INNOVATION

We know that rapid growth in online shopping and digital activation has changed the shopping behavior of our customers. We are continually expanding and improving our online/e-commerce offering at DionWired, Makro and Builders to meet this behavior.

In 2017, online sales grew by 47 percent. We are able to service customers through four e-commerce points of presence with Makro, Game, DionWired and Builders Warehouse all currently using or migrating to the SAP Hybris platform, and offering a wide and compelling omnichannel offering with 151 unique customer collection points.

COMMUNITY

Supplying meals: From China to South Africa, Walmart has worked with local charities, governments and suppliers to help provide millions of school meals.

Massmart stores in South Africa have long supported schools in the surrounding communities. In FY2018, through the donation of 13 mobile kitchens, bringing the total number of kitchens provided to 313, Massmart enabled the preparation of approximately 44 million meals supplied through the Department of Basic Education’s National School Nutrition Program.

SUSTAINABILITY

Energy: Massmart has been piloting commercially viable renewable energy projects at select standalone stores. Over the past two years, it has installed four solar photovoltaic plants across the Makro and Builders Warehouse divisions. This brings total renewable generation in South Africa to approximately three million kWh per year.

Water: We are independently tracking water resources in Western and Eastern Cape and have initiated added water saving measures: discontinuing all noncritical water use, investing in atmospheric water generating units and transitioning to approved safe waterless cleaning and sanitation options.

At locations in Africa, we have also deployed rainwater harvesting systems (RWHS) that capture and reuse sources of water, like rain, to offset our water demand. If weather conditions and regulations permit, we also capture water that condenses on our refrigeration and HVAC equipment.

QUALITY

Audits: In the thousands of retail food establishments we operate around the world, many prepare fresh food, and those stores receive independent, third-party Food Safety Audits (FSAs). The U.K. and Africa receive quarterly audits.

The audits assess adherence to Walmart food-safety standards, processes, conditions and expected behaviors. This pace of third-party audits far exceeds the industry benchmark as well as the frequency of inspection conducted by regulatory agencies.

Massmart

Note: Information provided by markets. Numbers and percentages constitute reasonable estimates to the best of our knowledge as of August 2018.

AFRICA

Serving Customers In Diverse Ways

History
In 2011, Walmart purchased a majority of shares from Massmart Holdings Ltd. Massmart serves customers in diverse ways in South Africa and other sub-Saharan countries.

Banners
• Builders Express
• Builders Superstore
• Builders Trade Depot
• Builders Warehouse
• Cambridge Food
• CBW
• Dionwired
• Game
• Game Foodco
• Jumbo
• Makro
• Rhino
• Save Rite Supermarket

Quick Facts
• More than 425 retail units*
• Approximately 48,000 associates**

* As of August 31, 2018
** As of January 31, 2018
**OPPORTUNITY**

- Part-time roles for students, housewives and retirees or any person seeking flexible working hours.
- Career opportunities in retail for productive, engaged employees who see themselves as “career retailers” or professionals in their area of expertise.

**SUPPLIER DEVELOPMENT**

**Market access:** Walmart is working to improve market access for small and medium sized manufacturing entrepreneurs in Africa. Our Massmart-led Supplier Development Programme (SDP) in South Africa, which was launched in 2012, provides small and emerging suppliers — especially black and black women-owned enterprises — access to Massmart/Walmart’s supply chain. The SDP portfolio presently consists of 33 suppliers, eight of which are female-owned businesses that manufacture a variety of products including mosaics, hollow-core doors, bricks, office furniture, textiles, adhesives, cooler-boxes and paints.

**Farmers:** The Walmart Foundation augments the company’s business effort by helping to address more systemic barriers that prevent farmers and entrepreneurs from increasing their productivity and market access. Philanthropic investments in India, Mexico, and South Africa are helping small producers increase their income by improving their business acumen, strengthening market-information flows and forging closer linkages to buyers. These investments are also adding value to farmers produce, improving their post-harvest practices and increasing their access to financing.

**Training:** A new Walmart Foundation grant to Wildlands Conservation Trust (Wildlands) in South Africa will support Wildlands to implement training and entrepreneurship skills development for 180 to 225 micro and small rural entrepreneurs. The training will give the supported individuals the foundation they need to build their businesses and the ability to earn a formally recognized course accreditation.

A new Walmart Foundation grant to the Gordon Institute of Business Science (GIBS), University of Pretoria in South Africa will support GIBS to implement the Program for Inclusive Growth in Township Economies. The program will be underpinned by business skills training, leveraging the GIBS township enterprises curriculum. Entrepreneurs will also be provided with targeted coaching and mentorship support. The program is expected to reach 200 township entrepreneurs.

**TEAM MASSMART**

In 2017, Massmart sponsored the first women’s elite marathon team in South Africa.

In June 2018, Team Massmart made their debut at the Comrades marathon a memorable one with team lead Ann Ashworth winning South Africa’s ultimate human race. Team Massmart also took 1st place in the overall team awards.

As of August 2018