Walmart Canada’s Corporate Social Responsibility Report

Published July 2012
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Message from the President and CEO

Welcome to our latest Corporate Social Responsibility Report. This year, our theme is culture and how at Walmart Canada, our culture affects everything we do; how we operate our business; how we buy and sell products; how we treat the environment.

This report frames our activities into four broad categories of CSR: Environmental Sustainability, People, Ethical Sourcing and Community. As you explore the report, we invite you to drill down to look at specific examples of our accomplishments in each area.

At Walmart, we work hard on selling for less, every single day. We search the globe looking for better ways to be more cost-effective so that we can continue to lower the cost of living for Canadians.

In the interests of full transparency, there are things we can do better and it’s this kind of open dialogue that helps us learn in order to operate more efficiently and sustainably.

I’m proud of what we’ve accomplished this past year and also recognize there’s plenty more work to do. I welcome your feedback, to help us progress towards becoming an even more responsible and successful corporate citizen of Canada.

Shelley Broader
President and CEO, Walmart Canada

What to look for in our 2011 CSR Report:

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Environment .......................................................................................................................................................................7

Now that sustainability is integral to Walmart Canada culture, we’re working with suppliers to improve the products themselves.

People ..................................................................................................................................................................................14

Learn how we’re continually improving the work experience for our 87,000 associates by developing new initiatives and programs.

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It’s critical for us to verify the products we sell are produced in a way that provides dignity and respect for workers in the supply chain, while protecting the environment.

Community Investment .............................................................................................................................................34

Community Involvement ..........................................................................................................................................39

See what we’re doing on the local and national front to help families and communities grow through a combination of philanthropy and economic investment.
About This Report

This Corporate Social Responsibility (CSR) Report takes an in-depth look at the environmental, social and economic impact of Walmart Canada Corp. and the actions taken to meet our CSR commitments during our fiscal year from February 1, 2011 to January 31, 2012.

This report includes the performance metrics that we are using to track and evaluate our CSR progress going forward. Our intent is to share information on issues that are most relevant to our stakeholders, customers, associates, suppliers, fellow retailers, and the communities where we operate. To learn more about sustainability at Wal-Mart Stores, Inc., please visit the Walmart Global Sustainability Report at [www.walmartstores.com/sites/responsibility-report/2012](http://www.walmartstores.com/sites/responsibility-report/2012).

Our Social Commitment

At Walmart Canada, corporate social responsibility (CSR) is a commitment to operate in a way that promotes positive outcomes for our environment, our associates, those who manufacture the merchandise on our shelves, and the communities in which we do business.

From the beginning, our mission has been to lower prices to save Canadians money so they can live better. Today, we have a greater appreciation of how the many choices we make as a company can enable others, both in Canada and around the world, to do just that.

Reporting Standard

To create this report, Walmart Canada has reviewed a number of external resources to help shape and draft its content. These include the Global Reporting Initiative (GRI) standards, the most widely accepted sustainability reporting framework for companies worldwide. The GRI standards are used as a benchmarking tool only.

Stakeholder Engagement

To ensure that we are reporting accurately and relevantly to stakeholders, Walmart Canada is partnering with consultants from Canadian Business for Social Responsibility (CBSR). CBSR is a non-profit CSR consultancy and peer-to-peer learning organization that works with member companies across Canada to improve their respective social, environmental and economic performance.

We asked community leaders, non-governmental organizations and others to help review and guide content for our CSR reporting. We have used this feedback as a content guide for this report and will continue to do so into the future.

2012 Corporate Responsibility Leadership Council

Shelley Broader, President and CEO
Gino Digioacchino, SVP, Central Operations and Multi-channel
Emma Fox, SVP, Marketing
Jennifer Goldspink, Category Manager
Bob Hakeem, SVP, People
Rodd Olmstead, Director, People Operations

John Lawrence, Director, Corporate Social Responsibility
Andrew Pelletier, VP, Corporate Affairs and Sustainability
Lee Tappenden, Chief Merchandising Officer
Jim Thompson, Chief Operations Officer
Bill Tofflemire, Chief Financial Officer

About us

About Walmart Canada

Walmart Canada was originally established in 1994 by acquiring 122 Woolco stores. With headquarters in Mississauga, Ontario, Walmart Canada now operates 333 stores, including traditional discount stores and Supercentres.
### Key Performance Indicators

#### Reporting Area

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
<th>2009 Results</th>
<th>2010 Results</th>
<th>2011 Results</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Environment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greenhouse Gas (GHG) produced in Canada:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emissions per retail sq. ft. - metric tonnes CO2 Equivalent</td>
<td>0.0077</td>
<td>0.0075</td>
<td>0.0083</td>
</tr>
<tr>
<td>Direct - Metric Tonnes CO2 Equivalent</td>
<td>96,880</td>
<td>96,271</td>
<td>132,523</td>
</tr>
<tr>
<td>Indirect - Metric Tonnes CO2 Equivalent</td>
<td>207,443</td>
<td>224,817</td>
<td>232,856</td>
</tr>
<tr>
<td>Total electricity intensity per sq. ft.</td>
<td>18.65 kWh</td>
<td>18.54 kWh</td>
<td>18.76 kWh</td>
</tr>
<tr>
<td>(Greenhouse Gases have increased as a result of opening new stores. However, improvements in design and energy efficiency measures have produced only a minor increase in electricity intensity per square foot.)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total waste diversion</td>
<td>124,093,518 Kgs</td>
<td>135,312,890 Kgs</td>
<td>150,891,779 Kgs</td>
</tr>
<tr>
<td>Percentage of waste diversion*</td>
<td>76%</td>
<td>78%</td>
<td>77%</td>
</tr>
</tbody>
</table>

| **People** | | | |
| Number of associates promoted | 6,600 | 3,951 | 5,019 |
| Number of associates who received operational and leadership training | 5,300 | 1,529 | 2,130 |
| Percentage of managers/senior managers who are women | 47.40% | 48.50% | 54.08% |
| (Sr. Management 2009 - 29.9%; 2010 - 29.5%; 2011 - 31.1%) | | | |

| **Responsible Sourcing** | | | |
| Number of Factory Audits: | | | |
| Direct Imports by Walmart Canada | 539 audits of 465 factories | 339 audits of 303 factories | 442 audits of 384 factories |
| Domestic Imports (imports by Canadian suppliers) | 542 audits of 510 factories | 622 audits of 540 factories | 576 audits of 507 factories |
| Percentage of Unannounced Audits | 26 | 50 | 50 |
| Number of Factories disapproved | 17 | 23 | 8 |
| Number of suppliers and factory managers attending Ethical Standards training (globally)** | 2,940 | 8,819 | 1,790 |

| **Community** | | | |
| Community Investment | | | |
| Number of new jobs created | 1,714 | 3,800 | 833 |
| Number of new jobs created in construction trades | 5,400 | 6,950 | 5,650 |
| Number of Canadian suppliers and service providers | 7,726 | 7,543 | 5,027 |
| Payments to Canadian suppliers and service providers | $14.2 Billion | $15.1 Billion | $15.4 Billion |

| Community Involvement | | | |
| Total contributions: | | | |
| Raised through Fundraising | $17.8 Million | $14.4 Million*** | $14.9 Million |
| Donated by Walmart Canada | $7.7 Million | $8.7 Million | $10.3 Million**** |

*Walmart Canada adjusted its waste-diversion calculation to align with the Recycling Council of Ontario’s 3R Certified standard.***

**No Canada specific data is available for this statistic, as many of the factories producing merchandise for Walmart Canada also produce merchandise for Wal-Mart Stores, Inc.**

***Less due to the Haiti Campaign of 2009

****Includes $681,000 from Walmart Canada Bank
Awards & Recognition

Winning ways from the past year
Walmart Canada is honoured to be recognized by our peers for outstanding accomplishments across the spectrum of our business. In 2011 we are particularly proud to have won awards in categories including environmental achievements, merchandising excellence, and corporate culture. This diversity of honours reflects our vision to achieve true excellence in everything we do as an organization.

<table>
<thead>
<tr>
<th>2011 Award</th>
<th>Presenter</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Best Employers Awards for 50-Plus Canadians</td>
<td>Workplace Institute</td>
<td>Another repeat winner of the Best Employer Award for 50-plus Canadians. Walmart’s Progressive Retirement Services initiative offers flexible work options to meet both employee personal needs and the company’s business needs. They also have exceptional hiring and recognition programs and a workplace culture that supports diversity.</td>
</tr>
<tr>
<td>International Sustainability Excellence Award</td>
<td>Walmart International</td>
<td>The Distribution Centre logistics team is recognized for building the Balzac fresh food distribution centre in Balzac, Alberta one of North America’s most sustainable DCs.</td>
</tr>
<tr>
<td>Food Logistics Golden Pallet Award in the large distribution centre category</td>
<td>Food Logistics</td>
<td>The Golden Pallet Awards, sponsored by Food Logistics, are the first food industry awards to recognize excellence in warehousing. Awarded to the Balzac DC.</td>
</tr>
<tr>
<td>Globe Corporate Award for Environmental Excellence</td>
<td>Globe Foundation</td>
<td>The Award for Corporate Environmental Excellence recognizes a Canadian corporation with a proven record of environmental stewardship, whose commitment to environmental excellence has contributed to economic competitiveness in Canada.</td>
</tr>
<tr>
<td>Excellence in Retailing: In-store retail merchandising</td>
<td>Retail Council of Canada</td>
<td>The company received the award for its ‘Fashion by George: Walmart Apparel’s Extreme Makeover’ project. The project involved retrofitting more than 300 stores across the country to give shoppers an exclusive “store-within-a-store” experience, and retiring a number of Walmart Canada private label brands (i.e., B.U.M., Penman’s and 725), to create one umbrella brand.</td>
</tr>
<tr>
<td>Commitment to Care &amp; Service Award for Green Leadership</td>
<td>Pharmacy Practice and Drugstore Canada</td>
<td>The company received the award for introducing the Ecolo-Vial.</td>
</tr>
<tr>
<td>Platinum winner - 10 Most Admired Corporate Cultures</td>
<td>Waterstone Human Capital Inc.</td>
<td>Walmart Canada achieved platinum level status for the Canada’s 10 Most Admired Corporate Cultures program.</td>
</tr>
<tr>
<td>Breakaway Leader Award</td>
<td>CIO Executive Summit</td>
<td>Awarded to Gale Blank. The award, now in its fourth year, recognizes CIOs and senior IT executives whose leadership elevates their people, partners and business. Nominations for the award were gathered from peers within the Global CIO community. A distinguished panel of judges presided over the deliberation of the semi-finalists with final recipients selected through a combined vote. The summit, hosted by the global leadership network Evanta, is widely recognized as the most significant awards program for CIOs.</td>
</tr>
</tbody>
</table>
Wal-Mart Stores, Inc. (global)
Walmart’s defining principles such as Everyday Low Prices, our Three Basic Beliefs, Servant Leadership and our Open Door Policy are common to all Walmart operations.
Ethical Sourcing is managed by Walmart’s Ethical Sourcing team, based in retail markets and sourcing countries around the world.
Wal-Mart Stores, Inc. may launch major global initiatives aligning all worldwide operations such as our global commitment to operate sustainably. However, our specific initiatives to meet our sustainability goals here in Canada are largely made-in-Canada solutions.

At a Glance (as of June 2012)

In Canada since 1994
Walmart Discount Stores 164
Walmart Supercentres 169
Associates 87,000

Our Mission
Saving Canadians money so they can live better.

Our Beliefs
Respect for the individual. Service to customers. Strive for excellence.

Our relationship to Wal-Mart Stores, Inc.
Walmart Canada operates largely as an independent company within the global Walmart organization. While ideas like the Walmart operating philosophy and values come to us from our parent company, most decisions that impact our business and our customers on a daily basis are made in Canada.

Contact us

We welcome your feedback regarding our CSR Report. Please email us at CACSR@wal-mart.com.

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Bringing Sustainability Home

After five years of intensive learning, action, and commitment, it’s safe to say that sustainability is now an integral part of Walmart Canada’s culture. In this first critical phase, we can report steady progress towards achieving the first two of the three core goals shared with Walmart globally:

- Be supplied 100 per cent by renewable energy
- Create zero waste
- Sell products that sustain people and the environment

Our sights are now set to accomplish the third and most difficult goal: working with suppliers to sustainably improve the products themselves – from the beginning to the end of the product lifecycle. This report shines a light on recent progress and challenges in our efforts to bring sustainability home to stay.

Balzac Distribution Centre

The Balzac story: Sharing fresh thinking on sustainability

Since its 2010 launch, the story of innovation at Balzac is inspiring greater action on sustainability throughout the retail and food services industry. There’s a push across Canada to adopt more sustainable technologies, responsible construction practices, environmental building design, and strive for operational excellence.

Located about 25 kilometers north of Calgary, Alberta, the Balzac Fresh Food Distribution Centre is one of Canada’s largest refrigerated buildings at 400,000-square-feet. This first-of-its-kind facility serves as a primary hub for fresh and frozen food destined for 104 Walmart stores across Western Canada. Balzac is run by third-party logistics provider SCM (Supply Chain Management Inc.) with a 600-strong workforce.

