



# ECOSYSTEM OF CHOICE

## CUSTOMER FIRST

we provide access to  
quality solutions and  
services at the best price

**11.8** million  
active Bait users

**34%**

Walmart Connect sales growth

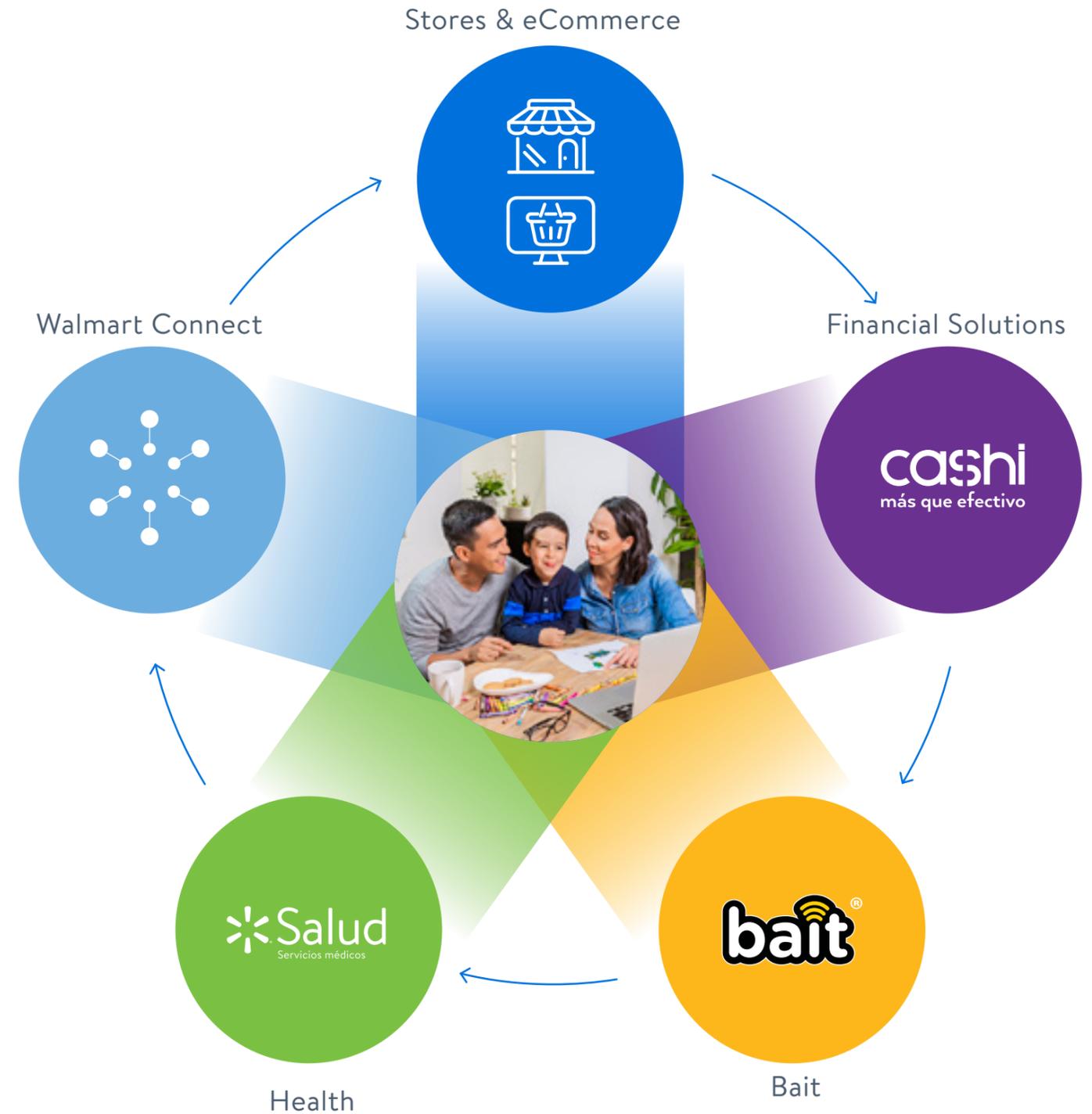


# ECOSYSTEM OF CHOICE

Our ever-evolving and growing ecosystem is focused on meeting our customers' key needs. In an effort to build lasting relationships and meaningful connections with our customers, we are committed to developing innovative solutions that seamlessly combine products, services, and experiences.

This year we connected millions of customers to the digital economy, granting them easier access to its benefits through our verticals.

Our impact lies in strengthening our value proposition through an ecosystem of easy and accessible solutions and services for our customers and members.





# BAIT

We continue to work and invest to accelerate Bait's growth, which has become a key solution in the fight to reduce the digital and connectivity gap in Mexico. This service provides affordable connectivity, including home internet and prepaid mobile telephony.

Our main objective is to provide our customers with an accessible and seamless experience, and the positive feedback and growing trust we have gotten from our customers attest to the success of this approach. Currently, we are the leading Mobile Virtual Network Operator (MVNO) in Mexico by number of users.

