

# Advancing Our Work on Racial Equity

June 12, 2020

To: Walmart associates  
From: Doug McMillon, President and CEO – Walmart

This time last week, we gathered virtually for our annual Associates Week celebration. It wasn't the same as being together in Bud Walton Arena, but it was great to recognize some tremendous associates and timely to set our expectations and [share our plans related to racial equity](#). We've been encouraged by the strong response. Overwhelmingly, people expressed their support for the stance our company is taking on racial equity and on the commitment we made to act. It was especially great to see so many of you from across the company raise your hands to participate and be part of the effort to bring about change. This will take all of us and it starts with how we all do our jobs every day. I don't want much time to go by without giving you an update so that's the purpose of today's note.

In some ways, our path to acting reminds me of when we started our environmental and social sustainability efforts. People are seeking ways to help, volunteering their time and talents. And, like then, we have an enormous opportunity to use the scale of our business to make a difference. So, the work we're starting leverages what we've learned from our approach to sustainability, women's economic empowerment, fighting hunger, hiring veterans and other initiatives.

In addition to immediate actions we may take, the next phase of our journey must start with listening and learning. Why? The systems we intend to influence for good are complex and long-standing. Absent those steps, we'll rush to action, miss opportunities and waste energy. And if we do that, we'll fail to achieve our goal: To help replace the structures of systemic racism, and build in their place frameworks of equity and justice that solidify our commitment to the belief that, without question, Black Lives Matter.

Where we see opportunities to act quickly, we will. But, simultaneously, we'll listen and learn. For many of you, that process has already started, and it likely intensified in recent weeks. My advice for each of us is to actively listen to each other, forgive well-intentioned questions or comments as we have what can be uncomfortable conversations, create a safe space for learning and be purposeful about what you read and listen to. Seek to learn. If you're asking yourself, "What can I do?" or "What's expected of me?", I would suggest you focus on how you engage with your fellow associates every day. Start there.

I was talking to a former Walmart associate this week who is African American. She told me stories about her time at Walmart and gave me examples of where "slight" injustices occurred but because she so much wanted to avoid playing the "race card" she didn't speak up. And, the "slight" injustices piled up. How can you, as an anti-racist ally, create an environment where Blacks and African Americans, Hispanics and Latinos, Asians, Native Americans, LGBTQ, those with disabilities and women, don't feel it's a big decision to speak up? Let's create a supportive, trustful environment where people can share how they're feeling, so "small" issues don't stack up.

Beyond our everyday individual behaviors, we will also act collectively as a company. We will create a more diverse and inclusive team at Walmart at every level. As a company that started in 1962, we aren't just starting today. We currently have more than 352,000 Black and African American associates in the U.S. – 21.5% of our workforce. Overall, 46.5% of our associates and 34% of our management are people of color. Associates of color are advancing within our company, comprising 40,000 – more than 45% – of all promotions made in the last year. We have continued to increase our overall hiring of Black and African American associates, as well. In the last year, 28% of our new hires were Black or African American, and overall, 54% of new hires were people of color.

Of course, we need to go further in hiring Black and African American associates across all levels and positions. And we need to ensure they are remaining with us and growing in their careers. We are

encouraged by what we're seeing in terms of growth and development specific to the [Live Better U program](#) given, since the launch of the program in 2018, 47% of our participants are associates of color. We want to ensure continued internal movement for Black, African American, and other diverse associates through the talent pipeline, so we will be deliberate about development opportunities. This will include kicking off new development programs for those associates, as well as posting all positions up to and including Vice President level. We will also focus on transparency in our practices and are committed to fair pay. Finally, we will be focused on listening, learning and elevating the voices of our Black and African American associates, ensuring that we drive changes that will lead to creating a Walmart where everyone feels included, valued, and has the equal opportunity for growth, development, rewards and impact.

