

WAL-MART INSTITUTE





81

ESTABLISHING PARTNERSHIPS
FOSTERING PERSPECTIVES
PROMOTING DEVELOPMENT

**WAL-MART
INSTITUTE**



Young people at the Com.Dominio Digital project, forming citizens

Private social investment

Financial support for social projects fosters the development of a better life.

Wal-Mart Institute is responsible for the company's social investment and endeavors to promote self-development in order for people's lives to improve. This implies working with a vision of social entrepreneurship, reflected in selection, financing and watching over projects fostering social, economic and cultural aspects in areas of social risk. In 2008 the Institute approved 15 new projects on these principles. The Institute was backed with a R\$ 7,125,295.00 investment.

To do the job, the Institute enjoys the expertise of partners, organizations with strong cultural identity and group awareness, committed to the same principles, and aligned with its programmatic lines (refer to page 85). These include Non-Governmental Organizations (NGOs) dedicated to training young people for the labor market and developing income-producing projects for women, important transformation agents for society as they are.

From the selection of projects, the Institute endeavors to stimulate people's and the community's entrepreneurial spirit. The partnerships are long-term, but financing is of a temporary nature, and the objective is to thrust projects towards autonomy.

At the close of the two-year period of financing, income-generating enterprises must be self-sustainable, and training courses must attain indexes of excellence and good use made of the professionals on the market. During this period, Wal-Mart Institute invests in structure and management, working with the partners throughout the process. It is our expectation to promote the personal and professional development of trainees and thus collaborate to improve the local socio-economic standard.

With the objective of widening and democratizing its action, in June 2008 Wal-Mart Institute launched an official paper covering the selection of projects. As requirements for being granted financing, projects must have been developed in states where Wal-Mart is active and be in line with the Institute's programs. This experience was deemed positive: 150 proposals were expected but 1,200 were received. The result was published in April 2009.

In its first action with its network of partners, in November Wal-Mart Institute set up a meeting with the organizations it had been working with over the two previous years. The event was held in Recife, capital of Pernambuco State and involved 11 entities from the States of Ceará, Maranhão, Paraíba and Pernambuco. Some had already reached the end of the financing phase, while others were still within the period of financial linkage. During the gathering, they were all able to interact in workshops, dynamics, project presentations and exchange of experiences..

FOSTERING PERSPECTIVES

Rather than technical knowledge, Wal-Mart Institute intends to offer formation for citizenship. Upon evaluating a new project, close attention is paid to content proposed, which must also focus on affirming identity, tackling subjects such as social justice, work relations and communication.

Mission

To promote self-development for people to live better.

PARTNERSHIPS AIM AT FORMING YOUNG PROFESSIONALS

On the basis of this concept, Com.Domínio Digital project, which was developed with Instituto Aliança, showed good results and has thus been renewed in Salvador, capital of Bahia State, and replicated in another ten locations. The entity intends to maintain the strategy with Fundação Pescar, but will apply it with a different structure: make use of its knowledge of the market to carry forward, together with the partner, initiatives for professional formation of young people in capacities linked to the retail trade, especially the supermarket sector. The idea is to make use of its own equipment and a volunteer corps raised among the enterprise's professionals to set up a teaching-enterprise in the company itself with young people from a community with lower income and social development.

Formation started in the financial, commercial, logistics and sales areas, where the market most lacks qualified professionals and opportunities are thus better. Young people are trained to work in any enterprise in the sector, including Wal-Mart. The Institute's proposal is to develop an essentially social project, nevertheless linked to the enterprise's business.

In 2008, professional formation of young people was one of the program lines the Institute developed most. Another partnership, signed with the Doutores da Alegria (Doctors of Joy) group, trains young people as party leaders and actors, allowing for their entry into a differentiated action niche.

Autonomy as an objective

Technical evaluation of projects contributes to their long life

Set up in late 2005 and classified as an OSCIP (Civil Society Organization of Public Interest) by the Ministry of Justice in 2007, Wal-Mart Institute has accumulated substantial experience. In 2008, 16 projects financed by the Institute arrived at the end of the financing phase, which gave the Institute a chance to analyze the work performed. The main successes and difficulties were outlined in a report, drafted on the basis of technical visits, concrete data, and interviewing agents and beneficiaries. Analysis served to define a more precise scope, focusing on the autonomy of individuals seeking a better life.

A good example of an initiative supported by the Institute and which is close to functioning on its own is Coopzumbi - a cooperative of refuse collectors in the locality of Zumbi dos Palmares, which is in the Municipality of Colombo in the metropolitan area of Curitiba, capital of Paraná State. Developed in partnership with an NGO called Aliança Empreendedora (Enterprising Alliance), Wal-Mart Institute started supporting the project in 2006. Until then, there were only 18 collectors, with a monthly income of R\$ 280. At present there are 68 people in the cooperative, earning an average monthly income of R\$ 600 or more.

It was not the participants' income alone that improved. Cooperative members were able to discover and develop new talents and skills. Such is the case of Cléa Souza Leal, 24, who started out as a refuse collector in the cooperative, acquired new skills and now works in the administration area. "The cooperative helped me to develop potential I didn't know I possessed. I had the opportunity to grow together with the cooperative", she says.

Derlângia Dantas da Silva, 24, also developed from the personal and professional points of view, thanks to another project supported by Wal-Mart Institute, the SERVindo program, a partnership with Lina Galvani Institute. Its objective is the professional formation of young people from deprived regions in the East Zone of the city of Sao Paulo, capital of Sao Paulo state. "The course changed my life a lot. I learnt a lot. Now I have a better vision of how the world functions. I learnt to work in a team, deal with the public, and treat and respect people for what they are", says Derlângia, who attended classes in the second half 2008 and was hired as soon as she graduated by Wal-Mart Sabor restaurant in the Osasco Wal-Mart Supercenter, a city next to Sao Paulo.



Young people are trained to work in any enterprise in the retail, including Wal-Mart.

DEVELOPING CITIZENSHIP

As other projects for professional formation supported by the Institute, the SERvindo program is not limited to technical training. On one Sunday a month a gathering is set up, to which participants can take family members and friends, contributing to improve relationships within the group. There are also community action classes to interest young people in volunteer work.

In the Com.Domínio Digital program, a partnership between Wal-Mart Institute and Instituto Aliança, the determining objective is to form young people for life, not only for jobs. The 560 hours of classes attended by some are divided among the areas of personal and social development, IT and administrative routines. "Com.Domínio

"FOR ME, COM.DOMÍNIO DIGITAL MEANT TO OVERCOME BARRIERS AND GROW UP PERSONALLY AND PROFESSIONALLY", SAYS A FORMER STUDENT WITH THE PROJECT

Digital has meant a great deal to me. The project is amazing; it helped me knock down barriers and mature personally and professionally. Wal-Mart teaches you how to work as a team and be socially responsible, because we can always help other people, even if we don't have much", says Fernanda Moura da Silva, 18, and a former student of Com.Domínio Digital in Fortaleza, capital of Ceará State.