Built to exacting environmental standards, Balzac is a living lab of sustainable building practices in virtually every facet of its design, construction and operations. The facility is piloting an array of leading-edge technologies like hydrogen fuel cells to power our fleet of forklift trucks, solar-thermal panels to heat water, wind power to generate electricity, and LEDs for general overhead lighting.

Now into its second full year of operation, Balzac is already proving Walmart Canada’s business case for how sustainable excellence can drive ROI:

- 60 per cent more energy-efficient than our traditional refrigerated centres
- Projected to save on energy costs by $4.8M over its first five years

Leading by example

But our goal with Balzac is not just about reducing our environmental footprint or trimming operating costs. It’s about inspiring fellow retailers and businesses to realize the benefits and take more action themselves.

“Balzac demonstrates that there’s no need to wait for sustainability,” says Virginia Garbutt, Walmart Canada’s director of strategic network planning and improvement. “The technology solutions are here and ready to put into practice. We believe this facility showcases the immediate returns of investing in green innovations and the positive impact of a sustainability mindset.”

With this goal in mind, our project principals have engaged a wide audience of business and community leaders on the local, national and international front to share the Balzac story and present a compelling blueprint for change.
Opening our doors
We're also regularly opening the doors of Balzac itself to allow people to see and learn about the facility for themselves. Visitors to date include everyone from Walmart Global leaders to Canadian vendors, competitors, students, government representatives and a variety of leading environmental groups and not-for-profit organizations. Balzac has also served as the site for one of our key partners to hold a sustainability-oriented forum on the premises.

The project leaders are also sharing the Balzac story through a series of presentations at national and international conferences and events. And Balzac is earning the attention of our peers with recent honours like the Food Logistics 2011 Golden Pallet Award, the first food industry award to recognize excellence in warehousing. The facility is also serving as the subject for business case studies from both the academic and private sectors.

Exporting green learning
In line with our goals, Balzac is also directly empowering other companies, including other Walmart Distribution Centres, to achieve greater sustainability – by adopting a similar combination of leading-edge technologies and best practices in sustainable operations:

• The hydrogen fuel-cell technology that powers Balzac’s entire fleet of 71 forklift trucks is now being installed at two other Walmart distribution centres: Cornwall, Ontario and Bartlesville, Oklahoma.
• Inspiring greater usage of LED lighting in outdoor applications, such as parking lot lighting starting at our Fergus, Ontario store in 2012.
• Balzac is working with SCM, our operational partner to promote a day-to-day culture of sustainability to help realize the overall project objectives. Initially, an internal Sustainability Committee was formed to drive initiatives and education within warehouse operations. The team now collaborates on numerous internal projects including an effort to reduce paper by organizing a ‘Sustainability Week’ and working with local suppliers to promote sustainable packaging.
• In future building projects, Walmart Canada plans to integrate sustainable solutions at every phase of the project – from overall building design and procurement practices to waste diversion during construction.

Targeting Zero Waste: In Search Of Organic Solutions

<table>
<thead>
<tr>
<th>Diversion (estimates in kg.)</th>
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<tbody>
<tr>
<td>Recycled</td>
</tr>
<tr>
<td>OCC</td>
</tr>
<tr>
<td>Plastics</td>
</tr>
<tr>
<td>Metals</td>
</tr>
<tr>
<td>Wood</td>
</tr>
<tr>
<td>Polystyrene</td>
</tr>
<tr>
<td>Paper</td>
</tr>
<tr>
<td>Organic Oil and Rendering</td>
</tr>
<tr>
<td>Tires</td>
</tr>
<tr>
<td>Motor Oil and Filters</td>
</tr>
<tr>
<td>Batteries and Lead Weights</td>
</tr>
<tr>
<td>Organics</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td><strong>Total Recycled</strong></td>
</tr>
<tr>
<td><strong>Total Reuse</strong></td>
</tr>
<tr>
<td><strong>Total Donations</strong></td>
</tr>
</tbody>
</table>

Walmart Canada continues to make progress while also overcoming our share of challenges as we pursue our core environmental goal of creating zero waste in our national retail stores.

These were the key waste diversion priorities in 2011:
• Reduce the organic food waste created by our expanding grocery operations
• Develop strategies to prevent e-waste (electronic waste) from going to landfill
• Adjust how we measure and report waste diversion KPIs
• Lead Walmart’s global waste diversion team
Clearing our plate
As we open more supercentres with larger-scale grocery departments, our stores face the daily challenge of diverting a growing volume of organic food waste.

Walmart Canada has found AD to be an excellent method of organic waste diversion. In 2011, we recycled 200 per cent more food waste than 2010 and diverted 10,000 metric tonnes of organic waste from landfill.

Rethinking e-waste
Our waste diversion team is also focused on finding new outlets for electronic waste. This is a hot-button issue affecting landfills all over North America, who are slowly but surely shutting their gates to any kind of electronics – what our team calls, ‘stuff with a plug’. This extensive list includes everything from TVs, computers and electronics to kitchen appliances – many of which use heavy metals, chemicals and plastics, which can contaminate landfill sites. While the e-waste issue is not specific to our business, it’s a massive problem facing the retail industry as a whole and consumers themselves. We are currently reviewing options on how best to approach the issue.

Adjusting waste metrics
Since launching our waste program in 2007, we have managed to increase the volume diverted each year. This measurement guides a specific KPI number, which can be found in our CSR Reports. In 2011, under the guidance of the Recycling Council of Ontario, we adjusted how to calculate our re-use figures. The adjustment means that our waste diversion totals for 2010 are actually five per cent lower than first reported. All future reports, including this one, will use the new calculation.

Canadian team leads Global Waste Diversion Team
We were honoured this past year when Walmart asked us to lead their global waste diversion team – tasked with the challenge of improving reduction in our worldwide network of retail stores. The Canadian team is now actively working with their counterparts in other regions to help shape policy and share best practices – with a goal to apply their learning to future programs here.

Renewable Energy: Harnessing The Power Of Nature
In Canada, the electricity grid is relatively green with low-emission sources of energy flowing in from hydro-rich provinces, such as Quebec and B.C. In fact, hydroelectric energy comprises nearly two-thirds of the power generated in Canada each year.

Walmart Canada taps into this energy stream and also currently sources some its electricity needs through a renewable provider named Bullfrog Power. In fact, we increased our wattage purchased to become Bullfrog Power’s second largest commercial customer in Canada – reaching 46,965 MWhrs.
Investing $2 million in renewable innovation

Our first core environmental goal is to be supplied 100 per cent by renewable energy. In August 2011 we took concrete steps towards achieving that aspirational goal – by investing $2 million in two separate projects to test the viability of solar power and wind energy. Roger Snowball, director of design at Walmart Canada outlined the objectives, “These pilot projects allow us to test new technologies in a real-world setting, so that we can apply the best practices and learning to new stores in the future.”

Solar Power

With our first project, Walmart Canada has become the first Canadian retailer to harness a large-scale sun tracking system – installed on the rooftop of our Kitchener-Waterloo store.

- The 250-kilowatt solar power-generating system is expected to generate 480,000-kilowatt hours of energy per year – enough to power 40 average size households.
- Greenhouse gas emissions (GHG) will be reduced by an estimated 80 tonnes per year.
- All power generated will be returned to the electrical grid under Ontario’s feed-in tariff program for renewable energy.
- The construction phase created approximately 50-60 jobs for the Burlington company, BramKal Contractors, who supplied and installed the PV solar panels.

Boosting wind power

We’ve also installed an 80-foot high, 20-kilowatt wind turbine next to our Milton, Ontario store. This particular type of turbine is designed for low wind speed areas, where the technology has not previously proven practical.

- Designed to operate in wind speeds as low as 10 kilometres per hour.
- Expected to produce 32,000 to 35,000 kilowatt hours per year based on wind variations – enough to power three average size households.

Awards & Honours: Recognizing Environmental Excellence

Through initiatives like sharegreen.ca, Walmart Canada seeks to collaborate with industry partners and peers to strengthen the business case for sustainability. Nevertheless, we’re also deeply honoured to be singled out by a third party for the integrity of our efforts to date.

Last year, the GLOBE Foundation presented Walmart Canada with its 2011 Corporate Award for Environmental Excellence. This award is particularly meaningful because the GLOBE Foundation is perhaps Canada’s most high-profile national forum for recognizing corporate sustainability and green innovation.

In the Foundation’s own statement: “This award will be presented to a Canadian corporation with a proven record of environmental stewardship that has materially contributed to economic competitiveness through a commitment to environmental excellence that is integrated with a corporate-wide approach to sustainability.”

The GLOBE Foundation sets a remarkably high standard. Walmart Canada is very proud to have fulfilled their criterion in the relentless pursuit of our own environmental goals.

We are equally honoured to be recognized by our counterparts within the Walmart global network. Walmart Canada won the Walmart International Sustainability Excellence Award, presented at the International Year Beginning Meeting held in Orlando, March 2011.
Walmart’s Green Student Challenge: How Will You Change The World?

Looking to inspire students to take action on sustainability, Walmart Canada launched the Green Student Challenge in September 2011.

We issued the challenge with an open invitation to post-secondary students from across Canada to develop and submit proposals that are good for both the environment and for business – with a total prize purse of $100,000 to be awarded to the students with the winning proposals.

Our goal with the Green Student Challenge is to encourage the next generation of business leaders to create the next wave of sustainable business ideas.

Outgoing President and CEO of Walmart Canada, David Cheesewright spoke at the launch, “Many businesses are operating in a more sustainable way but we know there is a lot more to be done. We are presenting this to students because we want to push business sustainability up the priority list with post-secondary institutions and future business leaders in Canada.”

An opportunity for all to learn

Submissions were judged on three criteria: ease of implementation, originality, and potential economic, social and environmental benefits. The five semi-finalists were brought to Toronto in February 2012 to present their ideas in front of a panel of leading Canadian CEOs, who chose the winning submission.

Walmart Canada awarded a total of $100,000 to the students with the best proposals. This included $30,000 to the winner and $30,000 to their school. The remaining $40,000 was divided amongst the other winners in second through fifth place.

A full update on the winning proposals and students will appear in next year’s CSR report. You may also preview the results by visiting www.sharegreen.ca/student.

Cleaning Green: Great Value Household Cleaners

Our product line of Great Value household cleaners and detergents are a made-in-Canada success story of how two ex-college roommates came to develop Walmart Canada’s flagship private label eco-brand.

Every cleaning product in the Great Value line-up is formulated to be sustainable and effective. Like the name implies, they offer unbeatable value – priced not only below national brands but lower than any other private label eco-brand at competing retailers.

Last year, each entry in the Great Value cleaning product family earned its EcoLogo™ certification – considered to be North America’s most respected environmental standard and certification mark. This milestone coincided with a new package design to refresh the look of the brand.

One very big small business idea

The Great Value story begins nine years ago in 2003 as two former university buddies from smalltown Ontario approached Walmart Canada with a bold idea about green household cleaners.

These were early days in green product development and the two friends, David Stone and Jeremy Quinn, managed to convince Walmart buyers of its potential. The pair called their privately owned company, Oxi Brite Inc., formulating the cleaning solutions themselves at their small facilities in Milton, Ontario. They brainstormed a wave of innovative product development with the steady encouragement and support of Frank Morin, the category manager at Walmart Canada.

The duo’s business success is based on maintaining extremely high standards of sustainable product design and manufacturing. Their Oxi Brite factory is also EcoLogo™ certified with a robust energy conservation program in place for waste diversion and recycling.

The products themselves are all biodegradable, with no phosphates, chlorine or known carcinogens, and no artificial fragrances or dyes. All packaging is recyclable and the products are regularly tested for performance against the leading green and regular brands. There are currently six different products in the Great Value product family – with plans to keep extending the line to keep up with rising customer demand.
My Sustainability Plan: Year Two

Walmart Canada recognizes that sustainability begins at home. For a company of our scale, that means at the grassroots level in our stores. My Sustainability Plan (MSP) is a program designed to do just that – by providing our 87,000 associates with a way to bring environmental practices directly into their daily lives.

Now in its second year, MSP is a global, voluntary and associate-driven movement that encourages each individual to choose small daily actions that combine to make a difference.

“Environmental sustainability continues to be one of the top issues on the minds of our associates,” says Veronica Maschek, sustainability specialist and MSP program lead. “Our new MSP program empowers associates to engage sustainability on their own terms. It stands for helping our associates live healthier, greener and better.”

Built around the program’s three pillars of Planet, Health and Life, My Sustainability Plan asks associates to find something they are passionate about, develop a plan to make it part of their daily lives, then track their progress, and ultimately share their story to inspire fellow associates.

Putting the planet first

Canadian associates largely chose MSPs focused on protecting the environment. The program itself is run by a company-wide team of MSP captains who serve as individual program leaders in each store. They distribute MSP program materials, track participation, motivate fellow associates and share success stories.

This past year, associates have participated in a variety of MSP projects that have benefited everything from local neighbourhoods and schools to retirement homes.

Amer Shahzad, a former MSP Captain and now assistant manager, says, “MSP created a lot of excitement among associates and managers. I was able to engage and motivate everyone in the store to be involved.” MSP engages and empowers associates to make a change and it shifts the focus from issues to a productive and responsible outcome.

