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Contribution to the community



Walmart de México y Centroamérica is present in 571 cities throughout Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Mexico. Its interaction with local communities leads to close relationships that mainly focus on reducing operations impact and generating value to communities, thus becoming a valuable community member.

Donation guidelines

Community support throughout the region consists on providing financial and in-kind support, offering the commercial platform to small producers as well as promoting volunteer work among our associates, their families and our customers. The Company has transparency and anticorruption guidelines and mechanisms that guarantee the compliance of the corporate purpose for which resources are granted.

In Mexico, Fundación Wal-Mart de México, A.C. is a non-profit organization through which community support is channeled. The Foundation has a Board made up of 11 members, 5 of which are independent counsellors who meet every quarter.

Board members of Walmart Mexico Foundation at March 12, 2015		
Name	Independent	Related
Enrique Ostalé (Chairman)		●
Manuel Álvarez		●
Mercedes Aragonés	●	
Karina Awad		●
Roberto Delgado	●	
Jorge Familiar	●	
Rafael Matute		●
Alberto Sepúlveda		●
Marinela Servitje	●	
Martha Smith	●	
José Luis Torres		●

In Central America, community support is provided in each country under the responsibility of Corporate Affairs areas and the Corporate Responsibility Committee, which meets twice a year.

Donation policies and process in Mexico include:

- Temporary public on-line notice, containing defined criteria on the causes and desired social impact as well as the requirements that organizations likely to receive donations are to meet.
- Project evaluation by a Pre-Selection Committee made up by academy members and company executives not-related to the Foundation.
- Pertaining law accomplishment review and adherence to anticorruption mechanisms.
- Review and voting rights by the Board of Walmart Mexico Foundation on the projects best evaluated by the Pre-Selection Committee.
- Contract preparation processes, including both anticorruption and project development clauses.
- Social impact indicators follow-up through electronic systems and field visits.

As for in-kind donations, grantee selection is based on installed capacity and social impact generated. In these cases, a review on the compliance of local regulations is performed as well as the application of anticorruption mechanisms and contract.

The donation control electronic system allows us to obtain information on the institution and the project as well as to gather social impact indicators.

In Central America, the process is under the responsibility of the Corporate Affairs area, following the same anticorruption criteria, contracts and project follow-up.



All projects are evaluated by a Pre-Selection Committee and the Board of Directors



844,692
benefited through
139 food banks

Fighting against hunger

It is somewhat paradoxical to know that despite the fact that around the world a third of food is wasted, there are millions of people who live below the breadline, both in rural and urban areas. Hunger is undoubtedly a reality in the countries we are present, therefore, driving sustainable food access to disadvantaged communities becomes a major responsibility for us. We focus on:

- a. Providing in-kind donations, mainly from our stores and distribution centers, to social organizations on the food network.

In Mexico, we work to strengthen the food banks' capabilities. In Central America we support the consolidation and creation of food banks in Costa Rica, Honduras, Guatemala, El Salvador and Nicaragua. In 2014, the food bank operation in Costa Rica promoted the opening of a new branch in the Northeast part of the country known as Guanacaste, which will supply food for social wellness organizations in the area to eventually benefit over 10,000 people.

We work to strengthen internal controls in-kind donation processes in all our stores to improve their quality of delivered products.

- b. Contribute to food safety in communities that live below the breadline by driving the construction of kitchen gardens, farms and water catchment systems. This program promotes sustainable food access, the increase of available income and women empowerment, creating a development platform of production capabilities.

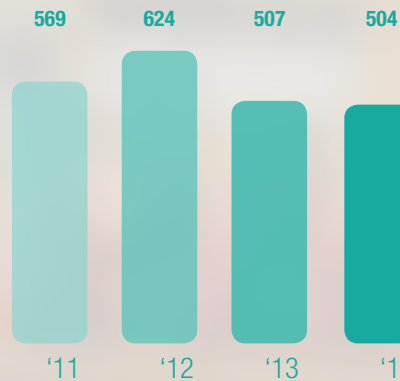
Contributing to sustainability of communities through production chain

Undoubtedly, developing production chains that improve the life conditions of communities on a sustainable basis is an efficient mechanism to increase income and employment amongst communities. In addition, the Company supports through people, infrastructure and trade channels to strengthen market focus on producers, the development of trading capacities and access to modern trade, which provides an invaluable experience to produces and varied growth opportunities. As a result, we have incorporated an inclusive vision that not only drives development to fight against poverty but also transform and make sensitive our Company, generating both internal and external value.