Bomba do Hemetério District, in Recife, has strong cultural potential and much social privation

Pumping Citizenship

Local development program relies on public authority and community partnership

In July 2008, Wal-Mart Institute launched its first program of integrated local development in partnership with the municipal administration of Recife and the Pernambuco State Government. The locality chosen was a neighborhood called Bomba de Hemetério ('Hemetério's Pump') in the North Zone of Recife, Pernambuco. Among a number of localities with infrastructure and income problems researched by the Institute, this community stood out because of a strong feeling of collectivity among its members, indicating potential for self-development. The neighborhood has 12,589 inhabitants and 60 cultural groups, including 'Forró' culture and Evangelical Christian music groups, and theater.

It is a long-term program, making use of a number of indicators to measure progress, such as drops in the unemployment rate, number of children behind in their school levels, sanitary conditions, as well as the

neighborhood's Human Development Index (HDI), currently standing at 0.704, below that of the capital city, Recife, which stands at 0.797. Also to be assessed are levels of community engagement and organization. Wal-Mart Institute will invest in this program, dubbed 'Pumping citizenship', for five years, a name chosen together with the community and referring to its history.

MAPPING

As this is a major undertaking, the first step taken was to make a demographic map of the locality. The Institute hired a firm of specialists to carry out a census in Bomba do Hemetério and obtain details about its population, their wishes and their needs. Every single one of the neighborhood's 3,517 dwellings was visited by researchers, who were able to trace out a panorama to orient subsequent steps in the program. It was discovered, for instance, that health, safety and education are

considered matters of priority by the community, that per-capita family income is approximately R\$ 245.00 and that 66% of students at elementary and secondary schools are behind.

Once the census was concluded, a Program support committee was set up, bringing local leadership together. The committee is undergoing training and is to discuss the next steps in the program and design paths of action to contribute to increasing income, improving the quality of education, reducing infant mortality and strengthening local cultural activity.

PARTICIPATION

A 'cultural parade' was organized to increase awareness of the project and involve the community. Members of neighborhood cultural organizations took part and community members participating in this initial phase of discussing proposals exhibited considerable enthusiasm. "We must

discuss matters to tie them down, put down roots, grow legs and walk on our own. To obtain resources is to be self-sustaining", sums up André Luiz do Nascimento, 38, a health agent and member of Bombando Cidadania's support committee.

Among actions already agreed upon for 2009 are the implementation of a Com. Domínio Digital - a training program developed by Wal-Mart Institute in partnership with Instituto Aliança - and the publication of a brochure putting together and making available the data gathered by the census carried out in the neighborhood. In partnership with the NGO AUÇUBA Communication & Education, the Institute is to raise sensibility and supply local educators and teachers at neighborhood public schools with data about the neighborhood's history. They will help spread this cultural information amongst the local population, as a first step towards new initiatives for engagement. The idea is to share knowledge to make change possible.

Support to projects

With the objective of improving people's quality of life by means of their self-development and autonomy, Wal-Mart Institute currently finances a network of social attention, with 40 projects spread over 17 States. In partnership with NGOs, community associations and government entities, support is afforded to cooperatives, work groups, professional training courses and initiatives to strengthen family ties. In addition to the economic focus, action also fosters the social development and cultural preservation of communities attended to, lending value to local identity and raising citizens' self-esteem.

The Institute's governance is coordinated by the Deliberative Council, a board of 11 members responsible for the organization's strategy and for watching over the activities carried forward by the executive team. Made up of Wal-Mart Brazil executives, this board is participative, and decisions are collegiate and taken on the basis of monthly meetings.

Learn about projects supported by Wal-Mart Institute in 2008, organized by program lines.

Program lines adopted by Wal-Mart Institute

LOCAL DEVELOPMENT

Concentrated investment program aimed at contributing to the social, political, economic and environmental capital of a territory so that its population can use existing resources and potential appropriately, taking control of the main factors affecting their lives.

CULTURE AND CITIZENSHIP

Projects using and appreciating the regional culture as means for developing children and young people in citizenship and personal and social development.

GENERATING INCOME

Projects stimulating production of income by strengthening product and service enterprises. Investment is characterized by leverage of already existing enterprises.

PROFESSIONAL TRAINING FOR YOUNG PEOPLE

Projects whose objective is inclusion of young people in the job market by means of professional formation. Investment is characterized by taking into account formation which goes beyond technical competence, by working on matters linked to personal and social development.

FROM NORTH TO SOUTH, PROJECTS SUPPORT THE DEVELOPMENT OF COMMUNITIES

LOCAL DEVELOPMENT

STRENGTHENED BRAZILIAN FAMILY

Partner: Unicef

Public: 100 thousand families in areas of social risk (by locality)

Location: Developed in Salvador (Bahia), Macaíó and Messias (Alagoas), Recife (Pernambuco), Curitiba (Paraná), Porto Alegre (Rio Grande do Sul) and Sao Paulo (Sao Paulo).

This is an initiative of the United Nations Children's Fund (Unicef) in partnership with the Brazilian Federal Government and 28 NGOs in the country. The objective is the orientation of families in connection with health, education, safety and the development of children and adolescents.

PUMPING CITIZENSHIP

Instituting partners: Pernambuco State Government, Recife Municipal Administration, SESC/SENAI, Bomba do Hemetério Community

Executing partners: IADh, Auçuba, Datamétrica, Unicef

Public: Neighborhood Population (12,589 residents)

Location: Recife

Launched in July 2008, this initiative endeavors to foster local integrated and sustainable development of the community by means of actions

contributing to increase in income, improvement in the quality of basic services, strengthening local cultural manifestations and the mobilization and organization of the community. Actions are to be developed for five years in the areas of health, education and generating income.

Objectives for Year 1

- Mapping socio-demographic conditions of the community
- Community support of the Program
- Involving Public Power
- Defining local potential for setting up a plan for development and local productive adjustment.
- Research by sampling (400 dwellings), in partnership with Datamétrica
- Research by census (3,517 dwellings), and 500 dwellings of control group (District of Beberibe) in partnership with Datamétrica
- Involving 15 associations of the Wal-Mart Group on Day in the Community, in partnership with Sesc/Senai
- Protocol of Intention signed with the Pernambuco State Government and the Recife Municipal Administration



Doutores da Alegria



Collectors' cooperatives benefit from recycling projects

- Putting together a 40-strong committee to support the Program, and defining the mission, values and plan of action in partnership with IADh

- Mapping out the activities of 60 art/culture groups and getting 75 artists to put down their names for the Program for qualification in economics of Culture and community cultural development, in partnership with IADh

- Training 30 community health agents

GENERATING INCOME

SUPPORT FOR REFUSE COLLECTORS' COOPERATIVE

Partner: CEMPRE (Business Commitment for Recycling)

Public: 390 cooperative-members

Location: Sao Paulo

Consisting of orientation and administrative and operational support, this is an awareness-raising project aimed at collectors of refuse for recycling in connection with the important nature of their work and raising their self-esteem. A total of five cooperatives are attended to in the metropolitan region of Sao Paulo: Vila Maria Cooperative, Vila Leopoldina Cooperative, Coopere, COOPCICLA - Santo André Recycling Cooperative, São Mateus Sorting Cooperative.