“MSP has changed associates’ lives,” says Jane Threlfall, store manager in Truro, Nova Scotia. “We have lost weight, become more active, recycle at work and at home, help in community clean-ups and promote healthy living. Associates have embraced the MSP concept and it has resulted in a significant improvement in team morale.”

Green packaging: Introducing The Ecolo-Vial™

In 2011 the Walmart Canada Pharmacy filled a major prescription for sustainable packaging by introducing the 100 per cent recyclable Ecolo-Vial™.

Every year Canadians use more than 300 million plastic vials for their prescription medications – but all these vials ultimately end up in landfills because they’re made of multi-material plastic, which contaminates the recycling stream.

By adopting the clear green Ecolo-Vial™, Walmart Pharmacy has pitched in to help reduce the source of this unnecessary waste. Made in Quebec, the Ecolo-Vial™ is a one-piece plastic prescription container that’s recyclable, UV resistant and shatterproof.

Here are key environmental benefits of the Ecolo-Vial™:

- Produces 53 per cent less packaging waste compared to traditional vial packaging
- Eliminates the use of more than 100,000 plastic bags since the vials are shipped in boxes instead of bags
- Uses a manufacturing process that reduces in-plant energy consumption by 35 per cent

In recognition of its sustainable practices, the Walmart Canada Pharmacy won the Commitment to Care & Service Award for Green Leadership in November 2011, a prestigious national award from Pharmacy Practice and Drugstore Canada, the leading professional journals for pharmacists. Given the nature of the Ecolo-Vial™, this is one of those occasions where everyone stands to win.
Our Sustainability Goals For 2012 And Beyond

To create zero waste

• Reduce in-store food waste by 10 per cent by December 31, 2015
• Reduce plastic shopping bag waste in Walmart’s international stores by 50 per cent by December 31, 2013
• Reduce packaging by 5 per cent by December 31, 2013

To be supplied 100 per cent by renewable energy

• Reduce greenhouse gases at our existing stores by 20 per cent by December 31, 2012

To sell products that sustain people and the environment

• Purchase all wild-caught fresh and frozen fish from fisheries certified to the Marine Stewardship Council (MSC) standard, or equivalent, by December 31, 2013
• Work with aquaculture certification organizations to certify that our farmed fish suppliers adhere to Best Aquaculture Practices (BAP) by December 31, 2013
• Source all tuna from an International Seafood Sustainability Foundation (ISSF) member by December 31, 2013
• Committed to sourcing 100 per cent of our fresh produce from Canadian sources when in season and available
• Increase our organic produce assortment to 5 per cent of produce sales by December 31, 2013
• Require sustainably sourced palm oil in all of its private brand products by December 31, 2015
• Eliminate 20 million metric tons of greenhouse gas (GHG) emissions from Walmart’s global supply chain by December 31, 2015
A Culture Where Anything Is Possible

At Walmart Canada, our culture is at the heart of everything we do. It’s our greatest competitive strength and what connects us as people. We’re team players who believe in transparency and always strive to do the right thing. Above all, we share a passion to help Canadians save money so they can live better.

Across our entire organization, we seek to continually improve the work experience for our 87,000 associates by developing initiatives and programs, which reflect our three basic beliefs:

1. Respect for the individual
2. Service to our customers
3. Striving for excellence

Walmart aspires to create a workplace culture, where for associates, anything is possible. By encouraging each person to envision their goals, we can help them make it happen.

Women’s Economic Empowerment Initiative: A Walmart Global Commitment

In September 2011, Wal-Mart Stores Inc. launched a far-reaching global commitment to increase economic opportunities for women, not only in our stores and offices but across our global supply chain.

Improving women’s employment, education and business opportunities is essential to our success as a retailer. We also believe one of the most direct ways to break the cycle of poverty is to invest in women and raise the standard of living for their families.

Over the next five years, Walmart is committed to:

- Double our sourcing globally from women-owned businesses in every retail market.
- Empower women on farms and in factories through training, market access and career opportunities. We will help 60,000 women working in factories develop the skills they need to become more active decision-makers in their jobs and for their families.
- Scale our successful retail training programs to help 200,000 women internationally.
- Work with professional service firms and merchandise suppliers with more than $1 billion in sales to increase women and minority representation on Walmart accounts.
- Support for these programs will come from more than $100 million in grants from the Walmart Foundation and direct donations from Walmart’s international business.

By the numbers*

- More than one billion people live in poverty worldwide, 70 per cent of which are women.
- Nearly 800 million people cannot read or write, two-thirds of which are women.
- Women perform 80 per cent of the work on farms, but many do not receive the training necessary to make the most of their labour.
- Less than 7 per cent of venture capital goes to companies started by women.
- 90 million women are expected to join the global workforce by 2013.
- Fortune 500 companies with the highest proportion of female directors are more profitable and efficient than those with fewer female directors.
- Women control $20 trillion of annual consumer spending globally.
- Women reinvest 90 per cent of their income in their families and communities.

* UN Women, Gates Foundation, Dow Jones VentureSource, Vital Voices
Taking action here at home

For Walmart Canada, the Women’s economic empowerment initiative builds powerfully on our own efforts to foster a more inclusive and diverse work environment. We actively promote a workplace where every kind of person has a seat at the table. In fact, diversity is a key to our success – because different perspectives enhance the quality of debate, which leads to better ideas, and in turn make us a better business.

Walmart Canada’s SVP of Marketing, Emma Fox is spearheading Canada’s role in driving the initiative forward. “We’re doubly fortunate that women contribute immensely to both our business and to the diversity of our talent pool. In fact, most of our customers and 65 per cent of our associates are female. But loyalty is a two-way street and this initiative is a historic opportunity to prove our relevance to women by taking real and measurable steps. Our vision for Walmart is to become the best place for women to work at all levels of our organization. We’re serious about advancing and developing opportunities for women because in this day and age, it’s simply the right thing to do.”

Walmart Canada is helping to lead the global strategy by empowering women inside and outside our workplace. Here are our defined goals:

1. **Develop & advance women leaders**
   Champion opportunities for women at all levels of our company

2. **Attract female talent**
   Increase recruiting efforts and expand internal resources

3. **Promote inclusion**
   Support culture of inclusion through policies and practices

4. **Invest in women round the world**
   Acting on our global initiative to empower women economically

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**Kelly Traverse**

“Two years ago, I was selected to be the Women in Retail (WIR) representative for our Atlantic and Quebec regions; I’m honoured to be a part of it. WIR has helped me become a more balanced leader through webinars, seminars, and training programs and has played a vital role in my career development.

I’m very proud of my company for introducing WIR and providing networking, educational and developmental courses for members. It inspired me to make a difference myself. Through WIR, I’ve had the opportunity to mentor other women and help them develop.

As individuals, we don’t often realize how important our role is – or how much of an impact and influence we can have in helping someone along in their own career. It is the most rewarding feeling of all.

---

**In Canada, an inspired change in leadership**

We can report significant progress on our first objective to develop & advance women leaders owing to a healthy presence of exceptional female executives in senior management. Each person brings a fresh, timely vision and a highly qualified background in global business operations to their senior positions in Canada.

- Shelley Broader, President and CEO
- Gale Blank, Chief Information Officer
- Trudy Fahie, President and CEO of Walmart Canada Bank
- Emma Fox, SVP of Marketing
- Susan Muigai, Director Internal Audit
Dare Program: University Graduates Transition To The Working World

Given the speed of change in the Canadian retail market, we recognize the need to supplement our existing talent pool with fresh new perspectives. As a result, Walmart Canada launched the DARE (Developing Accelerated Retail Experience) program in July 2011 to enable top university graduates to fast-track their learning in a real world business setting.

Through DARE, we select a handful of university graduates from hundreds of applications to participate in a one-year program where they complete work rotations through core areas of our business. The goal of the program is to provide an understanding of how each area contributes to the overall success of the business. Participants build a strong network during their time in the program, which helps them develop the collaborative behaviours that define our Walmart culture.

While similar programs in the industry require participants to apply to specific positions at the start of the program, DARE takes a different approach. Participants in DARE use their experience to learn about the company and to help identify the career path best suited to them.

Earning high marks at retail

The first year of the program comes to an end in July 2012 and the results have exceeded expectations. Participants have learned to perform key functions and understand how their work impacts the larger organization. And the learning goes both ways: in one case, a DARE participant built a tool that significantly improved process efficiencies.

Participants have already begun to receive offers for positions here at Walmart following the program. We look forward to continuing to support their development and to watch the next generation of Walmart leaders grow with us. The next session of DARE starts in July 2012 and we return to university campuses this fall to search for candidates for our class of 2014.

Hussain Bandali: DARE from the student perspective

“One thing that has been very evident is the strong culture of openness, inclusiveness, and working towards a common goal. Through the DARE program, I have had the opportunity to meet and network with senior leaders in the company, and was assigned a mentor from the leadership team who has played an active role in my development. Having been part of similar programs with previous employers, I can say with confidence that Walmart’s DARE program is exactly what a graduate leadership rotational program should be like.”
Profile Of Courage: Zach’s Story

Zach is a formerly shy, co-op student from Keswick, Ontario who happens to have autism, a condition, which affects the development of social, and communication skills.

Last year, Zach’s teacher called Keswick Store Manager, Kirk Sawyer to ask about work opportunities for her special-needs students. Seeing it as a chance to give back to the community, the manager responded by bringing in three students, including Zach. He gave the young student a role as an intern and greeter, which provided Zach with a fine opportunity to meet and interact with people. Rising to the challenge, Zach has been changed by the experience to become far more socially at ease. On the strength of his positive performance in dealing with customers, manager Kirk Sawyer has since offered a paying position as a part-time associate in the electronics department, which the young man has now happily accepted.

Zach’s story reflects our culture of inclusion. By embracing our differences – whether of age, gender, disabilities or ethnicity – we’re a stronger company for it.

Associate Engagement: Building A Culture Of Respect

In 2011 Shelley Broader began her new role, as President and CEO of Walmart Canada by saying, “I have 87,000 bosses.” It’s a statement right in keeping with Sam Walton’s original philosophy of servant leadership – the idea that effective leaders don’t lead from behind a desk but work alongside everyone else as part of a team. This philosophy is integral to the Walmart mindset and a big reason why our culture is so different. We are also firm advocates for transparency within our organization as shown in the fundamental set of policies and practices below.

Open Door Policy

Our Open Door Policy upholds our culture of respect and transparency by providing associates a standing invitation to speak to any manager in their store or department or any other manager in the organization – including our CEO – anytime. We welcome associates ideas, questions and concerns and see the Open Door as an opportunity to help us understand where and how we can improve as a team and a business. Open Doors are a cornerstone of our culture and a priority at every level of our business; we take them very seriously and make sure to respond to issues quickly.

Engaging our associates

“Associates” are not workers, or employees. Associates are partners in running our business, who make a difference every day. Their thoughts and ideas matter. We strive to ensure that Walmart associates have a strong voice at work.

Associate Opinion Survey

Integral to our culture is Respect for the individual; it defines us. It makes us different. Associate engagement is near and dear to our hearts. We know engagement rises when people feel they’re part of something great.

Each year, Walmart Canada conducts our Associate Opinion Survey (AOS), giving a voice to more than 87,000 of our associates from across the country. Their responses provide an invaluable opportunity for us to learn about our business and concerns from the associate’s perspective.

And the process doesn’t stop there.

We take action: Through feedback from the survey, we plan and implement programs that help us improve our business and make Walmart a great place to work. The process is working because between 2008 and 2011, our level of associate engagement climbed thirteen points from 56 to 69 per cent.

Associates also participate in grassroots meetings throughout the year where they can bring forward questions, ideas and concerns to their management team for discussion.
Associate satisfaction and unions
Walmart Canada believes in providing associates with a work environment based on respect, dignity and a true partnership in the business. We foster an environment that welcomes the identification of challenges or problems and a mutual resolution of those challenges.
As a company, we value our associates’ right to communicate any and all concerns they have directly to their supervisor, who must quickly work to a fair and proper resolution. Our culture of open communication is important to meeting our associates’ needs.
The key to preserving the climate in which we conduct our business is to always uphold the beliefs upon which Walmart was founded.
Walmart Canada also supports and respects our associates’ right to exercise freedom of association, including the decision to join or not to join a union. Associates have the legal right to make such choices, free from intimidation, coercion or undue influence from anyone.

Associate Potential: A Defining Difference
At Walmart, there’s all kinds of potential for dynamic career progression – especially for an associate with the desire and will to explore new opportunities through our organization.
What sets us apart from other retailers is the sheer number and variety of career possibilities. For example, an associate looking for a new career path, can start their search right here by scanning opportunities in their pick of one of our four main business divisions. Or they can make the switch to an entirely new job description and once they develop the expertise, use it as a stepping-stone to yet another kind of opportunity.

Exploring all the options
Walmart really encourages associates to think out of the box in terms of where their career can take them. We’ve evolved a terrific process to help them test out new areas and preview the potential of a different position through developmental roles or job shadowing. It provides an opportunity to get a genuine feel for new territories and job descriptions without having to make any long-term commitments.

