



Opportunity



Sustainability



Community



2015 Global Responsibility Report
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See our full Global Responsibility Report online at: corporate.walmart.com/global-responsibility/

Lowering true cost for all



Companies should use their strengths to address complex problems in their supply chains.

Walmart is well-known for offering customers the items they want and need, at very low prices. That's part of our business model that's here to stay. But for years we've also been thinking in broader terms about what an item actually costs society to produce and deliver – from the bottom to the top of the supply chain – the “true” cost of a product.



Traditional costs include expenses like supplies, energy and packaging. But the net true cost considers issues such as waste-to-landfill, greenhouse gas emissions, economic mobility, worker safety and food safety. These are all examples of the effects production may have on the environment, in local communities, or on the people who grow and make what we sell.

We believe a business should strive for not just the *lowest* prices, but the *lowest true cost for all*. Low prices benefit customers, but low true costs benefit everyone.

To do this, we can't sit on the sidelines until after a product is made. Walmart's role is unique. We have a large presence in the world, and with that presence comes great opportunity to change how business is done. In addition to tackling social and environmental issues in our own operations, we need to actively engage in and reshape the systems in which we work.

Food is a good example. To feed a growing planet in a sustainable way, we need to work with small and big farmers at scale. One of our initiatives is a Climate Smart Agriculture Platform, which will help drive improvements in agricultural productivity and fertilizer and resource use over a 10-year period. Working with our suppliers and using The Sustainability Index, we are focused on increasing management, tracking and reporting of greenhouse gas emissions and water use on farms. We're also working to help farmers thrive through better training, yields and income.

The world faces complicated issues across the supply chain, and there are few easy solutions. No company can solve them alone. But by embracing responsibility and collaboration with others, we can make a significant difference in the world that will serve us well in the long term.

In these pages and our full report, we'll share what we're doing in three main areas:

- Creating economic **opportunity** for our associates, suppliers and people who work in retail and retail supply chains beyond Walmart
- Enhancing the **sustainability** of our operations and product supply chains for people and the planet
- Building strong **communities** where we operate

Doing this work happens to be very sound business. The most important asset a business has is the trust and respect of customers and other stakeholders. By tackling large issues and being transparent, a business can earn that trust, and be in a much better position than a company that focuses only on the short term. Customers love when a company does work for them, sourcing a wide variety of products that are produced sustainably.

By doing the right thing, a business is setting itself up for a solid and successful future. And by focusing not just on price – but on “cost” as well – a business is tackling social and environmental sustainability at the root. That's what you'll see us lean into further this year and in the years ahead.

Thanks for your interest in Walmart – and please continue to work with us, tell us what you think and help us do even better.

Doug McMillon
President and Chief Executive Officer – Wal-Mart Stores, Inc.



Leading in society

“Save money. Live better.”

Sam Walton created Walmart to bring affordable household products to people in small towns. He put the customer first, building a strong company with dedicated associates and deeply rooted values of service, excellence, integrity and respect for the individual.

More than 50 years later, customers in 27 countries around the world trust Walmart to bring them food, apparel, household goods and other general merchandise at everyday low prices through stores and e-commerce – anytime, anywhere.

Along the way, Walmart has grown into the world’s largest retailer. We have stores in 10,000 communities, employing more than 2.2 million associates and thousands of suppliers who, in turn, employ millions of people.

Because of our heritage, we seek to use our scale and capabilities to help others – not only customers and other Walmart stakeholders, but also society at large. We accomplish this by:

Creating economic opportunity for our associates, suppliers and people who work in retail and retail supply chains beyond Walmart

Enhancing the sustainability of our operations and product supply chains for people and the planet

Building strong communities where we operate



Opportunity

Increase economic opportunity

Priorities

- Associate opportunity
- Supplier/small business development
- Women's economic empowerment
- Retail sector workforce mobility

Business impact

- Associate engagement
- Productivity

Societal impact

- Frontline workforce mobility
- Job creation



Sustainability

Deliver low true cost

Priorities

- Leading in energy
- Zero waste
- Sustainable food
- Sustainable materials and manufacturing

Business impact

- Cost of goods sold and operating expenses
- Supply security

Societal impact

- GHG, natural capital
- Worker safety, livelihoods



Community

Strengthen local communities

Priorities

- Community development
- Associate philanthropy and support
- Disaster response and preparedness

Business impact

- Sales, license to operate
- Associate engagement

Societal impact

- Social cohesion
- Disaster mitigation

Our priorities and key initiatives

In 2005, Lee Scott (who was CEO of Walmart at the time) set three aspirational goals for Walmart that established the tone for our corporate global responsibility. These goals were to supply our company with 100 percent renewable energy, to create zero waste and to sell products that sustain people and the environment. Grounded in this foundation, we work hard every day on initiatives to promote sustainability, economic opportunity and strong communities around the world.

Opportunity

Accelerate upward job mobility and economic development.

Associate opportunity, diversity and inclusion:

Accelerate the development of Walmart associates, including providing hundreds of thousands of people around the world with their “first jobs,” competitive compensation and benefits, and upward job mobility. Most recently in the U.S., for example, we announced an approximately \$1 billion investment in higher wages, upskilling and scheduling enhancements. As well, Walmart fosters a diverse and inclusive workplace around the world. For example, as of FY2015, 32 percent of our corporate officers are women, and 22 percent are people of color.

Retail opportunity: Accelerate mobility of retail workers from entry- to middle-skills jobs, with more than \$100 million in grants funded by Walmart and the Walmart Foundation over the next five years. Priorities include clarifying retail and related-sector career paths, better pre-employment training, more innovative and relevant on-the-job and supplemental training and credentials that employers will accept for advancement.

Women’s economic empowerment:

From 2011 to 2016, source \$20 billion from women-owned businesses, helping to train nearly 1 million women on farms, in factories and in retail; and promote diversity and inclusion within our supplier network, which is the largest in the world.

Veteran reintegration: In the U.S., accelerate the reintegration of veterans into civilian life and workforce. Since Memorial Day 2013, Walmart has hired more than 77,000 veterans, nearly 16,000 as part of our Veterans Welcome Home Commitment. Also, through a \$20 million philanthropic investment, Walmart and the Walmart Foundation are working with private and public sector organizations to support veteran reintegration.