Over the past few years, we have witnessed the significant impact Bait has had on the lives of our customers, enabling families to stay connected at a price they can afford while providing them with benefits for their purchases in our stores.

Bait's value proposition focuses on delivering benefits such as:



- 1. Low prices:** we kept the lowest rates for internet, data, voice and text message services with national and international coverage.
- 2. Maximum speed coverage:** we powered the maximum speed experience with the 4.5G LTE network.
- 3. Shopping benefits:** we continued to grant free megabytes to our customers when they shop at our stores, helping them save money while staying connected.



- Robo sin violencia con deducible de 30%
- Daño accidental con deducible de 30%
- Protección contra descarga eléctrica
- Reemplazo de batería por falla
- Asistencia legal telefónica
- Asistencia tecnológica telefónica



This year, we have significantly increased Bait's reach. As a result of our acceleration strategy, by the end of 2023 we had 11.8 million active users. Our network now has more than 1.2 million physical top-up points, along with other online and strategic partner top-up options.

We have also seen a significant increase in user acquisition through our distributors, with a growth almost five times higher than in the previous year.



**2.1 times**  
more active users  
than in 2022

In addition to leveraging our service in our more than 3,000 stores and clubs, and the 5 million customers who visit us every day, in 2023, our "Centros de Experiencia Bait" became even more important. These centers have enabled our users to enjoy a more convenient and seamless experience. Additionally, they have further expanded our customer reach by offering Bait prepaid service, selling mobile devices and accessories, and providing credit and extended warranties.



# BAIT FOR BUSINESS

In 2023, we expanded Bait’s capabilities to serve businesses of all sizes through its new business service model, Bait Negocios. It offers affordable and wide coverage mobile phone and internet plans for organizations to stay connected to their employees, while enjoying the benefits of Cash, Membresía Salud, Walmart Connect and Walmart Pass.

Bait Negocios’ proposal focuses on:

- 1. **Unlimited internet:** open to share data with other devices.
- 2. **Wide coverage:** Mexico, United States and Canada.
- 3. **Savings:** offering attractive plans at affordable prices.



We work with the objective of assisting businesses in keeping their staff connected, with the high quality that sets us apart.

As a result of these efforts and actions, Bait has become a key component in the integration of our ecosystem’s different verticals, acting as a catalyst to provide our customers with access to more digital services. In addition, through Bait we offer better prices on mobile equipment purchases, which has driven new customer acquisition.

In healthcare, Bait provides access to telemedicine, extending our customer service capabilities in vital areas. Furthermore, Bait plays a crucial role in promoting our Cash service, which enables users to make digital top-ups. As a result, more people are downloading and using the application, proving that it is currently their preferred option.

We help our customers access the digital economy at a very low cost, thus increasing interaction and purchase frequency in our ecosystem.



# FINANCIAL SOLUTIONS

We know that financial inclusion is low among our customers, especially among the most price-sensitive. As a result, we are improving and expanding our financial solutions to meet their needs, enabling them to buy the products they need and better manage their finances.

Driven by our commitment to provide easy access to services that enrich and make life easier for our customers, we continue to strengthen our financial solutions offering, built on four pillars:

1 Cashi, our digital wallet 

2 Factoring 

3 Credit 

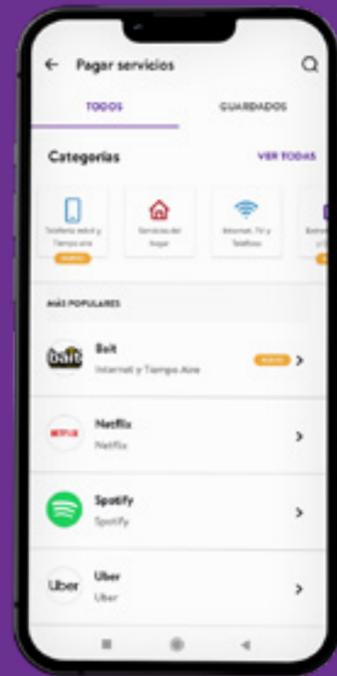
4 Remittances 





# CASHI, OUR DIGITAL WALLET

We strive to provide secure, user-friendly and convenient solutions for our customers' financial management. Our digital payments service, which enables commission-free cash top-ups through an app, is a testament to this commitment. We seek to offer a seamless financial management experience, ensuring that every step is as simple and reliable as the rest of our offerings.



We continue to strengthen Cashi's value proposition, expanding its impact as an essential financial tool for Mexican families.

In 2023, we were authorized by the National Banking and Securities Commission to acquire the Mexican fintech Trafalgar.

This achievement is a significant step in taking Cashi to the next level, offering services such as sending and receiving money through the SPEI payment network, cash withdrawals at the checkout counters of our stores and clubs or at ATMs, universal payments, and managing remittances digitally.

We are currently conducting rigorous internal testing and are pleased to inform you that we will be sharing some exciting news very soon. We want to highlight that this topic is an absolute priority for our company.