To continue moving forward on this and the other initiatives we announced last week, we have begun designing teams to provide structure to the work and to begin organizing the approach. The first team we've established is a small group who will oversee the process, the development of strategies, and the resourcing of the work? That group will include me, Donna Morris, Ben Hasan, Dacona Smith, Latriece Watkins, Dan Bartlett and Rachel Brand. These leaders will provide guidance and support to five workstreams, four of which are related to national systems of finance, healthcare, education and criminal justice, and a fifth focused on inclusion within our company. In turn, each of these workstreams will be supported by teams of associates. Their job will be to listen and learn from other associates as well as thought leaders from outside Walmart so that they can identify and ultimately implement initiatives that will move us closer to our goals. We will share the names of the leaders for each workstream soon.

The following are the five workstreams and their initial objectives:

### **Financial System**

We will look at our own financial and business practices to identify the overlaps in areas like minority supplier and marketplace seller development to identify initiatives that will help create greater opportunities for minority-owned businesses. We'll also look for opportunities to influence how access to capital works beyond Walmart.

### **Healthcare**

We will explore ways to provide greater accessibility to better health and wellness through our existing businesses like pharmacy and, increasingly, our digital capabilities and our Walmart Health Clinics as we grow them. This group will look for places to improve for our own associates as well as customers.

### **Education**

In Education, we will work to strengthen our academic support efforts such as Live Better U and creating broader and deeper ties through our recruiting programs with Historically Black Colleges and Universities.

### **Criminal Justice**

We will review and evolve our recruiting and hiring practices. An important component of this will take place in the criminal justice workstream. This group will be responsible for reviewing and evolving our hiring process to ensure non-violent, formerly incarcerated applicants are appropriately considered as they enter the workforce and focus on successfully onboarding those associates.

### **Inclusion**

In addition to the work related to the four national systems, we will continue our efforts to build a more inclusive company, globally, with Richard Mayfield continuing in his leadership role of our Inclusion Council.

### **Center for Racial Equity**

While we will first look to address racial inequity through these business initiatives, we will also extend and accelerate our impact on society through the new center for racial equity. One of the center's primary responsibilities will be to direct the \$100 million commitment to support philanthropic initiatives that complement Walmart initiatives to shape the four national systems we've identified above.

The center's initiatives will fund research, advocacy, innovation of practices and tools, stakeholder convening and support the work of Black philanthropic leaders and organizations that serve Black

communities. The center will also provide counsel across Walmart to increase understanding and improve efforts that promote equity and address the structural racism that persists in America.

Our philanthropic efforts will focus not only on allocation of the \$100 million, we will also seek to expand our network to better reach organizations led by people of color, particularly African American-led organizations. We will stand up the center within our Walmart.org team in the coming weeks. As we do, we will aim to be transparent around the center's mission, its work, and the plans for allocating the \$100 million.

### **Collective Action**

This combination of actions will get us started on this next phase of our journey in support of racial justice and equity. We will continue to benefit from the many ideas and insights we have received and notes of interest from associates across Walmart who want to contribute to this work. We will also be providing opportunities for participation through listening sessions and surveys.

Remember that this all comes to life through the actions of each one of us - in our stores, Sam's Clubs, distribution and fulfillment centers and in communities across this country. Our collective beliefs and behaviors will make the difference.

Black Lives Matter. It is all our responsibilities to embrace that fact in what we say and what we do. There's no way to live our values if we don't. So, let's push ourselves even harder to create an inclusive and equitable culture at Walmart – for each other, for our customers and for our communities. Thank you for doing your part.

**Countries:** United States of America

**Languages:** English

**Primary Identifiers:** WMT-US

**Regions:** North America

**Related Identifiers:** WMT-US

**Source:** <https://corporate.walmart.com/newsroom/2020/06/12/advancing-our-work-on-racial-equity>

**Source List:** <http://corporate.walmart.com/newsroom/company-news?ajaxMainObjectId=0000014f-bc24-d55e-a3ff-fe3603d70000&media=0000014f-bc25-d467-a17f-beef05290000&years=all&sortby=new&view=grid&offset=0&count=20&scrollDown=true>

**Subjects:** Company Announcements and Releases, Events and Transcripts