The project's focus is environmental due to selective gathering and makes a strong social contribution by means of the refuse collectors' social inclusion.

SEWING UP THE FUTURE

Partner: Quixote Project

Public: 50 women

Location: Sao Paulo

The aim of this project is to foster the personal and social development of women and seek an increase in their monthly income. To this end, the project supports the production and marketing of arts and crafts, orienting participants in connection with production, commercializing and administrative management techniques. Women produce and sell the pieces to enterprises and for events, and have a portfolio of products online.

The project's objective is to generate monthly income at approximately R\$ 500.00 for every mother, who currently earn about R\$ 70.00 a month.

CONKISTART

Partner: Associação Mundaeré

Public: 90 women aged 25 to 60

Location: São Mateus

The project's objective is to enhance seamstresses' work and foster their introduction into the market by means of professional training and work on their self-esteem. Training is divided into modules about product development, organizing production and managing work-groups.

After two years' work these women have consolidated into a productive group, increased sales volume, adapted products to the market and improved production processes. Their individual monthly income is about R\$ 300.00, but some reach the R\$ 1,000.00 mark.



Through Costurart, women managed to increase their income

AMBA SOCIAL PROJECT – YOUNG CRAFTSPEOPLE STATION – JABOATÃO DOS GUARARAPES

Partner: Agency for Qualification & Work for Associative Organizations (Aquatro)

Public: 80 young people

Location: Recife

This initiative prepares young people to produce and commercialize arts and crafts with guidance on production and administration techniques. In addition to focusing on earning income, the project carries forward workshops on environmental matters and citizenship. Its aims are to introduce 30% of the young people involved into the market and put together a productive group.

GRÃOS – CULTIVATING IN PARTNERSHIP TO HARVEST IN AUTONOMY

Partner: Avante – Education & Social Mobilization

Public: 180 (90 young people and 90 relations)

Location: Salvador

Concluded in 2008

This project was planned to make substantial changes in the lives of members of the Calabar community in Salvador, through professional

qualifications, association and psychological watching over for 180 individuals. Of the people already qualified, 94 are active in the formal market (including Wal-Mart stores). Additionally, three associative groups were formed and are still going strong, generating income for people who were formerly unemployed.

- Cooking and Deep-Freezing: 'Pieces of Taste' Enterprise – average monthly individual income R\$ 250.00;

- Tailoring and Sewing: 'Sewing up Ideas' Enterprise – average monthly individual income R\$ 120.00;

- Electricians for Buildings – Cooperac Enterprise (Alto das Pombas and Calabar Electric Installations for Buildings) – average monthly individual income R\$ 300.00.

COSTURART

Partner: Costurart Cooperativa Arte e Gênero

Public: 20 cooperative-members and 135 community women

Location: Salvador

Concluded in 2008

Seamstresses in the neighborhood of Calafate hone their skills in embroidery, sequins, and tailoring and sewing and learn how to administer their own businesses and extend their commercialization channels. The project's objective was to foster the development of the Costurart Seamstresses' Cooperative by training women who had been victims of gender violence by means of professional and emotional support. In three years, their monthly individual income climbed from R\$ 90.00 to R\$ 200.00.

CAEC (CANABRAVA ECOLOGICAL AGENTS' COOPERATIVE)

Partner: PANGEA (Center for Socio-Environmental Studies)

Public: 230 cooperative-members

Location: Salvador

Concluded in 2008

This cooperative's main activities consist of collecting and selling paper, cardboard and plastic and small-scale internal production of objects made out of recycled plastic. To in-

**IN THREE YEARS,
COSTURART PARTICIPANTS'
INCOME CAME FROM
R\$ 90.00 TO R\$ 200.00**

crease the potentiality of their work, the project organized collection operations and fostered participants' social inclusion. From 2003 to 2008 the number of cooperative-members climbed from 48 to 230, and fixed monthly income increased from R\$ 60.00 to R\$ 450.00.

LIBERTY WITH CITIZENSHIP

Partner: Arte que Liberta (Art that Frees)

Public: 30 former inmates in the penitentiary system

Location: Salvador

This initiative helped set up a production cooperative made up of former inmates in Lemos Brito Penitentiary with the purchase of machines, equipment and tools necessary for the production of furniture and decorations. Production makes use of techniques for industrial sawmills, carpentry, weaving on looms, crafts and application for recycled paper. Called Coopercidadão (CitizenCoop), this cooperative commercializes products and objects for decoration, and a cooperative-member's average income stands at R\$ 450.00.

TRADITIONAL WEAVING PROJECT FOR GENERATING JOBS AND INCOME

Partner: Artesol (Solidarity Craftsmanship)

Public: 40 craftspeople

Location: Lauro de Freitas

Concluded in 2008

This project sought improvements in the living and work conditions of craftswomen by means of the valorization of cultural heritage. Weaving in Lauro de Freitas (in Bahia State) is African in origin and has become an emblem of the cultural identity of Bahia with its production of pano-de-costa (a bright cotton cloth worn as a shawl). During the project 40 craftswomen were trained in different workshops focusing on passing on knowledge, inventory, enhancement of stitching and of the finished product, and improving management and the organization of production, not to mention workshops stressing identity, culture and citizenship.

The project set up Espaço Kula Tecelagem, where products are made and which has now become a center of reference for Afro-Brazilian culture in Lauro de Freitas. Currently each participant's average monthly income is R\$ 400.00.

COOPZUMBI – COLOMBO – PARANÁ – METROPOLITAN REGION OF CURITIBA

Partner: Associação Aliança Empreendedora

Public: 50 workers

Location: Curitiba

This project came to an end in September 2008, with the result of increasing members' monthly income by 85%, to R\$ 640.00. Participants were trained in management and improvement of internal processes, and the initiative was taken as a model by Curitiba City Hall for setting up further four stations for sorting refuse.

ALDEIA DAS MÃES (MOTHERS' VILLAGE)

Partner: Aldeia do Futuro (Village of the Future)

Public: 100 women

Location: Sao Paulo

Aldeia is a cooperative training women who have been excluded from the work market in sewing and craftsmanship. They generate income by selling their products to become self-supporting, strengthen their self-esteem and improve their social and family relationships. In addition to advances in personal and social development, there is improvement to be seen in their production techniques.

