

Annual General Meeting

Company Participants

- Brett Biggs, CFO
- Daniel Binder, SVP Investor Relations
- Diana Marshall, VP Southwest Operator
- Donna Morris, Chief People Officer
- Doug McMilon, CEO
- Greg Penner, Chairmain
- Julie Murphy, Chief People Officer
- Kathleen McLaughlin, CSO
- Kim Lupo, SVP Total Rewards
- Omer Tore, Deputy CFO
- Rachel Brand, Corporate Secretary

Other Participants

- Marcela Pinilla, Director, Zevin Asset Management
- Molly Betournay, Shareholder Advocacy, Clean Yield Asset Management
- Paul Chesser, Director, National Legal and Policy Center
- Scott Shepard, Fellow, National Center for Public Policy Research
- Sue Ernster, VP, Franciscan Sisters of Perpetual Adoration
- Unidentified Participant, Unknown, Unknown

Presentation

Operator

...the annual shareholders meeting of Walmart Inc. Please note that the meeting is being recorded. There will be a general Q&A session after the formal meeting adjourns. You can submit a question at any time by clicking on the Submit Question button on your screen.

Walmart would like to remind you that some of the comments today may contain forward looking statements. Additional information about this is included among the meeting materials available on your screen.

It is now my pleasure to turn the meeting over to Greg Penner, Chairman of the Board of Directors of Walmart. Mr. Penner, I will now turn the meeting over to you.

Greg Penner {BIO 5585986 <GO>}

Thank you, and good morning, everyone. It's my honor as Chair of the Walmart Board of Directors to welcome you to our 52nd Annual Shareholders Meeting. We appreciate you joining us today.

This is an important year for us at Walmart. We're celebrating 60 years since Sam Walton opened our first store in Rogers, Arkansas. A lot has changed since then. But we remain focused on delivering on our promise to help people save money and live a better life, a purpose that has proved to be essential for customers and communities around the world as we continue to work through some of the most challenging times in our history.

Our associates have stepped up again and again working through a global health crisis, high inflation and supply chain disruptions. All while accelerating our efforts to serve customers in new ways, our strong performance is an indication of the great people in our stores and throughout the Company. And that extends to Doug and his leadership team who continue to navigate this complex time. Our people truly make the difference.

All the nominees standing for election to our Board of Directors have joined our virtual meeting. Also joining online are representatives from Ernst & Young Walmart's independent accountants. The inspectors of election today are from Broadridge Financial Solutions. Based on their report the majority of the shareholders entitled to participate in the meeting are represented online. We have a quorum and may proceed with the business portion of the meeting. Therefore our meeting is officially called to order.

It is now 10:32 a.m. The polls are open and will close after the presentation of the last shareholder proposal. Only shareholders who held shares as of the record date for this meeting are entitled to vote shares. If you have already voted your shares, there is no need to vote again unless you wish to change your vote. If you would like to vote your shares or change your vote, you may do so while the polls are open by following the instructions on your screen.

Now, I would like to acknowledge the director nominees, including myself who are up for reelection this year. They are Tim Flynn, Carla Harris, Tom Horton, Marissa Mayer, Doug McMilon, Sarah Friar, Randall Stephenson, Cesar Conde, Steuart Walton and Rob Walton. Thank you all for your willingness to continue to serve our Company.

Stepping off the board and not standing for reelection as Steve Reinemund who has made very significant contributions to our Company. Steve has served on our board for 12 years, including as chair of our Compensation and Management Development Committee since 2017. I've personally enjoyed working with Steve and our board has benefited greatly from his strategic acumen and his tough questions, always delivered with style and grace. We're grateful to Steve for everything he has

contributed to our Company over the years. We're going to miss him greatly. Thank you, Steve.

Next, I've asked Walmart President and CEO Doug McMillon, to share an update on the Company's priorities. Then Rachel Brand, our Corporate Secretary will take us through the formal business of the meeting.

Doug.

Doug McMillon

Thank you, Greg. Good morning, everyone, and thanks for your interest in our Company. During the last fiscal year, we grew sales by 9% grew operating profit by 18%, excluding divestitures, and generated \$24 billion in operating cash flow. These results enabled us to return \$16 billion to shareholders in dividends and share repurchases and invest \$13 billion in capital to grow our business. We're grateful to our associates for their hard work and service to others.

Our purpose is to help people save money and live a better life and they continue to make that purpose real. They've risen to the challenges of the past two years finding new ways to serve the needs of our customers, our members and their fellow associates through all the twists and turns of the global pandemic.