Supplier/small business development:

Develop local suppliers and small businesses. We are doing this through supplier development programs, supplier diversity programs and local manufacturing efforts such as our U.S. manufacturing initiative that will source \$250 billion of products made, assembled or sourced in the U.S. over 10 years. The Sam’s Club Giving Program is strengthening the microlending sector to expand access to capital for small businesses.

Sustainable operations

Minimize the environmental footprint and the cost of Walmart operations.

Energy: Reduce our energy consumption by 20 percent per square foot by 2020 compared with our 2010 baseline; work our way toward being powered 100 percent by renewable energy (we are at 26 percent); and double the fuel efficiency of our fleet (we've improved efficiency by 87.4 percent since 2005).

Waste: Generate zero waste by reducing, reusing and recycling materials we use to run our facilities, including cardboard boxes, food waste, plastic film and cooking oil. Today we are diverting 82.4 percent of our waste materials in the U.S. and 68 percent internationally from going to the landfill.

Sustainable food

Help the world feed a growing population by making food more affordable, accessible, healthier, safe and transparent.

Affordable: Keep food affordable for customers, while promoting farmer livelihoods and preserving the world's fish stocks, forests, water and air quality. To do this, we work with suppliers and others to optimize the use of inputs such as fertilizer and water, train farmers, and adopt sustainable sourcing policies for commodities such as beef, seafood and palm oil.

Accessible: Bring affordable, quality food to more people through our stores and e-commerce and donate food to alleviate hunger among the most vulnerable. In the U.S., for example, we opened 375 stores in "food deserts" (communities that don't have a grocery store), have doubled the availability of local produce and lowered the price of produce by \$3.5 billion over the past two years. Walmart and the Walmart Foundation have provided more than 1.1 billion charitable meals since the beginning of FY2015.

Healthier: Make it easier for people to buy and prepare nutritious food. For example, in the U.S. we're working to eliminate trans fat and reduce sodium (by more than 16 percent so far) and sugar (by 10 percent) in the products we sell; introducing low-priced, healthier product lines and affordable organics lines; and providing information about nutrition online and through special programs with nonprofits and non-governmental organizations (NGOs).

Safe and transparent: Promote transparency, human rights and animal welfare among suppliers and across food chains; lead the industry in implementing food safety standards and practices around the world, from the U.S. to China; put customers in charge of their food choices by helping provide clear, accurate information about food ingredients and production methods.



Sustainable product design and manufacturing

Foster social and environmental responsibility across the supply chain.

What goes into products: Work with suppliers to deliver products that are better for people (e.g., eliminate chemicals of concern) and for the planet (e.g., ask suppliers to increase recycled content, reduce packaging and design for recyclability). The GE residential LED light bulb and P&G's concentrated laundry detergent are two examples of products we helped create that are more sustainable for the planet.

How products get made: Work with suppliers in factories and on farms to promote worker safety and fair treatment, improve energy efficiency and reduce pollution. For example, according to the Alliance for Bangladesh Worker Safety, more than 275 factories were inspected and improvements are being made to structural and fire safety. And we are working directly with manufacturers in China to lower energy consumption by 30 percent over the next several years.

What happens to products after they are used: Promote recycling and repurposing of products at the end of their life to keep them out of landfills. For example, we run a cell phone "take-back" program in the United States. Walmart and the Walmart Foundation also helped create and launch the Closed Loop Fund – a \$100 million, low-interest loan fund that municipalities can tap into to pay for building a recycling infrastructure.

Strong communities

Strengthen local community cohesion and resilience, while inspiring our associates to give back.

Community grants: Engage with and provide grants to community organizations from our regional offices, stores and other facilities. In the U.K., for example, Asda gave more than 10,000 grants as part of the Chosen By You, Given By Us program in 2014. And in the U.S., Walmart and the Walmart Foundation awarded over \$100 million in state and neighborhood grants to law enforcement agencies, fire departments, schools, recreation centers and more.

Associate philanthropy: Encourage our associates to contribute time and money to the causes they care about most. In FY2015, our U.S. associates volunteered more than 1.5 million hours in their local communities. Walmart also contributed \$14 million to the causes in "dollar-for-doer" grants.

Disaster relief: Help prepare for and provide disaster relief in the aftermath of hurricanes, typhoons, tornadoes and earthquakes through our emergency operations center and our collaborations with organizations like the Red Cross and United Nations. Over the last 10 years, Walmart and the Walmart Foundation have given more than \$43 million in cash to various countries burdened by disaster.

In everything we do, we set bold aspirations for social and environmental outcomes. We seek to change the way the retail industry operates so that the improvements go beyond Walmart and are lasting.

Our approach

Lead through the business:

At Walmart, we integrate the social and environmental agenda into our day-to-day business activities, including our leadership practices, our organization roles and structure, and our incentives, tools and processes. For example, our operators and real estate teams are hard at work every day on our energy and waste goals. Our merchants and sourcing teams work with our suppliers on our sustainable product goals. Our supplier development teams help create opportunities for suppliers.

Seek business as well as societal benefits:

Wal-Mart Stores, Inc., will be most successful at – and able to sustain – social and environmental initiatives that create business value. For example, we’ve committed to reduce sodium by 25 percent, added sugars by 10 percent and to remove all industrially produced trans fats in our private brands, including Great Value and national food brands in the U.S. by the end of 2015, compared with our 2008 baseline. We’ve also opened 375 stores in areas serving designated food deserts in the U.S. since 2012. Efforts like these not only elevate our business, but also increase access to healthier, affordable food in the communities we serve.

Use philanthropy to complement business initiatives:

Walmart extends our impact on social and environmental issues through our philanthropy. During FY2015, we contributed approximately \$1.4 billion worldwide through cash and in-kind giving – drawing on business assets such as food, logistics know-how and emergency operations expertise to further enhance our impact. For example, Walmart and the Walmart Foundation contributed more than \$70 million in cash to programs that enhance nutrition and alleviate hunger. We carry out such work through the Walmart Foundation, which leads our global and U.S. philanthropic efforts; market-specific foundations such as the Asda Foundation; and market-by-market giving programs.

For Walmart, leading on social and environmental issues is a “whole company” undertaking that we pursue in collaboration with customers, suppliers, nonprofit organizations and governments around the world. For us, it’s more than just a matter of philanthropy. It’s woven into our day-to-day business activities.