Far more than retail opportunities
Walmart Canada employs all kinds of career professionals that you’d never expect to find in the retail industry. We’re home to an astounding variety of professions and trades involved in the many facets of our business – everything from architects, lawyers, bankers and accountants to pilots, graphic designers, operators, store managers and e-commerce specialists. Whether associates come to us from established careers or from within the company itself, we work equally hard to create quality opportunities that enable them to diversify and grow.

Associate Recognition: Shining Star Of The Year 2011
The Star program is a Walmart Canada recognition program designed for associates to show appreciation of their peers. It highlights how associates go above and beyond in demonstrating our three basic beliefs and proves that here at Walmart, people really do make the difference.
The Shining Star of the year is an individual who’s been recognized by their peers, district and region. Chosen from more than 87,000 potential candidates, the Star of the year serve as a shining example of the power of Walmart’s culture.

Star of the Year 2011: Tim Kerfoot
Associate Tim Kerfoot brings genuine warmth and welcoming conversation to his role as Greeter for our store in Nanaimo, BC. Eleven years ago, Tim lost his mobility and has since been confined to a wheelchair but this in no way defines how he chooses to live his life.
His store manager, Ken Baird describes Tim as, “A role model for our value of respect for the individual, it’s clear Tim is someone who does not judge anyone. Instead, he approaches everyone with a sense of appreciation for what they can do.”
Tim has a gift for making customers feel exceptionally welcome and they see in him, living proof of how we respect people and embrace their differences.
The young man brings this same positive attitude to a busy life with his local community. He regularly helps out at a homeless outreach shelter and gives talks to children’s groups to encourage inclusion and acceptance. Tim also likes to play community sports and supports the Salvation Army Men’s Shelter, a kid’s summer camp and an elderly care facility.
Allan Mathews

"I immigrated to Canada six and a half years ago from India with my wife and son and a concrete decision to make it work. I had a positive attitude for everything around me in this beautiful country – even the bitter winter!

I started at Walmart in a contract position in spring 2006 and a few months later was offered a permanent position in the Global Sourcing team. After five successful years with the team, I decided it was time for a new challenge.

My coach noticed I was very creative and encouraged me to think about new roles where I could fully use my talents. At the time, there wasn’t such a role for me in the business, but I started getting the word out to anyone and everyone about my capabilities and my passion.

When such a role evolved (Category Development Manager – Innovation), people recommended me. Today I’ve landed myself one of the coolest and newest roles in the Walmart world.

At Walmart you can take your career in your own hands, make your goals known and then make it happen. Dreams do come true here!"

Chrissy Hubbs

"In 1995 I got a job at the new Walmart which opened in my hometown. I was 16 years old and very excited to work at the new “talk of the town” retailer. I had never had a job outside of babysitting but within a few short months as a temporary cashier, I was quickly promoted to customer service manager. The position gave me the opportunity to learn how to motivate and coach people of all ages.

My earnings from Walmart put me through university. I wanted to pursue a career in social work – however, just before I graduated, my assistant manager explained that with my motivation and perseverance I had the potential to do absolutely anything in this company I aspired to do. WOW!

Walmart had always supported me. So when I was encouraged to take a training program for assistant managers, I knew this was the right move. Eventually, I became an assistant, then a co-manager, and now a store manager for different locations within the GTA.

All along my journey, I have always had someone believing in me – whether it be my family, my coach, my peers, or my associates. That belief has given me the confidence I need to be the best for Walmart everyday!"

Kareem Shalaby

"My career with Walmart began just after I turned 16. I was hired to clean bathrooms and push shopping carts. After high school, I worked the overnight shift stocking shelves and one day I was offered a job as a flooring apprentice. Seeing that I was at a crossroads, my assistant manager took me aside and encouraged me to consider a career at Walmart. It was her who convinced me to stay.

Six months later, I became an assistant manager and then store manager of one of our largest volume stores in Canada. Today, I oversee my own district of seven stores in Western Canada.

My career would not have landed me where I am today if it wasn’t for that one influential person who took the time to show me that I could make it happen at Walmart. I’ve been here 14 years now and have never looked back!"
Associate recognition: My Profit Share

A key part of our culture is our dedication to showing appreciation for all the associates who help drive our success. Over the past seven years, Walmart Canada has proudly paid out half a billion dollars in bonus programs divided amongst our associates. And we continue to pay out regardless of how tough the economy might be in any given year.

In 2011, our People Services team rolled out My Profit Share bonus plan tied to achieving set profit targets. The goal is to encourage associates to achieve a high level of results and unite towards a common objective.

Associates & Benefits

At Walmart Canada, our goal to help customers live better applies equally to our associates as we continue to find new ways for them to grow. By providing better job and career opportunities, innovative reward programs, personal benefits and support services, our associates are able to live better at work and home.

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<td>“Shining Star” Recognition</td>
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<td>Stakeholder Program (bonus based on store performance)</td>
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<td>Group RRSP</td>
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<td>Resources for Living (professional life counseling service)</td>
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<td>Vacation + Personal Day</td>
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<td>Maternity Leave Top Up</td>
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<tr>
<td>Corporate Discount Programs (i.e.: wireless plans, gym memberships, sporting events, hotels and car rentals)</td>
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Associates 2011:

- 87,115 associates from coast to coast
- 833 new jobs created
- 5,019 associates promoted
- 1,409 associates received operational and leadership training
- $55,043,617 invested in the associate retirement Profit Sharing Plan
- $40,560,021 saved by associates using the Walmart associate discount card
- $106,005,053 total in bonus payments received by associates for the 2011 fiscal year
- 59.88 per cent internal promotion rate to Assistant Manager
- 71.64 per cent internal promotion rate to Store Manager
- 54.8 per cent of managers and senior managers are women

Our Goals For 2012 And Beyond

- Strengthen our current engagement framework, improve management and millennial associate engagement by examining and addressing their unique engagement concerns
- Implement new practices and training to strengthen diversity and inclusion in our home office and store leadership teams
- Strengthen core leadership development and enhance merchandising and operations capability
- Continue to create thousands of new employment opportunities as we expand into new markets across Canada
Monitoring Our Supply Chain*

Helping people live better has always been core to Walmart's mission and the foundation of our business. This mission applies to our customers, associates and the workers who make the products we sell. In 1992, we developed our Ethical Sourcing program to verify the products we sell are produced in a way that provides dignity and respect for workers in the supply chain, while protecting the environment.

*All content for Walmart Canada’s Ethical Sourcing section is sourced from the Walmart 2012 Global Responsibility Report.

Taking Ethical Sourcing Beyond Compliance

As the world’s largest retailer, we strive to positively impact global supply chain practices by consistently raising our own standards and partnering with other retailers, brands, suppliers, NGOs and government leaders to find innovative and sustainable ways to improve working conditions. Through this collaboration we work to help build ladders to a better life in the countries we source from.

Over the past year, we have continued to make great strides in this area. We are in the second year of our innovative Supplier Development Program, in which our Ethical Sourcing team works closely with suppliers to improve working conditions in factories. Through this and other related programs, we have helped elevate 286 factories from an orange to a yellow rating.

Our efforts have been recognized by various respected independent organizations. In the Q4 2011 Covalence ethical reputation index, which tracks the ethical reputation of multinational corporations, Walmart ranked fifth out of 37 retailers. We also ranked second on resources devoted to supply chain compliance among apparel companies in Toward a Safe, Just Workplace: Apparel Supply Chain Compliance Programs, a scorecard published in 2010 that examines supply chain compliance for fair working conditions.

Despite this progress, there is still considerable opportunity ahead. For example, in September 2011, Walmart introduced the Women’s Economic Empowerment initiative. As part of this, we launched a program to provide basic life skills and leadership training to female factory workers.

We are also looking forward to continuing our Supplier Development Program with a goal to include more than 100 new participants this year.

Drive Change Through High Standards And Factory Audits

Commitment: Complete audits for 100 per cent of factories supplying direct-import, private-label and nonbranded merchandise for all retail markets by Jan. 31, 2012.

Progress: As of Jan. 31, 2012, we reached 96 per cent completion.

Commitment: Require that 95 per cent of direct-import factories receive one of the two highest ratings in audit for environmental and social practices by Jan. 31, 2012.

Progress: As of Jan. 31, 2012, 94.8 per cent of factories have received one of the two highest ratings.

Commitment: Ensure 86 per cent of our domestic suppliers’ private-label and nonbranded factories in the U.S., U.K. and Canada receive one of the two highest ratings in audits for environmental and social practices by Jan. 31, 2012.

Progress: As of Jan. 31, 2012, Walmart U.S. achieved 90.5 per cent, Walmart Canada achieved 88.1 per cent and ASDA achieved 88.6 per cent.
Partner with our suppliers to identify and implement solutions for improving factory conditions

**Commitment:** Enroll approximately 100 suppliers in the Supplier Development Program annually.

**Progress:** As of January 2012, there were 198 suppliers participating.

**Commitment:** Improve worker dormitory standards and canteen conditions globally in our suppliers’ factories.

**Progress:** New dormitory and canteen standards have been developed and included in Walmart’s Standards for Suppliers. Twenty-five pilot audits have been completed in key sourcing areas to gauge the impact of more stringent standards.

**Commitment:** Enhance chemical and machine safety in supplier factories through training, improved hazard protection safeguards and strengthened Ethical Sourcing program requirements.

**Progress:** New chemical and machine safety standards have been developed and included in the Standards for Suppliers. Supply-chain needs assessments have been conducted in 106 factories in key sourcing areas.

Provide women working in supplier factories with the life, health, communication, technical and leadership skills to increase their economic and social opportunities

**Commitment:** Establish training programs for 60,000 women in 150 factories in India, Bangladesh, Central America and China over the next five years.

**Progress:** Since we announced in 2011, we have started programming with CARE in Bangladesh and Swasti in India.

Proactively advocate for policies and practices that promote dignity and respect for all workers in Walmart’s supply chain.

**Commitment:** Meet and exceed requirements of the California Transparency in Supply Chain Act and expand our efforts to make a significant contribution to global antitrafficking and antislavery efforts.

**Progress:** We posted our disclosure document on walmartstores.com, included language on antihuman, trafficking and slavery in our Standards for Suppliers, and launched an internal awareness initiative.

Additionally, a group of core stakeholders was convened on the topic, resulting in the identification of five potential areas of focus: migrant labour, bonded labour, commodities, informal supply chains and conflict minerals. Attendees included End Human Trafficking Now, the Interfaith Center on Corporate Responsibility, the International Labour Organization, ManpowerGroup, Verite and others.

Global Audit Results

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### Global Audit Results by Region

(Percentage of all factory audits conducted)

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Supplier Development Program

Through our Supplier Development Program, our goal is to partner with approximately 100 suppliers annually to help them improve factory working conditions and implement effective management systems. In just its second year, the efforts are far reaching and affect our supply chain. By promoting improved working conditions and communication with factory management, empowering workers and offering valuable training, suppliers are equipped to run a more efficient and productive business and can produce higher-quality products. Participating suppliers report the program has enabled them to reduce worker turnover and incidents of injury, facilitate open communication and significantly increase worker satisfaction.

How it works

Walmart identifies suppliers for voluntary participation in the program. Once a supplier joins, we form an internal consulting team to conduct a thorough analysis of the supplier’s social and environmental management systems and develop a customized program to fit its business model. The resulting plan is comprehensive and focuses on implementing best practices for:

- Hiring and employment: Meet Walmart’s nondiscrimination, age and labour standards.
- Training and development: Develop training programs for factory management and workers.
- Performance management: Provide fairness and equal opportunity for workers.
- Compensation and benefits: Develop internal controls for strong salary and wage administration.
- Discipline and termination: Meet Walmart, legal and international standards for fair, reasonable and humane treatment of workers.
- Worker communication and feedback: Establish procedures for management to respond and communicate actions taken on worker feedback and create appropriate channels for workers to bring issues to management.
- Work hours and production systems: Develop a strong system for monitoring the company’s work hours policy.
- Environmental management: Manage environmental issues by reducing negative impact and improving environmental practices.
- Health and safety of workers: Provide chemical and machine safety training, improved hazard protection safeguards and the use of personal protective equipment.

We continue to work closely with the supplier to facilitate continuous improvement in its management systems.

The supplier development initiative is a pivotal component of Ethical Sourcing. To date, Walmart has provided internal resources and support to more than 200 suppliers in all our sourcing regions who have participated or are participating in the program. Through the Supplier Development Program, Walmart has the potential to affect hundreds of factories and thousands of workers in our supply chain.
Success story
In June 2011, Welspun India LDT successfully completed our Supplier Development Program. By identifying solutions to a variety of potential problems, the textile manufacturer was able to:

- Reduce energy consumption by 18 per cent.
- Establish a systematic approach to internal factory audits.
- Improve visibility of emergency exit routes.
- Assign health and safety coordinators to the factory floors.
- Harvest rainwater from retention ponds for production needs.
- Create a standardized selection process for employee promotions.

