



**“THE CULTURE AND HUMANITY
OF OUR ASSOCIATES
MAKE US SPECIAL.”**

–Doug McMillon, President and CEO, Wal-Mart Stores, Inc.

2016 CULTURE, DIVERSITY & INCLUSION REPORT

WALMART AROUND THE WORLD

As of May 31, 2016

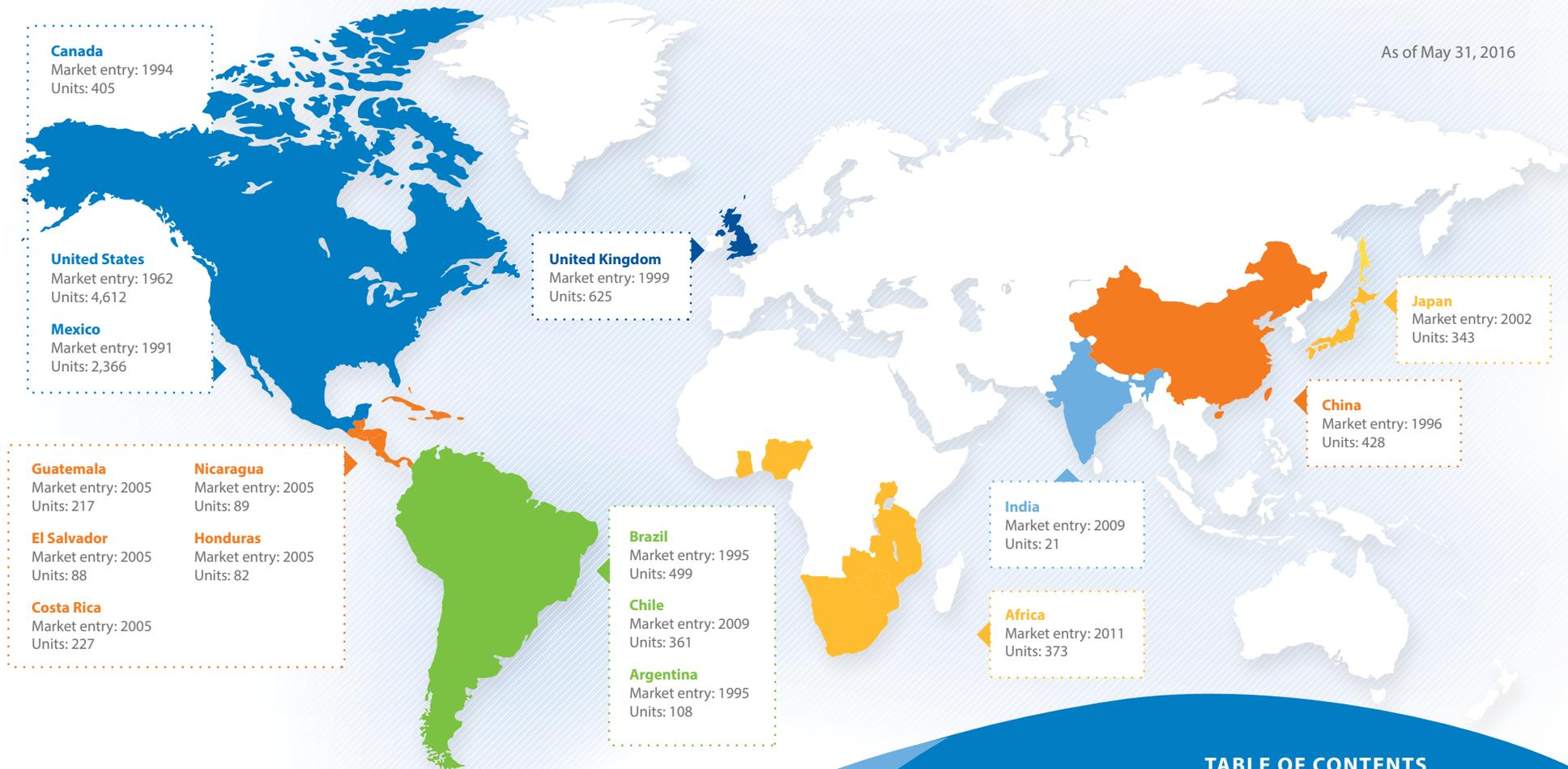


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Doug McMillon,
President and CEO,
Wal-Mart Stores, Inc.

OUR HUMANITY MAKES US SPECIAL

As the world becomes more digital and technology continues to drive change across industries, we believe it will be our people and our culture that will enable Walmart to be successful. It will be our humanity that differentiates us and makes us special. That's one reason diversity and inclusion are so important to us. We must have the most talented people and create an environment where each and every one of us can thrive and do our best work.

Our 2.3 million associates reflect our diverse customer base, which makes us a better company. Our \$2.7 billion investment over two years in our people – in education and training, wages and hours – will ensure even more of our associates have clear pathways to grow and advance. We want our associates to grow and seize the opportunity to take on more responsibility. A diverse leadership team, as well as a diverse board, is a priority for us, and the best place to find strong leaders for our management team is from within our company.

Just recently we launched our President's Inclusion Council. This council comprises global leaders who will work with me to make sure that Walmart attracts, retains and develops the best talent and that our associates feel valued and respected. We are fully committed to having a workplace that is inclusive of all people.

As you read through this Culture, Diversity & Inclusion Report, you'll see stories about associates and programs that are helping us advance our vision of "Everyone Included." Here are a few ways each of our associates can play a part in making this vision a reality:

- **Commit to modeling Respect for the Individual.** Listening to each other, helping each other succeed and forming strong teams are vital for our success.
- **Bring your whole self to work.** We will be a stronger company when all of our associates

bring their unique ideas and perspectives to their jobs so they can contribute at their best.

- **Seek out different perspectives.** Whether you're forming a team or brainstorming a new way to do something, ensure you are engaging a variety of associates. Diverse perspectives often lead to the best ideas.

Thank you to our associates, non-governmental organization (NGO) partners, community leaders and other stakeholders who have worked together to help us build a more inclusive company. Let's continue our efforts to make Walmart and the communities we serve even better.

OUR PEOPLE MAKE THE DIFFERENCE

Since I joined the company in August 2015, I've been fortunate to meet many of our talented associates from all over the world. As I talk with them, regardless of where I am, there's one word I keep hearing – opportunity.

The opportunity at Walmart is real. A job at Walmart uniquely offers the chance to develop new skills and work hard so you can climb to a large number of higher paying positions, gain greater responsibility and create a career, all while better serving our customers. And we do this by creating a culture where everyone is included.

Walmart's strengths go beyond our everyday low prices. Our greatest advantage is our people, and we need the best people to work at Walmart to keep delivering the value our customers have come to expect from us.

I'm proud of the progress we've made this past year in creating opportunities for our associates. We have promoted more than 200,000 associates to jobs with more responsibility and higher pay, and more than 75 percent of our U.S. salaried store and club managers started as hourly associates.

Reaching this level of success takes a tailored people strategy that connects our people to our business so we can achieve excellence together. We want to be the most inclusive company, because we know an inclusive culture creates a high performance culture full of empowered retail entrepreneurs, supply chain wizards, data gurus and fearless inventors who solve big challenges in innovative ways.

It's an ambitious task, but we're up to the challenge. I might still be new to Walmart, but in my short tenure I have already come to appreciate how much we value excellence for our company and associates. Setting the bar high is in our DNA. To quote Sam Walton, "High expectations are the key to everything." With this continued determination, we will retain and develop our own talent while attracting new associates with the global mindset and digital acumen that's essential for success in 21st century retail.

Exciting career opportunities are ahead for so many Walmart associates - those with us now and those we are attracting. Walmart is a place where new opportunities are constantly available, and our emphasis on diversity and inclusion helps



Jacqui Canney,
*Executive Vice
President, Global
People Division*

guarantee those opportunities can be accessed by everyone. At Walmart you can get a professional start, learn and develop new skills, move up and make a difference. It's a place to create outcomes we can all be proud of.

STARTING A CDI MOVEMENT

I took my job as Chief Culture, Diversity & Inclusion Officer about a year ago with one primary goal in mind – to start a movement. So you might be asking “what kind of movement?” We need to engage and inspire every associate around the world to create a culture where everyone is included – that’s the vision for Culture, Diversity & Inclusion (CDI) at Walmart.

Our culture is our values in action – it’s how we live out Service to the Customer, Respect for the Individual, Strive for Excellence and Act with Integrity through our everyday behaviors. If we do that effectively, then we’ll have an inclusive culture.

Diversity is in the middle of CDI because diversity is central to an inclusive culture. Diversity is the mix – a workforce with unique styles, experiences, identities, ideas and opinions. Inclusion is how we make that mix work together by valuing, supporting and championing our uniqueness in order to empower associates to reach their full potential. We can have diversity – generational, gender, style, people of color, LGBT, people with disabilities, and diversity of thought – but if we don’t have inclusion, we’ll be left with a leaky bucket of diverse associates leaving as fast as they arrive.

That’s why we need to embed CDI into every facet of the associate lifecycle – recruit, hire, develop, promote and retire. It needs to be an integral part of every leadership development curriculum we offer, regardless of your position in the company –



Ben Hasan,
Chief Culture,
Diversity & Inclusion Officer

from entry level to our senior executives. We need next generation metrics to help us measure how we’re doing on key performance indicators for CDI around associate representation, engagement, promotion and retention.

We’re working on all of these things, and we’re working on them because CDI is a lever to help us reach our business objectives. Our primary objective as a business is to run good stores and clubs with the right merchandise assortment that offer a clean, fast and friendly experience. When I hear “friendly,” I hear “inclusive”.

Our next objective is to build a great eCommerce and mobile platform with the right logistics, assortment and price. The third objective is to put the physical and digital together in a unique way that delights and surprises our customers by leveraging our assets in a way only Walmart can.

The fourth and fifth objectives are people and people. We need benefits, wages, opportunities and processes that attract and retain people who care about serving customers. We then need to

engage, inspire and invest in them so they’ll be high performers who bring their best, authentic selves to work every day. Our leaders support this by listening, leading by example and creating an inclusive environment where all of our associates feel welcomed and valued.

That’s the mission of CDI – to create an inclusive culture where all associates work together to deliver our shared purpose of saving people money so they can live better.

CDI is a movement that requires all of us to stand strong on the values that made this company great while evolving to remain continually relevant and successful.

I hope you’ll join me in the CDI movement.



WHEN EVERYONE IS INCLUDED EVERYONE WINS

At Walmart, we believe we are best equipped to help our associates, customers and the communities we serve live better when we really know them. That means understanding, respecting and valuing diversity – unique styles, experiences, identities, ideas and opinions – while being inclusive of all people.

A truly inclusive workplace culture is one where every associate feels empowered to bring their authentic self to work every day. These engaged associates are happier, and they perform at their best. As a result, they provide better service to our customers and members by creating a clean, fast and friendly shopping experience. When we get it right, the customers come back. That's inclusion.

CDI is a part of Walmart's DNA; it's how we do business to grow our business, and save our customers money so they can live better. By fostering a workplace culture where everyone is – and feels – included, everyone wins.