Prioritize actions that draw on Walmart capabilities:

Globally and in each market, we choose to focus on issues where we have a relative advantage in making a difference because of our particular capabilities. This includes our 2.2 million associates in 10,000 communities; our supplier relationships and buying power in food, apparel and other categories; our physical assets such as stores, trucks and distribution centers; and our capabilities in logistics, marketing, operations and merchandising.

Collaborate with others:

Walmart and the Walmart Foundation search for organizations around the world that have capability to accomplish one of our societal goals, and we work with them to provide the funding, resources or expertise they need to deepen and scale their impact. This model allows us to accomplish more in a shorter amount of time and take advantage of the expertise of those organizations dedicated to a particular cause. An example is our collaboration with CARE, Swasti, World Vision and Business for Social Responsibility on the development of a Women in Factories training program that will reach more than 60,000 women working in 150 factories in Bangladesh, India, El Salvador, Honduras and China. The collaboration has included the development of an open-source curriculum by CARE that has been adapted to meet the needs of each country, as well as best-practice sharing to help factory management and human resource teams lead training. Providing funding and facilitating a community of practice has resulted in a stronger initiative. It’s creating a more inclusive mindset and positive environment for the women working on factory floors and, in turn, contributing to more productive operations for factory owners.

Every healthy, high-performing company has an obligation to use its strengths to help society. In the long term, a company’s business interests and the interests of society converge. Governments, companies, communities and individuals – we are all interdependent and stronger together.



Giving

Walmart uses philanthropy to extend the positive social and environmental impact of our business initiatives. The Walmart Foundation, a registered 501(c)3 based in the U.S., provides cash grants that complement Walmart's corporate cash and in-kind giving (as well as associate volunteerism) in the arenas of opportunity, sustainability and community around the world. Together Walmart and the Walmart Foundation use their strengths to address large societal issues in a systemic way. Below we describe the priority programs of the Walmart Foundation and Walmart corporate giving around the world:

- Helping create economic **opportunity** for individuals and fostering economic growth
- Enhancing the **sustainability** of global supply chains in food, apparel and general merchandise
- Strengthening the resilience and cohesion of local **communities** and inspiring associates to give back



Opportunity

Increase economic mobility and foster economic growth by awarding grants and sharing expertise.

Retail opportunity: Accelerate economic mobility of workers in the retail and related industry sectors through more relevant training, clearer career paths and supportive services (including a philanthropic commitment of \$100 million in the U.S. over five years).

Women's Economic Empowerment: Train nearly 1 million women on farms, in factories and in retail around the world. By the end of 2014, funding was in place to train more than 800,000 women.

U.S. veterans: Accelerate the reintegration of veterans into civilian life, helping governments, employers and nonprofits coordinate services through a \$20 million philanthropic investment by Walmart and the Walmart Foundation over the next five years.

Small businesses: Educate small business borrowers and increase access to affordable capital by scaling up high-performing, mission-driven lenders in the U.S.

Local manufacturing: Inspire a manufacturing comeback. As part of Walmart and the Walmart Foundation \$10 million U.S. Manufacturing Innovation Fund, we awarded \$4 million in grants to seven leading research and development institutions to solve manufacturing challenges related to small motor assembly, plastic injection molding and advanced textiles.



Sustainability

Community

Enhance the sustainability of global supply chains in food, apparel and general merchandise.

Hunger relief: Strengthen the hunger relief system, including support for food banks and increasing access to meal programs. In FY2014, Walmart and the Walmart Foundation delivered (one year early) on a previous commitment to donate \$2 billion in the U.S., including food donations and \$250 million in grants. In FY2015, Walmart and the Walmart Foundation committed to donate another 4 billion meals over the next five years.

Nutrition: Teach people how to shop for and cook more nutritious food on a budget. In FY2015, the Walmart Foundation contributed \$10 million to nutrition education in the U.S.

Sustainable product design and manufacturing: Lower the environmental and social cost of producing products for our customers. For example, the Walmart Foundation helped create and launch the Closed Loop Fund, which will provide \$100 million in low-interest loans to municipalities and companies to build out recycling infrastructure.

Strengthen local communities and inspire associates to give back.

Associate support: The Walmart Foundation also provides a limited number of scholarships for associates and their dependents. Since FY2012, the Walmart Foundation has given \$22.4 million to organizations that award scholarships to our associates and their dependents. Walmart (along with others, such as the Walmart Foundation, Asda Foundation) also supports programs that make grants to associates struggling with crises, such as natural disasters or a death in the family.

Community grants and volunteerism: Support our local communities and our associates' efforts to make a difference in their communities. In FY2015, Walmart, the Walmart Foundation and local giving teams such as the Asda Foundation and Fondation de Mexico provided more than \$100 million in grants to organizations through community and regional grants programs. We also encourage associate giving and volunteerism through matching donations programs in many Walmart markets.

Disaster response and preparedness: Help provide our associates and communities with resources they need during and after a disaster; strengthen community preparedness and ability to recover from a disaster. Over the past 10 years, Walmart and the Walmart Foundation have provided more than \$43 million in cash to various countries burdened by disasters.



Progress on aspirations and public commitments

Opportunity

Supplier and small business development

Supplier diversity

Increase sourcing from diverse suppliers and encourage inclusion of women and minorities on key account teams of major suppliers serving Walmart and Sam's Club.



In FY2015 in the U.S., we spent approximately \$13.5 billion with diversity-owned businesses. This amount includes \$10.4 billion in direct spending and \$3.1 billion in second-tier spending. At the end of 2014, more than 65 professional-service suppliers have reported the gender and ethnicity of their Walmart and Sam's Club teams.

Local manufacturing

Buy an additional \$250 billion in products made, assembled, sourced or grown in the U.S. over 10 years in an effort to grow U.S. manufacturing and encourage the creation of U.S. jobs (began in 2013).



January 2015 marked the second anniversary of Walmart's journey to source \$250 billion in products supporting U.S. jobs over 10 years. We're on target to reach our commitment by 2023. From light bulbs to towels, patio furniture to toys, suppliers are expanding manufacturing or assembly in the U.S.

In January 2014, Walmart and the Walmart Foundation announced the creation of a \$10 million U.S. Manufacturing Innovation Fund to award those who create new processes, ideas and jobs that support America's growing manufacturing footprint. The fund is being executed in collaboration with the U.S. Conference of Mayors.