Our sales performance in the first quarter demonstrates that customers and members count on us to help them save money, especially during inflationary times. We miss the bottom line for the quarter, so we continue to make adjustments to improve performance as we move through the year. Our strategy is designed to serve people seamlessly, whether that's shopping in our stores and clubs, picking up their order, or having it delivered. Globally, our e-commerce business, which includes pickup and delivery grew to over \$73 billion in sales last year. We're saving people money and time.

Increasingly, will also support their desire to be healthier and improve their family's financial position. There are natural connections between food and health and wellness, and retail and financial services that enable us to serve them more holistically and strengthen our business model at the same time. So we're building a customer centric, mutually reinforcing flywheel that not only connects health and wellness and financial services to retail and vice versa.

But it also opens up opportunities for us to serve other businesses large and small. As examples in the U.S., they can use our fulfillment services, Walmart, go local delivery as a service, or purchase ads through Walmart Connect. Our business models becoming stronger and more diversified as we add related businesses and more customers become members of Walmart plus, Sam's Club, or other forms of membership around the world.

Just as we continue to seek to strengthen our customer value proposition, we continue to strengthen our associate value proposition. Our goal is to turn even more jobs into careers by strengthening a ladder of opportunity for our associates. As of April of this year, the average hourly wage for associates in our stores clubs and supply chain exceeds \$17 here in the U.S., our average starting wage in the U.S. is now \$15.70 and the highest starting hourly wage is \$32.

In the U.S., about 75% of Walmart's salaried management in our stores, clubs and supply chain started out in an hourly role. Beyond pay, we offer a wide range of benefits including a menu of health care options and free college tuition for associates through our live better you program. Since launching in 2018, over 75,000 associates have enrolled in the program and 11,000 associates have graduated.

When it comes to helping strengthen communities, last year, our Company donated \$1.5 billion in cash, food and other products. Those gifts went to organizations working on everything from hunger relief to advancing gender and racial equity. We remain focused on our commitment to diversity, equity and inclusion inside the Company. And we plan to release an updated report on our efforts to foster inclusion and belonging in the coming weeks. We're working at scale when it comes to our planet.

Our goal is to reach 100% renewable energy by 2035 in order to hit zero emissions across global operations by 2040. In 2017, we launched Project Gigaton with the aim of reducing or avoiding a gigaton of greenhouse gas emissions by 2030. To date, our suppliers have reported more than 574 million metric tons of reduced or avoided emissions. We're also working toward protecting, managing and/or restoring at least 50 million acres of land and 1 million square miles of ocean by 2030.

This is all part of our goal to become a regenerative Company. It's about placing people and the planet at the center of our business practices. We believe that the strongest businesses that performed best for shareholders over time will be the ones that effectively serve all stakeholder groups, including customers, associates, suppliers, communities and the planet.

Again, thank you for your interest in our Company.

Now I'll turn it over to Rachel Brand, our Corporate Secretary. She'll take us through the presentation of the proposals.

Rachel Brand {BIO 7234302 <GO>}

Thank you Doug. As we've done in previous years, we will begin with formal business and move on to a Q&A session after the meeting adjourns. The rules of conduct for the meeting are available on the virtual meeting site. Under those rules, each person presenting a shareholder proposal will have three minutes to speak. A chime will be played within 30 seconds to remain.

And I will ask the presenter to conclude his or her remarks once the time has expired. Each presenter should limit his or her remarks to the topic of the proposal being presented. Ten items will be presented for a vote today. The first three are the Company proposals. They appear in the proxy statement as proposals one, two, three.

The first is the election of 11 directors. Information about each director nominee can be found in the proxy statement.

The second is a non-binding advisory vote to approve the compensation of Walmart's named executive officers. The vote on this proposal is advisory, but the board will consider the results in evaluating our executive compensation program.

The third proposal is to ratify the appointment of Ernst & Young as the Company's independent accountants for the fiscal year ending January 31, 2023.

Now, we'll move on to the shareholder proposals. The Company's response to each can be found in the proxy statement. I'll recognize each presenter when it's his or her turn to speak for three minutes.

The first shareholder proposal appeared as number four in the proxy statement. It was submitted by the Humane Society of the United States. A description of the proposals included in the proxy statement. At their proponents requests this proposal is being presented without an oral statement. The board recommends a vote against this proposal for the reasons explained in the proxy statement.

The next proposal appeared as number five in the proxy statement. It was submitted by Cynthia Murray [ph], who pointed to Nikosha James [ph] to present it. Ms. James pre recorded her presentation, which we will now play.

Unidentified Participant

My name is Nikosha James [ph] and I used to work at Walmart. Walmart found by Sam Walton once the key to success is to get out to the store and listen to what the socialists have to say. He knew that the people working for Walmart are the backbone of the entire enterprise. Unfortunately, the Walmart does Mr. Walton built is not the Walmart we see today. Walmart associates Cynthia Murray [ph] had been gracious enough to see her time to me so I can shed light on my sister story, and the unhealthy, unsafe culture of fear that exists in Walmart today.