These women currently produce some 3 thousand pieces monthly and cater to Brazilian and multinational large companies and other organizations' events, reaching a monthly income of R\$ 600.00.

INCUBADORA FEMININA (FEMALE INCUBATOR)

Partner: Instituto Palmas (Development and Solidarity Socio-Economics)

Public: 20 women

Location: Fortaleza

This initiative is aimed at the economic reinsertion of women who are in a situation of personal and social risk, as well as strengthening their community and family life. To this end, the project endeavors to increase social agents' awareness of the need for public policies designed for the poorest women and fostering the neighborhood's economy, stimulating association and supporting productive groups

MOTHERS' VILLAGE SERVES LARGE NATIONAL AND INTERNATIONAL COMPANIES

which have potential for financing by Banco Palmas.

Still in its initial stages, the idea is to train women in services related to tourism and give them an opportunity to acquire full experience. Once these stages are over, a work cooperative will be set up to act in the tourism sector, in hotels, inns, restaurants, enterprises or residences.

MULHERES DE FIBRA (WOMEN WITH FIBER)

Partner: Instituto de Desenvolvimento do Artesanato Maranhense (IDAM)

Public: 30 women

Location: São Luís

This project focuses on crafts producing items made out of fiber from the Buriti Palm, which is typical to the region. Resources supplied by Wal-Mart Institute are used to add potential to production by diversifying product range, commercialization and formulating a business model. Craftswomen participate in workshops on design, sales and entrepreneurship with solidarity.

The project was awarded the Partnership Prize for Development with Solidarity in Northeast Brazil - Aliança Interação and Entrepreneurial Action for Citizenship, in the Beginner's Category.

KNITTING AND EARNING AN INCOME**Partner:** Recife Voluntário**Public:** 60 women aged 16 to 60**Location:** João Pessoa

This project enhances the techniques used by craftswomen who produce embroidery, crochet and basting. In order to further value regional identity and increase these women's incomes, the initiative's objective is to put together a productive group that is competitive and able to take part in fairs and exhibitions.

TRANSFORMING FOOD INTO FAMILY INCOME**Partner:** Centro Nordestino de Medicina Popular (Northeast Center for Popular Medicine)**Public:** 75 people**Location:** Recife, Olinda, Jaboatão dos Guararapes and Camaragibe

By supplying orientation regarding handling, proper use of and benefiting foodstuffs, as

well as administration techniques and managing one's own business, this partnership endeavors to set up production groups in the sweetmeat and bakery sectors. As they are responding to market demand, the initiative fosters generating income and making the business self-sustaining.

WOMEN PRODUCING INCOMES**Partner:** Casa de Passagem**Public:** 80 women**Location:** Recife

With the objective of generating work and income for women who are the heads of their households in the Recife neighborhood of Santo Amaro, this project aims at improving the group's productive skills and making the items produced more competitive. Once they had learnt how to make clothing and costume jewelry, many of the participants chose to leave the project and became financially autonomous, thus contributing to local socio-economic development.

Participants in the project for generating income**PROJECT FOR GENERATING WORK AND INCOME****Partner:** Artesol (Solidarity Craftsmanship)**Public:** 30 individuals - young people and women**Location:** Cabo de Santo Agostinho

The aim of this action is to generate work and income by means of valorization of local craftsmanship, seeking the group's self-sustainability. The technique employed is braiding, and the raw material is bamboo. In addition to workshops for passing on craft techniques, the group takes part in workshops on organization and management of collective work, pricing and design.

The craftspeople already have their own line of decorative and utilitarian accessories, and their average monthly income is R\$ 120.00.

MÃOS DE BARRO PROJECT FOR GENERATING WORK AND INCOME**Partner:** Artesol (Solidarity Craftsmanship)**Public:** 30 individuals - young people and women**Location:** Olinda

By contributing to the production of pottery and other clay items made by the residents of the neighborhood of Caixa D'Água, this project endeavors to widen the scope of



**At Casa Menina Mulher,
young girls at risk
receive qualification**

work opportunities and generation of income, also promoting actions that will foster improvement in general living standards (health, dwellings, personal care, self-esteem, the environment).

WOMEN CERAMISTS OF POTY VELHO – TO COMMENCE IN 2009

Partner: Poty Velho Crafts Cooperative – Cooperart-poty

Public: 30 women

Location: Teresina

With the objective of strengthening the economic activity of Teresina's ceramists, this project is to carry out professional training courses, provide orientation regarding market penetration, strengthen the cooperative (Cooperart) and promote other action for improving the production chain, thus ensuring continuity of the local culture and generating income for the productive group.

WAL-MART ALLIANCE FOR SUPPORTING ENTREPRENEURIAL GROUPS

Partner: Aliança Empreendedora

Public: 140 women

Location: Curitiba

Concluded in 2008

This project is based on support for already-existing productive groups, by pro-

viding training in management, production and the acquisition of new sales outlets. Among the main results obtained are the creation of 37 new work positions, the development of new product lines and setting up an enterprise to commercialize production.

CULTURE AND CITIZENSHIP

FREEDOM TO CREATE

Partner: Arte que Liberta (Art that Frees)

Public: 60 inmates of Sao Paulo Women's Penitentiary

Concluded in 2008

Carried out in the penitentiary's premises, this project developed and set up training courses in weaving by hand and the production of accessories for women. The objective is to prepare these women's process of social and economic inclusion and reduce criminal recurrence.

Through an opportunity to perform productive activity these women recover their self-esteem and begin a process of socialization. By the time the project concluded, participating inmates were earning a monthly income of R\$ 270.75.

DIDÁ SAMBA-REGGAE PROJECT

Partner: Associação Educativa e Cultural Didá (Cultural & Educational Association)

Public: 120 people

Location: Salvador

Putting the community's strong musical vocation for samba-reggae to good use, this project caters to 120 adolescents and women aged from 16 to 28 who take part in musical workshops, learn about the history of different musical instruments, are trained to

IN PERNAMBUCO, CRAFTSMEN HAVE THEIR OWN LINE OF DECORATIVE ACCESSORIES AND UTENSILS



In Canoas, project uses dance to provide integral formation to young people

make drums and accessories and are taught notions of commercializing techniques. Additionally, the project endeavors to awaken awareness of family values discussing matters such as teen pregnancy, the use of drugs, sexual tourism and violence.

CREATING AND PRODUCING ART

Partner: Casa Menina Mulher

Public: 120 young people aged 16 to 24

Location: Recife

This project invests in the educational, social and technical formation of adolescents in circumstances of risk. The young people are trained in the production of arts and crafts, commercializing, entrepreneurship, associativism and trade with solidarity, and they are given the opportunity to enter the formal work market.