Walmart and the Walmart Foundation awarded \$4 million in grants to seven leading research and development institutions in the U.S. to solve manufacturing challenges related to small motor assembly, plastic injection molding and advanced textiles. We expect to issue a second request for proposal in 2015.

Small Business

Reach small-business owners with education, training and technical support, unlock loans, help scale microlending and create Main Street jobs in the U.S.



Since 2010, Sam's Club and the Sam's Club Giving Program have provided more than \$18 million in grants to nonprofits to help local Main Street business owners access capital by increasing the availability and type of products to meet their needs responsibly so they can thrive and create jobs. This effort has contributed to training more than 20,000 micro- and small-business owners.



Women's Economic Empowerment

Women's Economic Empowerment – Sourcing

<p>Source \$20 billion from Women-Owned Businesses (WOBs) for our U.S. business through 2016 (began in 2011).</p>	<p>▶ Since 2011, Walmart U.S. has sourced \$11.24 billion in products and services from women-owned businesses (WOB), including \$4.16 billion in FY2015. To continue this progress, we introduced our Accelerator Training Program, which guides high-potential WOBS on how to best grow with Walmart. Sales growth and profitability from WOBS are outpacing Walmart averages.</p>
<p>Double sourcing from women-owned businesses in our international markets through 2016.</p>	<p>▶ We've calculated the baseline spend on WOBS in seven markets, tracked quarterly progress toward the goal and have begun to implement tailored strategies by market to grow spend. In five tracked international markets, Walmart has increased annual spend among women by more than 21 percent from FY2012 to FY2015.</p>
<p>Launch a dedicated e-commerce platform designed to give small women-owned businesses/women-empowering businesses access to customers.</p>	<p>● In 2013, Walmart launched the platform Empowering Women Together (EWT) to provide opportunities to small businesses with less than \$10 million in annual revenue that aim to economically empower women around the world. Since then, the platform has offered 300 distinct products from 28 small businesses from multiple countries, including Nepal, Tanzania and Kenya. On Mother's Day in 2014, more than 2,600 Walmart stores sold products from the EWT assortment.</p>

Women's Economic Empowerment – Training

<p>Empower nearly 1 million women on farms and in factories through training, market access and career opportunities through 2016.</p>	<p>▶ By the end of FY2015, Walmart and the Walmart Foundation contributed funding to train 540,102 women globally.</p>
<p>By the end of 2016, in emerging markets, train 500,000 women in the agriculture value chain.</p>	<p>▶ By the end of FY2015, Walmart and the Walmart Foundation had contributed to training 297,655 women in the agriculture value chain. In FY2015, the Walmart Foundation funded four additional projects in Africa and Asia that are expected to reach 79,976 women.</p>
<p>Help 200,000 women in the U.S. from low-income households gain the skills they need for employment by the end of 2016.</p>	<p>▶ Since the launch of the Women's Economic Empowerment initiative, 180,423 U.S. women from low-income households have received support through programs funded by the Walmart Foundation.</p>
<p>By the end of 2016, train 200,000 women for their first jobs in retail in our emerging markets.</p>	<p>▶ By the end of 2014, 13,295 women in eight countries received retail training. Pilot programs were completed this past year in Argentina, Chile, Mexico and South Africa. Using those results, the Walmart Foundation funded larger-scale programs in Nigeria, Ghana, Kenya, Argentina, India and Chile. Those grants, combined with existing programs, put us on track to reach approximately 71,000 women.</p>
<p>Help 60,000 women working in factories develop the skills they need to become more active decision-makers in their jobs and for their families by the end of 2016.</p>	<p>▶ By the end of 2014, the Women in Factories program had trained 48,729 women in foundational training for life and work skills. Of those women, 2,546 completed advanced training. The training has been implemented in 82 factories in Bangladesh, China, El Salvador, Honduras and India.</p>



Women's Economic Empowerment – Training continued

The Women's Economic Empowerment initiative will be supported by more than \$100 million in grants from the Walmart Foundation and donations from Walmart's international business.



Since the launch of the Women's Economic Empowerment initiative, we've been committed to supporting opportunity for women through our charitable giving. By the end of FY2015, the Walmart Foundation and Walmart's international business contributed \$110 million in grants and donations to support women's economic empowerment, and we exceeded our goal two years ahead of schedule.

Retail sector workforce mobility

Workforce opportunity

Walmart and the Walmart Foundation will commit \$100 million over the next five years (beginning in 2015) to increase the economic mobility among U.S. retail and related-sector workers. Specifically, we aim to support retail training for more than 50,000 retail workers, while helping 30,000 move from entry- to middle-skills jobs.



In February 2015, Walmart and the Walmart Foundation announced an initial investment of \$16 million to seven nonprofit organizations in the U.S. These grants will support career mapping and training for retail workers, while also aligning retail employers with training providers.

Veterans

In 2011, Walmart and the Walmart Foundation committed \$20 million by 2015 to support U.S. veterans and their families with assistance from programs that provide job training, transition help and education. With the early completion of the commitment in May of 2014, Walmart and the Walmart Foundation renewed their commitment, announcing an additional \$20 million through 2019 to support U.S. veteran job training, education and innovative public/private community-based initiatives that address the challenges many of our veterans face when returning to the civilian workforce and their communities.



By May 2014, Walmart and the Walmart Foundation met our original \$20 million commitment. The investment supported job training for more than 20,000 post-9/11 veterans, provided thousands of holiday meals and toys for military families, and built capacity for nonprofits working in this space in the U.S.

Offer a job to any eligible honorably discharged U.S. veteran within the first 12 months off active duty.



From Memorial Day 2013 through FY2015, we hired more than 77,000 veterans in the U.S., nearly 16,000 as part of our Veterans Welcome Home Commitment. More than 6,000 have been promoted to roles of greater responsibility since joining the Walmart team.

Our Military Family Promise guarantees a job at a nearby store or club for all military personnel and military spouses employed at Walmart or Sam's Club who move because they, or their spouse, have been transferred by the U.S. military.



Regarded by the Military Spouse Employment Partnership as the largest employer of military spouses in the U.S., Walmart continues to help turn jobs into career opportunities through the Military Family Promise.