My sister Jenica [ph] was found unresponsive on Walmart bathroom floor, Sunday, January 16th, 2022. Jenica [ph] was a faithful Walmart associate for five years. She worked at a store in North Little Rock. And she was the type of person standing walking would have wanted to hear from because she knew the ins and outs of the store better than anybody. When she went to work on January 16th, she started feeling sick. But there's a well known fact that workers who call and sick the day out or have to clock out due to illness, or retaliated against or terminated.

So, although she felt sick clocking out and going to the hospital was not an option because she could not risk losing her job. She was a single mother and a breadwinner of her family. Around the end of our eight-hour shift Walmart security cameras showed Jenica [ph] going into the rest room one last time.

Almost two hours later, paramedics found my sister unresponsive on Walmart's bathroom floor. That night, my sister was pronounced dead. If a pandemic workforce advisory council had been in place before January of this year, there could have been policies in place to support my sister needs for emergency assistance. But that's not our reality.

That's why I'm trying to migrate [ph] into action and calling a Walmart executive to an active care policy so that associated boards are finally hear it. And what happens to Jenica [ph] does not happen to anyone else. The care policy will ensure all associates are entitled to two weeks of paid sick leave and that their health and safety needs are respected.

No one should have to work too sick to function and to (inaudible). And in case of emergency, our associates will have clear protocols, proper support and training on what to do. It should not have taken two hours for paramedics to be called for my system.

Lastly, the care policy will ensure associates are working with stakeholders at Walmart on finding solutions for the corporation. Remember what Sam Walton said, the key to success is to listen to what the associates have to say, Walmart needs to be a healthy and safe place to work, where associates are respected in her. To ensure the success of corporation and associate, Walmart executives need to enact the period policies.

Thank you for your time.

Rachel Brand {BIO 7234302 <GO>}

Thank you, Ms. James. We all express our condolences to you and your family. While we disagree with how the circumstances have been characterized, we all agree that Ms. Perry was a valued member of the Walmart family and is deeply missed.

With respect to the shareholder proposal being considered today. The board recommends that shareholders vote against it for the reasons explained in the proxy statement.

The next proposal appeared as number six in the proxy statement. It was submitted by Clean Yield Asset Management on behalf of Julie Kalish, who was appointed Molly Betournay to present it Ms. Betournay prerecorded recorded her conversation which we will now play.

Molly Betournay {BIO 20194528 <GO>}

Good morning Mr. Chairman, Board of Directors and my fellow shareholders. My name is Molly Betournay and I submit the following statement on behalf of my firm, Clean Yield Asset Management and the filer of this proposal, Julie Kalish.

Our proposal item number six on the ballot calls on Walmart to report on the risks and costs to the Company caused by new and emerging state laws that will restrict access to reproductive health care. We've encouraged the board to consider how these laws may impact employee hiring, retention and on productivity, as well as decisions regarding closure or expansion of operations and states with restrictive laws.

As an employer in all 50 states, including many more access to reproductive health care is already being restricted and were more restrictions are expected if Roe versus Wade is overturned. Walmart should consider the impact these laws will have on its workforce and business.

Research has shown that employees expect and desire comprehensive reproductive health care coverage. Studies indicate that college educated workers want and expect access to abortion coverage. And by a two to one margin, employed workers wish to live in states where abortion is legal and accessible. This could impact Walmart's ability to recruit employees. The loss of access to abortion care may disrupt or prevent employees from remaining in the workforce.

Women who cannot access abortion when needed, are three times more likely to be unemployed than those who do have access. This could impact Walmart's ability to retain employees. Abortion restrictions are already interfering with women's ability to work, I'm reducing the talent pool.

The Institute for Women's Policy Research estimates that more than half a million more women aged 15 to 44 would enter the workforce nationally if all state level abortion restrictions were eliminated. This reduction in the talent pool is likely to increase with new restrictive laws. These challenges are particularly relevant for Walmart, where women comprise 55% of its 1.7 million U.S. employees at 935,000 women.

In our view, a post (inaudible) environment would present Walmart with new challenges related to hiring, retention, productivity, site location, public policy positions and other matters. We believe it is in Walmart's best interest to anticipate likely disruptions to its ability to provide comprehensive reproductive health care to all of its employees and to take steps to minimize the impact of these disruptions. We'll wait and see approach is insufficient and not helpful to shareholder assessments of risk and management quality.

Fellow shareholders, if you have not already cast your vote, please consider voting yes on item number six. Thank you for your attention.

Rachel Brand {BIO 7234302 <GO>}

Thank you, Mr. Betournay. The board recommends a vote against this proposal for the reasons explained in the proxy statement.