In 2023, we continued to improve Cashi's value proposition with features such as:

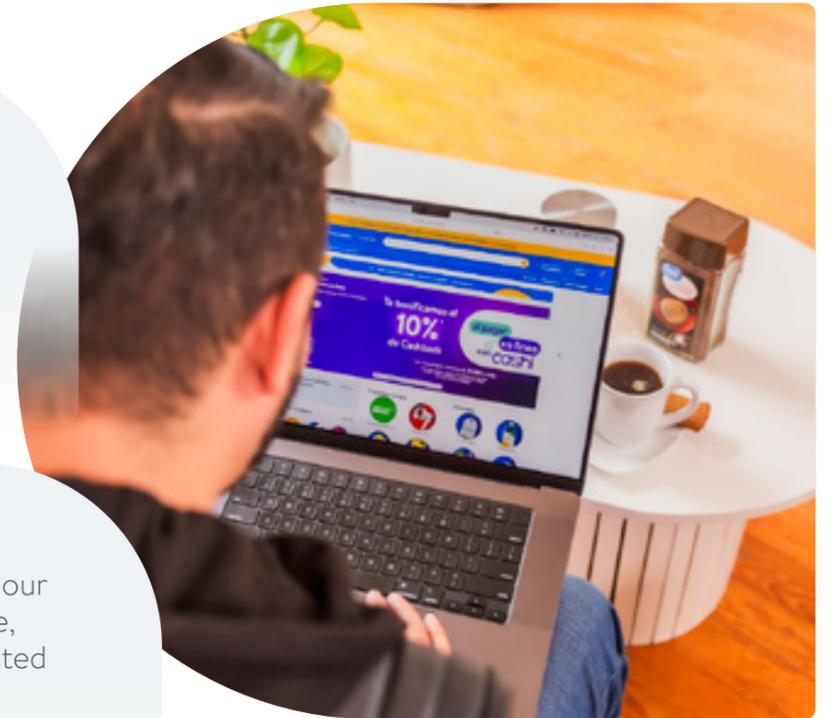
Utility payment reminders to help our customers better organize their finances.

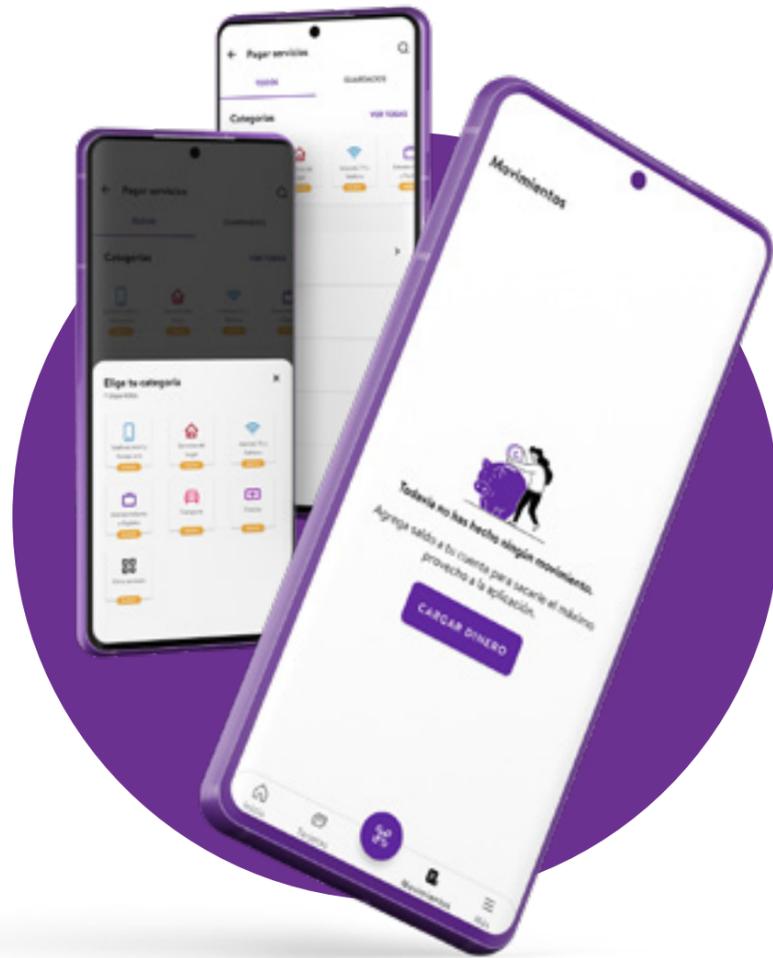
Payment method on our eCommerce sites, so that our customers can shop online, which has positively impacted omnichannel sales.

Bait phone top-ups.

We also launched the Scan & Go feature in Cashi, enhancing the payment experience for our Sam's Club members and enriching our payments and rewards ecosystem.

This year, we also added a new lender to Cashi's digital credit Marketplace, with initial loans starting at 2,000 pesos and subsequent loans reaching up to 18,500 pesos.





Cashi continues to evolve as an essential link between all our verticals and our customers, providing them with integrated solutions that enhance their experience and give them greater benefits derived from their purchases.

## FACTORING

Our formula goes beyond than just **addressing our customers' pain points**. We understand the importance of fostering strong relationships with our suppliers, as they play a crucial role for us in providing the best products. We have come to understand that by actively resolving their needs, we ensure a more agile supply chain, which allows us to consistently offer high-quality products at low prices.