KEY DEFINITIONS

Culture

Our values in action (Customer, Respect, Excellence and Integrity)

Diversity

A workforce or community with unique styles, experiences, identities, ideas and opinions

Inclusion

Valuing, supporting and championing unique styles, experiences, identities, ideas and opinions to empower associates to reach their full potential

OUR VISION

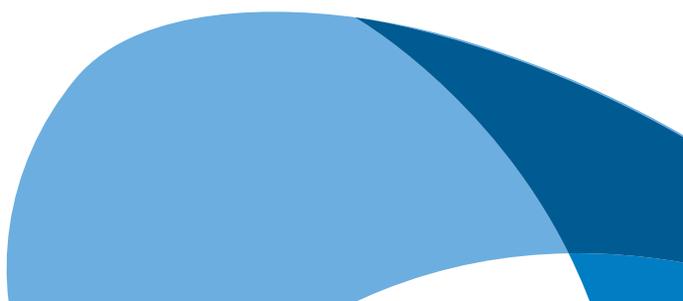
Everyone Included. By fostering a workplace culture where everyone is – and feels – included, everyone wins. Associates are happier, perform at their best, and in turn, provide better service to our customers and members.

OUR MISSION

The Global Office of Culture, Diversity & Inclusion's mission is to create an inclusive culture where all associates are engaged to deliver on our purpose – every day. At Walmart, we strive to create an atmosphere where associates feel welcome, comfortable and safe to bring their authentic selves to work.

OBJECTIVES

- Embed culture, diversity and inclusion into the associate lifecycle
- Use data to measure our progress
- Refresh our culture with our values



OUR VALUES AND BEHAVIORS

Culture is the foundation of everything we do at Walmart – the launch point for delivering on our Culture, Diversity & Inclusion (CDI) vision of Everyone Included. At Walmart, we define culture as our values in action. It's how we deliver superior customer service, create a great front-line work environment and improve performance in order to achieve our common purpose of saving people money so they can live better. The Walmart Culture is one of high performance, and it is how we live out our Values of Service to the Customer, Respect for the Individual, Strive for Excellence and Act with Integrity through our everyday behaviors.

Each of our four Values has a set of three corresponding Behaviors that, when practiced daily by every associate, can help us deliver business results and create a culture of inclusion.

SERVICE TO THE CUSTOMER

- **Customer First**
listen to, anticipate and serve customer wants and needs
- **Frontline Focused**
support and empower associates to serve customers every day
- **Innovative and agile**
be creative, take smart risks and move with speed

RESPECT FOR THE INDIVIDUAL

- **Listen**
be visible and available; collaborate with others and be open to feedback
- **Lead by example**
be humble, teach and trust others to do their jobs; give honest and direct feedback
- **Inclusive**
seek and embrace differences in people, ideas and experiences

STRIVE FOR EXCELLENCE

- **High Performance**
set and achieve aggressive goals
- **Accountable**
take ownership, celebrate successes and be responsible for results
- **Strategic**
make clear choices, anticipate changing conditions and plan for the future

ACT WITH INTEGRITY

- **Honest**
tell the truth, keep your promises and be trustworthy
- **Fair**
do right by others; be open and transparent
- **Courageous**
speak up, ask for help, make tough calls and say “no” when appropriate



DIVERSITY IN THE WALMART U.S. WORKFORCE

Building a diverse workforce that reflects our customer base and strengthening the diverse talent bench at all levels



PEOPLE OF COLOR AT WORKFORCE, MANAGEMENT, OFFICER LEVELS

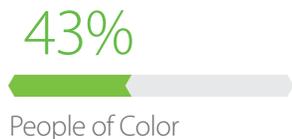


WOMEN AT WORKFORCE, MANAGEMENT, OFFICER LEVELS

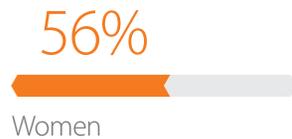


PROMOTIONS: HOURLY & MANAGEMENT

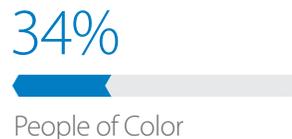
Diversity Statistics for Hourly Promotions



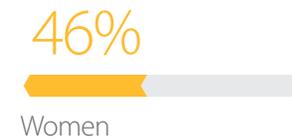
Gender Statistics for Hourly Promotions



Diversity Statistics for Management Promotions



Gender Statistics for Management Promotions



FLUENT IN DETERMINATION, I MASTERED BOTH ENGLISH AND A CAREER

By: Bolortsetseg “Bogey” Say – Store Manager, Store #725

Thirteen years ago, I wanted to work, but I was afraid to fill out a job application. If I got a call for an interview, I’d risk exposing a major hurdle: I didn’t speak English.

At the encouragement of my husband, I applied anyway at our local Walmart store in Miami. And to my surprise, it all worked out, because what I was able to communicate – determination – pulled me through.

Growing up in Mongolia gave me plenty of experience being the manager of my household, as I shopped and cared for my younger sister and brother while my parents worked nearly 24 hours a day. But I wanted something more for myself and them, so I started a retail store in my home country to help out. A few years in, I met my husband, an American who was in Mongolia teaching English. We married and moved to the United States, where different social norms gave me the inspiration to run with a new dream: having a career that allows me to be independent and also provide enough for my children.

Starting at Walmart at entry level, I set a goal for myself to be promoted every two years. And that has actually happened. More than a decade later, I have worked my way up to the position of store manager, leading a Supercenter in Haines City, Fla.

How did I do it? Aside from personal grit, I made my first steps forward with Walmart’s training program for new hires. Next, I talked to as many people as I could – having regular conversations with other associates helped me learn English pretty quickly. Later, having the support of mentors – like my market manager who saw that I had high expectations for myself – kept me moving further and further.

In the back of my mind, the stark separation of roles between women and men in Mongolia did impact my self-esteem a little bit. Even though my hard work was paying off at my job, I still feared things like public speaking, thinking others would make fun of my accent. But last year, I participated in another Walmart training program called Champions for Development, where we covered women and confidence. I sat in the back, quiet, as every woman in my group got up and spoke about themselves. I thought to myself, if they can do it, why not me? And I made a personal commitment to no longer be afraid.

In March 2015, that pledge became very real as I addressed a full auditorium at Walmart’s corporate office for International Women’s Day. My message was my story, which was this: If I can accomplish all of this in 13 years without knowing English at the start, then anyone can do it.



The language I knew all along, perseverance, has paid off, and now I’m speaking and teaching it confidently to nearly 380 associates in my home store.

This story originally appeared on our Walmart Today blog – to read more stories like this, check out the blog at www.corporate.walmart.com and follow @WalmartToday on Twitter.

DEVELOPMENT

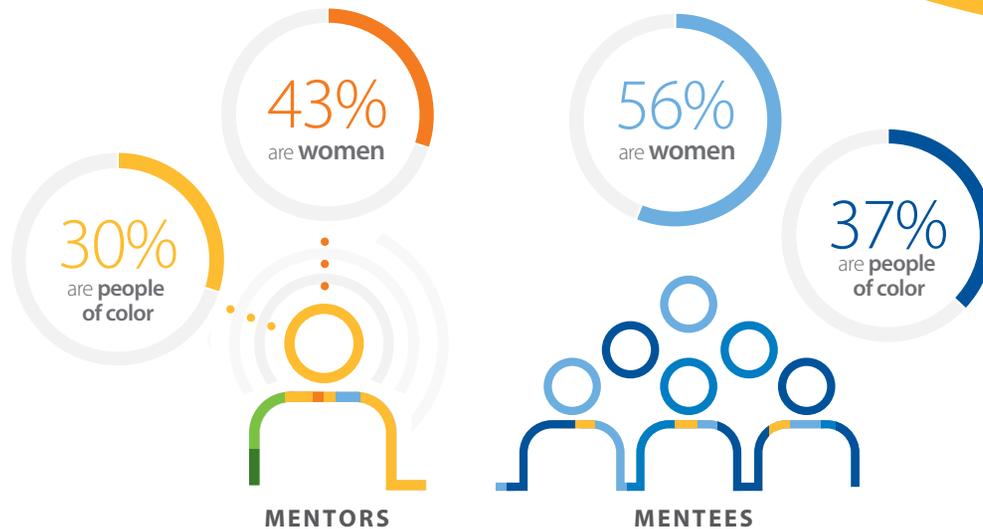
A job at Walmart is more than just a paycheck. It provides access to a ladder of opportunity, as a place where people can earn while they learn on the job.

Providing career opportunity for our associates

Walmart provides career opportunities to 2.3 million people around the world, from product buyers to web designers and from truck drivers to sales associates. Walmart is an employer of choice where anyone can start in an entry-level position and build a career – just ask the 75 percent of our U.S. store management teams who began as hourly associates, or Doug McMillon, our CEO, who started in a Walmart warehouse. The unwavering commitment to culture, diversity and inclusion ensure that our associates at all levels have the access to those opportunities to improve their skills and advance to positions of greater responsibility and income within or beyond Walmart. Our CDI programmatic efforts foster a more engaged, productive and diverse workforce that improves our customers' experience and grows our business.

The Pathways training program

In addition to our wage increases for associates, in 2016, all new Walmart entry-level U.S. associates – in all 4,500 U.S. stores – will participate in our new training program, Pathways. As a key component of our efforts to enhance economic opportunity for our associates, the program builds on a successful



pilot launched in 2015 and provides training over at least the first six months of employment. Pathways focuses on “upskilling” – the acquisition and improvement of skills, and the gaining of knowledge that facilitates faster progression in a career in retail. After successfully completing the program, associates receive an immediate pay increase to \$10 per hour. They are also presented with information about a range of career path options. As part of the Pathways program, Walmart is monitoring 10 metrics to track outcomes such as reduced turnover, improved productivity and increased associate engagement.

Mentoring

Walmart commits to our associates' development through goal-aligned experiences, exposures and educational opportunities. The mentoring program “Develop 2 Lead” is an integral part of our Culture, Diversity & Inclusion Program, which requires more than 70,000 managers to mentor at least two associates each. The program assists our managers in identifying, developing and preparing future leaders through mentorship and commitment to the associate's career aspirations. Mentorship puts greater focus and accountability on developing an associate and setting them up to succeed in their progression as a leader.

FROM IRAQ TO EGYPT TO THE AMERICAN DREAM

By: Brian Poland, Director – Lifelong Learning and Talent Development, Walmart U.S.

It was an early morning in 2005, and Jalal Almomar was driving to his job with the United Nations in Baghdad. A bullet came screaming through his windshield. He was unharmed, but definitely shaken.

“I knew my family and I had to flee because extremists were everywhere,” Jalal explained. “Our lives were in danger, so we left quickly. So quickly, in fact, that many belongings – including my own wedding photos – were left behind.”

The Almomars fled to Egypt and, by 2009, made the decision to put down roots in the United States. But the American dream didn’t immediately show itself. Even though he had two college degrees, Jalal quickly realized he was starting over.

