

# CHINA

## Serving Customers In Diverse Ways

### History

Walmart China began in 1996 with the opening of a hypermarket and Sam's Club in Shenzhen. In the same year, Walmart set up China's first distribution center in Shenzhen.

### Quick Facts

- Nearly 430 retail units\*
- Approximately 99,900 associates\*\*

\* As of May 31, 2017

\*\* As of January 31, 2017

## QUALITY

Walmart has invested into ensuring not only the quality of food in our stores, but also collaborating with stakeholders throughout China to make significant systemic improvements in food safety in China.

Walmart and the Walmart Foundation plan to invest U.S. \$25 million in funding over five years to support research projects in applied science, education and communications that enhance Chinese food safety.

## INNOVATION

China is now the world's largest eCommerce market. The strategic alliance with JD.com provides Walmart stores and Sam's Clubs with traffic from JD.com's significant base of online customers and vast same-day delivery network to serve its customers. Since the alliance was formed in July 2016, several joint projects have launched:

- Sam's Club flagship store on JD
- Walmart on JDDJ: Express one-hour delivery to order from the nearest select Walmart store (nearly 20 cities by end of 2017)
- Walmart Global Shop on JD Worldwide (cross-border)
- ASDA's Flagship store on JD Worldwide (cross-border)
- Sam's Club Global Flagship Shop on JD Worldwide (cross-border)
- Walmart Flagship store on JD.com

## COMMUNITY

Since 2011, Walmart China has donated more than RMB 7 million to Nutritious Meals program working with China Foundation for Poverty Alleviation, to provide 1.3 million portions of nutritious meals to some 5,000 students in 21 elementary schools in Yunnan, Guizhou, Hunan and Hebei provinces, as well as kitchenware benefiting 1,700 students in 10 elementary schools in the above areas.

The Walmart Foundation donated nearly USD \$1 million to China Children and Teenagers' Fund in October 2016 to launch the China Children's Food Safety Initiatives. China Children's Food Safety Initiatives are an important portion of the National Campaign on the Safeguarding of Children's Food Safety. It is designed to promote the awareness of children's food safety and improve children's behaviors and habits through food safety education on children in the forms of "walking into families, schools and communities".

Walmart has a long history of community involvement leveraging its extensive distribution of stores and vast number of associates, engaging associates in volunteer activities including caring for the elderly, the disabled and left-behind children. Walmart is also actively involved in disaster relief through donating cash and in-kind goods in a timely fashion to the disaster-affected areas in order to help local communities build resiliency. Since 1996 when our first store opened in China, Walmart China associates have dedicated over 240,000 voluntary hours to community activities. In 2016, Walmart China set up the Associate Volunteer Association.



# OPPORTUNITY

- Nearly 66% of Walmart China retail business associates are female and about 55% of management level are female.
- Walmart China offers schedules to meet the needs of our associates – part-time vs. full-time; those who want to grow with the company vs. those who are looking for supplemental income.
- Jobs are offered to those who are retired, and there are part-time opportunities for students.



## SUSTAINABILITY

Walmart keeps improving sustainability practices in its operations in China to help drive benefits throughout the supply chain. Walmart China's major sustainability initiatives include:

- a) Sustainable Consumption Advocacy with China Chain Store & Franchise Association (CCFA) in Sustainable Roundtable
- b) Energy-saving remodeling in stores
- c) Environmental protection and green consumption advocacy

Remodeling existing stores is intended to improve store operations and customers' in-store experiences by optimizing the sales floor, improving parking and access, as well as increasing the energy-saving and environment-friendly facilities. Walmart has invested 1.5 billion RMB in upgrading more than 200 stores in China from 2013 to 2016 to provide a better shopping experience for customers.



## SUPPLIER DEVELOPMENT

In August 2016, Walmart China launched the Women Owned Business (WOB) Program with its suppliers and has identified 20 WOB suppliers so far. Walmart China is providing trainings and development platforms for these WOB suppliers to help them grow.

On April 25 2017, Walmart China and China Women's Development Foundation jointly announced to fully upgrade the current Women's Economic Empowerment program which aims to help women in all industries realize economic independence by leveraging the resource advantage of Walmart worldwide. The first public welfare training course that aims to improve the business capability of female entrepreneurs in small businesses was launched in Guangzhou, Guangdong Province on the same day. Walmart WOB suppliers will also receive trainings from the upgraded WEE program.



## OUR CUSTOMER

**35%** 

hold a bachelors degree or above

Average age is

**37**

**65%**

make less than  
RMB 10,000 (USD \$1,610) per month