One way we have strengthened our relationships with suppliers is by offering them the opportunity to anticipate payments through our **Factoring services**.

This solution allows suppliers to access the necessary working capital in advance, enabling them to meet their own financial obligations and optimize their operations.

**In 2023, in México and Central America we achieved a 32% revenue growth.** This achievement is primarily due to our ability to support our suppliers, fostering a mutually beneficial partnership that drives our success. **By leveraging our expertise in offering practical and affordable financial solutions, we strengthen our position as the ecosystem of choice for both our customers and suppliers.**



# CREDIT

To help break down the barriers and difficulties our customers may have in accessing affordable financial solutions, we developed credit options that not only meet their needs, but also allow them to buy the products they want quickly and easily and pay for them later.



In 2023, we consolidated our credit solutions with robust results that allowed us to bring our value proposition to more customers through two main products:

## 1 Co-brand credit:

### CrediBodega

The credit you've always wanted for your home! Customers using the CrediBodega card have access to exclusive deals and discounts, interest-free monthly payments and the flexibility to use the card in both physical and online stores. CrediBodega has consolidated its position in the market, capturing the entry-level segment with an expanded reach to more than 300 stores.

This year, we originated approximately 300,000 loans, exceeding last year's levels by 28%. Moreover, CrediBodega has positioned itself as the fifth most important card in terms of transactions for our Bodega format.



### Walmart Inbursa Card

This card allows our customers to easily pay for goods and services both in our stores and online. All purchases made in our stores and clubs with this card get a 3% bonus.

The Walmart Inbursa card has proven to be an invaluable tool for our customers and members. With a 5% increase in turnover over the previous year, it has shown sustained growth in the penetration of our in-store purchases.

In 2023, 89% of co-branded credit sales came from this card, clearly reflecting our customers' reliance on the benefits it offers, such as convenience and flexibility in payment, rewards and exclusive discounts.



## 2 Digital Credit:

### Telephony

Our stores offer an affordable and quick credit line of up to 10,000 pesos to our customers who want to upgrade or buy a new mobile phone. With as little as a 4% to 20% down payment on the value of the device, we help them acquire the latest mobile technology.



In 2023, we achieved a 10% growth in our telephony credit offering compared to the previous year. Remarkably, about one-third of our Bodega format's mobile phone sales currently take place using this financing plan. This service has been extended to more than a thousand stores in all our formats.

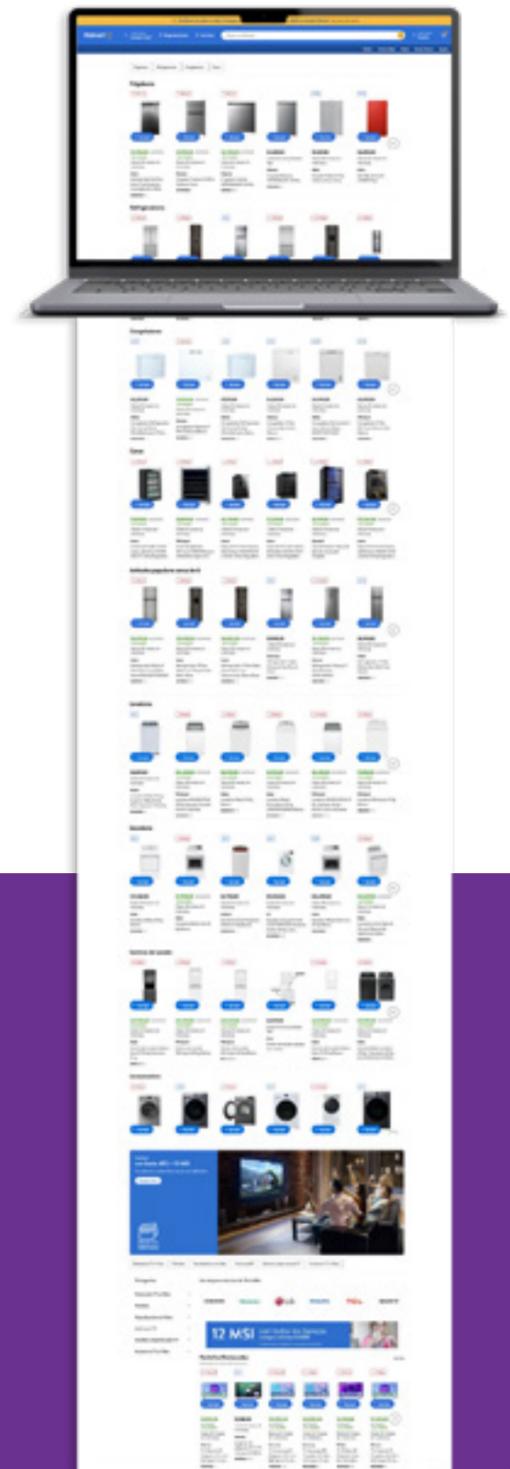
We have transformed the sale of unlocked mobile phones by installing Bait islands in over 200 stores. This innovation, focused on improving both communication and visual presentation, has generated double-digit growth in sales.