The next proposal appeared as number seven in the proxy statement. It was submitted by the Franciscan Sisters of Perpetual Adoration and other co-filers. Sister Sue Ernster pre-recorded her presentation which we will now play.

Sue Ernster

Good morning Mr. Chairman, members of the board and fellow shareholders. I am Sister Sue Ernster, the Vice President and Treasurer of the Franciscan Sisters of Perpetual Adoration in Lacrosse, Wisconsin. We are a longtime shareholder of Walmar.

On behalf of my community and the 21 co-filers who are members of the interfaith center on corporate responsibility, I hereby move proposal number seven which requests that the Board of Directors oversee the preparation of a public report on whether and how Walmart's racial justice goals and commitments align with the starting pay for all classifications of Walmart associates.

My community of women religious is focused on the intersection of racism and economic justice. The nation is facing record setting financial inequality, especially for people of color and mounting demands for real progress on racial justice.

At the same time, we are experiencing a great resignation with record turnover and job openings, particularly in the retail industry. As shareholders and people of faith, we are not comfortable benefiting from the Company's record profits. While so many of the Company's employees must work multiple jobs to make ends meet.

Walmart's commitment to equity inclusion and growth of their associates is rooted in their value of respect for the individual. This value is underpinned by the Company's strategic practices and programs which are to be admired. The Company has made steady progress in promoting people of color and increased philanthropic investments to advance racial equity.

However, we believe more can and should be done to reduce the racial inequities and improve economic justice within our Company, which will serve as a catalyst for the entire retail industry. In addition to being a moral issue, we believe there's a business case for this proposal. Walmart associates have identified wages as the most important element of their compensation.

Higher wages have been shown to improve recruitment and attendance, promote better health, and reduce turnover and operational problems leading to better business performance. The Company has recognized that investment in the overall well-being and growth of their associates have strengthened their workforce and contributed positively to sales and employee retention.

Boosting wages would also benefit Walmart's reputation and bring the Company in line with his peers that have raised starting wages to at least \$15 an hour. The report requested by the proponents would help Walmart leadership understand the economic realities that Company's hourly frontline employees face. We are not alone in this belief as 13% of the shareholders voted in favor of this proposal last year, amounting to over 30% of the independent votes.

We urge shareholders vote for proposal number seven. Thank you for allowing me to speak.

Rachel Brand {BIO 7234302 <GO>}

Thank you, Sister Ernster. The board recommends the vote against this proposal for the reasons explained in the proxy statement.

The next proposal appeared as number eight in the proxy statement, it was submitted by the National Center for Public Policy Research. Scott Shepard pre-recorded his presentation, which we will now play.

Scott Shepard {BIO 6171736 <GO>}

And its statement opposing our proposal, a company speaks out of both sides of its corporate mouth and along the way establishes exactly why a non-discrimination audit remains vital. Kudos to the Company for recognizing at least nominally that it is illegal and wrong for equity based programs to discriminate against any employees whether honored with the labeled diverse or not.

What equity means current discrimination now to make up for other discrimination against other people by other people in the past? And it also means dividing national wealth and power biracial spoils system with each racial and other identity based group getting a proportional share in disregard of individual accomplishment.

In supportive equity, the Company expressly contradicts its recognition that all employees not only have civil rights but have the same civil rights as all other employees. The opposition statement says that for Walmart equity is when diverse identity is no longer a determining factor in shaping an individual's life outcome. But if that meant equality of opportunity, and before the law, and three tiers.

But instead, Walmart is calling for equality of outcome a spoil system based on forbidden categories of discrimination, which of course means massive levels of current discrimination on those grounds. This is all that can be meant by the development for instance, of a financial shared values network, built with embedded and intentional efforts to advance racial equity, and the racism inherent in the center for racial equity is built right into the name.

It might be good business and accounting to act to help poor and deserving associates or others who could benefit from extra opportunities they have left. It is

illegal, racist and immoral to limit that assistance on racial grounds or to devote shareholder funds in racist ways to create artificial inequalities of outcome.

Walmart's race real discrimination is further demonstrated by Company training programs that have told employees that whites are inherently racist, while non-whites are not and that whites must forever apologize for their skin color and imaginary feelings of supremacy. That sort of employee training is a naked discrimination by race. It creates a hostile work environment on racial grounds. It barely dares employees to sue and to win those suits.

It creates massive reputational, legal and increasingly legislative risks. Walmart's embrace of equity theory leads it to use shareholder money to fund frankly absurd actions, such as assessing alternative justice programs that help retailers minimize or eliminate negative inner individual interactions with law enforcement. Walmart executives have a duty to minimize the theft of shareholder property, not to spend shareholder money to keep crooks from standing before the law.