“We showed up in Michigan without a car, and without really knowing how we were going to make a living,” Jalal said. “But what I did have was ambition. I knew my degrees weren’t going to translate, but I needed to move forward. I just needed someone to open the door to give me that chance.”

Jalal spent the next six months walking as far as his legs would carry him, often through the snow,

to hand his resume to company after company. He kept his fingers crossed, and eventually, Walmart called.

“That call meant everything,” said Jalal, who gained U.S. citizenship in October 2014. “A Walmart store gave me a job working in its garden center. I was so thankful because that job allowed me to start providing for my family again. I was ready to start working my way up and, through Walmart’s Lifelong Learning education programs, I realized I was going to have every opportunity to do so.”

Jalal used his ambition to not only earn promotions working in his store, but he also tapped into Walmart’s partnership with American Public University and earned his MBA in Global Business Management. As part of his MBA, Jalal interned with Walmart’s Innovation department, and he recently graduated from our Replenishment Leadership Program. He has transitioned to the corporate office in Bentonville, Ark., where he now works as a replenishment manager. And, with support through the Walmart Dependent Scholarship Program, his children are pursuing their own college degrees.



“All I needed was a chance, and Walmart gave that to me and so much more,” Jalal said. “It helped me realize the American dream is alive and well.”

This story originally appeared on our Walmart Today blog – to read more stories like this, check out the blog at www.corporate.walmart.com and follow @WalmartToday on Twitter.

CELEBRATING 130,828 VETERAN HIRES

On Memorial Day 2013, we introduced our Veterans Welcome Home Commitment, which now guarantees a job offer to any eligible U.S. veteran who has been honorably discharged since the start of the commitment.

The original goal – hire 100,000 veterans by the end of 2018. We had nearly surpassed our original goal three years early and expanded our commitment in 2015 to **hire 250,000 veterans by the end of 2020.**

We benefit from the incredible talent of our veterans. They bring a strong work ethic, discipline and determination. We are proud to provide meaningful opportunities for veterans to use their unique talent and skills – more than 130,000 so far and more than 15,000 have been promoted.

Beyond our Veterans Welcome Home Commitment, the Walmart Foundation is also reinforcing its support for transitioning military members and their families, and is in the middle of a second \$20 million commitment that runs through 2019. Recently, the Walmart Foundation announced \$2.6 million in grants to nonprofit organizations that support veteran reintegration – **American GI Forum National Veterans Outreach Program**, and **Swords to Plowshares**.

“Veterans make great additions to the workforce, and we are honored to help with their transition into civilian life,”

said Kathleen McLaughlin, Chief Sustainability Officer at Walmart and President of the Walmart Foundation.

“Our men and women in uniform should have easy access to services needed for a successful reintegration. The American GI Forum and Swords to Plowshares have a proven track record of streamlining services and we’re proud to support them”, she added.

Walmart and the Walmart Foundation have demonstrated a strong commitment to supporting our nation’s military service members. In October

2015, Walmart helped launch the Greenlight A Vet campaign to help create visible and actionable national support for veterans nationwide. Walmart invited all Americans to show support for veterans by changing one light bulb in their home to green, raising awareness on social media, volunteering and serving with veteran groups in their community, or starting a mentor/mentee relationship with a veteran.

For more information about Walmart’s Veterans Welcome Home Commitment, please visit: www.walmartcareerswithamission.com and follow on Twitter @WalmartToday.

FROM LEADING SOLDIERS TO LEADING WALMART ASSOCIATES

By: Patrick Shannon, Fresh Operations Manager, Walmart

Following in my father's footsteps, I joined the Marines before I finished high school. After returning home from two tours of duty in Somalia and Iraq, I found that similar to many veterans, I struggled with the transition to civilian life. Initially I thought I had only two options: police officer or fireman. I decided on becoming a patrolman, but there were a limited number of openings, and the salary would have made it difficult to support my family.

After much research, I decided to work in retail. I took my first position with Walmart not only because of the consistent paycheck but also because Walmart seemed to be a company that offered equal opportunity to every kind of person. Just like the military, I would be able to prove my abilities and possibly be rewarded for high performance.

Several months after separating from the Marines, when I felt the desire to rejoin the military, Walmart encouraged me to return. I joined the Army National Guard and was eventually called back to Iraq to serve in Operation Iraqi Freedom. I was a lead sniper, in charge of training more than 200 Iraqi policemen and 15 Americans. I was responsible for teaching them everything from leadership to gathering intelligence in a combat environment.

My part in the deployment ended after mortar rounds landed preceding a serious firefight in which I suffered several injuries after mobilizing my men to safely return to camp. I was awarded the Bronze Star with valor for my leadership; however, my recovery took months of surgeries. Today, I'm legally blind in my left eye, and still have some memory issues from a traumatic brain injury. But through all those difficult times, my managers at Walmart were really supportive. They helped me work around my limitations and even flew me to Kansas City to receive the Sam Walton Hero Award in front of 5,000 people.

After my recovery, I learned how to translate my military background to the business world even further. It may sound very different, going from staff sergeant to running a grocery department, but leadership skills remain constant. It's all about establishing routines, simplifying things for associates, leading them and understanding them. Because of that, I've been able to grow my career.

I was recently promoted to Fresh operations manager and lead more than 1,000 associates. I work in the field, teaching and training Fresh operations in our stores and have remained committed to our troops by supporting Walmart's initiative to hire veterans. I work with HR to help



them understand the different military ranks and how that translates to jobs. In the past five years, Walmart has hired more than 100,000 veterans and we're a stronger company because of it.

I like to stay involved in supporting veterans in any way I can. I co-founded Helping Hands for Freedom, a nonprofit that supports the families of wounded and fallen soldiers. Most soldiers and their families lack the kind of support I was fortunate to receive from Walmart, so we do everything we can.

It's great knowing I work for a company that supports my involvement with veterans. My plan is to continue to grow within the company and move up to senior leadership on the grocery side of the business. I want to continue to move forward with my development and growth so I can continue to lead and develop associates across our company.

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PRESIDENT'S INCLUSION COUNCIL

In order for us to make the vision of Everyone Included a reality it's going to take...well, everyone!

Every Walmart associate plays an equally important role in sparking a movement toward a more inclusive culture. Our leaders are a critical part of this equation: helping to cast the vision, developing a strategy and modeling the behaviors consistent with the CDI Mission of creating an inclusive culture where all associates work together to save people money so they can live better.

That's why President and CEO Doug McMillon asked CDI to help assemble the first President's Inclusion Council. Doug serves as Chair of the Inclusion Council and Ben Hasan, Senior Vice President and Chief Culture, Diversity & Inclusion Officer, serves in an advisory capacity. The 10-member council comprises a diverse group of leaders from across the country and around the world.

The mission of the Inclusion Council is to advise, collaborate and inspire on the issues and enterprise efforts in building an inclusive work environment. Members of the Inclusion Council will demonstrate a passion for advancing culture, diversity and inclusion, and they will influence the conversation around CDI. They will be expected to innovate and collaborate to find the best solutions for the company within their scope while learning and benchmarking against the external best players in the diversity and inclusion space. The CDI team will work closely with members of the Inclusion Council to upskill them for achieving the council's mission.

The Inclusion Council meets quarterly and is comprised of the following leaders who will serve a two-year term with half of the members serving a third year to ensure continuity:



Doug McMillon
President & CEO (Chair)



David Scott
*Council Lead,
SVP, Home Office HR,
Walmart U.S.*



Kelvin Buncum
*VP, Innovation,
Sam's Club*



Erica Chan
*SVP, General Counsel and Chief
Administrative Officer,
Walmart Asia*



Mark Espinoza
*Senior Director,
Public Affairs*



Cameron Geiger
*SVP, International Relationship
Management, Walmart Technology*



Olga Gonzalez
*VP, Finance Commercial & Operations,
Walmart Mexico & Central America*



Brandi Joplin
VP, International Controller



Allan Leung
*Senior Director, Marketing
Merchandise Finance & Strategy*



Carmen Bauza
*SVP/GMM Health & Wellness,
Walmart US*



Fiona Tan
*VP, Engineering
& International Markets,
Global eCommerce*



Ben Hasan
*SVP & Global Chief Culture,
Diversity & Inclusion Officer
(Adviser)*

PRESIDENT'S GLOBAL COUNCIL OF WOMEN LEADERS

Investing in women is good for our business. Not only is being able to attract female talent a key to hiring critical skill sets, but women are our company's core customer, investing 90 percent of their income in families and communities in emerging markets.

The President's Global Council of Women Leaders (PGCWL) acts as a catalyst for change and advocates for the development, retention and advancement of women at all levels. This council educates leaders on the importance and value of a diverse team and inclusive leadership principles. It aligns with the President's Inclusion Council and the Associate Resource Groups to support inclusion efforts across Walmart.

The PGCWL consists of 14 influential women officers from core businesses around the world.



Jane Ewing
Council Chairperson,
SVP, Business Development



Kathleen McLaughlin
Chief Sustainability Officer,
Foundation President



Shannon Letts
VP, Walmart Realty,
Walmart US



Latriece Watkins
SVP, Operations



Dianne Mills
SVP, Human Resource,
Global eCommerce



Julie Murphy
EVP, President,
Neighborhood Markets



Karina Awad
SVP, People,
Mexico & Central America



Karen Stuckey
SVP, Private Brands,
General Merchandise



Anne Myong
SVP & CFO,
Global eCommerce



Tracey Brown
SVP, Chief Member Officer,
Sam's Club Marketing



Cindy O'Connor
SVP, Home & Apparel Global,
Sourcing Sam's Club



Carmen Bauza
SVP/GMM Health & Wellness,
Walmart US



Jessica Duarte
Vice President,
New Format Development,
Walmart US



Shelly Kiroff
SVP, General Merchandise,
Walmart Canada

LEADING ON LGBT INCLUSION

We strive to create an inclusive culture at Walmart where all of our associates feel welcome, comfortable and safe in bringing their authentic selves to work each day. This commitment to inclusion extends equally to our customer experience inside stores and clubs where we aim to provide a friendly shopping environment for all of our customers.

Thanks to trusted counsel that comes from strong relationships with organizations such as the Human Rights Campaign (HRC), PFLAG, SAGE (Service & Advocacy for Gay Lesbian Bisexual and Transgender Elders) and Victory Fund, Walmart is seen as a leader on LGBT inclusion – evidenced by our current score of 90 on the HRC’s annual Corporate Equality Index (CEI). This past year has been one of great triumph as well as tragedy for the LGBT community and its allies, and Walmart has been proud to stand in support of our LGBT associates and customers every step of the way.

Taking Stand on Arkansas House Bill 1228

Walmart President and CEO Doug McMillon made a bold move in defense of diversity and inclusion on March 31, 2015, when he called upon Arkansas Governor Asa Hutchinson to veto House Bill 1228. After a piece of religious freedom legislation passed the Arkansas legislature and threatened the rights of Arkansans in the LGBT community, McMillon released the following statement urging the Governor to take action:

“Every day in our stores we see firsthand the benefits diversity and inclusion have on our



Walmart Newsroom @WalmartNewsroom - Mar 31

Our statement on Arkansas #HB1228

STATEMENT ON HB1228

“Every day, in our stores, we see firsthand the benefits diversity and inclusion have on our associates, customers and communities we serve. It all starts with our core basic belief of Respect for the Individual. Today’s passage of HB1228 threatens to undermine the spirit of inclusion present throughout the state of Arkansas and does not reflect the values we proudly uphold. For these reasons, we are asking Governor Hutchinson to veto this legislation.”