More sustainable operations

Leading in energy

Be supplied by 100 percent renewable energy.	▶	As of 2014, Walmart-driven renewable energy projects and purchases provided about 10 percent of our buildings' annual electricity needs around the world. The grid supplied another 16 percent, for a total of 26 percent renewable electricity.
Drive the production or procurement of 7 billion kWh of renewable energy globally by Dec. 31, 2020 – an increase of more than 600 percent versus 2010.	▶	In 2014, we procured 3 billion kilowatt hours (kWh) of Walmart-driven renewable energy globally, accounting for approximately 43 percent of our 2020 target.
By Dec. 31, 2020, reduce the total kWh-per-square-foot energy intensity required to power our buildings around the world by 20 percent versus our 2010 baseline.	▶	As of the end of 2014, we were well on our way toward this new goal by operating with 9 percent less energy per square foot compared with our 2010 baseline. This represents a 2 percent improvement since the end of 2013.

Resource efficiency

Begin phasing out hydrofluorocarbon (HFC) refrigerants by 2015 and replacing them with non-HFC refrigerants, where these are legally allowed and available for new purchases of point-of-sale units and large refrigeration installations.	▶	In 2011, we began incorporating refrigeration and store designs that would enable the transition to less HFC-reliant systems. We continue to test HFC-free systems in several markets, which will allow us to validate system efficiency, total GHG impact and quality functionality.
Double fleet efficiency in the U.S. by October 2015 (2005 baseline).	○	By the end of 2014, we had improved U.S. fleet efficiency by 87.4% over the 2005 baseline – an improvement of 3.2 percent compared with the year before. At this rate, we project that we will come close but will not quite achieve our goal of doubling fleet efficiency by October, 2015. The evolving service requirements of our multichannel, multi-format business have slowed our progress. We continue to strive for greater efficiency through equipment innovation, using data to help our drivers drive more efficiently, and adopting the latest fleet technologies as they become commercially viable.

Waste reduction

Eliminate landfill waste from U.S. stores and Sam's Club locations by 2025.	▶	Walmart U.S. waste diversion improved to 82.4 percent in 2014 across stores, clubs, distribution centers and other facilities. Walmart International achieved 68 percent waste diversion.
Reduce food waste in emerging-market stores and clubs by 15 percent and in our other markets by 10 percent by the end of 2015 (2009 baseline).	○	In emerging market stores (Argentina, Brazil, Central America, Chile and Mexico), we've reduced food throwaway by 11 percent. While we continue to work toward reducing food waste in our developed markets (Canada, Japan, the U.K. and the U.S.), we're at risk of not meeting our goal of 10 percent reduction by 2015. As the demand for high-quality fresh meat and produce has increased in developed markets such as Canada and the U.S., we've expanded our offering and our volume of food. But with more volume and better quality comes the potential for additional waste. We continue to work with our associates to improve our processes for managing our fresh food offering and driving results.



More sustainable products

Sustainability Index

By the end of 2017, buy 70 percent of the goods we sell in Walmart U.S. and Sam's Club U.S. units only from suppliers who use the Sustainability Index to evaluate and share the sustainability of their products if they produce goods in categories where the Index is available.



On the Walmart side, we're almost there. Nearly 1,300 Walmart suppliers are using the Sustainability Index to drive more sustainable production. In 2014, the products evaluated represented 65 percent of the goods that were sold in Walmart U.S. stores and in categories covered by the Index.

Tie each merchant's sustainability goals to his or her performance objectives and use the Index as the primary tool to measure progress.



Nearly 70 percent of the buyers for Walmart U.S. stores have the Index tools they need to improve the sustainability performance of their suppliers and the products they buy from them.

Sustainable food chain

Gain increasing visibility over the next 10 years into key metrics regarding yields, water usage and GHG in food supply chains. Foster improvements in food yields, water efficiency and GHG emissions through special projects and continuous improvement.



After launching this goal at the United Nations Climate Summit in fall 2014, we collaborated with several organizations (The Sustainability Consortium, Field to Market, U.S. Dairy Innovation Center, Stewardship Index for Specialty Crops and others) on agriculture metrics and transparent reporting. Now, the Sustainability Index contains a robust set of quantitative field metrics that our suppliers use to track and report continuous improvement, including but not limited to GHG emissions, water efficiency and food yields.

Encourage suppliers to develop fertilizer optimization plans for 14 million acres of U.S. farmland by 2020.



In total, we've established joint agricultural partnerships with 17 suppliers, cooperatives and service providers on 23 million acres of land in the U.S. and Canada, with the potential to reduce 11 million metric tons (MMT) of GHG by 2020.

Double sales of locally sourced produce sold in the U.S. by the end of 2015 (2009 baseline).



By the end of 2014, we increased sales of locally sourced produce from \$404 million to \$749.6 million. We remain on track to reach our goal by the end of 2015.

Provide training to 1 million farmers and farm workers, of which half will be women, in emerging markets by the end of 2016.



By the end of FY2015, Walmart and the Walmart Foundation had contributed to training 564,321 farmers, of which 297,655 were women. As of this date, funding was in place to reach a total of 837,449 farmers, including 475,537 women. During 2014, the Walmart Foundation funded four projects in Africa and Asia that will train 151,000 farmers, an estimated 79,967 being women.

Require 100 percent of the palm oil in Walmart's global private brands to be sourced sustainably by the end of 2015.



We're on track to meet our goal of sourcing 100 percent sustainable palm oil, supporting RSPO-certified palm oil. In FY2015, 54 percent of our palm oil was sourced through a mix of segregated (15 percent), mass balance (50 percent) and GreenPalm certificates (35 percent).

Require 100 percent of fresh, frozen, farmed and wild seafood to be third-party certified by Marine Stewardship Council (MSC) or Best Aquaculture Practices (BAP), or managing a program in accordance with the Principles of Credible Sustainability Programs developed by The Sustainability Consortium, or actively working toward certification, or involved in a Fishery Improvement Project or Aquaculture Improvement Project in the U.S., U.K., Canada and Sam's Club U.S.



More than 90 percent of Walmart U.S., Sam's Club U.S., Asda and Walmart Canada's fresh and frozen, farmed and wild seafood is sustainably sourced in accordance with Walmart's Seafood Policy. Of this offering, 69 percent is certified by MSC and 95 percent of our farmed supply chain is certified by BAP. Additionally, 15 percent of our supply is involved in Fishery Improvement Projects, with plans in place to achieve sustainable certification.