This is all very simple. Equity on its own terms means active discrimination on racial and other forbidden (inaudible). In its opposition statement, Walmart pays lip service to the legal fact that all employees have the same civil rights, but then cheers itself about its embrace of equity based discrimination in myriad ways. Walmart just doesn't get it yet. This audit is vital to save the Company and the executives themselves from the massive risks that do and should follow from this new equity based discrimination.

Rachel Brand {BIO 7234302 <GO>}

Thank you, Mr. Shepard. The board recommends the vote against this proposal for the reasons explained in the proxy statement.

The next proposal appeared as number nine in the proxy statement, it was submitted by the National Legal and Policy Center. Paul Chesser pre-recorded his presentation which we will now play.

Paul Chesser

I'm Paul Chesser, Director of the Corporate Integrity Project for National Legal and Policy Center.

First, I commend Walmart on at least having an infrastructure on its foundation's website for users to search and find recipients who have received more than \$25,000. Having said that, Walmart now has no excuse to not implement our proposal because you have the website infrastructure in place.

Now all you have to do is upload donations smaller than the \$25,000 threshold that you've set, and also ones older than two years old. If as you stay you're so proud

about letting your individual stores make their own donations, why can't I go on Walmart's website and looked up to my local store gave to?

Now, as for the nature of the Company's donations, there's troubling evidence surrounding Walmart management's decision making and contributions that make our transparency requests even more urgent. In October, it was revealed that Walmart had implemented mandatory critical race theory training for its executives, and the program is recommended for hourly employees.

The Company's admitted it is run this program since 2018. In the program employees are told that the United States is a white supremacy system designed by white Europeans quote, for the purpose of assigning and maintaining white skin access to power and privilege, end quote. It also states that white Americans have been subjected to racist conditioning that indoctrinates them into white supremacy. This is the same garbage that slipped elections in the state of Virginia last year from blue to red.

That's the same state that overwhelmingly voted for Barack Obama twice, remember? And it wasn't long ago that my organization a longtime Walmart shareholder confronted CEO, Doug McMilon, about the Company's financial support for race demagogue, Al Sharpton. Are you still funding Al Sharpton, Mr. McMilon? We haven't forgotten that Walmart co-sponsored his 60th birthday party.

Improving Walmart's transparency about charity would clear something like this up. These donations and training programs as our friends who sponsored proposal number eight stated, creates a hostile work environment on racial grounds and pits employees of different races against each other.

Being married 30 years and raising four children, my family shopped at Walmart consistently over that time period. I can't think of a retailer I've patronized that has been more pleasantly and harmoniously diverse than Walmart during that whole time. But now because of a Marxist backlash led by Black Lives Matter Grifters over a couple of wayward police officers, many of our major cities have been destroyed and crime has skyrocketed. Meanwhile, Walmart's solution is to impose a racial spoils system on its employees and through its charity. This isn't leadership and it isn't transparency. It's cowardice.

Please vote for proposal number nine.

Rachel Brand {BIO 7234302 <GO>}

Thank you Mr. Chesser. The board recommends the vote against this proposal for the reasons explained in the proxy statement.

We will now move on to the final proposal which appeared as number 10 in the proxy statement. It was submitted by Zevon asset management on behalf of Ellen

Sarkeesian [ph]. Marcela Pinilla will present it on behalf of the shareholder proponent. Operator, is Ms. Pinilla on the line?

Operator

Yes.

Rachel Brand {BIO 7234302 <GO>}

Thank you. Ms. Pinilla [ph], you have three minutes.

Marcela Pinilla {BIO 20086279 <GO>}

Thank you. Greetings, members of the Walmart board, Mr. Horton, Walmart Management, Mr. Penner and fellow shareholders. My name is Marcela Pinilla, and I'm a Director of Sustainable Investing at Zevin Asset Management. On behalf of our clients, we actively factor corporate ESG related risks and impacts into our portfolio management.

I'm here today to address an important governance issue at Walmart and to formally move proposal number 10 on the proxy ballot. Our shareholder proposal requests at Walmart disclosed company policy and procedures governing direct and indirect lobbying and grassroots lobbying communications, including company payment amounts used for these activities along with the recipients. We also request a description of management and the board's decision making process and oversight on corporate spending.

We have had much constructive dialogue with Walmart to date, and really commend the Company for the steps it has taken this year to enhance its disclosure of ESG risk management including its oversight of public policy engagements.

However, we remain concerned that Walmart has not fully addressed the request of our shareholder proposal by disclosing its actual spending. Walmart is an influential company with a large lobbying footprint. Yet a complete picture of its spending to influence public policy including payments is unavailable for shareholders.