- Doug McMillon, Walmart CEO

Walmart

associates, customers and communities we serve. Today’s passage of HB1228 threatens to undermine the spirit of inclusion present throughout the state of Arkansas and does not reflect the values we proudly uphold. For these reasons, we are asking Governor Hutchinson to veto this legislation.”

Walmart shared the statement on social media, and it was also carried online by the Human Rights Campaign, LGBT Weekly and several national media organizations. The firm stance taken by Walmart on HB1228 not only garnered a lot of attention, but it also led to a desired result.

Governor Hutchinson refused to sign the bill originally sent to him. A revised bill that omitted the controversial language easily passed the legislature and was signed into law. Walmart released the following statement following the signing of the revised bill:

“We applaud Governor Hutchinson and the Arkansas legislature for their effort to achieve a solution that better protects religious freedom. We hope today’s action marks a significant step toward achieving a greater understanding of the need to protect the rights of all Arkansans.”

Leading IDAHOBIT Events at ASDA

On May 17, 2016, the PRIDE chapter at Walmart's U.K. arm ASDA led a series of events across the company recognizing the International Day Against Homophobia, Biphobia and Transphobia (IDAHOBIT). IDAHOBIT is a key moment each year that draws the attention of policymakers, opinion leaders, social movements, the public and the media to the violence and discrimination experienced by LGBT people. The IDAHOBIT event hosted by ASDA focused on the issues facing LGBT associates, how as a business we are supporting them and what more needs to be done.

The event was held at ASDA House in Leeds, England and was simulcast live to multiple Walmart locations, including the Home Office in Bentonville, Ark. and Global eCommerce facilities in San Bruno, Calif. Sophie Cook, a noted U.K. speaker and activist on LGBT issues, was the featured speaker alongside business leaders who discussed their experiences and how to advance inclusion.

Showcasing Our Pride

Each year, Walmart associates – LGBT and allies alike – join together to march in various local LGBT Pride parades across the U.S. Among this year's highlights was Walmart's engagement with the Fresno (Calif.) Rainbow Pride Parade and Festival, held June 4, 2016, a day with record high temperatures that eclipsed 100 degrees. A contingent of approximately 100 associates representing 16 Walmart/Neighborhood Market locations spanning nine Central Valley cities braved the heat to help Walmart achieve the Largest Pride Parade Contingent Award. Walmart was also celebrated as the first Corporate Gold Sponsor in Fresno Pride Parade history.

Chris Armendariz, an associate at Store #2985 in Fresno, organized Walmart's participation in the parade.

"I'm honored to be given the opportunity to coordinate our participation in this event here in the Central Valley," said Chris. "I hope to continue to drive inclusion and diversity, and show our support for other LGBT organizations. That's what Walmart Pride is all about!"



#OrlandoUnited

Rallying Support for Orlando

Many lives were lost and others forever altered by the tragic events that occurred June 12, 2016, in Orlando, Fla. This shocking and heinous act disproportionately affected the LGBT and Hispanic communities, and in the days immediately following, Walmart rallied support for the Orlando community. An emergency operations center (EOC) was activated to confirm the safety of Walmart associates in the Orlando area, and while we were grateful that no Walmart associates were among the lives lost, we continue to mourn with a number of associates who lost loved ones in the attack.

Walmart and Sam's Club locations in the Orlando area supported the relief and recovery efforts by donating pallets of water, snacks and medical supplies to area hospitals and law enforcement, and Walmart honored the victims by flying the U.S. flag at half-staff through sunset on June 16 at its U.S. locations in accordance with the proclamation made by President Barack Obama.

"It's heartbreaking times like these when we can be confident in our long-standing value of Respect for the Individual," said Jacqui Canney, Executive Vice President – Global People Division, in a message to Walmart associates following the attack. "Our inclusiveness makes us strong – connecting us to each other, our customers and the communities we serve. Let's use this strength, as a company and individuals, when the world needs it most."



WALMART SCORES 100 ON 2016 DISABILITY EQUALITY INDEX®

Walmart has always believed in building a better workforce and marketplace based on the principles of inclusion, diversity and opportunity for all of its associates and customers. That commitment extends to the people with disabilities who engage with our company as part of our workforce, supply chain, customer base, community outreach and philanthropic giving.

The Disability Equality Index® (DEI®) recognized this commitment by awarding Walmart the top score of 100 percent on its 2016 survey and naming Walmart one of its “DEI® Best Places to Work.” Walmart was also among the top scorers in 2015 on the inaugural DEI® with a score of 80 out of 100.

The DEI is a joint initiative of the American Association of People with Disabilities (AAPD) and the U.S. Business Leadership Network® (USBLN®). Developed by the DEI® Advisory Committee, a diverse group of business leaders, policy experts, and disability advocates, the DEI® is a national, transparent benchmarking tool that offers businesses an opportunity to receive a score on a scale of zero to 100, on their disability inclusion policies and practices. Walmart was among 15 companies that stepped forward in 2014 as a founding sponsor of the DEI®, which from its inception has been hailed by the disability community as a watershed milestone in advancing inclusion and fostering transparency across



Corporate America. Walmart is proud to have been able to support the launch and continued influence of this meaningful benchmarking resource.

The DEI® has helped us identify best practices going on across our enterprise, which are driving inclusion for people with disabilities and illuminating opportunities for continued strategic growth. While we are proud of our top score of 100, our cultural value of Striving for Excellence will find us continually looking for ways to improve and advance disability inclusion across our business.

One of the best practices the DEI® helped us identify was work going on within our Marketing organization to increase the representation of people with disabilities in our advertising. The

2015 Walmart Holiday Toy Catalog – our most widely circulated print ad of the year – featured children with disabilities playing with some of the season’s most sought-after toys. Parents of children with disabilities sent letters to our Marketing leadership and took to social media to appreciate this commitment to disability inclusion. Parents and disability advocates noted that seeing children with disabilities in advertising helps reduce societal stigmas that limit inclusion, and that the practice builds loyalty for the business.



SEEING OPPORTUNITY FOR MY FUTURE AT WALMART

By: John Geter, Dairy Sales Associate – Store #1022 – Tyler, Texas

If an enemy is trying to get to you, there's a way he or she won't get through... Laugh.

That's a line from one of my poems – I've been writing inspirational poetry most of my life. I've tried to live by the truth in those words ever since I was a young child who loved to ride bikes and had dreams of growing up to be a football player.

When I was five years old I was confronted with a very real and dangerous enemy – a brain tumor that was pressing on my optic nerve. Doctors successfully removed the tumor – likely saving my life – however when I woke it was to a world of blindness.

That tumor might have gotten to my sight but it didn't get my spirit, and it hasn't stopped me from dreaming. I still get to ride bikes – I live out in the country where I can ride freely – and I shifted from a dream of football to the reality of playing baseball.

Beep baseball, that is.

In beep baseball we use a ball that beeps so you know where to swing at and where to track to

catch and beeping bases so you know where to run and throw. I play outfield and I'm pretty good, and so is my team the Tyler Tigers. In fact we've traveled to places like Georgia and Minnesota for the beep baseball championships.

Today I'm working on a new dream – to grow in my career at Walmart. About 18 months ago, I started in a training program with Goodwill that helped me develop key retail skills. The training included an on-the-job assignment in the Produce department at Walmart.

After proving myself in the Goodwill program, I got an interview with Walmart and they hired me on as a permanent associate – I celebrated my one-year anniversary in February – and now I work in the Dairy department. I used Braille labels on signs when I first started at Walmart so I'd know where everything was supposed to go; however I've learned my department so well I don't even need the Braille signage anymore. If a customer asks me where to find the butter or milk, I can take her right to it.



I like working for Walmart – they saw how hard I worked while in the Goodwill program and they worked with me to find a place where I could fit. The thing I like most is working around other people and helping my fellow associates get acclimated to working with a person with a disability. The next step for me is to work with department managers and other leaders in my store to determine what I need to learn in order to pursue growth opportunities with Walmart.

I tell everybody that I look at each day as a challenge. I'm ready to take that challenge head on because I want more for myself and those that come behind me – I want to leave a legacy that other people with disabilities can follow.

This story originally appeared on our Walmart Today blog – to read more stories like this, check out the blog at www.corporate.walmart.com and follow @WalmartToday on Twitter.

ASSOCIATE RESOURCE GROUPS

Walmart has seven established Associate Resource Groups (ARGs) that have enriched cultural awareness, increased engagement in the local diverse communities and created a greater sense of community and connection among diverse associates at Walmart.

As in the past, our ARGs will continue to be a strong development tool for our top, diverse talent and a significant channel to drive meaningful change and impact across the Enterprise.



Lesbian, Gay, Bisexual, Transgender (LGBT) and Straight Ally Associate Resource Group

The mission of Walmart PRIDE (Promoting Respect, Inclusion, Diversity, and Equity) is to be a source of pride in the LGBTQ and Straight Ally community by championing for our customers, counseling our business and providing a community for our associates.

Success: This year was a tremendous one for Walmart PRIDE. They were named a finalist for Employee Resource Group (ERG) of the Year for the second year in a row by Out & Equal, a leading organization for LGBT inclusion in the workplace. Associates represented Walmart in nearly 30 Pride celebrations across the U.S., and the San Bruno chapter raised more than \$270,000 while participating in the AIDS LifeCycle, making Walmart one of the top 20 corporate sponsors. Asda PRIDE in the UK was a finalist for the Inclusive Networks award for Network Engagement Initiative of the Year for its unwavering support of transgender colleagues and customers. PRIDE hosts associate engagement events with other Associate Resource Groups in Bentonville and San Bruno. Walmart received a score of 90 out of 100 on the Human Rights Campaign's 2016 Corporate Equality Index, the national benchmarking tool on corporate policies and practices pertinent to lesbian, gay, bisexual, transgender and queer employees.



African American Business Resource Group

The vision of AABRG is to deliver superb business performance and establish a reputation for Walmart Stores, Inc. as the best place to work and shop for African Americans. Their mission is to contribute to Walmart's commitment to promote diversity and inclusion as a business imperative, and to serve as a corporate thought leader through the insights of African American associates. As a result, the company will better serve associates, customers and communities.

Success: The AABRG, in partnership with the African American Officers Caucus (AAOC), kicked off a year-long onboarding program known as COMPASS for newly hired AABRG members at all levels. Each monthly session is facilitated by an AAOC member and is designed to prepare newly-hired AABRG members with the necessary tools and the Walmart blueprint for a rewarding career at Walmart. Over the course of the year-long program, the curriculum focuses on the core competencies essential to success, including cultural awareness; building relationships; influencing and communicating; and the business of retail.