Sustainability

<p>Source only sustainable beef that is free of Amazon deforestation by the end of 2015.</p>	<p>▶</p>	<p>In 2014, Walmart Brazil's beef suppliers began participating in our Beef Monitoring and Risk Management System, which tracks, monitors and promotes responsible ranching and sourcing of Brazilian beef. In 2015, Walmart Brazil will use this monitoring program in its purchase orders to source only beef that doesn't contribute to deforestation. We're on track to reach this goal by the end of 2015.</p>
<p>In the U.S., endorse Beef Quality Assurance Program and partner with NCBA to deliver environmental Best Management Practices in beef supply chain.</p>	<p>▶</p>	<p>In 2014, Walmart worked with several key stakeholders to launch the U.S. Roundtable for Sustainable Beef (USRSB). This partnership is a key step toward defining sustainable beef in the U.S. and guiding procurement policies for sustainable beef. USRSB is an independent, multistakeholder, transparent effort focused on shaping the sustainability framework for the U.S. beef value chain.</p>
<p>In the U.S., align with packers, feed yards and ranchers to develop a transparency pilot for 15 percent of the U.S. supply by 2023 to ensure environmental best practices and quality standards for customers.</p>	<p>▶</p>	<p>In 2014, we completed a sustainable beef sourcing pilot in Montana and Colorado, designed to build a traceable supply from ranch to fork while assessing sustainability practices across the supply chain. By working with the ranch and the feedlot directly, we gathered valuable insights that will help us develop a larger-scale program as we work toward our 15 percent goal.</p>
<p>Open 275–300 stores serving designated food desert areas in the U.S. by 2016 (beginning in 2012).</p>	<p>●</p>	<p>By the end of FY2015, we'd opened 375 stores serving food deserts across the U.S. We exceeded our goal a year ahead of schedule.</p>
<p>Provide 4 billion meals to those who need them in the U.S. from 2015 to 2020 via grants from the Walmart Foundation and food donations from our Walmart stores, Sam's Clubs and distribution centers.</p>	<p>▶</p>	<p>Since FY2015, Walmart and the Walmart Foundation have donated 1.1 billion meals in the U.S. through our stores and clubs and through philanthropic investments in charitable and federal meal programs. In FY2015, Walmart and the Walmart Foundation contributed more than \$61 million in funding to organizations fighting hunger in the U.S.</p>
<p>Engage associates and customers in supporting hunger relief efforts.</p>	<p>✱</p>	<p>In FY2015, our U.S. associates volunteered more than 159,000 hours to hunger relief causes and organizations, raising more than \$1.4 million through Volunteerism Always Pays – our corporate volunteerism program.</p>
<p>Improve the nutritional quality of our private brands, including our Great Value brand and national food brands in the U.S. Reduce sodium by 25 percent and added sugars by 10 percent, as well as remove all industrially produced trans fats by the end of 2015 (FY2016), compared with our 2008 baseline.</p>	<p>○</p>	<p>By the end of FY2014, we reduced sodium by more than 16 percent, and we continue to exceed our goal for sugar reduction. At the end of FY2014, fewer than 6 percent of products in our U.S. stores contained partially hydrogenated oils.</p> <p>Sometimes it's challenging to find food substitutes or processes to make the desired advances without compromising taste, convenience, texture and other important qualities. We're committed to finding solutions for healthier foods without sacrificing the characteristics our customers expect, and that takes time.</p>
<p>Develop a Great for You label, a front-of-pack seal to help U.S. customers quickly identify more nutritious choices.</p>	<p>▶</p>	<p>More than 30 percent of qualifying items, including fresh produce, Great Value and Marketside private brands now carry the Great For You icon. This year, more than 60 lean meat and poultry items have been submitted to the USDA for icon approval.</p>
<p>Invest in programs to help educate families about healthier food choices by providing nutrition education to 4 million people in the U.S. over the next five years (through 2020).</p>	<p>▶</p>	<p>In October 2014, the Walmart Foundation broadened its existing commitment to increase charitable support for nutrition education to target a specific number of people reached rather than a dollar amount. In FY2015, the Walmart Foundation contributed \$10 million to nutrition education efforts, for a total of \$51 million since 2011. That translated into 929,659 people reached in FY2015.</p>



More sustainable products – Sustainable food chain continued

Save U.S. customers approximately \$1 billion per year on fresh fruits and vegetables. Reduce or eliminate price premiums on key better-for-you items.	▶	In FY2015, we saved customers \$1.09 billion on fresh produce, taking us to \$3.5 billion since 2012, and our freshness continues to improve year over year. Based on Walmart U.S. pricing data, in 2011, a Walmart-selected better-for-you item, on average, cost 5.7 percent more than the traditional version. As of FY2015, the average annual differential was further reduced to 4.5 percent.
Use the Sustainability Index to track sustainability improvements in food supply and for 70 percent of goods sold in the U.S. if those goods are covered by the Index.	▶	We use the Index to measure and advance continuous improvement across the world's largest assortment of food. It enables us to identify hot-spot issues in various food categories, such as pesticides, water, labor or fertilizer. Our buyers use it to partner with suppliers to agree on improvement opportunities. In 2014, 64 percent of the food sales in Walmart U.S. stores that are eligible for the Sustainability Index were tracked by the Sustainability Index.

Sustainable product design

Incorporate the learnings and successes of the Packaging Scorecard into the Sustainability Index.	✱	We've incorporated key packaging-related sustainability practices into the Sustainability Index. For categories that rely on a lot of packaging, the Index includes specific packaging KPIs so that we can consistently measure progress across key metrics.
Increase recycled content in plastic packaging and products.	✱	In 2014, we surveyed approximately 100 suppliers using plastic packaging about their current postconsumer resin level by type and asked for forecasts for increasing it by 2020.
Increase the recyclability of plastic packaging.	✱	We published packaging recyclability guidelines to prioritize packaging optimization opportunities. We're tracking progress through KPIs in the Sustainability Index and can use this tool with suppliers who need help finding and prioritizing improvement opportunities.
Sustainably increase the supply of recycled content.	✱	Walmart and the Walmart Foundation helped launch the Closed Loop Fund and the first investments will be made this year. We will be tracking tons diverted and money saved.
Increase transparency by disclosing all product ingredients online beginning January 2015 and priority chemicals on product packaging beginning January 2018.	▶	We cataloged and disclosed all ingredients for in-scope products from all our private-brand suppliers at Walmart.com and Samsclub.com. We're now encouraging the suppliers of our national brands in the U.S. to fully disclose ingredients online and track progress through the Index.