Participants' average monthly income is R\$ 110.00.

BRAZIL SINGS

Parceiros: Canta Brasil Musical Group and Hershey's do Brasil

Public: 800 children and young people

Location: Canoas

This project makes good use of dance to attract young people and provide them with an opportunity for integral formation. Divided into different stages, it provides foreign language

lessons, schoolwork support and sports, with the assistance of social workers and pedagogues, and some participants are already at University. Motivated by positive results, the group is to commence activities in other Brazilian States with the same social methodology.

PROFESSIONAL FORMATION OF YOUNG PEOPLE

YOUNG ENTREPRENEUR / SEMEAR

Partner: CENASA (Sarandi Social Center)

Public: 80 young people

Location: Porto Alegre

Beneficiaries participate in professional training courses in the areas of logistics, sales, computer assembly and administration. Lasting two years, the aim of the course is to get 70% of the young people involved into the formal work market and 20% into Semear cooperative.

COM.DOMÍNIO DIGITAL

Partner: Instituto Aliança

Public: 970 young people aged 16 to 24

Location: Com.Domínio Digital has premises in Contagem (Minas Gerais), Salvador (Bahia), Aracaju (Sergipe), Fortaleza (Ceará), Recife (Pernambuco), Rio de Janeiro (RJ), Barueri and São Caetano do Sul (SP), with a total 970 young people attended to.

Com.Domínio Digital's objective is to contribute to lessen unemployment among the country's young people by disseminating a consistent program for professional qualification with productive insertion of deprived young people into the new world of the workplace. Every nucleus in the program endeavors to improve income-generating opportunities for young people by means of technical training for the market and integral formation.

ASSOCIAÇÃO HORIZONTES PROJECT (HORIZONS ASSOCIATION)

Partner: AVINA Foundation

Public: 40 young people aged 16 to 24

Location: Florianópolis

This project provides training to foster the entry of young people into the job market, offering content such as Personal Development, Ethics and Consumer Rights, Communication and Expression, Marketing, Customer Service, Sales and Financial Planning. The Association also watches over the insertion of young people, guiding and preparing them for employment interviews at partner-firms on conclu-

IN PORTO ALEGRE, 80 YOUNG PEOPLE PARTICIPATE IN PROFESSIONAL TRAINING IN THE AREAS OF LOGISTICS, SALES, COMPUTER ASSEMBLY AND ADMINISTRATIVE AGENT.

sion of the course. After four years' work, over 8 thousand participants have already secured formal jobs in greater Florianópolis.

IDES PROMENOR PROJECT

Partner: AVINA Foundation

Public: 400 young people aged 14 to 16

Location: Florianópolis

This Institute provides professional training for young people in administrative services. The 17-month course is structured into nine theoretical modules taught in the Institute's premises and one practical module carried forward at partner-enterprises' premises through the Young Apprentice Project. As a partner, the Institute supplied equipment for the Formation & Work Nucleus and set up physical conditions for activities. The project attends to 400 Young Apprentices a year.

GASTRONOMY WORKSHOP

Parceiros: Casa do Zezinho and Nestlé Foundation

Public: 80 young people

Location: Sao Paulo

Located in Capão Redondo, the project sets up gastronomy workshops to train 16 to 24-year-olds who want to be waiters or cooks. Formation, which also includes concepts of citizenship for participants, includes gastronomy classes and contents addressing sustainability, focusing on social and environmental matters and how to take full advantage of foods.

The project's target is the employment of 80% of the participants in bakeries, restaurants and pizza parlors. After a short time in the project, some participants already make incomes of up to R\$ 800.00.

SERVINDO (CITIZEN-COOK AND WAITER)

Partner: Lina Galvani Institute

Public: 160 people

Location: Sao Paulo

This project provides professional training for young and adult cooks and waiters, aged 18 to 35, living in the region of the Jaguaré shantytown. The objective is to foster a new perspective of life by training participants in a trade and giving them an opportunity to build up a career.

Participants have gastronomy lessons, make technical visits, have opportunities for being trainees and are offered guidance after

the conclusion of the course. The project's target is to get 80% of participants into the work market with an average income of R\$ 400.00. However, some participants are already making R\$ 1,400.00 a month.

PAU BRASIL SCHOOL – CONSTRUCTING MY FUTURE (MS)

Partner: Girassolidário

Public: 41 young people

Location: Cuiabá

By means of training in cabinetmaking, the project provides young people with positive values for a responsible life, with valorization of citizenship and respect for the environment. It also endeavors to awaken and stimulate participants' self-esteem, creativity and entrepreneurship.

Wal-Mart's support of the project focuses on the physical structure of class venues, with safe technological equipment.

GRAEL PROJECT

Partner: Instituto Rumo Náutico

Public: 65 young people and adults

Location: Niterói

This project promotes professional and administrative training in a traditional fishing community in Niterói, providing courses on fibers, wood, knots and sewing for the formation of craftspeople making nautical

IDES PROMENOR PROJECT OFFERS QUALIFICATION IN ADMINISTRATIVE SERVICES FOR 400 YOUNG PEOPLE

products, generating income and ensuring participants' autonomy.

At the end of the two-year cycle, a self-sustaining cooperative is to be set up with pupils from different training courses.

CLOWN-FORMATION PROGRAM FOR YOUNG PEOPLE

Partner: Doutores da Alegria

Public: 25 young people

Location: Sao Paulo

The project fosters citizenship by means of culture and carries forward the professional and artistic formation of 17 to 23-year-olds from the outskirts of Sao Paulo. The art of clowns is taught by means of lessons on musicality, games, history and theater, fashion and popular culture, etc. After graduating, participants are inserted into the market and perform at parties and different shows and presentations.

At Casa do Zezinho, young people are qualified to work as waiters and cooks



WAL-MART INSTITUTE
FINANCIAL
STATEMENTS



Report of independent auditors

**Messrs.
Councilors and Directors,
Wal-Mart Institute**

1. We have examined the capital balance sheets of Wal-Mart Institute as at December 2008 and 2007, and the respective statements showing the results of social activities, changes in social equity and cash flows corresponding to the fiscal periods ending on these dates, which were prepared under the responsibility of your administration. It is our responsibility to express an opinion on these financial statements.

2. Our examination has been carried out in accordance with audit norms applicable in Brazil and comprising: (a) the planning of work, considering the relevance of balances, the volume of transactions and the Institute's accounting systems and internal controls, (b) verification, on the basis of tests, of evidence and registries supporting values and accounting information disclosed, and (c) assessment of the accounting practices and most representative accounting estimates adopted by the Institute's administration, as well as the presentation of financial statements prepared jointly.