### Extended Assortment

We have enhanced our customers' shopping experience by allowing them to pay for their purchases at our in-store eCommerce kiosks or online using Cashí Crédito. This option offers credits ranging from 500 pesos to 6,000 pesos and is available for exclusive products on walmart.com.mx.

After applying for the credit through the Cashí app, the customer gets a response within five minutes. If the credit is approved, the contract is digitally signed and in approximately 15 minutes, the amount is credited to the customer's Cashí account.

This year, we added more lenders to our online credit offering, which is now supported by our eCommerce kiosks at Bodega and Walmart Supercenter. Our "Buy Now Pay Later" approach makes it easier for customers to purchase computer equipment, electronics and toys, among other items, with the advantage of fixed payments, no down payment or credit cards required.





### In Cashi

We offer quality products at the lowest prices throughout our stores and on our online platform, always making sure that our customers and members find exactly what they need, when they need it.



This year we implemented an innovative solution to apply for a digital credit through Cashi. **By simply scanning a QR code with a mobile phone camera, our customers can choose the amount, term and payment frequency of the credit.** This quick and simple process allows for credit authorization in just five minutes, with credit lines that can reach up to 20,000 pesos.

This move reflects our efforts to simplify and improve our customers' credit experience, providing them with simpler and more reliable options.



Thanks to these innovations, we reinforced our commitment to help our customers save money and live better. By providing easy access to the above products through a flexible financing plan tailored to their needs, we enable our customers to acquire more products while staying within their budgets.

In 2023, we disbursed around 500 thousand credits through our multiple offerings, marking an 11% increase compared to the credits disbursed in 2022.

**~500 thousand**  
credits were disbursed in 2023



# REMITTANCES

In Mexico, more than 70% of remittances are transferred to women, our formats' main customers, underscoring the need to provide them with cost-effective and efficient remittance transfer and collection services. We are focused on making it easier for these women to get as much money as possible from each transaction. In this way, we seek to improve their financial situation in a practical and direct way, while encouraging them to use the funds saved from low commissions to purchase additional products in our stores, thus enriching their shopping experience and contributing to their families' well-being.

We offer our remittance collection service at one of the most competitive rates in the market in over 2,800 stores, available seven days a week.



Since its relaunch in 2022, the Walmart to Walmart (W2W) service has provided our customers in the United States with an efficient way to send remittances to be collected at Walmart stores in Mexico. In 2023, this service remains a top choice, offering significantly lower rates.

Thanks to W2W and its 2.50 dollar commission on money transfers of up to 500 dollars, we are one of the most attractive options for wiring money in the United States. The average commission fee ranges between 7 and 10 dollars.

We are interconnecting our verticals with our core business so they complement each other, thus improving service to our customers. In 2023, we enabled over 1.5 million customers to collect their remittances through our network.

With more than 2,800 stores actively paying remittances in all our checkout lines, we are the second chain with the largest number of remittance collection points.



# WALMART CONNECT

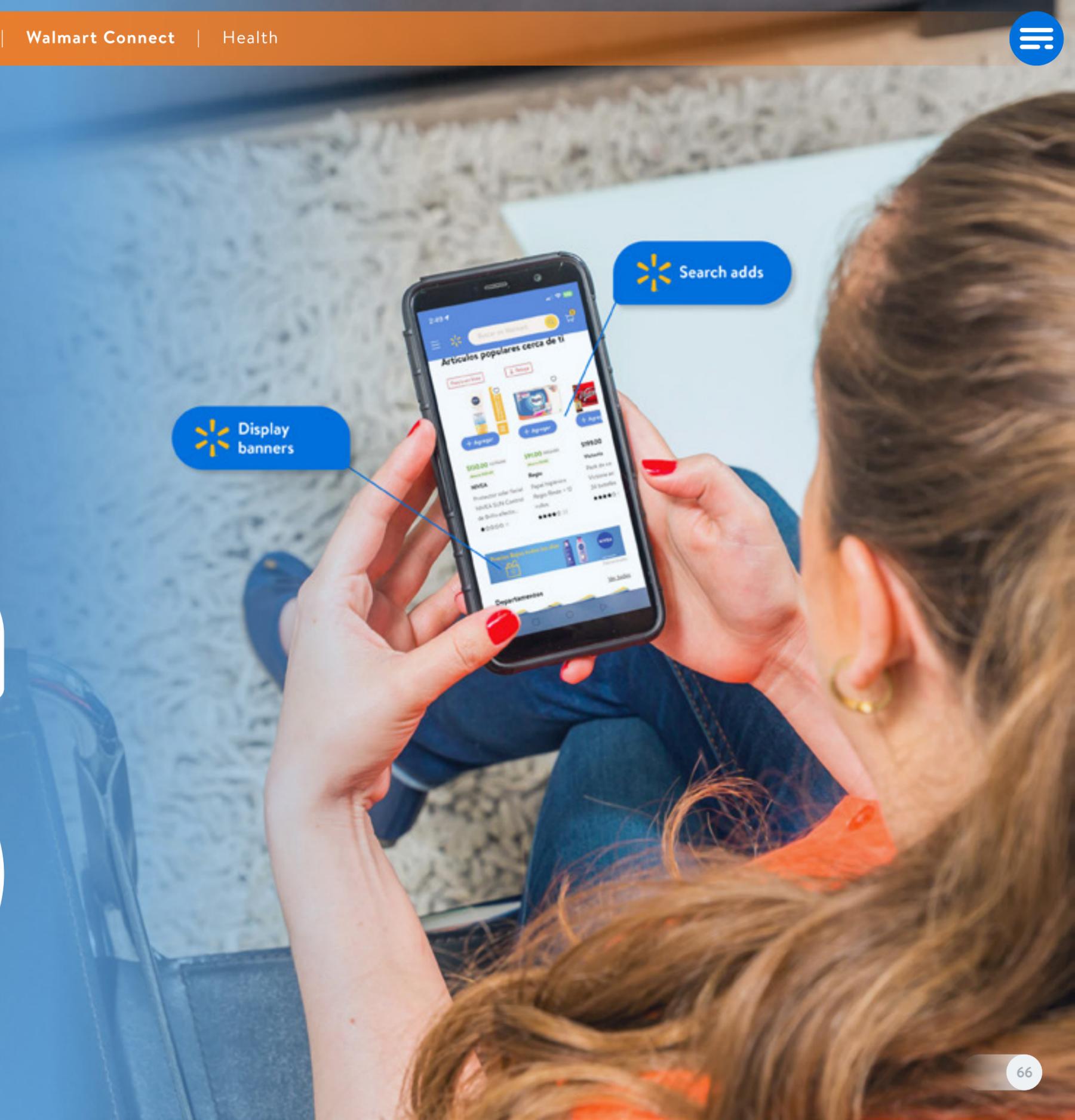
Walmart Connect has positioned itself as a key tool in our business strategy, becoming a more mature and critical vertical. This platform has driven sales for our advertisers and enriched our customers' shopping experience, using data and technology to create meaningful connections between them.