“We’ve started recording energy savings and other key parameters in a more organized manner, which led to our receiving the National Energy Conservation Award in 2010.”
Tarnjit Singh, head of operations, Welspun India LDT

Women In Factories

“This effort recognizes the untapped power of women around the world, and CARE is honoured to partner with Walmart on this groundbreaking initiative. Together, we can sustainably and dramatically improve the lives of hundreds of thousands of women – factory workers and farmers among them. Together, we will see these women change the lives of their families and communities for the better. We congratulate Walmart for taking this bold step forward.”
Helene Gayle, president and CEO, CARE

Empowering the women who work in our supply chain factories is an important priority for Walmart. Too often, female workers never realize opportunity beyond the factory floor, due to illiteracy, poverty and societal expectations. Through our Women in Factories program, we are working with leading NGOs in India, Bangladesh, Central America and China to address these issues and enhance the lives of women and their families.

Through this five-year program, we will provide critical life skills training, including communication, nutrition, hygiene, gender sensitivity and health to more than 60,000 women working in factories around the world. An additional 8,000 women also will have access to carefully tailored leadership and career development training. The Women in Factories program will create a stronger pipeline of talent for factories around the world and empower women to advocate for themselves in their homes, workplaces and communities.

Working with third parties will be vital to the long-term success of this program. We are partnering with CARE International and other NGOs to design and implement the program locally. For example, CARE will manage the program in Bangladesh, while Swasti, an India-based NGO, will do so in India. Additionally, the program will be evaluated by a team at Northwestern University, in partnership with DAI and Mission Measurement, to validate that we are meeting our goals and effectively improving the lives of women in our supply chain.

“Walmart’s openness to co-create the program for women in factories, with active participation of partners, has been impressive. It has led to a women-centric and result-oriented empowerment initiative, which will contribute significantly in changing lives of women who work in factories. We deeply appreciate the willingness to listen – to women, to partners, to solutions from the ground, in the constant endeavor to make the program better. This respect to women and partners is rare and I believe a strong ingredient of success and impact.”
Shiv Kumar, CEO, Swasti

Strengthening Worker Families And Communities

At Walmart, we strive to improve the lives of workers outside the factory walls, which is why the Walmart Foundation frequently provides grants to NGOs that operate in the communities where supplier factories are located. One example is the Walmart Foundation’s funding of the Women's Health and Education Through Effective Learning (WHEEL) program in Bangladesh through our partnership with CARE.

In Bangladesh, it is estimated that more than 80 per cent of garment workers are women. These women often lack a formal education and the skills necessary to improve their quality of life. With our assistance, the WHEEL program has set up 100 learning centres where women can gain workplace skills and receive health and literacy training, necessary to improve their lives and be better prepared to access the economic opportunities they deserve. The initiative will benefit 2,500 workers and their families, positively impacting an estimated 12,500 to 15,000 people in their communities.
Securing a better life: Rehana Akter, Dhaka

Rehana Akter and her family moved to Dhaka, the capital city of Bangladesh, in search of a better life. For three years she worked as a maid before receiving a job in a factory. “I did not get a chance to go to school and made lots of mistakes with numbers while working as a helper,” Rehana said. Through the WHEEL program, she started taking night school classes, where she learned to calculate her overtime, read and write Bengali, and more. After completing her first year at the WHEEL learning centre, Rehana’s lifestyle changed. She now eats healthier and takes proper care of herself. She earned a promotion from helper to operator at her factory and anticipates additional opportunities to improve her quality of life in the future. “I’m able to read, write and calculate because those learning opportunities were available to me at night,” she said.

Partnerships

Meaningful collaboration is essential to driving positive, lasting change in the supply chain. This is why we continue to partner with leading NGOs and take an active role in industry coalitions. We work to improve the effectiveness of our own Ethical Sourcing program and, ultimately, improve the lives of workers in our supply chain.

Examples of our partnerships include:

The Global Social Compliance Program

We were one of six leading companies who worked together to create the Global Social Compliance Program (GSCP) in an effort to place social values at the heart of commercial decisions. Currently, 34 companies are participating in GSCP. Looking forward, GSCP will focus on finding collaborative approaches for capacity building.

The goals of GSCP are:

- Drive conformity in ethical sourcing by building transparency and the ability to compare existing systems.
- Build consensus on best practices.
- Develop a clear and consistent message for suppliers globally.
- Reduce audit fatigue and duplication.
- Strengthen collaborative efforts for building capacity and training.

In January 2011, Walmart underwent a GSCP self-equivalence process, where we reviewed our standards and tools against GSCP to identify gaps in our program. This exercise has allowed us to strengthen our program by further aligning our requirements with GSCP’s requirements.

For more information on the GSCP, visit gscpnet.com.

“The engagement of leading international buyers – such as Walmart – is essential to drive compliance with ILO core international standards and national labour law. Through their participation in the program, Walmart is helping Better Work reach a substantial number of factories, to promote better working conditions for thousands of garment workers worldwide.”

Dan Rees, director, Better Work

International Labour Organization (ILO)/International Finance Corporation (IFC) Better Work Program

We have partnered with the ILO and the IFC to support the Better Work Programs utilized in Cambodia, Haiti, Indonesia, Jordan, Lesotho, Nicaragua and Vietnam as well as the planned expansion into Bangladesh.

The Better Work Program’s objective is to improve working conditions by monitoring factories, conducting training modules and engaging with key stakeholders, including workers, factories, communities and governments. Together, we continue to advocate for stronger labour policies and strengthen the capacity to monitor factory conditions in these countries. At Walmart, we are asking our suppliers who produce merchandise in these countries to fully support the Better Work Programs by requiring their factories to participate in this program.
Business for Social Responsibility (BSR)
We are a member of BSR, a global network of more than 250 companies focused on developing sustainable business strategies and solutions through consultation, research and cross-sector collaboration. By working with BSR, we are able to utilize their expertise to identify trends and supply chain issues, and potential solutions.

Ethical Trading Initiative (ETI)
We are an active member of the ETI, an alliance that works with companies, trade unions and volunteer organizations to improve the lives of workers across the globe who produce food and consumer goods. Through ETI, member organizations collectively tackle labour issues that would not easily be addressed individually. For example, our ASDA operations participated in the ETI purchasing practices work group, which developed a buyer training program focused on the links between daily decisions and production activities at the factory level.

Sustainable Apparel Coalition (SAC)
We are a member of the SAC, an industry-wide group of leading apparel and footwear brands, retailers, manufacturers, NGOs, academic experts and the U.S. Environmental Protection Agency, working to reduce the environmental and social impacts of apparel and footwear products around the world. The goal of the coalition is to lead the industry toward a shared vision of sustainability built upon a common approach for measuring and evaluating apparel and footwear product sustainability performance.

Other Initiatives

Dormitory and canteen standards
Walmart is implementing new requirements that go above and beyond industry norms to enhance dormitory living conditions in the supply chain. By taking proactive measures to go beyond local laws and standards, we expect to improve worker health, safety and worker morale. In order to verify dormitory conditions are improved, we created a new mandatory standard that has gone into effect this year. In order for factories to become familiar with the new standards, they will not have an impact on the colour rating a factory receives until 2013. Examples of new standards to be put into place include requiring suppliers who provide residential and dining facilities for their workers to provide safe, healthy and sanitary facilities. Additionally, suppliers must provide appropriate and sanitary washroom facilities, including adequate toilets and showers segregated by gender.

Machine and chemical safety
Using insight from more than 100 factories, Walmart initiated an improved set of safety standards to regulate the use of high-risk chemicals and machinery. These requirements, which have been incorporated into the audit process of Walmart supplier factories, include:

- Providing extra protection for workers involved in high-risk manufacturing processes
- Preventing factories and suppliers from cutting corners on existing safety regulations
- Increasing awareness around standards and providing additional training on safety standards
- Using appropriate equipment properly
- Providing proper training for workers who use high-risk machinery

Orange School Program
In order to help our factories improve from an orange rating to a yellow or green rating, we created the Orange School Program to help supplier factories remediate high-risk violations. We provide instruction on how to implement effective management systems and address the root cause of issues. In addition to Orange School and the Supplier Development Program, we also work with suppliers through audit orientation, violation correction training and roundtable discussions. As our supply chain expands, we are working to implement these programs across our markets.
Purchasing practices
Our purchasing practices have an effect on suppliers, and we are committed to improving these practices. In 2011, we focused on increasing internal awareness about the effects of business decisions on the supply chain. We are working with our merchandising division to identify opportunities to improve our purchasing practices through increased training and awareness.

“Walmart recognizes that audits alone will not solve complex issues in the supply chain. As such, Walmart is helping its suppliers build the capability to upgrade working conditions, improve workplace practices and ultimately improve factory management’s ability to think beyond compliance and drive social performance independently.”
Ian Spaulding, managing director, INFACT Global Partners

The Audit Program

Standards for Suppliers
Walmart’s Standards for Suppliers provides the framework for our audits, while outlining our expectations for employee relations and environmental management. A detailed manual has been developed for suppliers explaining our expectations and the audit process. Suppliers are required to display the Standards for Suppliers poster in the local languages in their factories in view of all workers. Suppliers must adhere to these standards in order to do business with Walmart.

The Standards for Suppliers are updated regularly and include, but are not limited to, the following provisions:

- No forced or child labour
- No discrimination
- Wages and benefits must meet country law
- Freedom of association and collective bargaining
- Health and safety of workers
- Environmental compliance

Audit process
In 2011, 9,737 audits on 8,713 factories were conducted to verify our suppliers were adhering to our Standards for Suppliers. Of these, 855 were conducted through the ILO/IFC Better Work Program or the International Council of Toy Industries CARE Process. Walmart chooses to participate in these programs in an effort to reduce audit duplication and because of the programs’ remediation components. During 2011, we required our suppliers to cease production for Walmart in 155 factories due to serious violations.

Walmart audits factories supplying private-label and nonbranded goods or when Walmart is the importer of record. All audits are conducted by accredited and internationally recognized auditing firms. Audits are conducted every six to 24 months, depending on the findings from the previous audit. Initial factory audits are announced, with all subsequent audits being unannounced.

Our Ethical Sourcing team conducts a percentage of validation audits to assess if audit firms are following the audit protocol and reporting findings accurately.

Worker helpline
In addition to the audit process, violations of Walmart’s Standards for Suppliers can be reported confidentially, in the local language of workers in the factory. On the Standards for Suppliers poster that all factories are required to display, there is a local toll-free telephone number, email address and website that workers can use to anonymously report violations and other concerns. Violations of our Standards for Suppliers are confidentially reported to a third party with the capability of processing concerns in more than 140 languages. All reports are directed to Walmart’s Global Ethics office, where they are referred for investigation and corrective action if needed.

Retail market compliance
Our Ethical Sourcing program has expanded to all of our retail markets around the world. As part of this global program, the Walmart Standards for Suppliers is now enforced in all our markets.
Factory colour rating system
As part of the audit process, we rate our factories based on the type and severity of violations found.

- **Green:** Low to minor to no violations; the factory will be audited within two years.
- **Yellow:** Medium-risk violations; the factory will be re-audited within one year.
- **Orange:** Higher-risk violations; the factory will be re-audited within six months; if a factory receives three orange ratings in a two-year period, the factory is disapproved, and the factory is restricted from doing business with Walmart for at least one year.
- **Red:** Most serious violations that prohibit future business with Walmart.

Ethical Sourcing Around The World: Improving The Supply Chain

**Cotton supply chain**
Persistent and documented reports of the use of child labour in cotton harvesting in Uzbekistan led us to instruct our supply base to cease sourcing cotton and cotton materials from Uzbekistan in 2008. We also began working with international governmental organizations to pressure Uzbekistan to stop using child labour. To help communicate our position with our suppliers and their factories and to gain additional information on challenges related to the use of Uzbekistan cotton, we partnered with other brands and retailers as part of the Strategic Mills and Spinners Initiative organized by the Responsible Sourcing Network in 2010. As part of our work to address global concerns around cotton production, including harvesting and ginning processes, we are partnering with the America Apparel and Footwear Association and others to determine the most effective ways to work collaboratively as retailers and brands to address issues in the cotton supply chain. We have found that the nature of the industry makes it difficult to determine where cotton has been grown. One way we have worked to address this challenge is to support the Better Cotton Initiative (BCI), a nonprofit organization that works with farmers to develop supplies of cotton with less environmental and social impact than conventional cotton – “better cotton.” ASDA/George has been a BCI member for two years. We expanded our BCI membership to include Walmart U.S. in January 2012.

**Dormitory standards**
One important way we are working to improve the conditions of workers in our supply chain is through our efforts around dormitory standards. We are already seeing success in this program in Mexico. For example, following suggestions made by Walmart’s Ethical Sourcing team, Daniel Cardenas Cevallos, a supplier of fresh produce based in Mexico, undertook several programs to improve the living conditions on his farm, including renovating six living spaces, two bathrooms and a childcare facility for workers’ children. Daniel now reports that because of the improved living conditions, the workers, who are largely seasonal, have asked if they can return and work for him again next season.

**Fire safety**
Fire safety continues to be a key focus for brands and retailers sourcing from Bangladesh. Consultation with industry experts on fire, electrical and structural safety helped equip us to establish criteria for factories at high risk for incidents of fire. We visited our supplier factories to understand which ones met the criteria, and then worked with our suppliers in Bangladesh to phase their production out of buildings identified as high risk for fire safety hazards. In 2011, we ceased working with 49 factories in Bangladesh due to fire safety issues. In February 2011, we organized a supply chain meeting, in collaboration with other brands and retailers focused on fire safety, which was attended by 160 suppliers. Through our participation in the Bangladesh Buyers Forum, we worked with other retailers and brands to create fire safety training films and training materials. These materials are being distributed to all Bangladeshi exporting garment factories, and training facilitated by the involved exporter associations has begun.