3. In our opinion, the above mentioned financial statements adequately represent, in all material respects, the capital and financial position of Wal-Mart Institute as at December 31, 2008 and 2007, the result of its social activities, the changes in its social capital and its cash flows referring to the fiscal years ending on these dates, in accordance with accounting practices adopted in Brazil.

4. As mentioned in explanatory note 2, as a result in changes in accounting practice adopted in Brazil during 2008, the financial statements referring to the previous fiscal year, which are presented for reasons of comparison, have been adjusted and are presented again as established in NPC 12 - Accounting Practices, Changes in Accounting Estimates and Correction of Errors.

São Paulo, January 30, 2009.

ERNST & YOUNG

Independent Auditors
CRC-2SP 015.199/O-6

Luciano F. Neris

Accountant CRC-1PA007729/O-8-S-SP

CAPITAL BALANCES

Fiscal years ending December 31, 2008 and 2007 (in Brazilian reais)

ASSETS	2008	2007
Current		
Cash and cash equivalents (Note 3)	2,803,809	4,559,680
Other current assets	20,975	26,011
	2,824,784	4,585,691
Non-current		
Permanent		
Fixed assets (Note 4)	13,158	7,475
Accumulated depreciation	(3,426)	(1,495)
	9,732	5,980
Total assets	2,834,516	4,591,671
LIABILITIES		
Current		
Service providers	105,019	-
Labor and tax obligations to be collected	36,894	13,637
Other obligations	112	6,428
	142,025	20,065
Social Capital (Note 5)		
Accumulated surplus from earlier fiscal years	4,571,606	1,406,082
Surplus (Deficit) of the fiscal year	(1,879,115)	3,165,524
	2,692,491	4,571,606
TOTAL LIABILITIES AND SOCIAL CAPITAL	2,834,516	4,591,671

The explanatory notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN SOCIAL CAPITAL

Fiscal years ending December 31, 2008 and 2007 (in Brazilian reais)

	ACCUMULATED SURPLUS	TOTAL
Balances as at December 31, 2006	1,406,082	1,406,082
Surplus for the year	3,165,524	3,165,524
Balances as at December 31, 2007	4,571,606	4,571,606
Deficit for the year	(1,879,115)	(1,879,115)
Balances as at December 31, 2008	2,692,491	2,692,491

The explanatory notes are an integral part of the financial statements.

STATEMENTS OF RESULTS OF SOCIAL ACTIVITIES

Fiscal years ending December 31, 2008 and 2007 (in Brazilian reais)

	2008	2007
Assistential revenue		
Contributions from maintaining members	4,927,408	7,803,263
	4,927,408	7,803,263
Operational expenses		
Project expenses (Note 6)	(6,176,019)	(4,387,430)
Administrative expenses	(71,511)	-
Services rendered expenses	(737,982)	(344,921)
Propaganda expenses	(7,482)	(19,600)
Travel expenses	(102,244)	(12,079)
Other operating expenses	(30,057)	(38,128)
	(7,125,295)	(4,802,158)
Operational result	(2,197,887)	3,001,105
Financial revenue	323,147	190,955
Financial expenses	(4,375)	(26,536)
Surplus (Deficit) of social activities	(1,879,115)	3,165,524

The explanatory notes are an integral part of the financial statements.

CASH FLOW STATEMENTS

Fiscal years ending December 31, 2008 and 2007 (in Brazilian reais)

	2008	2007
Operational activities cash flow		
Surplus / (Deficit) for the year	(1,879,115)	3,165,524
Adjustments for:		
Depreciation	1,931	1,495
(Increase) decrease in other current assets	5,036	(12,838)
Increase in social and tax obligations collectable	23,257	13,637
Increase in accounts payable - suppliers	105,019	-
Increase (decrease) in other obligations	(6,316)	6,428
Net cash generated (used) on operational activities	(1,750,188)	3,174,246
Cash flow for investment activities		
Acquisitions of fixed assets	(5,683)	-
Net cash used on investment activities	(5,683)	-
Increase (decrease) in cash and cash equivalents	(1,755,871)	3,174,246
Cash & equivalents at beginning of fiscal year	4,559,680	1,385,434
Cash & equivalents at end of fiscal year	2,803,809	4,559,680

The explanatory notes are an integral part of the financial statements.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

Fiscal years ending December 31, 2008 and 2007 (in Brazilian reais)

1. OPERATIONAL CONTEXT

Wal-Mart Institute was set up on November 17, 2005 and effectively commenced its activities at the beginning of 2006, working towards the construction of a fairer society showing greater solidarity, promoting citizenship, the dignity of the human individual and the social values of work and free initiative in the locations where Wal-Mart is present. Its main objectives are to invest in actions strengthening families in circumstances of social vulnerability regarding their links and basic competence, the war on hunger, nutritional orientation, as well as cultural identity and generating income in the locations where Wal-Mart is present, strengthening relationships between people, groups, institutions and community through support of projects, programs, related plans of action, by means of donations of physical, human and financial resources, or even by rendering intermediary support services to other non-profit organizations and public sector entities, in all cases with the aim of:

- a)** Promoting food and nutritional safety of low-income groups and communities in locations where Wal-Mart Brazil is present;
- b)** Encouraging employees to volunteer to participate in strategic action fostering the development of people, groups and the community to comply with its social objective;
- c)** Promoting economic and social development and battling against poverty in locations where Wal-Mart is present, to these ends including but not limiting itself to being able to grant micro credit to the population, as well as purchasing goods produced by said population for sale at the commercial establishments of Wal-Mart Brazil and its partners;
- d)** Defending, preserving and conserving the environment as well as the sustainable development of regions where Wal-Mart Brazil is active; and
- e)** Supporting projects or initiatives focusing on valorization of the cultural development of the Brazilian people while respecting its diversity, regional characteristics, joyful characteristics, memory and history.

Resources necessary for maintaining Wal-Mart Institute are obtained by means of: a) donations or budgetary endowments, b) constitution of income, commodatum and right of use; c) agreements, partnerships and sponsorships established with public or private entities for the defrayal, development or execution of projects in its specific area of action; d) proceeds from the sale of intellectual, technical, technological and scientific production, while safeguarding the right of non-sale for ends of privilege, domination

or exploitation; e) the sale of products acquired from the populations aided by the Institute's social programs; f) yield of investments of its financial assets or other assets pertaining to capital under its administration; g) financial surpluses verified at the end of its fiscal year; and h) other resources or goods that may be allotted or instituted to them, including contributions from its employees.

On December 4, 2007 Wal-Mart Institute was granted certification as a non-profit civil association under the aegis of Law No. 9790 dated March 23, 1999. Its social year commences on January 1st and closes on December 31 of every calendar year.

2. BASIS FOR THE PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS AND INITIAL ADOPTION OF LAW NO. 11638/07 AND PROVISIONAL MEASURE NO. 449/08

Authorization for the conclusion of the preparation of these financial statements was granted during the fiscal council meeting of February 6, 2009.