Walmart Connect continued to make it easier for advertisers to effectively connect with customers through various campaigns, such as Nescafé's 75th anniversary campaign, which was implemented in approximately 100 stores and featured over 300 modules, totems, and entrance arches at Walmart Supercenter and Bodega Aurrera.

Additionally, we have been implementing automation and simplification processes, and intensifying initiatives that have enabled us to make investments in our ecosystem. As evidence of this, **we successfully launched Walmart Connect in Central America this year, with positive results.**

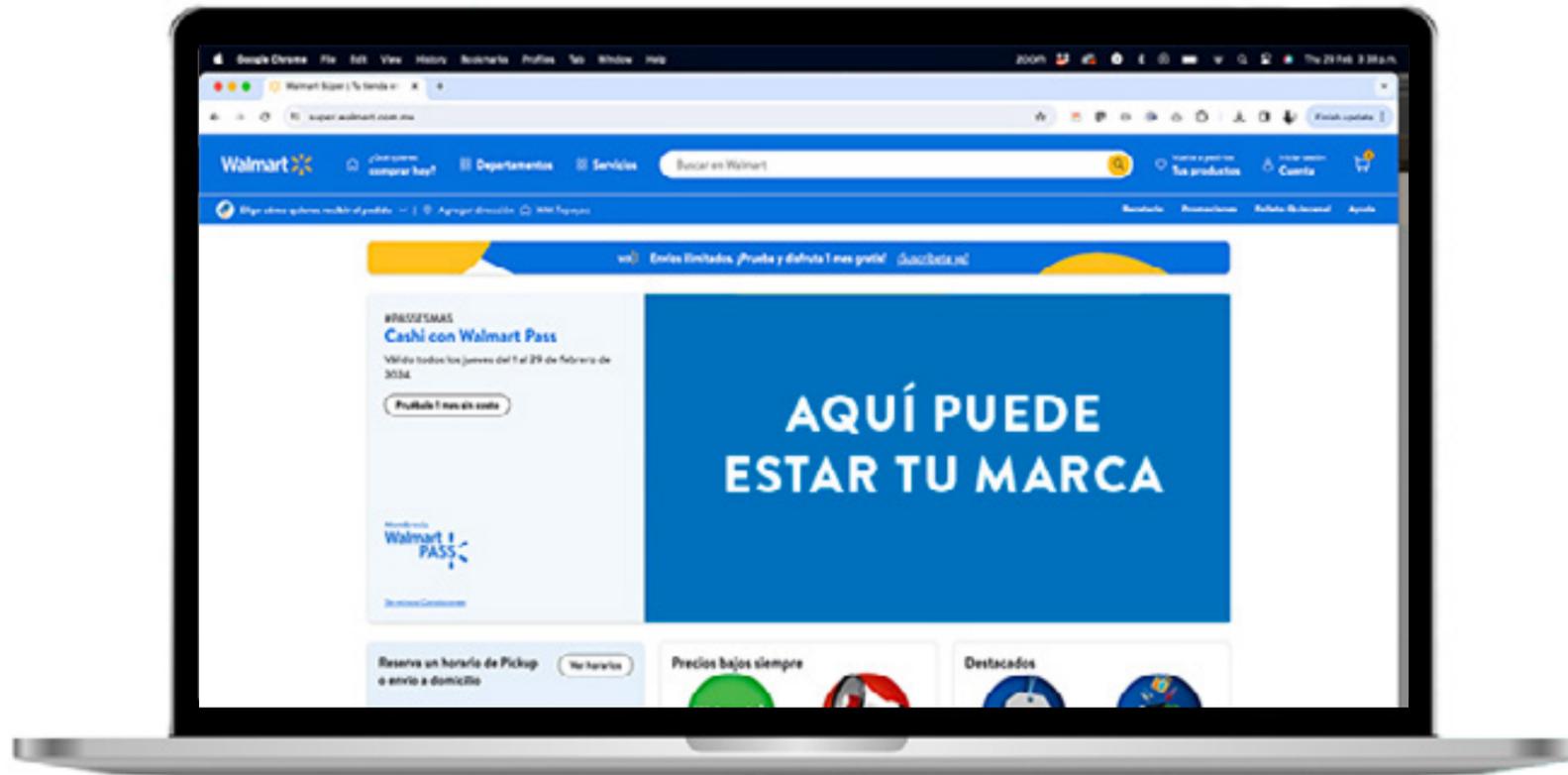