**Subcontracting**
Undisclosed subcontracting is defined as factories in our supply chain that produce merchandise or component items for Walmart in a facility that is improperly disclosed and/or unknown to Walmart. There are signs that this practice may be on the rise in countries including, but not limited to, Indonesia, China and Pakistan. The potential impact of undisclosed subcontracting is that illegal and unethical practices can be more easily hidden. To more effectively monitor undisclosed subcontracting, we have taken steps to enhance our Standards for Suppliers, audit reporting and training processes.
Walmart Ethical Sourcing Timeline

1992
Walmart’s Factory Certification Program is established, including the implementation of the Standards for Suppliers. Efforts are focused on the major export markets of Bangladesh and China. All suppliers must agree to labour, environmental and social requirements in order to source for Walmart. The Standards for Suppliers agreement is regularly updated and strengthened to improve working conditions for workers.

1993
Walmart publishes its first Factory Certification Program manual and begins to regularly audit factories. The criteria for the audits are based on the Standards for Suppliers, which cover areas such as compensation, working conditions and child labour.

1997
Walmart’s program is expanded to include factories located in Egypt, India, Nicaragua and Pakistan.

2003
To strengthen the Factory Certification Program, Walmart increases consequences of minimum wage and severe working hours violations.
Walmart begins an industry best practice of “auditing the auditor” to verify the accuracy of all audits. Today, Walmart validates a percentage of all audits.
Walmart implements additional training programs for suppliers, factory managers and buyers to increase compliance with the Standards for Suppliers.

2004
Walmart begins to increase the percentage of unannounced audits. The movement toward more unannounced audits will continue in the coming years.
Walmart establishes a team focused on social responsibility and stakeholder engagement to reach out to NGOs and third-parties in order to improve their ethical sourcing program and increase industry-wide compliance.

2005
Walmart’s program is renamed “Ethical Sourcing” to more accurately reflect program objectives.
The Standards for Suppliers expands to address freedom of association and collective bargaining as well as compliance with immigration laws and regulations for foreign contract workers.
Walmart trains more than 11,000 suppliers and members of factory management on the Standards for Suppliers and new environmental, health and safety audit requirements.
Walmart implements help lines in 45 countries in local languages to provide an easier way for factory workers to share concerns and issues.
Walmart increases the penalty period for disapproved factories from 90 days to one year to encourage stronger and more consistent compliance.
Walmart becomes a contributor to the International Labour Organization’s Better Factories Cambodia program, which monitors, reports and improves working conditions in Cambodian garment factories according to national and international standards.
Walmart develops a relationship with Business for Social Responsibility (BSR), a well-respected nonprofit, to develop a stakeholder engagement program.
2006

Environmental and sustainability criteria are added to the Standards for Suppliers to include waste identification, waste handling and disposal, wastewater treatment and discharge, air emissions and banned substances.

The International Giving Program, which focuses on giving back to the communities where merchandise for Walmart is sourced and sold, awards its first grant to the Asia Foundation to fund scholarships for migrant women in China.

The auditing process is again strengthened by increasing the sample for worker interviews and documentation review from 15 to at least 25 workers, setting an industry best practice.

Walmart creates the Model Factory Program to identify and implement sustainable and cost-effective practices in factories in China.

2007

Through their International Giving Program, Walmart begins investing in HOPE Worldwide programs in Kenya and India. These programs provide education and training to factory workers and their children.

Walmart, through their International Giving Program, partners with the Apparel Lesotho Alliance to Fight AIDS (ALAfA) to provide HIV and AIDS prevention and treatment to workers in the textile and apparel industries.

Walmart’s International Giving Program joins the Continuous Improvement in the Central American Workplace (CIMCAW) project, which brings together stakeholders to form an alliance to improve standards in the textile and garment sector in the Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua.

2008

Walmart hosts a Sustainability Summit with more than 1,000 leading suppliers in Beijing, China. At the summit, a series of aggressive goals and expectations are created to build a more socially responsible global supply chain. The goals that are set at the summit include requiring all direct-import, nonbranded and private-label suppliers to be compliant with local social and environmental laws and regulations by the end of 2011; having at least 95 per cent of direct-import factories receive one of our two highest audit ratings by the end of 2012; and requiring all direct-import, nonbranded and private-label suppliers to provide the name and location of every factory they use by the end of 2009.

Walmart becomes a founding member of the Global Social Compliance Program (GSCP), an initiative created by and for global buying companies wanting to work collaboratively on improving the sustainability (social and environmental) of their often-shared supply base. To this end, these companies begin their work to deliver a shared, global and sustainable approach by harmonizing existing efforts.

2009

Walmart Ethical Sourcing transitions from an auditing and monitoring team to focus on supplier development. This critical shift will allow Walmart to more proactively assist suppliers in improving working conditions in factories that produce merchandise for Walmart.

The Orange School Program is established to help the factories that have received an “orange” rating better comply with the Standards for Suppliers, local and national laws to improve conditions for workers.

Walmart supports the International Labour Organization (ILO) and International Finance Corporation’s (IFC) expansion into Jordan, followed by Cambodia, Vietnam, Lesotho, Haiti, Indonesia and Nicaragua in subsequent years.

2010

Walmart implements a formal Supplier Development Program in which Walmart partners with suppliers to train them to manage their factories more responsibly. As a result, improvement can be seen throughout the entire supply chain. By promoting improved working conditions and communication with factory management, empowering workers and offering valuable training, suppliers are equipped to run a more efficient and productive business and can produce higher-quality products.

Walmart ranks second among corporations examined in Toward a Safe, Just Workplace; Apparel Supply Chain Compliance Programs, a report published by As You Sow, a corporate social responsibility nonprofit organization that monitors ethical sourcing practices by retailers and brands.

Walmart announces funding for CARE in Bangladesh to set up 100 learning centres where women can receive education and skills training. This will help approximately 2,500 women receive the tools they need to provide a better life for themselves and their families.
2011

Walmart implements the Women’s Empowerment program focusing first on Bangladesh, Central America, China and India.

Walmart creates additional standards for factory dormitories and canteens, focused on health and safety, which are now included in the audit process. These proactive measures go beyond local laws and industry standards to improve living conditions. When workers are shown dignity and respect, increased morale and productivity are anticipated results.

Walmart develops additional standards for protecting workers who use high-risk chemicals or machinery. These new standards will be included in the auditing process in 2012.

Walmart proactively works with other brands and retailers to increase awareness and implementation of best practices for fire safety prevention in Bangladesh. Through this collaboration, films and other training materials are created and will be distributed to garment factories for the benefit of their staff and workers.

Regional Challenges In Ethical Sourcing

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<thead>
<tr>
<th>Region</th>
<th>Countries</th>
<th>Challenges</th>
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<tbody>
<tr>
<td>Region A</td>
<td>Cambodia, Indonesia, Thailand</td>
<td>Challenges faced in this region are primarily related to issues surrounding migrant workers. The occurrence of strikes related to minimum wage is a potential risk for interruption of production, while increases in order volumes and inappropriate use of contract labour has the potential to lead to excessive working hours and hiring issues. Undisclosed subcontracting is becoming more evident in countries such as Indonesia.</td>
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<tr>
<td>Region B</td>
<td>India, Sri Lanka</td>
<td>Some of the more prevalent concerns associated with this region include varying interpretations of the local law regarding contract workers and the lack of systems to verify compliance of wage and hiring procedures. Additional challenges include shortage of labour due to alternate employment opportunities, egregious working hours, undisclosed subcontracting and nonpayment of overtime premium. Sumangali bonded labour schemes are a challenge in India. We are working with stakeholders, such as the Tirupur Stakeholder’s Forum in Tirupur, India, where this practice is most prevalent, to implement additional guidelines on employment practices in factories supplying to Walmart.</td>
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<td>Region C</td>
<td>Europe</td>
<td>In Eastern Europe, challenges include incomplete and inconsistent time systems, incomplete personnel files and poor compliance with requirements on fire drills such as adequate frequency and ensuring that all shifts are covered. The increasing number of migrant workers in the supply chain raises concerns of undisclosed deductions and nonpayment of wages.</td>
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<tr>
<td>Region D</td>
<td>China, Hong Kong, Japan, Philippines, Taiwan</td>
<td>Manufacturers in China continue to move production inland due to lower labour costs, furthering the labour shortage in the south. Additionally, increased cost of raw materials and increased demand for low-cost goods are contributing to factory closures. Lack of complete transparency to production practices has hindered our ability to implement meaningful change at the factory level through our development programs. Additionally, egregious working hours, manipulation of records and undisclosed subcontracting remain prevalent throughout the Far East region.</td>
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<tr>
<td>Region E</td>
<td>Central America, North America, South America</td>
<td>The Americas region continues to encounter challenges related to time systems, wages and employment practices. Development of effective management systems for tracking and recording working hours and production rates, as well as for hiring practices and wage calculation methods, has led to significant improvements at fresh produce packing facilities. However, living conditions associated with temporary housing continue to be problematic in this industry.</td>
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<tr>
<td>Region F</td>
<td>Africa, Bangladesh, Israel, Jordan, Pakistan, Turkey</td>
<td>Frequent worker unrest, due to the declaration of the increased minimum wage, is currently affecting the garment sector in Bangladesh. There is increasing concern around the lack of fire safety awareness and training on fire prevention measures, in addition to structural safety issues, in these factories. Egregious working hours, manipulation of records and undisclosed subcontracting affect countries in this region, as well as migrant workforce issues which are prevalent, particularly in Jordan.</td>
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Note: Key countries listed
Putting Canada First

Knowing how much local communities contribute to our success, Walmart Canada is proud to give back by investing in our country’s economy. We now employ more than 87,000 associates across Canada and for each new store we open, hire anywhere from 150 – 500 associates from the local community.

In 2011, Walmart once again demonstrated strong support for the national economy – spending more than $15.4 billion with over 5,000 Canadian suppliers and service providers while creating more than 6,400 store and construction jobs.

We continue to work at the grassroots level to encourage local businesses and communities to grow – partnering with everyone from suppliers to educators to bring made-in-Canada products, ideas and innovation to market.

Great Value Products: Grown In Canada

Much of the fresh produce and ingredients that go into our private label food brand, the Great Value line, are either grown, processed or produced right here in Canada. It’s a recipe for success that enables us to support national food producers and ensure a steady supply of high quality merchandise to our stores at the same time.

We depend on strong relationships with Canadian food growers and producers to prepare many of the signature products in our Great Value line, which includes everything from frozen foods, packaged and canned goods to beverages.

Canadian suppliers deliver the goods

Quality local food suppliers make all the difference. For example, the key supplier for our Great Value pasta products is the company, Italpasta – a homegrown success story with roots in Italy. Every product that Italpasta makes for us is grown, manufactured and sold – all here in Canada. They use exclusively 100 per cent Canadian amber durum wheat to make products like our Great Value spaghetti and macaroni at their “pastificio” or pasta manufacturing plant in Brampton, Ontario.

Pasta is just one staple from our network of Canadian food suppliers. We enjoy robust relationships with a wide range of food producers including:

- Weils Food Processing makes fifteen products for Great Value including canned tomatoes, potatoes and pasta sauces.
- Beemaid Honey Limited supplies us with five domestic honey products – none of which are blended with imported honey like some of our competitors.
- Bonduelle North America supplies 23 products in our Great Value line of canned and frozen vegetables.

Fresh Thinking At Walmart: A Multicultural Twist

As Walmart steps up its commitment to source seasonal local produce, we’re also changing what’s on our grocery shelves to appeal to our changing customer base.

On the food front, Walmart is going local with a twist. Whenever possible, we’re sourcing locally grown Canadian produce in every province across the country. The amount we can source varies through the year – reaching a seasonal peak of around 50 per cent by summer when vegetables, soft fruit and berries are at their prime. And we’re equally committed to provide locally grown for our meat and deli products – sourced fresh from Canadian farms.

We’re connected to local producers right across Canada through organizations including: Foodland Ontario, the Ontario Produce Manufacturers Association, B.C. Grown, B.C. Tree Fruits, and Aliments Québec.
Organic and Direct Strategies
Walmart is also ramping up its organic produce selection with a mandate to provide staple organic items at everyday low prices – for example, bananas or berries in season.

Internationally, we’re leveraging our USA & ASDA global sourcing to buy directly from growers for up to 80 per cent of our non-domestic inventory. By streamlining the supply chain process, we can save as much as 12 to 20 per cent versus the market on items like South African citrus, Chilean grapes and Washington cherries and we pass those savings on to our customers.

Spicing up our grocery shelves
The latest twist is the remarkable diversity of produce and dry goods now finding their way to Walmart’s grocery shelves: picked to suit the exotic palates of new Canadian or second generation customers originating from countries as diverse as China, India and Sri Lanka. Depending on where you are in the country, customers can find everything from bok choy to Japanese eggplants, bitter melons, curry sauces and more.