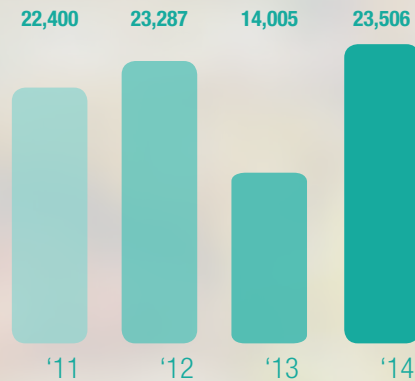


7,171
benefited in Mexico
with the *Food Safety*
program

Channeled Donations (MXN MILLION)



In Kind Donations (TONS)





61%
increase in average
income per producer
in Mexico

Consequently, our efforts are focused on:

- a. Funding production infrastructure and training. In 2014, 36 projects were granted funds in Mexico, all of which focus on craft and farm production.
- b. Incorporating low-income small producers to the supply chain, as a development mechanism of production capacity, logistics and access to modern markets. The program includes:
 - An assessment of the poverty level.
 - A Business Case creation and planning of the productive and trade project.
 - Production and logistics training as well as providing conditions for sale and delivery.
 - Development of soft and hard competencies.

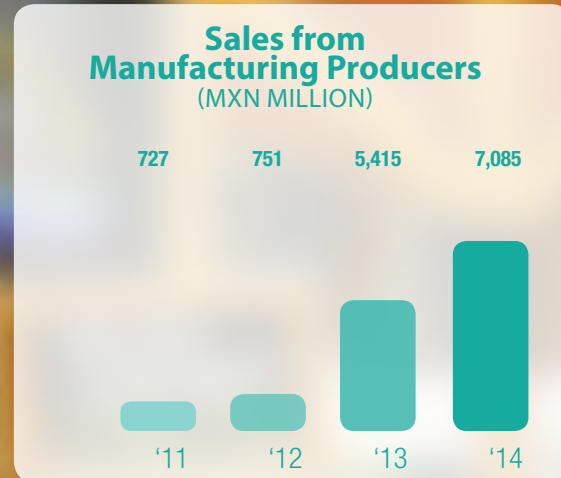
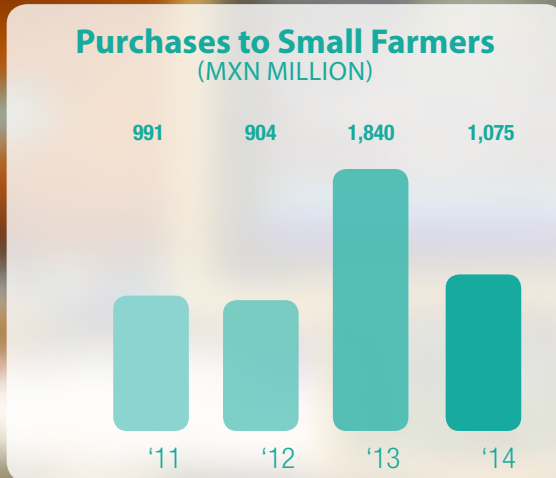
The development of a commercial platform to buy from low-income small producers under preferential pay conditions and distribution costs, as well as the training funding and product development, as described on the *Supplier development chapter*, has played a significant role on the growth of this program and its social impact.

In order to strengthen the program and increase the number of supported suppliers, in Mexico, the *Co-Creation Forum for Inclusive Farming* was developed. Through the Forum, best practices on small producer incorporation and development will be shared with other organizations; this all aims at improving standards and strengthening the relationship between corporations and multiplier organizations in the benefit of more producers.

In Mexico in order to promote the sale of products developed by small producers a campaign called *Small Producer, You Can Count on Us* was launched in 2014. By posting communication on the point of sale, product in-store signage, electronic communication on the social media and the sale of products on line, achieved a 83% on line sales increase of such products, as well as more awareness of the program and the stories built behind each of the 118 products currently traded.



Over **17**
cooperatives of small
producers sell 118
products in stores



Local programs

2,428 volunteer activities

- 762 schools
- 716 activities with communities
- 537 parks, green areas and beaches
- 244 orphanages and shelters
- 169 streets maintained

Volunteerism

The pillar of our community work has always been promoting among our associates and customers a sense of citizenship and community involvement. During this year, local activities were promoted in all stores, incorporating community work in store clusters, which improves team work and creates a greater impact. In addition, the specialized volunteer work was developed for staff associates among Merchandising, Fresh and Logistics areas, which are now included in the development of producers, mentorship programs and the selection of projects to be annually funded.

In order to motivate and acknowledge volunteer work, in the most important celebration of the Company we recognize the volunteer of the year, the format of the year, the city of the year, and the distribution center of the year. This is indeed a source of pride for the Company and an example of the service principle that distinguishes us.

Disaster relief program

In case of natural disasters, the Company focuses on providing support to our associates and their families, providing basic supplies to the rest of the affected population -including food, drinkable water and sanitary products-, restoring the operation in our stores and their supply in the area, as well as opening a support channel for our customers through collection center and care campaigns.

In this manner, the Company uses its logistics, operative and immediate reaction capacities through each store, and the Continuity of Operations Center, that represents all the areas and sets the intervention pathways during a disaster. In addition, we are supported by the Mexican Red Cross and company volunteers to take humanitarian aid to the places in need, achieving proper and timely intervention to support affected populations.



64,500
benefited by natural
disasters assistance