Our expansion into Central America, based on learning and strategies implemented in Mexico, yielded positive results and reflects the great potential for Walmart Connect in the region's markets.



Display banners

Search adds



We are the largest omnichannel platform in Mexico. Our advertising business has reached approximately **3 billion pesos** and continues to grow.

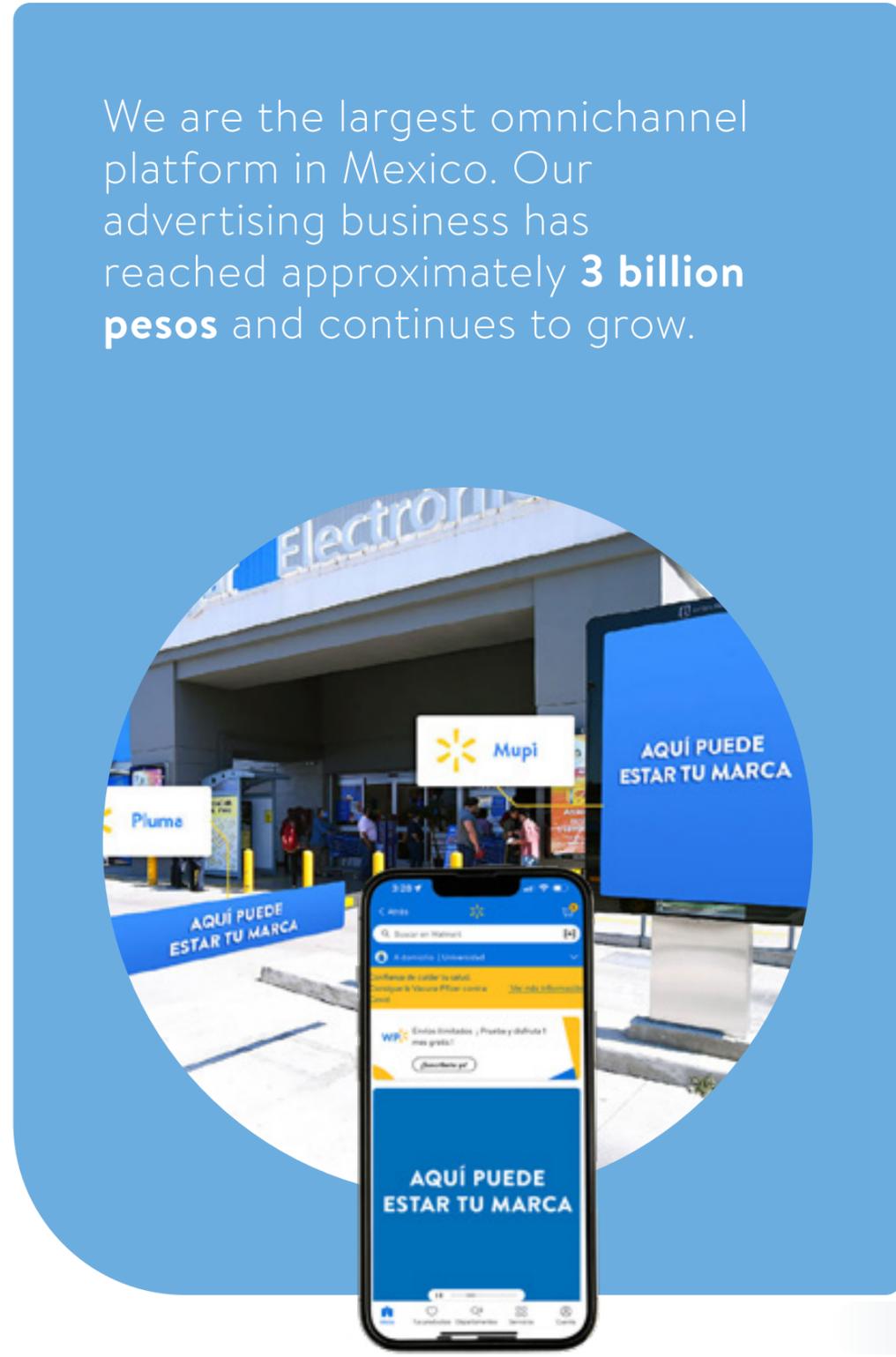
Meanwhile, Nestlé’s multichannel campaign “Celebrando a Mamá” (“Celebrating Mom”) included remittances, Cashi, and Walmart Connect, resulting in a 30% rise in Bodega sales of selected items and a more than 130% increase in eCommerce sales during the event.