COMPASS

Connect, Own, Mentor, Perform, Accelerate, Support, Sponsor



Women's Resource Council

Women's Resource Council (WRC) is a group of women and men who cultivate an inclusive atmosphere and act as a forum to **Connect, Develop** and **Advocate** for our more than 4,500 members. They aim to support the company's vision of making Walmart the best place for women to work at all levels. They work to continue the development of a diverse and inclusive work environment by supporting their members and providing resources to develop the talent pipeline, while integrating their membership further with business objectives to drive a competitive edge for Walmart.

Success: For International Women's Day on March 8, the WRC partnered with the President's Global Council of Women Leaders (PGCWL) to host a special event celebrating the achievements of groundbreaking women – past, present and future, championing the exponential benefits that come with diversity and inclusion. Guest speakers included Walmart business leaders, and Melanne Verveer and Kim K. Azzarelli, co-authors of "Fast Forward: How Women Can Achieve Power and Purpose". It was a truly global event, attended in person by 500 associates, and viewed by an additional 1,520 through streaming and video share. In the U.S., an estimated 400 participants from 23 regions participated, as well as 12 countries from International, with South Africa joining for the first time.



Hispanic Latino Associate Resource Group

HLARG has the mission of strengthening our Hispanic talent to lead diversity and inclusion efforts that impact business, develop associates and build communities. They support Walmart through ongoing education and promotion of Hispanic/ Latino culture and values for the mutual benefit of our company and the communities we serve.

Success: During Walmart’s fourth annual U.S. Manufacturing Summit, HLARG provided valuable expertise and resources for our buyers as they consider purchasing from the more than 40 Hispanic American-owned businesses who signed up for the Summit. HLARG partnered as a resource to the Supplier Diversity team during the Summit to share materials about the Hispanic Customer. They participated in the Supplier Academy session titled, “Doing Business with Walmart” and as observers in key meetings to identify opportunities for updates in the future. With more than 2000 suppliers and potential suppliers in attendance, these resources set our business – and possibly those suppliers – up for success.



Asian Pacific Associates Network

APAN is an associate resource group dedicated to making Walmart the best place for Asian American and Pacific Islanders (AAPI) to fulfill their career aspirations while maintaining their cultural identity. They work to develop AAPI leaders who influence and contribute significantly to Walmart’s business results.

Success: In 2016, APAN introduced their new Executive Speaker Series, an engagement series designed to educate our associates on how Walmart operates in its day-to-day business, with an emphasis on how we are fulfilling our commitment to attract, develop and retain a diverse workforce throughout the company. The sessions are open to all Home Office associates, with viewing options for those in the field. The series topics and speakers range from SVP and Chief Global Culture, Diversity & Inclusion Officer Ben Hasan speaking about the importance of having a diverse and inclusive workforce to Walmart’s digital and physical integration journey, shared by Cameron Geiger, SVP - International Logistics Services.



Native American and Alaskan Native Resource Group

Tribal Voices, the ARG dedicated to supporting Native American and Alaskan Native associates and customers, began this year by welcoming a new leadership team. The team’s strategy is dedicated to partnering to engage and develop our members and our communities, and working to make Walmart the best place to work and shop for everyone. Tribal Voices is focused this year on improving communication with members to ensure associates know what resources are available to them.

Success: The group’s members support Native suppliers looking to do business with Walmart and Sam’s Club, often connecting them to broader company initiatives, such as the US Manufacturing Summit, and making important merchant and product development introductions to encourage the development of a diverse supplier base for those items we offer our customers. They also continued their work with Haskell University in Lawrence, Kan., leveraging two dozen field and home office associates to support nearly 80 students through resume reviews and mock interviews.



Advocates for Disability Awareness and Education

The mission of this resource group is to create an environment that educates, engages and empowers families, associates, and communities impacted by disabilities through inclusion, sharing ideas and resources and implementing best practices.

Success: ADAE celebrated the 25th anniversary of the signing of the Americans with Disabilities Act (ADA) with a celebratory event held Oct. 20, 2015, during National Disability Employment Awareness Month (NDEAM). The event featured keynote remarks from 11-time Paralympic medalist Tatyana McFadden along with a presentation by documentary filmmakers Alison Gilkey and Eric Neudel who are responsible for the seminal film “Lives Worth Living” which chronicles the American disability civil rights movement. The session also contained a panel discussion featuring leaders of national disability nonprofit organizations. The national Disability Rights Museum on Wheels (DRMW), a production of the USBLN, also made a stop at the Walmart Home Office as part of the event. Walmart was among the tour sponsors for the DRMW.

HIS FUTURE WAS WAITING FOR HIM, AND HE GRABBED IT

Carlos Carmona, Pharmacy Manager, Store 212 - Norman, Okla.

Carlos Carmona started his Walmart career during college as a pharmacy intern in Norman, Okla. When a visiting market manager showed him the possibilities open to him by staying with Walmart, Carlos found himself inspired.

“She walked in and greeted everyone. After looking around for a few minutes, she noticed a line growing at the pickup window and she walked over and began helping our patients. That spoke volumes to me about the kind of people Walmart wanted to run their company,” Carlos recalls.

Today, he intends to continue building the rewarding career he started as an intern. At a recent Walmart Hispanic Forum in Bentonville, Ark., Carlos realized Walmart had big plans for him, and he knew he was ready to fully embrace them.

“I believe that the Hispanic Forum was an amazing and eye-opening experience. It gave me the ability

to be confident about reaching for higher goals. Being a part of the Hispanic Forum made me realize that opportunities within Walmart are out there; it’s just a matter of looking for them and then tackling them head on. I also realized that fear played a huge role in my not seeking other opportunities that I felt that I could do, but was afraid to take on. I decided at the end of the Hispanic Forum that I would no longer let fear be a hindrance to my success in life. I was meant to live and strive for so much more than I ever gave myself credit for,” Carlos says.

The conference ended on a Thursday afternoon. The next day, Carlos received a phone call about a vacancy for a market Health & Wellness director. “I didn’t need to think this time – I just did it,” Carlos said. He applied, was selected and started his new job as market Health & Wellness director in southern Oklahoma in August 2015.



“My market director helped find other places for me to go to learn – to help prepare me for bigger responsibility,” Carlos said. “When I first became a pharmacy manager, to be able to say this was my store was a very proud and memorable moment.”

Carlos says every day is his best day at Walmart, especially when he can help a customer. “My patients are so thankful for what we do for them. We work with their doctors. We help with their medication. We make their lives better,” he said.

INAUGURAL HISPANIC FORUM

In August 2015, the Global Office of Culture, Diversity & Inclusion, in partnership with the Hispanic Officer Caucus and our Hispanic Latino Associate Resource Group (HLARG), hosted the Hispanic Forum, a two-day conference designed to enable development, retention and market growth, and promote the inclusion of our Hispanic talent.

The theme for the 2015 Hispanic Forum was **Leading for our Future**. We wanted participating associates to walk away from this event empowered and inspired to:

- Proudly share their identity: Be proud of who you are. Our differences are our strengths.
- Proudly own their development: Invest in yourself. Anything is possible.
- Proudly bring others along: Invest in the development and advancement of others. Make dreams come true.
- Proudly define our future: Improve the associate and customer experience. Define the future of Walmart.

We collaborated with Glenn Llopis, Founder and CEO of the Center for Hispanic Leadership (CHL) Academy and best-selling author, to develop a robust program for the two-day forum. Much of the content was shaped around Glenn's e-book "The Six Reasons Why Hispanic Leadership Will Save America's Corporations", and the key role Hispanic associates play in our company's success.



During this groundbreaking event, approximately 420 associates, from field and Home Office areas throughout Walmart, had the opportunity to participate in intimate development sessions, network and be exposed to the ideas and lessons from senior leadership to better understand the significant role they play as a Hispanic associate in the long-term success of our company.

Thanks to the attendees' participation and passion, Walmart leaders' investment in and dedication to the company's Hispanic associates and customers, and the amazing content provided by Glenn Llopis and the Center for Hispanic Leadership Academy, the Hispanic Forum was a resounding success.

We will continue to build on the success of this forum, and others like it – the 2014 African American Forum and the 2015 Global Women's Forum – by hosting the Asian American Pacific Islander Forum in September 2016. These events are important steps toward promoting inclusion and developing our associates, and, as a result, meeting and exceeding the expectations of our customers and members.

Strengthening Our Associates to Win with Customers

In April 2016, the Global Office of Culture, Diversity and Inclusion, in partnership with the Hispanic Latino Associate Resource Group (HLARG), hosted an event called Strengthening Our Associates to Win with Customers: Elevate Leadership and Maximize Performance. This development session, which continued the momentum from the Hispanic Forum held last year, educated the audience on two main customer and workforce segments – Hispanic / Latino and Asian American / Pacific Islander.

Company leaders in marketing and merchandising shared insights through data and key performance indicators, which are crucial in determining how we continue to engage, provide the most "connected" experience and remain relevant within the competitive retail industry with these customer groups. Glen Llopis spoke about how critical it is to have an inclusive work environment where we embrace our differences while leveraging diversity in thought. When we value our associates, empower them to be their most authentic selves, and encourage them to become more influential, we elevate leadership and maximize the performance of our associates to help our customers and members save money so they can live better.

TOWN HALL GATHERING OPENS DIALOGUE FOCUSED ON INCLUSION

The African American Business Resource Group (AABRG) partnered with the Global Office of Culture, Diversity & Inclusion to host a special town hall gathering on July 13, 2016, at the Walmart Home Office in Bentonville, Ark., to begin a dialogue about inclusion following acts of violence occurring in communities across the U.S. The town hall opened with remarks from Ben Hasan, Senior Vice President and Chief Culture, Diversity & Inclusion Officer, followed by Walmart President and CEO Doug McMillon. Don Frieson, Executive Vice President and Chief Operating Officer – Sam’s Club, who also chairs the African American Officers Caucus (AAOC), spoke as well and led the gathering in a moment of silence.

In addition, the town hall featured remarks from Northwest Arkansas law enforcement and welcomed several local clergy and community leaders. The gathering concluded with an open mic question and comment session facilitated by Doug McMillon and Ben Hasan.

The issues currently facing the U.S. are complex and the solutions won’t be easy to implement. At Walmart, we believe that these events underscore the need for a movement toward inclusion – not just in our company, but in our communities. We believe when we live out our cultural values we can channel the hurt felt by so many into passion and action that can lead us to be the change

we hope to see. In order to achieve “Everyone Included”, everyone must be working together to be part of the solution.

The July 2016 town hall was the first step on a journey of dialogue and action to help us make Walmart and the communities we serve more inclusive. We plan to reflect upon the violence in Orlando, Baton Rouge, La.; Falcon Heights, Minn., Dallas and other locations, and use these tragedies as a catalyst for personal reflection and to educate others about how to bring about change through positive action and an inclusive mindset.

Our thoughts continue to be with the families and communities impacted by these events, and we are proud of the Walmart associates who have stepped forward to make a difference in their communities.