Corporate lobbying to influence public policymaking affects all aspects of the economy. Companies are increasingly playing a public role on these issues through their association memberships. While there's nothing new about companies weighing in on public policy matter, doing so without evaluating the impacts on society, along with business implications in today's world could be riskier than ever. The absence of corporate spending on third party organizations remains elusive and therefore adapt that leaves Walmart open to risky alliances.

Walmart deserves credit as a leader with its comprehensive disclosure of its state lobbying spending, yet shareholders currently do not have insight into financial

support for third party groups that lobby behind closed doors without accountability.

In closing, without openness and transparency on how our shareholder money is spent, corporate lobbying can be used to promote public policy objectives that can pose reputational risk to our Company.

Thank you for allowing me to speak directly to the board on this matter. Thank you.

Rachel Brand {BIO 7234302 <GO>}

Thank you Ms. Pinilla. The board recommends a vote against this proposal for the reasons explained in the proxy statement.

This concludes all the matters to be presented for shareholder consideration at the meeting. It is now 11 o'clock a.m. and the polls are now closed. Based on the initial report from the inspectors of election, the preliminary voting results are as follows.

Each director nominee has been elected by a majority of the votes cast. Each of the other company proposals has passed, and each shareholder proposal has failed to receive a majority of the votes cast and therefore did not pass. The preliminary voting results will be announced in a press release later today, and the official results will be disclosed in a filing with the SEC.

The 2022 Annual Shareholders Meeting is now formally adjourned.

We will now pause briefly before moving into a Q&A session moderated by Dan Binder, Senior Vice President of Investor Relations.

Questions And Answers

A - Daniel Binder {BIO 1749900 <GO>}

Hello, I'm Dan Binder, Senior Vice President of Investor Relations and Corporate FP&A. We will now take about half hour to respond to questions submitted through the virtual meeting platform. Senior executives of the Company are also available to respond to questions.

And we will answer as many questions as we can during this time. For relevant questions that could not be answered due to time constraints, the Company will provide responses on the investor relations section of our corporate website as soon as possible. Substantially similar questions will be grouped together and responded to collectively.

Now to our first question, which is actually a multi part question. How is Walmart able to use ESG and its leverage to lower utility expenses of the Company to help the bottom line? And is the Company overreaching in terms of its investments in India?

Do these investments detract from the main goal of the Company in achieving increasing e-commerce growth?

A - Doug McMilon

This is Doug McMilon. And I'll take the second part of the question first. And Kathleen McLaughlin, our Chief Sustainability Officer, I'll ask you to chime in on the first part of the question as well.

But let's address India first. We made our investment in Flipkart and PhonePe in India in 2018, buying them annual majority share. There were two parts of that business at the time, I guess really three Flipkart, PhonePe and an apparel business called Myntra. Flipkart and Myntra work together really closely, I kind of think of that as one business. And it's the leading e-commerce marketplace in India.

Since we've made the investment things have gone well. And we continue to be really excited about the performance of the business, the growth rate of the business and the progress they're making in helping to serve customers in India. This is a really large market, as everyone knows, it's a fast growing market. And e-commerce as a percent of total within India is still a relatively low share quite a low share, actually.

So, we're well positioned for growth going into the future with the e-commerce marketplace portion of the business.

The other side of that is the PhonePe business, the financial services platform, which has also performed really well extraordinarily high growth rates, we recently shared some additional metrics as it relates to the phone pay business. Both of those are increasing in value. And we had a fundraise around not too long ago that that confirmed that to be the case.

So we see the investment in India as being a good investment in both parts of the business. And as it relates to it being part of our e-commerce growth, it is absolutely an important part of our global e-commerce growth. And we learn from the PhonePe business and Flipkart business as it relates to transforming the rest of the Company to becoming more of a digital company.

So the expertise, the IP, the talent, the problem solving abilities, of our teams in India are inspiring further change throughout the entire Company, which is also really helpful.

As it relates to the ESG work and the utility expenses, Kathleen, I'll come to you next.

A - Kathleen McLaughlin {BIO 18336643 <GO>}

Great. Well, thanks, Doug. Yes, I think it's a good question to underscore the connection between ESG and value for the Company. There are a couple of things that we're doing related to energy that helped create value. So one is energy

efficiency. We've been working on this for a long time, I can go back to 2005 and perhaps even earlier, and our strategy includes both new field -- new facility design and construction as well as retrofit (technical difficulty) conditioning, also refrigeration and other categories such as plug loads.

Second, as our existing buildings and equipment age, we aim to replace or upgrade the older equipment with the latest in high efficiency technology.

And then finally, we also use technology to monitor and optimize the energy use in our buildings. So for example, we've installed energy meters and thousands of our facilities around the world. And of course, this allows our energy managers to monitor energy consumption almost real time at our retail stores and distribution centers.