Walmart Connect had a 31% rise in sales during the “El Fin Irresistible” event compared to the previous year, featuring virtual concerts for our customers once again.

We helped advertisers engage effectively with their customers by harnessing omnichannel data. In 2023, approximately 630 companies placed their trust in us, and we collaborated to execute over 7,600 omnichannel campaigns, 30% more than in 2022. This enabled Walmart Connect to achieve **a solid 34% growth for the year.**

Walmart Connect’s growth has helped offset operating expenses and improve company profitability, a true reflection of the value that this vertical brings to our business.

**7,600**  
omnichannel campaigns  
were executed in collaboration





# HEALTH

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Given the difficulty that many Mexicans currently face in affording healthcare services, there is a growing demand for accessible and efficient alternatives.

In response to this need, we have focused our efforts on strengthening our health offering. We are committed to providing our customers with a comprehensive membership that combines the existing benefits of our health service with our extensive network of pharmacies and doctor's offices. This approach has not only improved access to primary medical care but has also allowed our customers to address their health needs in a timely and affordable manner, with a strong emphasis on prevention.

Our already extensive health services network currently comprises 1,524 pharmacies and 526 doctor's offices nationwide. At the end of 2023, these doctor's offices adjacent to our pharmacies had served around one million patients, underscoring our outreach and dedication to the community's well-being.

Our **Membresía Salud**, available in all our formats, provides our customers with access to assistance and remote medical consultations, as well as a series of additional benefits such as:

- Remote medical, nutritional and psychological counseling and assistance via video or telephone call
- Consultations with specialists at preferential prices
- Ambulance services in case of emergency
- Home doctor with preferential cost
- Discounts in laboratories
- 5% discount at Walmart pharmacies
- Cinema 2x1
- And, depending on the type of membership, free medical and dental consultations at Walmart stores



In 2023, we provided access to healthcare solutions to around one million patients and sold over 1 million memberships.

**Membresía Salud** drives significant traffic to our pharmacies, and membership holders have pharmacy tickets four times higher than those of regular customers.





Just 18 days after its inauguration, we served approximately 1,500 patients.

The Medical Services Center strengthens our commitment to promoting prevention and quality medical care, reaffirming our dedication to improving the lives of families in Mexico.

On the other hand, we made available to our customers Pfizer's Comirnaty vaccine, one of the most effective tools against COVID-19 and its associated complications. The vaccine is available at over 130 doctor's offices adjacent to our Walmart Express and Walmart Supercenter pharmacies for 845 pesos. It reaffirms our commitment to expand access to immunization across the country.

Comirnaty is available for adults and young people over the age of 12, as well as for children aged five to 11, ensuring comprehensive coverage for Mexican families.

Our primary health focus has been on providing quick and effective medical care, and we are expanding our services to include disease prevention as well. This entails creating programs that promote general wellbeing and anticipate health needs, hence minimizing dependency on more rigorous treatments.

During the year, we celebrated a significant milestone in our dedication to our customers' health and well-being by opening our first Medical Services Center at Walmart Supercenter Plaza Oriente, in Mexico City. Our customers will now have access to first-level healthcare solutions, including consultations with internists, pediatricians, dentists, nutritionists and psychologists, as well as over 2,000 laboratory tests and studies, X-rays, ultrasounds and electrocardiograms.

This center expands our ecosystem of healthcare solutions and services, reinforcing our commitment to provide accessible and high-quality options to our customers. The Medical Services Center is open from 7:00 to 20:00, Monday through Saturday, and can assist 450 people each day. It has nine offices dedicated to general medical consultation, specialty care, and nursing services.





# THE WALMART ECOSYSTEM

Over the past few years, our company has undergone a significant change, evolving from a pure brick and mortar store company to an omnichannel company. This change has been an exciting and challenging journey, but with one clear objective: to serve the needs of our customer of choice, whom we named Andrea.

Our objective is not to simply provide her with physical products, but to give her access to the benefits of the digital economy, far beyond anything she can find in stores. Andrea has asked us for connectivity services, as well as health and financial solutions, and we want to earn her trust by offering her affordable, high-quality solutions.

We have dedicated time and resources to find the perfect formula that allows us to give her access to all of these solutions through our ecosystem.

Being the Ecosystem of choice for our customers and members means providing them with solutions to their needs in a space where they can find everything they need in one spot and at a price they can afford.