LEVERAGING OUR SIZE AND SCALE TO SERVE AND SUPPORT COMMUNITIES

Sam Walton founded Walmart more than 50 years ago with the mission of making affordable products accessible to everyone. Over the years, Walmart has grown to take on large-scale environmental and social challenges in the same spirit of Mr. Walton's original vision. Today, Walmart uses its size and scale to help improve the lives of many individuals around the world through strategic giving programs from both Walmart and the Walmart Foundation across the priority areas of Opportunity, Sustainability and Community.

In FY2015, we awarded more than \$1.4 billion in cash and in-kind donations, and our associates contributed more than one million hours of their time to volunteer. Many of the grants awarded by the Walmart Foundation on a local, state and national level provide support to organizations and programs serving diverse and multicultural communities. Here are a few examples:

LULAC INSTITUTE

Latinos Living Healthy

LULAC will host community health festivals in Washington, D.C. and Los Angeles to recruit and motivate LULAC councils and community members to develop and participate in 10 unique support clubs that offer free nutrition education. Eight of the 10 clubs will be located in Washington, D.C. or California, with the remaining two clubs in two different states. More than 5,000 persons will receive nutrition education either at the festivals or at the more in-depth club meetings.

SAGE "SAGEWORKS"

SAGEWorks is a program of SAGE (Service & Advocacy for Gay, Lesbian, Bisexual and Transgender Elders) focused on workforce training for LGBT elders who are unemployed or underemployed. The program will serve approximately 540 people in Chicago, New York City, Philadelphia, Ft. Lauderdale and Palm Springs, Fla.



NATIONAL ASIAN PACIFIC CENTER ON AGING (NAPCA)

Healthy Eating Healthy Aging

Through this project, NAPCA will provide culturally competent and linguistically appropriate healthy eating and nutrition education to prevent and reduce heart disease among Asian American/Pacific Islander (AAPI) seniors. NAPCA will deliver multiple hours of nutrition education curriculum to 3,000 AAPI seniors during the one-year program.

LEVERAGING OUR STRENGTHS TO LIFT WOMEN WORLDWIDE:

Walmart's Global Women's Economic Empowerment Initiative

Women play a crucial role in retail supply chains around the world, as well as in the economic well-being of families and communities. In agriculture alone, women are responsible for 43 percent of farm production in low- and middle-income countries. Our internal statistics show women play a vital role in the retail industry, making up 56 percent of Walmart's global workforce.

Studies further show that women in emerging markets invest 90 percent of their income back into families and communities, breaking the cycle of poverty. Yet around the world women earn 10 to 30 percent less than men do.

That's why Walmart and the Walmart Foundation launched the Global Women's Economic Empowerment initiative in 2011 to train close to 1 million women around the world on farms, in factories and in retail, particularly in emerging markets. The program combines \$100 million in philanthropic funding, Walmart's global sourcing reach, and the expertise of non-profit organizations; companies; and government agencies to equip women with technical and life skills. Such training enhances their incomes and builds their

confidence as leaders in their workplaces, families and communities.

The program focuses on four major strategies:

- Train 500,000 women in agriculture
- Assist 60,000 women in factories in becoming more active decision-makers in their jobs and families
- Prepare 200,000 women in emerging markets for their first jobs in retail
- Help 200,000 low-income U.S. women gain skills for better employment

Through Jan. 31, 2016, the program has provided training and support to more than 762,000 women, including:

- 420,452 women trained in agriculture
- 103,000 women in factories received training
- 26,000 women in emerging markets received training for first retail job
- More than 213,000 low-income women in the U.S. received training to gain skills

FOCUS ON WOMEN IN FACTORIES

In 2011, Walmart and the Walmart Foundation launched the Women in Factories Training Program, a five-year initiative that will help train 60,000 women in 150 factories and processing facilities producing for top retail suppliers in industries with high percentages of women. The program, which was implemented in collaboration with local non-governmental organizations (NGOs), will teach critical life skills related to communication, hygiene, reproductive health, occupational health, and safety, identifying personal strengths and gender sensitivity.

As of December 2015, 103,000 women have received foundational training in life and work skills through this program. Of those women, 4,978 have completed advanced training, a more comprehensive 100-hour curriculum that goes into more depth on key components. The program has been implemented in 127 factories in Bangladesh, China, El Salvador, Honduras and India, and these efforts are being evaluated and monitored by experts from Tufts University. Preliminary evidence indicates strong impact on certain metrics, including the reduced objectification of women, increased female promotion and increased factory productivity.



ASIA'S STORY

Asia Khatun first started working at the age of 20 to help supplement her father's low income. Like many women around the world, she suffered physical and mental abuse from a spouse, which affected her overall health and job performance even long after her husband left. In August 2014, Asia received the opportunity from the factory where she worked to take part in the Women in Factories Initiative's foundational training.

While initially skeptical of the benefits of the training, she nevertheless attended all the sessions and was surprised by what she learned. The benefits of the training have had a remarkable impact on Asia's well-being. She has been empowered to take charge of her financial affairs – opening her own bank account, saving part of her paycheck every month and developing

a household budget. Her work supervisor has witnessed improvements in her performance, so much so that her responsibilities have been increased. As a result of sanitary and hygiene training, she has become more aware of easy, common-sense practices that will help prevent disease.

Most of all, her family members have noticed she feels happier and more in control of her life. Asia has recently taken to sharing the lessons from the training with her sister and other family members, passing on the benefits she has experienced to others.

SPARKING SUCCESS

in Our Supply Chain through Supplier Diversity and Small Businesses

At Walmart, we believe we're at our best when we promote diversity across our supply chain. For us, supplier diversity means delivering better products and a broader selection to the communities we serve.

Our Supplier Diversity Program is designed to promote, increase and improve the participation of the diverse businesses within our supply chain. It provides Walmart's customers with reliable resources, creates jobs, strengthens our purchasing power and builds value for our shareholders.

 **2015**
TOTAL SUPPLIER
DIVERSITY PROCUREMENT

\$14.7 Billion

 **12.1 Billion**
DIRECT SPENDING

2.6 Billion
SECOND TIER SPENDING 

 **\$4.7 Billion**
SPENT WITH WOMEN-
OWNED BUSINESSES

Supplier Development

Advise:

- Systems and process to become and sustain supplier status
- Assist in preparation for merchant meetings
- Manage supplier's expectations
- Importance of buyer/supplier partnership
- Communicate the importance EDLC & EDLP

Advocate:

- Evaluate supplier for strategic alignment
- Resolve conflict and miscommunication
- Communicate supplier portfolio to business
- Facilitate outreach and accessibility to information pertaining to program

Advance:

- Provide internal training, resources and branding opportunity
- Partner with national advocacy organizations for supplier development
- Analyze supplier performance and make recommendations
- Encourage periodic business review
- Promote successful supplier and buyer engagement

Collaboration

We support and collaborate with leading organizations that advocate on behalf of diversity-owned businesses.

These partnerships include:

- National Minority Supplier Development Council
- US Black Chambers, Inc.
- U.S. Pan Asian American Chamber of Commerce
- U.S. Business Leadership Network (USBLN) Disability Supplier Diversity Program (DSDP)
- WEConnect International
- The Latino Coalition
- U.S. Department of Veterans Affairs Center for Veterans Enterprise
- Women's Business Enterprise National Council
- National Center for American Indian Enterprise Development
- National Asian/Pacific Islander American Chamber of Commerce & Entrepreneurship
- National Veteran-Owned Business Association

MEET OUR SUPPLIERS

Walmart's Supplier Diversity Program includes a significant number of small, family-owned businesses, often staffed and managed by diverse owners who employ from their communities. These suppliers support their own local communities, often through donations, sustainability initiatives and volunteer events.

CHEF JENN

Jennifer McCullough launched Chef Jenn in 2013. She began by selling dips and seafood cakes at small stores in her hometown of Memphis, Tenn. The next year, she attended Walmart's "Open Call" event as a supplier of products made in America, and she soon after began selling her products in 800 Walmart stores. Seafood used in her products is sourced using sustainable practices, and she has added shelf-stable products to her line.



CHEF JENN

"I began selling soups and catering fresh, prepared meals out of my home. ... I never dreamed that I could do business with Walmart," McCullough said. Today, the Chef Jenn grocery line includes dips, seafood cakes, sauces and breadings. McCullough plans to add frozen meals to the line soon.

TRIO TRUCKING

Carvel Simmons, who hails from Frankfort, Ohio, founded Trio Trucking Inc. in 1982. He responded to an opportunity issued by a Fortune 500 company seeking a trucking supplier for pending transportation projects that met diversity, quality and capacity requirements.

The company has been expanding since that time through contracts with companies like Walmart.

Trio Trucking and Walmart have enjoyed a decade-long relationship, and Simmons has been honored as a Walmart Diverse Carrier of the Year on two occasions. Simmons has worked with Walmart to expand his trucking and rail service offerings. These types of arrangements are mutually beneficial, with Walmart receiving transportation cost savings.



OLÉ MEXICAN FOODS

Veronica Moreno founded Olé Mexican Foods with a mission: to bring authentic tortillas to the United States.

She believed the tortillas sold in U.S. stores did not taste as good as those she made in her home. In 1988, she started the company with a small factory in Atlanta and today has expanded the Olé Mexican Foods brand into Walmart stores across the country.

"I started in 1988 with one machine, and I wanted to prove something to myself as a woman. Walmart is very important to us. It has helped us grow a lot. It helped us get to so many places," Moreno said.



BENTONVILLE FILM FESTIVAL IS IN A LEAGUE OF ITS OWN

2016 marked the second year the Bentonville Film Festival (BFF) came to Northwest Arkansas. Walmart is a founding sponsor of the festival, which champions women and diverse voices in media. From May 3 – 8, the event took place at 20 different partnership venues, with more than 50 competitive and showcase film screenings, numerous panel discussions with industry experts and a variety of family-friendly entertainment.

This year, the festival boasted more than 63,000 attendees, a 70 percent increase over its inaugural year, according to a festival press release. Celebrities, studio executives and major sponsors turned out to support the cause of its co-founders: Academy Award-winning actor and gender advocate Geena Davis, and entrepreneur Trevor Drinkwater.

“If they can see it, they can be it.” This is a sentiment shared often by Davis, and is the same idea shared in the slogan of her organization, The Geena Davis Institute on Gender in Media. This research-based organization works within the media and entertainment industry to engage, educate, and influence the need to dramatically improve gender balance, reduce stereotyping and create diverse female characters in entertainment targeting children 11 and under. This passion for equality in media is one of the driving forces behind the creation of the Bentonville Film Festival (BFF).

According to Davis, the goal of the BFF is not just to showcase women and diversity, but also to have a proactive and powerful effect on the industry. Women and people of color are woefully underrepresented in media. As listed in the BFF brochures, women represent only 7 percent of film directors, 14 percent of TV directors and 31 percent of all speaking characters in top-grossing films. People of color represent 12 percent of directors and speaking characters in TV and only 13 percent of leading characters in film are people of color.

BFF brings together an incredibly diverse group of directors, producers, actors and designers to share their work and tell their stories. This year featured many films directed by women and people of color, as well as numerous stories about the LGBT community.