And that data is used in several ways. So, compiling monthly store reports, triggering variance alarms, diagnosing equipment problems, validating performance of new equipment, tests, and so on. All of that helps us power our facilities with less energy. And of course, that ends up on translating into lower utility bills.

At the same time, we've also been working hard on reducing emissions and transitioning to 100% renewable energy. That's a long stated goal. And as of the end of calendar year 2020, we were at 36%. Having our facilities powered by renewable energy, worldwide, or electricity, it's I should say.

And that includes 600, on site and off site renewable energy projects in 10 different countries. In January 2022, the EPA, the United States, the Green Power Partnership top 30 retail ranking had us in there as one of the major renewable energy purchasers in the country.

And so, we've been doing a number of things are on site and off site. And most recently, in 2021, we contracted to purchase additional renewable energy as an example, including 50 megawatts of 129 megawatt community solar project in New York, and that's going to supply renewable energy to 36 facilities. That's just one example.

So, over time, transitioning to renewable energy, we think in the context of long term energy markets, and so on is a value creating play. And it's completely in line with our goal to get to zero emissions in our own operations by 2040.

A - Daniel Binder {BIO 1749900 <GO>}

Thank you, Kathleen.

We'll go to our next question. Why do OGP associates make more than four associates when those who work in other departments often have to do OGP runs but do not have their other work reduced?

A - Doug McMilon

I'm going to ask Julie Murphy, who leads Walmart U.S. People to respond to that. And Diana Marshall is also here, she's an Executive Vice President running the southwestern portion of the United States for Walmart U.S. and we interpret this to be a Walmart U.S. question certainly sounds like one, Julie. Would you mind responding?

A - Julie Murphy {BIO 16771003 <GO>}

Thank you, Doug. I appreciate that. We've continued to focus on making Walmart, the best place to start your career and to advance as we think in terms of the opportunity. And in so doing that we've created a ladder of opportunity for the work that we do within our stores, we want our associates to have the opportunity to advance not only with our company, but also within the store that they work in.

And so that would include areas that we are focused on that are growth areas. OGP, being one of those areas Online Grocery Pickup, if you're not familiar with the term. And we want to continue to make sure that we have associates focused on that. It is not unusual for us to rally around some of the work within the store if we see increased volumes, we've created a team based structure.

So we have dedicated teams to certain parts of the store and the work. But when we do see increased volumes, then we will rally around that and ask the associates to focus on that so that we can make sure that our customer experience is taken care of.

I would encourage this associate to speak with their local managers in that facility if there are further concerns as it relates to that.

A - Doug McMilon

Thanks, Julie.

A - Daniel Binder {BIO 1749900 <GO>}

We'll go to our next question. Why can't Walmart raise wages further, especially during these tough times? Other companies are raising their wages and \$15 is not enough. It's not enough and not a livable wage.

A - Doug McMilon

Now, I'll respond first and then Donna Morris, if you'd like to chime in you certainly can.

We've been raising wages for quite some time now. And I'm happy to do that and proud of the progress that we've made over the last few years. I expect that we'll continue to increase wages as we respond to the market if that's where the market moves. But as Julie mentioned earlier, we don't just think about the wage rate.

We think about what happens with benefits including health care, our Walmart share, purchase plan, our 401(k) and our investments in tuition free education, we're looking at holistic program, trying to create an environment where people want to take on more responsibility, ideally move into a position of management. As I mentioned earlier, 75% of our store managers in the U.S. started out in hourly roles.

I also mentioned earlier that we're now to the point where our average hourly wage for associates in our stores, clubs and supply chain exceeds \$17 here in the U.S., and our average starting wage in the U.S. is now \$15.70. So that's come up quite a bit. And, again, we're happy to see that.

Productivity is also important. We think about that at the same time. And as Julie mentioned, we evaluate these jobs and basically decide what the minimum target and top end should look like, for the range of those specific positions.

Donna, anything you want to add?

A - Donna Morris {BIO 16617461 <GO>}

Thank you, Doug. I would just add that we're continuing to increase the facility start rates, and those investments do continue. The starting facility start rate today is at \$12. But the average is over that. It's over \$15 an hour. And so, that's very much dependent upon the market, and the competition in that market.

We have also continued to invest in our Sam's Club associates starting wages, which now start at \$15 and can go up to \$32. Our fulfillment centers and our distribution center associates start at \$16 and go up to \$28. And as Doug mentioned, one of our ultimate goals is to provide a pathway of opportunity, ideally within Walmart, and hence the investment in learning and development. And once again, reinforcement of the over 75,000 associates that have pursued increased education through our Live Better U Program.

A - Doug McMilon

We are sensitive to the fact that we're in an inflationary environment, and know that our associates are feeling that as well. We have been making some other adjustments that are specific to certain roles in the Company and continue to consider other options going forward as we get feedback from our store associates.