The financial statements have been prepared on the basis of accounting practices for non-profit entities, in accordance with Resolution No. 877 dated April 18, 2000 and subsequent changes made by Resolution No. 926 dated December 19, 2001 and Resolution 966 dated May 16, 2003 issued by the Federal Council of Accounting and Resolutions issued by the National Council for Social Work, adjusted to accounting practices adopted in Brazil, in accordance with accounting directives emerging from societary legislation (Law No. 6.404/76), which includes new rules introduced, changed and revoked by Law No. 11638 dated December 28, 2007, and by Provisional Measure No. 449 dated December 3, 2008.

a) Initial adoption of Law No. 11638/07 and Provisional Measure No. 449/08

11638/07 and Provisional Measure No. In accordance with accounting pronouncement CPC 13 - Initial Adoption of Law No. 11638/07 and Provisional Measure No. 449/08, the Institute established January 1st, 2007 as the transition date for the adoption of the new accounting practices. The transition date is defined as the starting point for the adoption of changes in accounting practices adopted in Brazil, and represents the base-date when the Institute prepared its initial balance sheet adjusted by these new accounting directives in 2008.

CPC 13 did away with companies' obligation to apply the directives in NPC 12 for the initial adoption of Law No. 11638/07 and Provisional Measure No. 449/08. This norm established that, in addition to discriminating the effects of the adoption of the new practices in the accumulated profits and losses account, companies must state the opening balance for the account or

group of accounts relative to the earlier period for reasons of comparison, as well as the rest of the comparative values presented, as if the new accounting practices had always been in use. However, the Institute opted not to adopt the exemption allowed by CPC 13, and its financial statements for 2007 and 2008 are thus presented following the same accounting practices and are therefore comparable.

These changes in accounting practices, which affected the preparation or presentation of financial statements for the fiscal year ending on December 31, 2008, the initial capital balance prepared on January 1st, 2007 (but not presented) and the financial statements of the comparative fiscal year ending on December 31, 2007, were measured and registered by the Institute on the basis of the following accounting pronouncements made by the Accounting Pronouncements Committee and approved by the Federal Council of Accounting:

- Conceptual structure for preparing and presenting accounting statements;
- CPC 03 Cash flow statements;
- CPC 05 Disclosure of related parties;
- CPC 13 Initial adoption of Law No. 11638/07 and Provisional Measure No. 449/08

The initial capital balance of January 1st, 2007 (the transition date) was prepared taking into account the required exceptions and some of the optional exemptions allowed under accounting pronouncement CPC 13, as follows:

I) Exemption for presentation of comparative financial statements

Financial statements for 2008 and 2007 have been prepared on the basis of accounting practices in force in 2008. The option granted by CPC 13 of not adjusting financial statements for 2007 to accounting standards for 2008 has not been taken up by the Institute.

II) Exemption allowing the presentation of cash flow statements without indication of the values for the previous fiscal year

With the objective of making comparison possible, the Institute opted to prepare and present the cash flow statement for the fiscal year ended on December 31, 2007, in accordance with directives in CPC 03. The Institute also chose to no longer prepare statements regarding the origins and use of resources for fiscal years closing as of January 1st, 2007.

III) Exemption from the application of the first periodic assessment of the economically useful life of the fixed assets.

Until December 31, 2009, the Institute will reassess estimates of the economically useful life of its fixed assets, used to determine depreciation and amortization rates. Possible changes in estimates of the economically useful life of assets stemming from this reassessment, if relevant,

will be treated as changes in accounting estimates and will be recognized prospectively.

Changes introduced by Law No. 11638 do not bring about relevant adjustments in the results of social activities nor in Wal-Mart Institute's social capital in financial statements for the fiscal years ended on December 31, 2008 and 2007.

Additionally, financial statements for the fiscal year ended on December 31, 2007 were reclassified, where applicable, for reasons of improved presentation and maintenance of the uniformity in comparison. The comparison of balances in the financial statements as at December 31, 2007 and the reclassified balances for the purpose of comparison are stated below:

CAPITAL BALANCES	PRESENTED IN 2007	RE-PRESENTED IN 2008
Available	1,966,350	-
Financial investment	2,593,330	-
Cash and cash equivalents	-	4,559,680

b) Evaluation of surplus / deficit – revenues and expenses

Revenue stemming from donations, subventions and contributions are registered by means of the proper documentation upon actual effective arrival of the resources. All other revenue and expenses necessary for maintaining activities are registered under the competence regime. Wal-Mart Brasil Ltda., WMS Supermercados do Brasil Ltda. and Bompreço Bahia Supermercados Ltda. were the Institute's main supporters in 2008.

c) Cash and cash equivalents

Include positive balances in accounts, movements and immediately redeemable financial investments stemming from cash surpluses recoverable at any time and posing insignificant risk of change in market value. Financial investments are stated at the increased cost of yields evaluated until the date of the balance sheet, not exceeding realization value.

d) Fixed Assets

Fixed assets comprise the Institute's operational possessions, registered at acquisition cost or the value of the donation as shown in the official invoice issued by the donor, and deducting accumulated depreciation reckoned on a linear basis, in accordance with rates described in Note 4.

3. CASH AND CASH EQUIVALENTS

	2008	2007
Current account	386,710	1,966,350
Financial investment	2,417,099	2,593,330
	2,803,809	4,559,680

Financial investments refer to bank certificates of deposit, remunerated at a rate of 99% of the Bank Certificate of Deposit - CDI with Banco Votorantim S.A., immediately redeemable.

4. FIXED ASSETS

	ANNUAL DEPRECIATION RATE	2008	2007
Computers and peripherals	20%	13,158	7,475
		13,158	7,475
Accumulated depreciation		(3,426)	(1,495)
		9,732	5,980

5. SERVICE PROVIDERS

This refers mainly to obligations with providers of consulting services in the areas of research and assessment of project viability.

6. SOCIAL CAPITAL

The Institute's social capital comprises surplus accumulated over fiscal years. The allocation of accumulated surplus is approved at an annual meeting of the Administration Council.