BFF is also the only film festival to guarantee distribution of the winners’ projects through theatrical, digital, TV and DVD channels, and is “effecting real change in how women and diverse filmmakers can get their stories in front of audiences,” according to Davis. 87 percent of the films featured during the festival’s inaugural year garnered some sort of distribution.

And the festival didn’t just make an impact on the featured filmmakers. It impacted its attendees as well. Ashley Price, a Walmart associate and judge



for the narrative film category said, “To say that the film festival was only a week of fun wouldn’t be doing it the justice it deserves. This festival stands for so much more than a movie and a bucket of popcorn. I walked away with the desire to make a change, not only in my life but also in the lives of others.”

The Bentonville Film Festival taught me that no dream and no passion is too small to chase, and I only hope it has done the same for those who attended.

BENTONVILLE FILM FESTIVAL INCLUSION SUMMIT

The 2016 Bentonville Film Festival featured the first annual Diversity & Inclusion Summit. This unique and immersive event, hosted by Deloitte, endeavored to uncover unconscious bias – those biases individuals are unaware of that happen outside of their control.

Attendees included more than 150 guests from the supplier community, media, local school officials, city government officials and minority suppliers, including surprise guest Alice Walton.

Doug McMillon, President and CEO – Wal-Mart Stores, Inc., kicked off the event, welcoming guests and emphasizing the need to collectively work to mitigate unconscious bias. Geena Davis and award-winning journalist Soledad O'Brien addressed the audience, sharing profound personal stories and reinforcing the need for purposeful commitment to confronting bias to drive inclusion.

The summit included a breakout session and a panel discussion focused on strategies and actions we can take to confront bias in ourselves, our organizations and across industries, and how mitigating unconscious bias influences business outcomes.

After an open discussion on leading practices and prioritizing next steps for individuals, organizations and industries, participants committed to sharing accountability for mitigating unconscious bias.

Inclusion: Does that include me?

The President's Global Council of Women Leader's and Tribal Voices, our American Indian and Native Alaskan Associate Resource Group, partnered with the Global Office of Culture, Diversity & Inclusion to host a powerhouse event in anticipation of the Bentonville Film Festival titled, *Inclusion: Does that include me?*

Held in April, the session took a candid look at the women's movement and how it is inclusive of **all people**, and it provided actions each associate could take to support and lift up women in the workplace.

This impactful event featured a keynote address by Geena Davis, Academy Award-winning actor, advocate and philanthropist, as well as a discussion panel of Walmart leaders. Davis discussed the importance of inclusion of women and minorities in all aspects of the filmmaking industry, and how all men can partner with women to ensure fairness and provide support in removing barriers to success.

After her address, Davis and our panel of Walmart leaders held an open and frank discussion around ways in which the lessons shared in the keynote can be translated and applied to our daily lives and business.



The event closed with Tribal Voices honoring Davis for her leadership in diversity and inclusion by presenting her with a Pendleton blanket, a traditional gift used by Native Americans to acknowledge major milestones and accomplishments.

GLOBAL STORIES

CANADA

For the past five years, Walmart Canada has prioritized gender diversity, increasing the number of female store managers through its Women in Retail program. Starting in 2009, the Women in Retail program has been developing, retaining and advancing women in leadership. Since its inception, Walmart Canada has seen a positive increase of 58 percent in the number of women store managers – from 15.5 percent at the end of 2009 to 24.5 percent by the end of 2015. The success of the program in Canada has led to its rollout to other Walmart international markets.

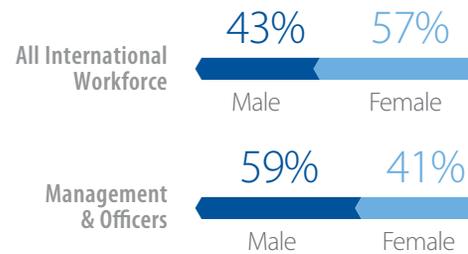
CENTRAL AMERICA

In 2015, Walmart Central America launched the first generation of its Women in Retail program with 131 store leaders. To continually improve training and development in our business, we also launched our local Learning Centers, where new store leaders and administrators learn how to operate efficiently in the workplace.

SOUTH AFRICA

Massmart in South Africa supports a range of internships and apprenticeships for both its full-time and contract employees, which serve to empower our associates and drive growth and sustainability in our business. In 2015, more than 850 full-time and 300 contract employees were enrolled in accredited Massmart-funded training programs. These programs cover a variety of learning areas, from basic retail skills to advanced graduate and senior management development.

International Associates



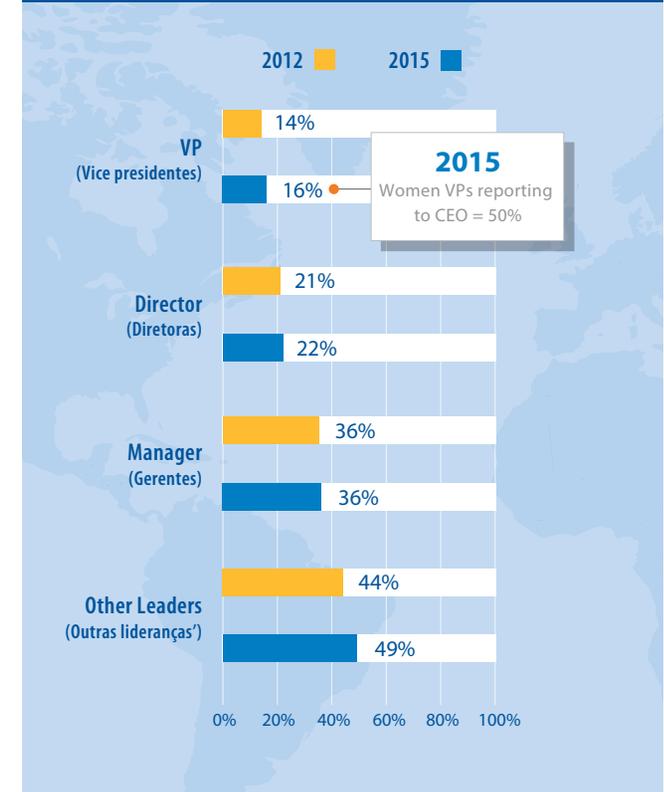
CHINA

Walmart China has focused on local talent development and encouraging talent diversity. Today, more than 99.9 percent of Walmart China associates are Chinese nationals, and 90 percent of store managers have been promoted from entry-level positions. Walmart China also established the Women in Leadership Committee and the Women in Leadership Institute, both of which further help promote the growth and development of women throughout the business.

JAPAN

Empowering women is a nationwide effort in Japan, and Walmart is doing its part by facilitating learning sessions for female leaders and promoting open discussion regarding diversity and inclusion. Approximately 65 percent of Walmart Japan associates are female, and 13.4 percent of total management positions are held by women.

In 2015, 50% of Walmart Brazil CEO's direct reports are women. See the chart below for the progress of women leaders from 2012 to 2015:



The Women in Leadership program is designed to upskill women leaders to drive business success and make the company the best place for women to work. One component of the program, "Women of Attitude," launched in 2015, trained 950 leaders on how to engage men in developing and advancing women at all levels. Through the program, Walmart Brazil exemplifies its commitment to developing and advancing women leaders. Walmart Brazil is the first retail winning the Pro-Equity Seal of Gender and Race two years in the row, which recognizes the company's dedicated efforts in fighting against discrimination and promoting equality in the workplace.

SERVANT LEADERSHIP

at the heart of Cambridge program

The Cambridge Food Cadet Program is only in its second year and already boasts 16 graduates who are adding their newly-acquired skills and talents to our business, with an additional seven cadets in 2014 and nine in 2015.

This initiative is designed to develop talented young leaders and offer them the opportunity to work toward a Diploma in Retail Management at one of South Africa's top universities. The four-year program allows successful applicants to further their studies while gaining essential workplace experience to build a promising career in retail.

For the duration of the program, participants work full-time and study part-time toward their diploma. All participants receive intensive work-based training, which introduces and familiarizes them with our business operations, environment and culture. They are provided with a strong support system, which includes coaches and mentors to guide and encourage them throughout the course.

All graduates have produced excellent academic results and are already making significant contributions to our business. One such graduate, 29-year-old Mzi Sikhosana, was appointed to Regional Administration Executive at Cambridge Food earlier this year. Before joining Cambridge Food, Mzi worked in Massmart Internal Audit Services as an internal auditor, forensic auditor and an audit manager.

When asked about this initiative, Mzi said, "When I reflect back on the program I realize how valuable it was. At first I didn't see why I would need to be trained in every department in the store and most divisions; however, now I have a holistic view of our operations and I understand it better."

"I aspire to become a great retailer and in doing so, also help others achieve their goals", Mzi continued. "The program has helped me gain an intimate understanding of the business and industry and the importance of a good work ethic and working with a diverse group of associates to achieve goals.

"I most enjoyed working with people across all stores – people who had different views, experiences and knowledge. I enjoyed the debates on process, results, strategy etc. The most valuable lesson I've learned is to always respect people and to serve your team."

The program will be inducting an additional 15 cadets this year.



2015-2016 AWARDS & RECOGNITION

- Top 50 World's Most Admired Companies by Fortune Magazine
- 25 Noteworthy Companies by DiversityInc Magazine
- America's #1 Company for Multicultural Business by DiversityBusiness.com
- Top Companies for Executive Women by the National Association for Executive Women
- Best Companies for Multicultural Women by the Working Mother Media
- Top Employers for People with Disabilities by CAREERS & the disABLED Magazine
- Top 15 Companies for Mentoring by DiversityInc.
- Top 10 Companies for Latinas to Work by Latina Style Magazine
- 100 percent on 2016 Disability Equality Index, DEI Best Places to Work
- Best of the Best by Black EOE Journal
- Top Companies for Hispanics by Hispanic Network Magazine
- Corporate Champions for Women by the Women's Forum
- Corporate Achievement Awards by OCA
- Women on Board Winning Company by 2020 Women on Board
- Corporate Leader for Inclusion by Tanenbaum
- LULAC National Corporation of the Year
- Best Places for Women & Diverse
- Managers to Work by Diversity MBA magazine





2015 U.S. EEO-1 DATA

Executive/Senior Level Officials and Managers: Individuals who plan, direct and formulate policies, set strategy and provide the overall direction of enterprises/ organizations for the development and delivery of products or services, within the parameters approved by boards of directors or other governing bodies. Residing in the highest levels of organizations, these executives plan, direct or coordinate activities with the support of subordinate executives and staff managers.

First/Mid Level Officials and Managers: Individuals who serve as managers, other than those who serve as executive/senior level officials and managers, including those who oversee and direct the delivery of products, services or functions at group, regional or divisional levels of organizations. These managers receive directions from the executive/senior-level management and typically lead major business units. They implement policies, programs and directives of executive/senior management through subordinate managers and within the parameters set by executive/senior-level management.

Professionals: Occupations requiring either college graduation or experience of such kind and amount as to provide a comparable background.

Technicians: Occupations requiring a combination of basic scientific knowledge and manual skill, which can be obtained through two years of post high school education, such as is offered in many technical institutes and junior colleges, or through on-the-job training.