Sustainable manufacturing

Suppliers and factories that represent 70 percent of our business sourced in China will participate in Walmart's Factory Efficiency Program by 2017.	▶	Since we announced this initiative in August 2014, more than 200 factories in China have signed on to the Resource Efficiency Deployment Engine (RedE), a Web-based tool that guides the identification of energy-efficiency improvement initiatives.
Eliminate 20 million metric tons (MMT) of GHG emissions from Walmart's global supply chain by the end of 2015.	▶	Through our partnership with the Environmental Defense Fund, we've worked on projects that cumulatively reduced more than 17.4 million metric tons (MMT) of GHG emissions from our supply chain by the end of 2014.



Community development

Empower Walmart associates to support local charitable organizations.



In 2014, Walmart facilities in the U.S. and Puerto Rico made more than 46,000 grants to community organizations, totaling more than \$47 million. In addition, the Walmart Foundation awarded \$37 million to organizations addressing hunger, workforce development, veterans programs and many other causes through the State Giving Program, based on recommendations of committees of Walmart associates in each state.

Associate philanthropy and support

Associate philanthropy

Provide matching donations to encourage associates to donate to charitable organizations.



Walmart enables U.S. associates to give to any of 11 participating nonprofit organizations through payroll deduction as part of the Associate Giving Program. The Walmart Foundation matches those contributions dollar for dollar, ranging from \$1 million to \$8 million per charity. Through this program in FY2015, associates raised nearly \$12 million. Walmart and the Walmart Foundation matched more than \$8.4 million.

Encourage associates to volunteer for causes they care most about.



In FY2015, our U.S. associates volunteered more than 1.5 million hours to organizations in the areas of education, environmental sustainability, health and wellness, hunger relief, workforce development and more. U.S. associates may apply for a Volunteerism Always Pays (VAP) grant on behalf of their volunteer hours at eligible organizations. They generated \$14 million in "dollar-for-doe" grants in FY2015.

Associate support

Support programs that provide financial support to associates experiencing a crisis.



In FY2015 alone in the U.S., ACNT helped 342 associates impacted by natural disasters who needed food, clothing or shelter; and 3,849 associates impacted by loss of household income due to circumstances such as a death in the family or a spouse losing their job.

Provide scholarships for associates and their dependents to earn a postsecondary degree or certificate.



Since FY2012, the Walmart Foundation has given \$22.4 million to organizations that award scholarships to our U.S. associates and their dependents.

Disaster response and preparedness

Support local communities following disasters by leveraging retail presence, logistics and operations to provide life-saving and life-sustaining items.



Over the past 10 years, Walmart and the Walmart Foundation have provided more than \$43 million in cash to various countries burdened by disasters.

Strengthen community preparedness and the ability to recover from disaster.



Over the past 10 years, Walmart and the Walmart Foundation have invested more than \$7.2 million in community resiliency around the world. In FY2015, Walmart and the Walmart Foundation invested more than \$1.5 million to: strengthen technological infrastructure for disaster response and resiliency, build capacity to facilitate skills-based volunteerism during disasters and convene leaders in disaster relief to share best practices.

Delivering strong governance

Walmart was established on a strong foundation of integrity and ethics and these values are reflected in our commitment to strong governance practices. Our board regularly reviews our governance practices in light of investor feedback and trends in best practices, and makes changes as appropriate.

Shareholder outreach and engagement

We welcome the views of our shareholders because these relationships are an integral part of our corporate governance practices. We conduct shareholder outreach throughout the year to help management and the Board understand issues of importance to our shareholders and we address them appropriately. Management regularly reports to the CNGC about input from institutional investors. When appropriate, we also respond to individual shareholders who provide feedback about our business. Through engagement, we have reached resolutions on issues that are in the best interests of our shareholders, and we remain committed to these ongoing initiatives.

We welcome feedback from all shareholders, who can contact our Global Investor Relations team by:

- calling 1-479-273-6463
- emailing IRinqu@wal-mart.com
- using Walmart's Global Investor Relations App, available for free in iTunes and Google Play
- visiting <http://stock.walmart.com>

Our governance profile is shareholder friendly

- Individual board members elected annually
- Shareholder ability to act by written consent
- Shareholder ability to call a special meeting
- Majority voting in uncontested elections of directors
- Separate chairman of the board and CEO, with a lead independent director in place
- Majority of the Board composed of independent directors
- Rigorous succession planning process for directors and executive officers
- Board and Board committees conduct annual self-evaluations to determine whether they are functioning effectively and to identify areas in which their effectiveness can be enhanced
- No poison pill
- Increased stock ownership requirements

Board leadership structure

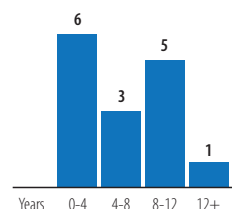
- Non-executive Chairman
- Lead independent director
- Non-executive Vice chairman
- CEO
- Chairs of three committees (Audit, CNGC & SPFC) are independent

Highly qualified and diverse board

- Director skill sets position Board for effective oversight & strategic counsel to management
- Customized onboarding process for new directors
- Ongoing engagement with the business for all board members

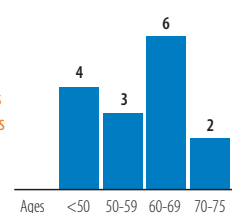
Committed to thoughtful Board refreshment, ensuring an effective mix of deep company knowledge and fresh perspectives.