7. PROJECT EXPENSES

During 2008 and 2007, the main projects maintained by the Institute were the following:

PROJECTS	2008	2007
Instituto Aliança for Adolescents (Com.Domínio Digital)	2,106,951	852,304
Recycling Stations Project	778,516	-
Bombando Cidadania Project (Bomba do Hemetério - PE)	374,930	-
Projects for Generation of Work and Income for Women	310,113	-
Cons. International Amapá's National Forest	307,789	-
Associação Educativa e Cultura Didá	180,810	83,922
ISPS - Sustainable Sao Paulo Institute	170,000	-
Projects for Professional & Administrative Training	161,433	-
Arte que Liberta Project	154,900	265,349
Casa Menina Mulher	140,166	122,980
Inst. Lina Galvani	137,935	-
Associação Aliança Empreendedora	128,509	460,013
Aldeia do Futuro - Aldeia das Mulheres	127,868	-
CEMPRE - Business Commitment for Recycling	113,101	87,538
Projects for Professional Training for Generating Work & Income	98,638	-

PROJECTS	2008	2007
Avante Education and Social Mobilization	92,541	203,556
Doutores da Alegria	80,000	-
Central Artesol (Solidarity Craftsmanship)	79,298	213,910
PANGEA - Center for Socio-Environmental Studies	78,000	338,711
Associação Mundaréu	72,370	139,710
UNICEF - Integral Development of Children aged 0 to 6	-	722,160
Pernambuco Cancer Society	-	149,932
Brazilian Center for Children & Adolescents	-	108,220
Liga Álvaro Bahia Against Infant Mortality	-	101,620
AQUATRO - Qualification & Work Agency for Associative Organizations	-	95,900
Other projects	482,151	441,605
	6,176,019	4,387,430

The objective of all the above social projects is to support programs generating income, training and cultural valorization. The following is a description of the specific nature of these projects:

- **Instituto Aliança for Adolescents** - Com.Domínio Digital Project - sponsors professional education activities for young people, focusing on IT.
- **Recycling Stations Project** - Setting up collecting posts for metal, plastic, paper, glass and cooking oil, directly benefiting 50 cooperatives and generating income for 2,500 refuse collectors.
- **Bombando Cidadania ('Pumping Citizenship') - Bomba do Hemetério - PE** - The main aim of this project is to increase the HDI - Human Development Index (0.704) - in the neighborhood of Bomba do Hemetério, in the outskirts of Recife to the Municipality's HDI (0.797) in a five year period as of June 2008. To attain this objective, action aimed at the community as a whole is being implemented in the areas of health, culture and education.
- **Projects for Generating Work and Income for Women** - Support for a number of projects: Women Generating Income (Casa de Passagem Institute), Costurart (Art & Gender Cooperative); Feminine Incubator (Palmas Institute for Development and Socio-Economic Solidarity) and Knitting & Generating Income (Recife Voluntário). The aim of all these projects is generating income and professional training for women.
- **Conservation International Amapá's National Forest** - A partnership with Conservation International signed in 2008 for the preservation and sustainable development of the Amazon Rainforest, which includes investment in the Amapá's National Forest, a Federal Conservation Unit comprising 457 thousand hectares of

native rainforest. The aim of the program is to structure a local development plan for the communities and the necessary infrastructure to extend and improve management of the area.

- **Didá Educational & Cultural Association Project** – Sponsors the creation of a nucleus for providing training in making drums and accessories for samba and reggae.

- **ISPS – Sustainable Sao Paulo Institute** – The mission of MOVIMENTO NOSSA SAO PAULO is to mobilize different segments of society which, in partnership with private and public entities, will set up and commit to an agenda and a set of objectives, and articulate and promote actions endeavoring to make Sao Paulo a fair and sustainable city.

- **Professional and Administrative Training Projects** – These refer to support for the following programs: Generating Income Program of the Graef Project (Rumo Náutico Institute); Grãos Project (Avante – Education and Social Mobilization), Young Entrepreneur / SEMEAR Project (CENASA – Sarandi Assistance Center). The objective of all these programs is professional and administrative training for young people.

- **Arte que Liberta Project** – Sponsors social activities fostering social inclusion and fostering citizenship.

- **Casa Menina Mulher** – Sponsors educational activities through art for adolescents.

- **Lina Galvani Institute** – The project is carried forward by means of a professional training course for the formation of cooks and waiters suitable for the job market.

- **Aliança Empreendedora (Entrepreneurial Alliance) Association** – The Institute supports and trains a group of women – with incomes under half a minimum wage – to produce and commercialize knitted pieces, perfumery items and crafts.

- **Aldeia do Futuro (Village of the Future)** – Training women who are members of a sewing and crafts cooperative so as to provide an opportunity for generating income.

- **CEMPRE Project – Business Commitment for Recycling** – Sponsors social activities with the Refuse for Recycling Collectors' Cooperative.

- **Projects for Professional Training for Generating Jobs and Income** – Referring to support for Turning Food into Family Income (Northeastern Center for Popular Medicine) and Gastronomy Workshop Project (Casa do Zezinho and Nestlé Foundation). Projects whose objective is professional and administrative formation for communities.

- **Avante Education & Social Mobilization Project** – Sponsors social activity for generating jobs and income.

- **Doutores da Alegria (Doctors of Joy)** – Professional and artistic training stressing clown's masks for young people aged 17 to 23 from families living in different regions of Sao Paulo's outskirts.

- **Solidarity Craftsmanship Project – Artesol Center** – Sponsors the implementation of actions revitalizing craftsmanship to generate work, income and sustainability for groups of craftspeople on Olinda and Cabo Santo Agostinho (PE), Cidade Lauro Freitas Salvador (BA) and Maceió (AL).

- **PANGEA Project – Socio-Environmental Studies Center** – Sponsors social activity in connection with the Cooperative of Collectors of Material for Recycling, Metropolitan Region of Recife (PE).

- **Mundaréu Association Project** – Sponsors social activities to foster generation of income for women of Jardim da Conquista.

- **UNICEF Project – Integral development of infants aged 0 to 6** – Sponsors educational activities for infants aged 0 to 6.

- **Pernambuco Cancer Association Project** – Sponsors improvements in the sector's physical premises and updating its equipment – Breast Project.

- **Brazilian Center for Children & Adolescents Project** – Sponsors social activities fostering the production of income for women.

- **Alvaro Bahia Project Against Infant Mortality** – Sponsors setting up a room in the Martagão Gesteira Children's Hospital surgical center.

- **AQUATRO project – Training and Job Agency for Associative Organizations** – Sponsors social activities to encourage young people.

8. PARTIES INVOLVED

The donations received came from enterprises in the Wal-Mart group. The following donations were made in the fiscal years shown:

ENTERPRISE	2008	2007
Wal-Mart Brasil Ltda.	2,915,041	6,282,263
WMS Supermercados do Brasil Ltda.	1,798,099	1,521,000
Bompreço Bahia Supermercados Ltda.	214,268	-
	4,927,408	7,803,263

The Institute is administrated by a president and a director, who receive no remuneration for the services they render.

9. TAXES – IRPJ AND CSLL

As it is a non-profit organization, the Institute enjoys the benefit of exemption from the payment of federal taxes on results, in accordance with articles 167 to 174 of the Income Tax Regulations approved by Decree No. 3000 dated March 26, 1999 and article 195 of the Brazilian Federal Constitution.