Sales Workers: Occupations engaged wholly or primarily in direct selling.

Administrative Support Workers: Administrative support occupations, including all clerical-type work regardless of level of difficulty, where the activities are predominately non-manual, though some manual work not directly involved with altering or transporting the products is included.

Craft Workers (skilled): Manual workers of relatively high level (precision production and repair) having a thorough and comprehensive knowledge of the process involved in their work. Exercise considerable independent judgment and usually receive and extensive period of training. Excludes learners and helpers of craft workers.

Operatives (semi-skilled): Workers who operate transportation or materials moving equipment, or who operate machine or processing equipment, or who perform other factory-type duties of intermediate skill level that can be mastered in a few weeks and require only limited training. Includes apprentices in such fields as auto mechanics, plumbing, bricklaying, carpentry, building trades, metalworking trades and printing trades.

Laborers and Helpers (unskilled): Handlers, equipment cleaners, helpers and other workers in manual occupations that generally require no special training, and who perform elementary duties that may be learned in a few days and require the application of little or no independent judgment. Farm workers (laborers) are placed here, as well as farming, forestry and fishing occupations not elsewhere covered.

Service Workers: Workers in both protective and non-protective service occupations. Includes non-protective workers in professional and personal service, amusement and recreation, food service, maintenance and unarmed sentinel occupations. Also includes protective workers in police and detection, fire fighting and fire protection, armed guard and security occupations.

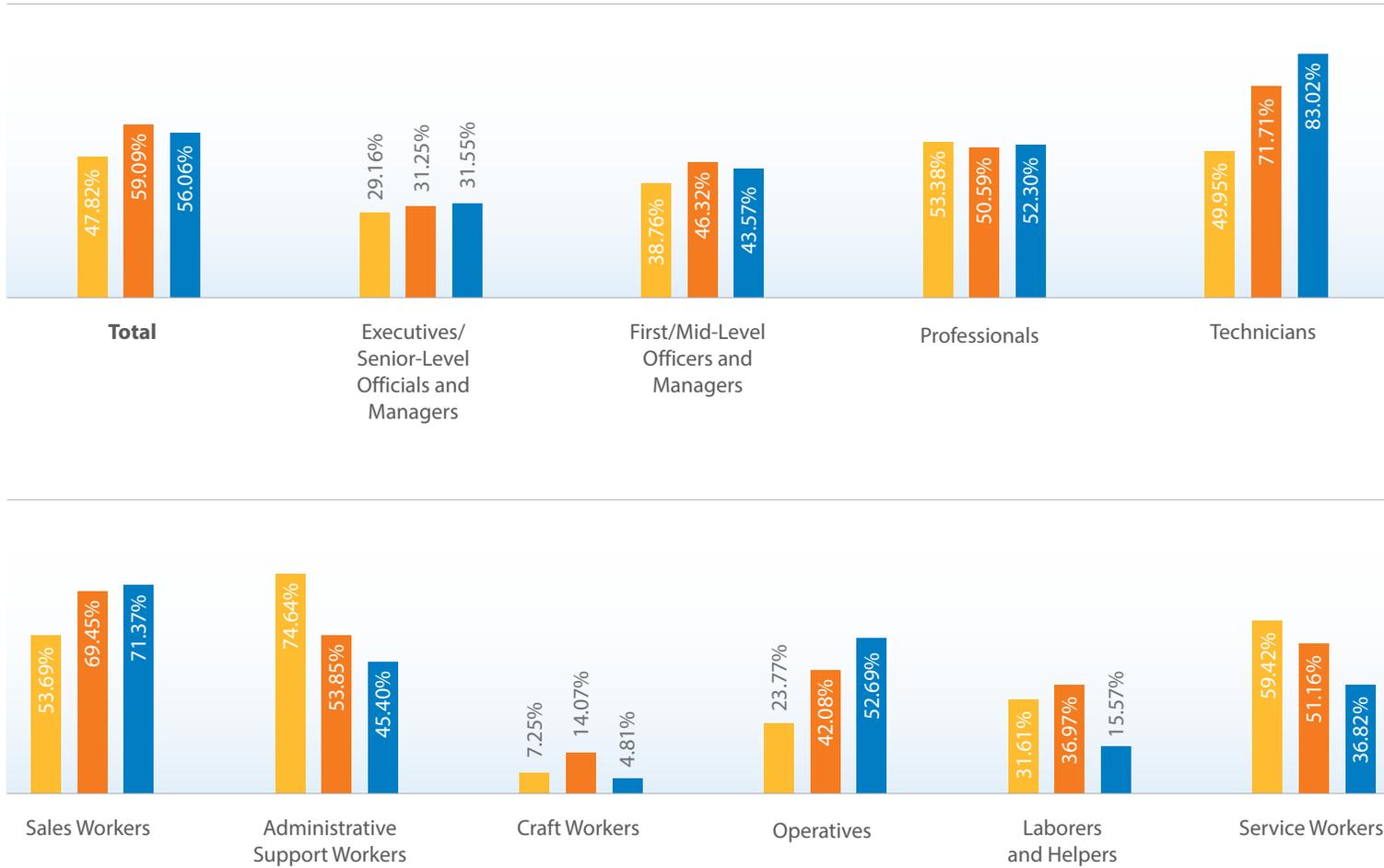
The North American Industry Classification System (NAICS) is a taxonomy used by the U.S. Census Bureau and other Federal agencies to classify 20 broad industry sectors of the economy. NAICS code 45 includes the following sub-sectors:

- 451 Sporting Goods, Hobby, Book, and Music Stores
- 452 General Merchandise Stores
- 453 Miscellaneous Store Retailers
- 454 Non-store Retailers

The charts compare Walmart’s workforce to nationwide EEO-1 figures and to a composite of the retail trade sector. (The retail trade sector comprises establishments engaged in retailing merchandise and rendering services incidental to the sale of merchandise). Although these are not exact comparisons (because Walmart’s business is like no other in the world), they do give a picture of how Walmart’s commitment to workforce diversity is being shown company-wide.

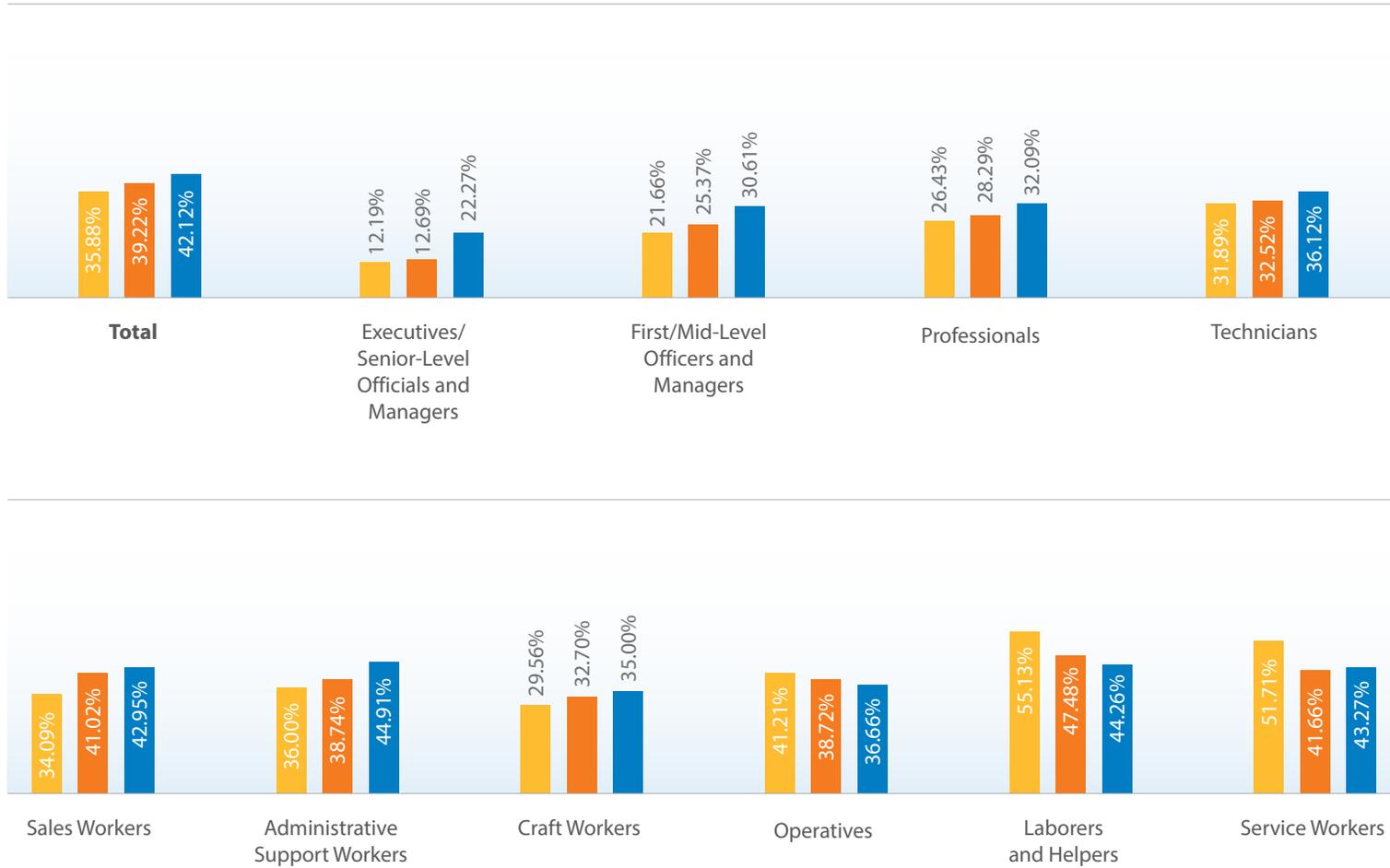
Female EEO-1 Comparison

2013 EEO-1 Composite ■
 2013 NAICS 45 Composite ■
 Walmart 2015 ■



Minority EEO-1 Comparison

2013 EEO-1 Composite ■
 2013 NAICS 45 Composite ■
 Walmart 2015 ■



Black or African American EEO-1 Comparison

2013 EEO-1 Composite ■
 2013 NAICS 45 Composite ■
 Walmart 2015 ■



Hispanic or Latino EEO-1 Comparison

2013 EEO-1 Composite ■
 2013 NAICS 45 Composite ■
 Walmart 2015 ■



Asian EEO-1 Comparison

2013 EEO-1 Composite ■
 2013 NAICS 45 Composite ■
 Walmart 2015 ■



Native Hawaiian or Pacific Islander EEO-1 Comparison

2013 EEO-1 Composite ■
 2013 NAICS 45 Composite ■
 Walmart 2015 ■



American Indian or Alaskan Native EEO-1 Comparison

2013 EEO-1 Composite ■
 2013 NAICS 45 Composite ■
 Walmart 2015 ■



Two Or More Races EEO-1 Comparison

2013 EEO-1 Composite ■
 2013 NAICS 45 Composite ■
 Walmart 2015 ■





Wal-Mart Stores, Inc. (NYSE: WMT)