This multicultural spin on local retail is the work of Walmart’s Store of the Community (SOTC): a specialized team of merchants and analysts that focuses on the needs of customers to ensure we have the right merchandise mix in individual stores or clusters of stores. The SOTC program began five years ago with a focus on the growing Asian and South Asian populations in Canada and has since expanded to include other ethnicities.

Apollo Health And Beauty: A Winning Formula For Style
Apollo Health and Beauty Care, the Canadian company behind our successful Equate private label line of personal care products, has been making Walmart look good for years.

On the strength of their exceptional product performance for Walmart Canada and other retailers, Apollo is now centralizing its plant operations in Toronto – into a new, state-of-the-art LEED Silver and Toronto Green Standard certified design build facility that will create private label lines for Walmart internationally in the U.S., Chile, and Central America.

In the competitive world of health and beauty products, Apollo is a true innovator who helped pioneer the industry in Canada. After 21-years in the business, Apollo is now the largest private label personal care manufacturer in the country with some 4,000 active products and growing.

Charles Wachsberg, president and chief executive of Apollo attributes their success to strong market instincts, “Apollo has been recognized as the marketplace leader in launching relevant and on-trend products quickly and efficiently. Our business culture is completely focused on offering our cherished clients the most attractive balance of uncompromised quality, innovation and price competitiveness within our sector class.”

Competing on the global level
Walmart Canada contributed to their success through the development of our Equate private label line – which competes directly with popular national brands at a more affordable price point. All products under the Equate banner, which includes liquid soap, hand sanitizer, body wash, shampoos and conditioners, are specially formulated and packaged by Apollo to achieve optimal impact in the Canadian market.

Wachsberg credits Walmart Canada with helping them break through to compete on a global level, “We are grateful for our growing and successful international presence within Walmart’s operations. Our strategic partnership is of critical importance to all Team Apollo associates and we look forward to collaborating with Walmart on successful future initiatives that benefit Walmart customers and that satisfy their discerning expectations for value.”

In 2012, Apollo was recognized as one of Canada’s 50 Best Managed Companies by the National Post for the ninth consecutive year. Now that they have successfully made the leap to work with Walmart internationally, Apollo is ready to make the world a more beautiful place.
Community Health: Training Canada’s Future Pharmacists

In 2010, Walmart Canada donated $1 million to the University of Toronto to create the Walmart Canada International Pharmacy Education Centre. We hope the impact of this investment will be felt in communities across the country where IPG graduates may settle to practice patient care.

On the strength of this donation, the U of T pharmacy school can now train 30 per cent more students through the program. For Walmart, we know that supporting such professional development opportunities has the potential to not only help individual students, but to help local communities in need of healthcare professionals across Canada.

One year later, we can report success stories like Rowena Calica, an International Pharmacy Graduate who chose to make her final community practice site at our Walmart Pharmacy in Fort Frances, Ontario –1,700 km northwest of Toronto with a population of 7,900. This kind of outcome means an excellent prognosis for our growing association with the U of T pharmacy school.

Higher learning: the Walmart Pharmacy Student Program

In summer 2011, we also provided students with a unique opportunity to experience the corporate world through the Walmart Pharmacy Student Program at our Home Office in Mississauga. The students joined a small in-house team dedicated to making positive changes in the profession as well as gaining valuable real world experience by working in a community pharmacy for one to two days a week.

Under the guidance of coaches on the Professional Services Team, the students initiated and piloted patient care projects in the community involving relevant healthcare issues like sun care and children's health.

Two of the students, Vivithika Jeevanayagam from the University of Saskatchewan and Disha Shah, from University of Waterloo shared notes on their experience: “Working with the City of Mississauga, we delivered a presentation for parents surrounding common health concerns in children. Through this experience, we learned just how proactive parents would like to be in keeping their kids healthy.”

The purpose of the program is to help students bridge the gap between university, the retail world and Canadian communities. For Vivithika and Disha, it presented a remarkable opportunity to preview their future professional lives, “Working at Walmart Home Office has helped us to understand that pharmacists are indeed front line, easily accessible health care professionals who are not just able to go out into the community, but also affect change significantly from the grass roots level. The amount of consideration that goes behind every new decision is immense and it was an exciting time for us as pharmacy students to be at the forefront of these developments.”

Rollback: A Strategy To Help Canadians Save Money

Walmart Canada’s ability to deliver unbeatable prices is based on a simple but powerful price-value retail strategy, which includes Rollback pricing on literally thousands of items in our stores.

In 2011, Walmart actually doubled the number of items on Rollback. We started early in January with a month-long Rollback event which featured over 9,000 items and saved our customers over $30 million dollars.

Behind Walmart’s Price-Value Strategy

Our retail price-value strategy is based on the core principle of Every Day Low Price or EDLP. It’s an effective way to build trust and loyalty with customers by providing stable, consistent prices. And the EDLP strategy creates operational efficiencies for Walmart, which allows us to reinvest those efficiencies back into the price.

The second part of our strategy is the Rollback on prices – which customers view and appreciate as a key Walmart equity. The Rollback lets customers know that we have negotiated a lower cost with specific vendors and are passing the savings on to them.

The Rollback works to support the EDLP strategy because we maintain the lower price over a long period, for 90 days on most items. The length of this period is highly beneficial to our customers because it allows them to buy when they need, not just because of a short-term sale price. Many items actually end up staying down to become new “Low Prices Every Day”.

As we are constantly negotiating with vendors, there are thousands of items on Rollback every day, which we also combine in multi displays to tie in different products. And since all the items are merchandised over a longer period, the lower costs of labour saves us money on the changes in price.
Unbeatable pricing policies
We also have an everyday pricing program in place. Walmart conducts a third party price audit to ensure our Prices are Unbeatable Every Day. We check 2,500 items found in the weekly shopping basket each week compared to 26 competitors.
We also make good on our commitment to offer “Unbeatable Prices” with our Ad Match Guarantee. Knowing that we will match the advertised price of any local competitor’s printed ad gives our customers the confidence that they are indeed getting the best price possible.

Urban Store Strategy: Fitting In With City Life

Looking to import the Walmart experience to customers in urban areas, in January 2012 we opened our first Urban 90 store in Canada at our Scarborough locale – designed to deliver the one-stop shopping range of a supercentre in only half the footprint.

Recognizing the importance of the urban market to grow our future business, we are actively exploring new ways to design, build and test store prototypes which succeed on a smaller urban scale. The average Walmart supercentre is approximately 130,000 sq. ft. while a new-generation urban store is only 90,000 sq. ft. (i.e. the Urban 90).

With each new generation of store design, we are evolving and refining our designs. In an urban environment, the best design solutions are often the most practical too. For example, parking is always an issue in the city and we’ve tested out numerous approaches to create sufficient parking in a smaller urban lot size.

Our first approach was to build parking at grade, followed by designing a lot underneath the store. Neither was satisfactory and we have now progressed to testing a fully stilted store with a series of stacked levels. Now with the parking at grade and the sales floor above, we can organize the space in the most efficient possible way.
Launching the Urban 90 prototype store

Built on the site of a former car dealership, the Scarborough store is our first Urban 90 store in Canada. It features our first use of the ‘stilted’ building design with the effect of creating a more compact, multi-level shopping experience. Working closely with the developer and municipality, we were able to open the store within a tight timeframe of two years because we designed the prototype store to suit the site.

We also studied the neighbourhood itself to learn more about our customers through an in-depth analysis from our Store of the Community (SOTC) team. The store is set in a highly populated residential neighbourhood with over 38,000 people living within one mile. Many customers reside in apartments with less storage space while on the other end of the spectrum, multiple generations of the same family are living under one roof. These were all factors that influenced our merchandising choices, store layout and design.

Our Goals for 2012 and beyond

- 73 construction / remodel projects planned for 2012
- Generate more than 14,000 store, trade and construction jobs
- Expand multicultural product assortment in the Store of the Community (SOTC) programs
Helping Canadian Families In Need

Walmart Canada introduced a new overarching mission in 2011 to crystallize our commitment to give back to the communities we serve.

Our new mission: ’Helping families in need’ provides a guiding framework to advance a wide spectrum of community initiatives with our four national charity partners and local matching grants:

- Children’s Miracle Network
- Canadian Red Cross
- Breakfast Clubs of Canada
- Evergreen

With our new mission, we hope to help people wherever and whenever it’s needed the most. This cause also connects us with the greater Walmart global community to help lead far-reaching social programs like this year’s Women’s economic empowerment initiative.

The Slave Lake Fire: Disaster Relief In Action

On May 15, 2011 the northern Alberta town of Slave Lake was almost completely devastated by massive wildfires. In the aftermath of this disaster and with smoke still heavy in the air, Walmart teamed up with national charity partner, the Canadian Red Cross, to help get the shaken town back on its feet.

On the same day the fire swept through the town, the Canadian Red Cross got the emergency call to help evacuate more than 17,000 individuals in Slave Lake and surrounding communities. A team of seven Red Cross volunteers rushed in from Edmonton that same night bringing more than 400 cots and 800 blankets.

Stepping up to help

Within a matter of days, Walmart Canada responded by donating $100,000 in gift cards to national charity partner, the Canadian Red Cross as well as setting up an online fundraising campaign on walmart.ca to fast track help to local families in need.

This was just the beginning. Walmart associate volunteers in the area worked side-by-side with Red Cross to first contribute and then distribute emergency supplies like blankets, food, clothing, water hygiene kits, and diapers, to the displaced townspeople.

Our support of the Canadian Red Cross means that when families or entire communities are impacted by natural disaster or emergencies, the Red Cross network of over 25,000 highly trained volunteers can respond immediately to where needed most. Their range of services includes everything from reuniting families separated by the disaster to offering shelter and emotional support.

Kickoff in Alberta for the National Campaign

Later that same summer on the fourth of August, we joined with Red Cross in Slave Lake to kick off our eighth annual Canadian Red Cross National Walmart Campaign with a barbecue and special events at the still-standing Walmart store.

To celebrate the launch, Red Cross organized a Build-A-Kit race to engage the public about being prepared for disaster and have some fun in the process. Many people participated in the event including the town mayor, Red Cross volunteers and Walmart associates who raced around the store, taking emergency provisions like candles, blankets, and diapers off the shelves, and tossed them into their shopping carts. Participants were judged on three criteria: resemblance to the official Canadian Red Cross disaster preparedness kit, relevance and creativity – often scoring highest on the latter.

At the same time, Walmart stores across the country prepared for another year of Red Cross fundraising with a 2011 national goal of $2.8 million. During this cross-country national campaign held each August, our associates engage customers to support the Red Cross with an opportunity to donate at the checkout. Interestingly, Alberta customers are always among the most generous of any province. As the campaign comes to its close, Walmart matches the amount raised at each store, up to $2,000.

The annual campaign is working to help the families and communities who need it the most. “Walmart has been a great partner, especially this year,” says Andres Gutierrez, community relations with the Canadian Red Cross – Alberta. “They helped not only during the wildfires response, but also help when Red Cross responds to the needs of the most vulnerable here in Alberta.”
Feeding Young Minds: Breakfast Clubs Of Canada

This past winter, Walmart Canada partnered with national charity partner, Breakfast Clubs of Canada (BCC) for its Taste for Learning Campaign to raise a record-breaking $3.1 million in donations for school breakfast programs across the country.

The Taste for Learning Campaign is our most recent annual fundraiser with Breakfast Clubs of Canada, a national not-for-profit organization focused on providing services and funding to school breakfast programs for children in at-risk communities across the country.

Our partnership with BCC stretches back to 2006 – built on our shared commitment to the cause of helping families in need and feeding our children’s future. In fact, Walmart Canada is now their largest corporate sponsor, donating and raising close to $16 million to BCC over the past five years. In that time, BCC has evolved its mandate from purely funding a network of breakfast programs across Canada to actually developing, supporting and sustaining the breakfast programs directly with the schools, school boards, and community partners themselves.

“Walmart has been with us every step of the way,” says Daniel Germain, president and founder of Breakfast Clubs of Canada. “As a partner, they have been an integral part of our success and they strongly believe in our mission. Their support of this year’s Taste for Learning Tour will help us provide even more nutritious starts to the day for children in urban and First Nation communities across Canada.”

The ABCs of Breakfast

• One in 10 Canadian children (637,000) live in poverty with the risk of going to school on an empty stomach
• In the 2010-11 school year, BCC served more than 16 million breakfasts to children attending schools in disadvantaged areas
• That means breakfast for 107,000 children in nearly 1,034 schools across Canada – including 8,000 children in 49 schools in First Nations, Métis and Inuit communities
• In 2011, Walmart Canada donated and raised $3.1 million
• Since 2006, we’ve raised almost $16 million for BCC

Filling an appetite for learning

The benefits of a balanced breakfast go well beyond filling an empty stomach. Teaching staff have reported at least 30 minutes more effective teaching time per day, as a result of breakfast program in their schools. Over an academic year, those minutes quickly add up to greater overall productivity and success in the classroom.

