

our

COMMUNITY



G4-SO1



SMALL SUPPLIERS

VALUABLE NEIGHBOR

FOOD SECURITY

SUPPORT DURING NATURAL DISASTERS

OUR STRATEGY IS ALIGNED WITH OUR BUSINESS AND THE CAPACITY TO GENERATE VALUE FOR THE COMPANY THROUGH DIFFERENT COMMUNITY SUPPORT PROGRAMS. IN MEXICO, EVERY YEAR WE LAUNCH A CALL TO GRANT MONETARY DONATIONS. THIS YEAR WE FINANCED PROJECTS TO IMPROVE THE DEVELOPMENT OF SMALL FARMERS AND FOOD SECURITY.

869

MILLION PESOS
CHANNELED

1.5

MILLION
BENEFITED

196

NGOS
SUPPORTED



small

SUPPLIERS

26%

AVERAGE INCREASE
IN INCOME IN MEXICO

17,629

SMALL SUPPLIERS
DEVELOPED

50

MILLION PESOS
IN SALES IN MEXICO

We financed long-term projects that help to build production capacities in the people assisted and to eradicate poverty, therefore we contribute with our know-how, people, and infrastructure, for their well-being.



THE ENHANCEMENT OF PRODUCTION CAPACITIES AND THE OPENING OF NEW COMMERCIAL CHANNELS REPRESENT A FUNDAMENTAL DRIVER FOR COMBATING POVERTY IN MEXICO AND IN CENTRAL AMERICA.



We develop the potential of small growers by offering training and the sales expertise we have acquired under different commercial conditions, thus facilitating learning experiences and the ensuing opportunities such as payment terms, logistics costs, and letters of intent for purchases. In this manner we seek to develop their potential for increased productivity, income, and the capacity to grow and create jobs for their communities.

With the Fertile Soil program in Central America, which consists of direct purchases, we have helped 355 small and medium-sized farmers throughout the year. We purchased 2.2 billion pesos from these farmers, representing 57% in produce and grains sold in our units. This program has helped to maintain our commitment to assist these suppliers, so we continue offering training for farmers in Good Agricultural Practices -GAP- to reduce environmental impacts and improve productivity.



With the help of Enactus Mexico, Endeavor Mexico, KPMG, and Todo Retail, the Walmart Foundation of Mexico was able to hold its first call for small farmers to enroll their manufactured products. Of the 477 products registered, 58 were selected; they underwent an evaluation process by a committee of merchants for Walmart Mexico and representatives from other companies. After a full day of presentations and the exchange of best practices with the participants, 30 were chosen. The support provided consists of an intense 13-month training course in business model development, brands and products, and mentoring so small farmers may maximize their commercial capacities and increase productivity rates, thereby driving the

economy in their communities. The expected result of this learning experience is that these growers be better equipped to sell their merchandise in our stores. Those products accomplishing good sales volumes continue as suppliers.

The Sustainable Agriculture program in Mexico trained over 1,450 small farmers located in 10 states throughout the country, with purchases amounting to 43.9 million pesos and 223% growth over last year, thus increasing their income by an average of 20%. The program consists of comprehensive training in best farming and business practices.



valuable

NEIGHBOR

2,465

VOLUNTEER
ACTIVITIES

113,411

VOLUNTARY
PARTICIPATIONS

60%

OF OUR VICE PRESIDENTS PARTICIPATED
AS VOLUNTEERS IN MEXICO

Through our Volunteerism Program, we contribute to improve the communities we serve by promoting good corporate citizenship, commitment, and fostering a sense of solidarity.





OUR ASSOCIATES NOT ONLY HELP TO PROVIDE AN ENHANCED SHOPPING EXPERIENCE FOR OUR CUSTOMERS, THEY ALSO OFFER THEIR TIME AS VOLUNTEERS TO MAKE THE COMPANY A VALUABLE NEIGHBOR.

In order to be a part of the communities where we operate, we conducted 2,465 volunteer activities with 113,411 participants, benefiting thousands of people in communities throughout Mexico and Central America. This year, each business format held tailor-made activities with the purpose of having each format support a specific cause.

With the experience of our top management, we have been able to create the Specialized Volunteerism Program, whereby our top executives share their expertise so as to develop

small suppliers through personalized mentoring, and/or by helping to select projects to be financed. This year we had 18% participation by our top leaders in Mexico.

As motivation and recognition for the involvement of our volunteers, during our Company's annual meeting we recognize the top associate volunteer, the format, and distribution center of the year who are examples of service to the community and who are examples of our Walmart Culture.

food

SECURITY



29,905

TONS
CHANNELED

894,671

BENEFICIARIES

70%

OF THE CHILDREN HELPED REACHED
NORMAL NUTRITION LEVELS

We have assisted in the building of 1,438 backyard gardens, farms, ecological stoves, and rainwater catchment systems, promoting sustainable nutrition.





THE INCREASE IN AVAILABLE INCOME AND THE EMPOWERMENT OF WOMEN, CREATE A CAPACITY-BUILDING PLATFORM FOR PRODUCTION.

Under the heading of food, in Mexico some 4 million pesos were donated to Alimento para Todos, I.A.P., for the training of 62 organizations who hold food drives, covering subjects related to the proper receiving, selecting, classifying, storing, and delivering of food products. In addition, infrastructure needs for these organizations were evaluated so as to enhance optimum operation of their facilities.

As part of our innovation, this year we launched several campaigns in favor of Food Banks, such as the first edition of the “Walmart Run - Costa Rica” race. It entailed running 6 and 10 km, and a 2-km walk. The proceeds from enrolling in the races were set aside for programs that fight hunger. Another campaign was the “Sula Marathon - Honduras”. Operations served as sponsor for this 4th edition race, consisting of 5k, 10k, and 21k runs in support of the Food Bank.



support during natural

DISASTERS

139

TONS
CHANNELED

13,405

BENEFICIARIES
IN MEXICO

278

ASSOCIATES
BENEFITED

We provided humanitarian support and achieved proper and timely intervention for victims.





THE CENTER FOR OPERATION CONTINUITY SEEKS RISK PREVENTION FOR OUR ASSOCIATES AND CUSTOMERS ALIKE, GUARANTEEING CONTINUITY OF OPERATIONS IN CASES OF ACCIDENTS OR NATURAL DISASTERS.

We also have a Center for Emergency Assistance to assist and support associates and units who have been victims of some emergency situation. In 2016, we set aside 2.9 million pesos and assisted 278 associates. **G4-EC3**

In Mexico, throughout 2016 we assisted over 13,000 people affected by different natural disasters through the delivery of 31 tons of pantry baskets that included staple food products and basic items for affected communities; it was possible thanks to the revolving fund agreement for 5,000 baskets, by and between the Walmart Mexico Foundation and the Mexican Red Cross.

There were victims due to Hurricane Otto in Costa Rica, thus the Friendly Hands program was activated in our stores. Thanks to contributions from our customers, 108 tons of staple food products and basic need items to the National Commission on Emergencies and the Costa Rican Red Cross. We also made an in-kind donation of 1.6 million pesos to said Commission, emergency assistance agencies, the police department, and affected indigenous communities.