Board diversity by tenure



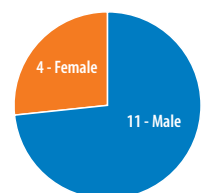
Median: 6.4 years
Average: 7.3 years

Board diversity by age



Median: 65 years
Average: 58 years

Board diversity by gender*



*Female representation significantly higher than many *Fortune 500* companies.

for Walmart shareholders

Board of Directors	Qualifications and Experience										Key committee memberships*					
	Senior leadership	Strategy			Governance			Age	Director since	Principal occupation	Independent	Audit	Compensation, Nominating and Governance	Strategic Planning and Finance	Technology and eCommerce	Other public company boards
		Retail	Global or international business	Technology and e-commerce	Marketing, brand management or public relations	Finance, accounting or financial reporting	Regulatory or legal									
Aida M. Alvarez	✳		✳			✳	✳	65	2006	Former Administrator, U.S. Small Business Administration	✓		■			0
James I. Cash, Jr. ✧			✳	✳		✳		67	2006	James E. Robison Professor of Business Administration Emeritus, Harvard Business School	✓	■			■	2
Roger C. Corbett	✳	✳	✳					72	2006	Retired CEO and Group Managing Director, Woolworths Limited	✓			■		2
Pamela J. Craig			✳	✳		✳		58	2013	Retired CFO, Accenture plc	✓	■				2
Michael T. Duke	✳	✳	✳					65	2008	Retired President and CEO, Walmart				■	■	0
Timothy P. Flynn	✳		✳			✳	✳	58	2012	Retired Chairman and CEO, KPMG	✓	●				2
Thomas W. Horton	✳		✳			✳	✳	53	2014	Former Chairman and CEO, American Airlines	✓	■				1
Marissa A. Mayer	✳		✳	✳	✳			39	2012	President and CEO, Yahoo! Inc.	✓			■	■	1
C. Douglas McMillon	✳	✳	✳					48	2013	President and CEO, Walmart						0
Gregory B. Penner ✧		✳	✳	✳		✳		45	2008	General Partner, Madrone Capital Partners				■	●	1
Steven S Reinemund	✳		✳		✳			67	2010	Retired Dean of Business, Wake Forest University, and retired Chairman and CEO, PepsiCo, Inc.	✓			●		3
Kevin Y. Systrom	✳		✳	✳	✳			31	2014	CEO and Co-Founder, Instagram	✓		■		■	0
Jim C. Walton	✳					✳	✳	66	2005	Chairman and CEO, Arvest Bank Group, Inc.						0
S. Robson Walton ✳	✳	✳	✳					70	1978	Chairman, Walmart						0
Linda S. Wolf	✳	✳	✳		✳		✳	67	2005	Retired Chairman and CEO, Leo Burnett Worldwide, Inc.	✓		●		■	1
TOTAL	12	6	14	5	4	7	5	✳ Board chair ✧ Lead independent director ● Committee chair ✧ Board vice chair ✓ Independent ■ Committee member								
Douglas N. Daft ⁽¹⁾	✳		✳		✳											

⁽¹⁾ Mr. Daft, an independent director, will retire from the Board effective June 5, 2015.

* Committee assignments are reviewed periodically and are subject to change.



Corporate profile

“Save money. Live better.” Sam Walton created Walmart to bring affordable household products to people in small towns. He put the customer first, and he created a strong company with dedicated associates and deeply held values of service, excellence, respect for the individual and integrity.

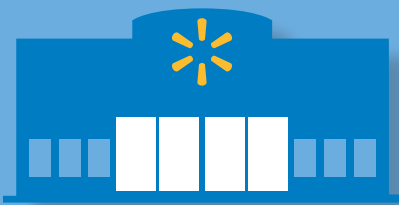
Fifty years later, hundreds of millions of customers in 27 countries around the world trust Walmart to bring them food, apparel, household goods and other general merchandise at an everyday low price – not just through stores, but through e-commerce as well, anywhere, anytime, anyplace. Because of our heritage and our values, we aim to use our strengths to help others. We want to lower the true cost of living for people and for the planet.

**2.2
million
associates globally**



Walmart U.S.

Today, there are more than 4,500 total stores in 50 states and Puerto Rico offering a convenient shopping experience across the U.S. Walmart offers low prices on the broadest assortment of grocery and general merchandise through a variety of formats, ranging from Supercenters and Neighborhood Markets to smaller formats. We also offer the convenience of online shopping at walmart.com.



**\$482
billion
fiscal 2015
net sales**

more than
11,000
retail units

Serving customers
260
million
times per week

eCommerce
websites
11
countries

Walmart International

In 1991, Walmart became an international company when we opened a Sam's Club near Mexico City. Just two years later, Walmart International was created. We operate retail units with many different formats and leverage our global resources to meet local needs. Today, Walmart International is the fastest-growing part of our overall business, with more than 6,100 retail units and more than 800,000 associates in 26 countries outside the U.S. and Puerto Rico.

72 banners
27 countries

Sam's Club

The first Sam's Club opened in Midwest City, Okla., in 1983, and has grown to include more than 600 locations nationwide. Our warehouse membership format leverages insights to deliver value and quality on a broad selection of name-brand merchandise and large-volume items. On average, our clubs are approximately 133,000 square feet and employ about 175 associates. We also offer the convenience of online shopping at samsclub.com.

Global eCommerce

In addition to being the world's largest retailer, Walmart is also one of the world's largest, fastest-growing and most dynamic e-commerce organizations, operating websites in Argentina, Brazil, Canada, Chile, China, Japan, Mexico, South Africa, the U.K. and the U.S. Based in California's Silicon Valley – with operations in Bangalore, India, and São Paulo, Brazil – Walmart Global eCommerce leads all online and mobile innovation for Walmart. With some of the best and brightest technologists, including @WalmartLabs, we're creating a seamless experience that lets customers shop anytime and anywhere using online, mobile, social media and stores.



Our sustainable, next-generation report

The minimized environmental footprint of this report is the result of an extensive, collaborative effort of Walmart and its supply chain partners. The environmental and social impact continues to be an important consideration. The entire text pages are printed on 60% tree-free Step Forward Paper™ made up of 60% wheat straw waste and 40% Forest Stewardship Certified® (FSC®) virgin wood pulp fiber that is Elemental Chlorine Free (ECF). Agricultural waste used to make this paper would have typically been landfilled or burned. Instead it provides farmers with a new source of revenue. The cover is printed on paper from well-managed forests containing PWC fiber that is Elementally Chlorine Free (ECF).



3.83 fewer

trees consumed
via recycling



2318 pounds

of greenhouse gas offset –
the equivalent of taking 2
cars off the road for a year



408 kWh

converted to clean renewable
sources (printing plant
using RECs)



389 fewer

gallons of water
consumed



Savings baselines were developed using calculations from Offsetters 2014 Lifecycle Study and printing practices by EarthColor Printing. FSC® is not responsible for any calculations on saving resources by choosing this paper.

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