Breakfast Clubs of Canada points to the following benefits of its in-school breakfast programs:

• Improved attendance and punctuality
• Renewed interest in curriculum subjects
• Increased understanding of how healthy eating habits affect energy levels
• Improved behaviour and increased concentration, leading to greater achievement
• Improved social skills and confidence to interact with other children and adults
• Reduced bullying through increased cross-age and peer-group interaction and communication
• Enhanced relationships with family members and the wider community of breakfast clubs

The Taste for Learning Tour

In February 2011, BCC launched their eight-city Taste for Learning Tour across Canada to build awareness and support for their school breakfast programs nationwide. Following the tour, Walmart stores kicked off an month-long in-store fundraising campaign where customers were invited to purchase a $1 bookmark, which pays for one nutritious breakfast for a child.

The in-store campaign raised more than $2.2 million and received more than $646,000 in corporate matching grants. All funds raised will enable BCC to supply equipment, food donations, management tools and support for their breakfast programs.
A focus on First Nations

In 2011, BCC served up breakfast programs to 8,000 children in First Nations, Métis and Inuit schools in seven provinces across Canada. Poverty levels in many of these communities has reached the critical stage – with fully one quarter, and nearly half of those living off the reserve, living below the poverty line. To worsen matters, in some communities, the school dropout rate has soared as high as 98 per cent.

Walmart Canada helped to fund the original pilot breakfast program held in four different aboriginal communities in 2009. Based on the positive enthusiastic initial response, BCC partnered with Walmart to expand the program, reaching 10,000 children in more than 62 schools by the end of the 2011-2012 school year.

BCC has adapted its breakfast programs to reflect local aboriginal culture with menus serving traditional foods such as bannock, while also respecting Canada's Food Guide.

The Christmas Angel Story: Associate To The Rescue

Walmart associate, Russ Tombs, is a hometown hero for stepping in to save the life of a woman who had collapsed in the parking lot of our Leamington store. The soft-spoken, 52-year old maintenance worker received both the Canadian Red Cross Rescuer Award and a Walmart Shining Star in recognition for his first aid heroics.

On a morning three days before Christmas 2011, Russ Tombs was outside rounding up shopping carts left by customers during the seasonal Christmas rush.

Seeing a commotion near a parked car, Russ thought someone was getting robbed and rushed to help. Instead he found a woman lying on the ground, foaming at the mouth and clearly in distress. Immediately, Russ asked if she was choking to which she nodded. Moving quickly, he sat the woman up and delivered the Heimlich maneuver repeatedly until her throat cleared and she could breathe again.

Local hero makes good

He later recalled, “I was so relieved she was okay,” and credits his childhood Boy Scout training for knowing exactly what to do. The woman whose life he saved calls Russ her “Christmas angel.” Walmart store manager Robin Demers, simply called him “a hero.”

In January, Maureen O’Neal, regional manager with the Red Cross, presented Russ Tombs with the Canadian Red Cross Rescuer Award, which recognizes the efforts of non-professional rescuers and off-duty responders each year. She noted that ambulances can take an average of 8 to 12 minutes to arrive so that first-aid responders like Russ can mean the difference between life and death in an emergency.

His store manager also nominated Russ for a Shining Star, which has led to further honours as he attended the annual Walmart Canada Year Beginning Meeting in his new role as Shining Star for his region. In helping to save the life of a customer, Russ Tombs went above and beyond on our promise to ‘Save money. Live better.’

Big heart: The Mario Pilozzi Community Leadership Award

Sometimes, the smallest things make the biggest difference. That’s what happened last year when Walmart Canada’s biggest community involvement award was won by one of our smallest market stores in North Bay, Ontario.

The Mario Pilozzi Community Leadership Award recognizes the store with the top overall fundraising performance for three of our national charity partners: Children’s Miracle Network, Breakfast Clubs of Canada, and the Canadian Red Cross. The stores take this competition very seriously and it’s a matter of considerable pride who takes it home.

In 2011, our Walmart store in North Bay claimed the award for their outstanding efforts in raising $25,047 for Breakfast Clubs of Canada, $29,190 for the Canadian Red Cross, and $90,492 for Children’s Miracle Network. Clearly, the people of this small northern Ontario town have made a big statement about what community means to them.
Fighting Hunger With Food Banks: Sustainable Giving

Building on our mission to help families in need, Walmart Canada and Walmart Canada Bank ramped up its support of local food banks across Canada for a total contribution of $876,000 last year.

But our support is about more than dollars and cents. We are helping the food banks in the fight against hunger through a combination of targeted fundraising, food donations from our stores, and partnerships with the food banks themselves. Importantly, we are determined to contribute in an integrated and sustainable way.

“Food banks play a vital role in supporting Canadian families in need through trying times,” says Erin Mackey, manager, community involvement, Walmart Canada. “Our corporate contribution to local food banks is one more way Walmart Canada is helping give back to the communities it serves.”

Putting food in the bank

Food banks clearly need proper resources and adequate funding to be effective within their communities. Thus, it was a natural fit for our ‘bank’, the Walmart Canada Bank to support their cause with the Walmart Rewards food bank campaign – held over seven weeks before the Christmas holidays last year. Our bank donated five dollars to local food banks with the successful completion of every Walmart Rewards MasterCard application received in-store. Associates and customers worked together to raise an astonishing $681,000 and Walmart Canada corporate donated an additional $195,000 for a total contribution of $876,000.

The $681,000 donation was shared out amongst food banks in the same communities where funds were raised. Our $195,000 contribution was divided between food banks across the country including the Moission Montreal, Toronto’s Daily Bread Food Bank and Food Banks Canada.

“Food banks are struggling to keep up with the increased demand during the holiday period as individuals and families in need reach out for support,” said Katharine Schmidt, executive director, Food Banks Canada. “We are thrilled Walmart is supporting food banks across the country and helping to make the holidays a little brighter for Canadians in need.”

A practical lesson in sustainable giving

With our grocery business growing each year, Walmart Canada has a very practical way to help food banks, which enables us to be more sustainable in the process.

Last year our stores collectively donated 167,500 pounds of food and 364,000 pounds of non-grocery. And we recycled 200 per cent more food waste than 2010 – successfully diverting 10,000 metric tonnes of organic waste from landfill.

In early 2012, we signed a key partnership with Food Banks Canada, the national organization linking food banks from coast-to-coast, to pick up food directly from our stores – similar to our arrangement with Salvation Army for surplus clothing and products. For Walmart, it’s a progressive solution that enables us to help fight hunger and practice sustainability at the same time.

Did you know? The issue of hunger, and its demands on Canadian food banks, was recently highlighted by Food Banks Canada in their comprehensive HungerCount 2011 Report. The report indicated more than 850,000 Canadians were assisted by a food bank each month, a 26 per cent increase from 2008. 38 per cent of those assisted were children and 94,000 of those receiving help were visiting food banks for the first time.
Evergreen: Making Cities More Liveable

Walmart Canada funded 56 Green Grants in 2011 in partnership with Evergreen and their national program to nurture and grow local community-based greening initiatives across Canada.

Dedicated to making cities more liveable, Evergreen has been a partner since 2005. Operating from its headquarters at the Evergreen Brick Works in Toronto, Evergreen is a not-for-profit organization which serves as a leading national funder and facilitator of local, sustainable greening projects in schoolyards, parks and communities across Canada.

Green Grants take root

Since 2005, together we've funded 442 Evergreen Green Grant projects across Canada with some real success stories taking root. This is a long-term multi-million dollar commitment that's the largest community-granting program of its kind in Canada. Projects supported through the Green Grants program include, but are not limited to:

- Native planting initiatives
- Invasive species removal
- Community food gardens
- Wildlife habitat restoration
- Aquatic stewardship projects
- Environmental workshops and educational events
- Community skills sharing workshops
- Projects serving underserved communities

Green Grant Focus: 2011

Santropol Roulant is a community-based organization founded and run by young people in Montreal. Since 1995, the group has been bringing people together across generations and cultures through an innovative approach to meals-on-wheels – and by engaging youth to take an active role in their community. Santropol Roulant uses food as a vehicle to create trust and build bridges between individuals in a city where isolation among the elderly is the highest in Canada.

Santropol Roulant is one of our 56 Green Grant recipients for 2011 – their fourth year of receiving funding with the program. The grants are helping to cultivate a series of progressive community programs including:

- A ‘Meals on Bicycle Wheels’ program with food prepared by volunteers of all ages and backgrounds in their community kitchen. Much of the fresh produce is sourced from the organization’s rooftop and community gardens, where all scraps are fed into an on-site worm composting system.
- A campus food garden project in partnership with McGill University.
- Rooftop garden and community development programming at the organization’s new headquarters.
- Community bike and food workshops.

Walmart scholarships: Class of 2011

Recognizing the importance of education, Walmart Canada awards a number of scholarships each year to help realize the academic dreams not only of students, but the associates working in our stores and their families.

We currently offer three scholarship programs for post-secondary education:

1. The Community scholarship for graduating high school students
2. The Associate scholarship for associates and their children
3. The Lou Puim Memorial scholarship for associates and their children

Each scholarship is awarded to deserving applicants on the basis of academic achievement, financial need, extracurricular activities, community involvement and environmental stewardship.
Providing opportunities to excel
We encourage store associates to believe anything is possible at Walmart Canada. Our internal scholarship program is certainly one way to make that happen.

Huo Peng (James) Lu, an enthusiastic produce associate at our Calgary Deerfoot supercentre, is the recipient of one our 2011 Associate scholarships. For this young man originally from China, the scholarship means the opportunity to continue studies in Engineering at the University of Calgary.

Huo Peng is determined to excel, “Education is a big part of my life. I choose to go to school to enrich my personal knowledge and development.” The Walmart scholarship provides a level of financial support for Huo Peng that places dreams well within reach.

2011 Review: National and Community Partnerships

Building on our mission to help families and communities in need, Walmart Canada donated and raised an average of $485,000 every week of 2011 as the corporate sponsor for our four national charity partners and in support of more than 1,000 other community-directed charity grants.

National Programs:
- Children’s Miracle Network
- Breakfast Clubs of Canada
- Canadian Red Cross
- Evergreen

Community Programs:
- Juno Beach Centre
- Scholarship & Education Programs
- Local Matching Grants

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2011 Total Contributions

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Children's Miracle Network
Walmart Canada contributed $8.8 million to Children's Miracle Network in 2011 through corporate funding and annual fundraising events like the Walmart Walk for Miracles. This international non-profit organization raises funds for more than 170 children's hospitals in North America with 14 in Canada alone. Donations support medical care, research and education that help to save and improve the lives of more than 2.6 million Canadian children each year. Since 1994, Walmart Canada has contributed more than $65 million to their cause.
Visit their site www.childrensmiraclenetwork.ca/

Breakfast Clubs of Canada
Walmart Canada contributed a record-breaking $3.1 million to Breakfast Clubs of Canada in 2011. Their dream is for all children to have an equal chance to start their school day with a nutritious breakfast in an environment that promotes self-esteem. School breakfast programs help to level the playing field for disadvantaged children, as well as for First Nations, Métis and Inuit children, giving them all an equal chance to grow and flourish throughout life. Walmart currently supports around 1,100 programs across Canada with Breakfast Clubs of Canada serving 16 million breakfasts to more than 118,000 Canadian kids annually.
Visit their site http://www.breakfastclubscanada.org/

Canadian Red Cross
Walmart Canada raised and donated just over $3.2 million to the organization to support domestic disaster relief efforts in 2011. The Canadian Red Cross helped 46,719 people in 2011-2012 – affected by emergencies and disasters, with situations ranging from a house fire to a flood disrupting an entire region. Following a disaster, the Red Cross works with governmental and other community partners to provide for people's basic needs - food, clothing, shelter, first aid, emotional support and family reunification.
Visit their site http://www.redcross.ca

Evergreen
Walmart Canada contributed $550,000 in 2011 to Evergreen, supporting 56 local community greening projects across Canada and sponsoring Evergreen’s annual Forum on Leadership, Innovation and Sustainability. Evergreen is a not-for-profit organization with a mission to bring communities and nature together for the benefit of both. By empowering Canadians to take a hands-on approach to their urban environments, Evergreen is working to improve the health of our cities – now and for the future.
Visit their site www.evergreen.ca/

Juno Beach Centre
Walmart Canada raised and donated $827,675 to the Juno Beach Centre, a WWII memorial and education centre located in Normandy, France. The Juno Beach Centre showcases the war effort made by all Canadians, civilians and military alike, during World War II. As the charter corporate sponsor, Walmart Canada is honoured to have been part of the Juno Beach Centre right from its beginning.
Visit their site www.junobeach.org

Scholarship & Education Programs
Walmart Canada awarded 93 scholarships for a total of $282,000 in bursaries to graduating Canadian high school students pursuing a post-secondary education. Walmart currently offers three scholarship programs – Community, Associate and Lou Puim Memorial scholarships. Applicants are evaluated on the basis of academic achievement, financial need, extracurricular activities, community involvement and environmental stewardship. In 2007, Walmart Canada also became a Champion for the University of Alberta School of Retailing through a $1 million / five-year sponsorship agreement.

Local Matching Grants
Walmart Canada raised and donated $3.7 million in 2011 to more than 1,000 local charities and non-profit organizations across Canada including team sponsorships and United Way through our Local Matching Grant program.

Our Goals For 2012 And Beyond

- $10 million in corporate donations
- $15 million in raised funds
- Expand food and product donation program