independent



## Primary Requirements and Practices

-  All board members must be **independent Directors** and experts in finance
-  Independent auditors are forbidden from providing consultancy services to the company
-  The partner from the independent auditing firm that renders the opinion on the financial statements shall be periodically rotated



# WALMART DE MÉXICO FOUNDATION BOARD

GRI 405-1, 102-20, 102-22

**888** Trustees

- Guilherme Loureiro
  - Roberto Delgado Gallart\*
  - Kathleen McLaughlin
  - Alberto Sepúlveda
  - José Luis Torres\*
  - Adriana Velázquez
  - Jorge Familiar Haro\*
  - Marinela Servitje \*
  - Cristian Barrientos
  - Eduardo de la Garza
- Trustees at December 31, 2020  
\*Independent trustees



Fundación  
**Walmart**   
México