A - Daniel Binder {BIO 1749900 <GO>}

Then we'll get to our next question. Do the people who sit for policies have much experience doing the work under real store conditions?

A - Doug McMilon

We do actually. I'm looking across the room at Julie and Julie's got more than 30 years experience. Lance de la Rosa is here that leads Sam's Club operation, he also has more than 30 years experience. Dacona, who leads the U.S. source team has more than 30 years experience started out assembling bikes. So those are just a few

examples of the fact that many of us did jobs on the sales floor. And in other places as we got started with the Company. Diana Marshall that I mentioned earlier leads operations in southwest.

Diana, do you want to add anything?

A - Diana Marshall {BIO 18795665 <GO>}

Thanks, Doug. You're exactly right. We have a ton of experiences, we think about processes. And we also I think important to know we actually test everything before it rolls in a store, in an actual environment, to make sure that it makes sense and get feedback from the associates that are living it as well. So, really proud of how we're working through that and trying to continue to improve the processes.

A - Doug McMilon

John Furner would be disappointed if I didn't mention him too. He leads our Walmart U.S. team and has almost 30 years of experience himself.

A - Daniel Binder {BIO 1749900 <GO>}

Great, we'll go to our next question. It's a statement and a question. Thank you for your leadership during such a challenging time. Could you please share an update on our retail pricing strategy in the current inflationary environment? And if we have any traffic elasticity risk as a result of increasing consumer prices? Thanks again.

A - Doug McMilon

Yes, those of you that follow the Company closely will know that our purpose is to save people money and help them live a better life. And from the time that I moved from the working a store into the home office, I was taught to manage margin mix in a way to lower prices and to help drive value for customers and sales productivity. This unique environment in the U.S. is not completely unique to us as a Company because of our experience in South America, Mexico and other places where we've had inflationary pressure in the past. It is in the U.S. unusual and has moved faster than what we were anticipating as we started the year.

So, we've been spending a lot of time working with our merchants having conversations about how to approach different pricing decisions and making an effort to do things like keeping our opening price point items that are related to food categories as low as possible. We're paying attention to the price of milk and eggs of course as we always do, but also thinking about cans of tuna and macaroni and cheese and ramen noodles and other items that customers are looking to more so or some customers anyway looking towards more during this period of time.

So, we'll do our best to manage what happens with retail pricing as we continue to have cost increases from some suppliers and also have higher costs as it relates to things like fuel. The team has a lot of experience managing these things across the entire company and we're sharing that experience and expect to go through this period of time performing well as customers look to us for value.

A - Daniel Binder {BIO 1749900 <GO>}

Great. We'll go to our next question. How long before all the apps will be on the new phones so we can stop using the TCs handhelds?

A - Doug McMilon

That's a topic that's come up on recently in recent store visits. I don't know the actual date for Walmart U.S. Diana, do you?

A - Diana Marshall {BIO 18795665 <GO>}

Hi, Doug. Actually, they can expect to see through the entire year. We continue each quarter to add new workgroups. We're making some updates in this quarter actually, that we're really excited about adding new capabilities and, and more enhancements really simplify the associate experience. So, it will happen throughout the year as we move it forward.

A - Doug McMilon

It's exciting to get the new handhelds into people's hands and move away from the TCs and I think they the demand for apps will continue to be high, which is good. We think we've designed some pretty good ones lately.

A - Daniel Binder {BIO 1749900 <GO>}

Okay, we'll go to our next question. What percentage of the shareholders voted for each proposal?

A - Doug McMilon

Rachel Brand, would you mind responding to that one?

A - Rachel Brand {BIO 7234302 <GO>}

Sure, Doug. We'll be announcing those results in a press release today that will issue after the market closes. And then we'll also be announcing them in a filing that we subsequently filed with the SEC. So stay tuned.

A - Daniel Binder {BIO 1749900 <GO>}

Our next question, why do you cap long term associates, their cost of living has not been kept.

A - Doug McMilon

As I mentioned earlier, we have a minimum target and max for the jobs in the Company whether those are jobs in the home office or jobs in the field. Those get adjusted over time, based on the role itself and what's happening in the market. And I'll ask Kim Lupo, who leads our Total Rewards area to add anything that she'd like to add.

A - Kim Lupo {BIO 18637494 <GO>}

Okay. Thanks, Doug. I just would like to just reconfirm every year we look at our pay ranges across the country and make adjustments as approved -- as appropriate. We are very specific to those local conditions. We also acknowledge that there's the ladder of opportunity that we have talked about. And so, our associates have the opportunity to grow their career and grow their compensation through the ladder, in addition to within the range. And also like to acknowledge again that this past year we adjusted the compensation of over 1.2 million associates.

A - Doug McMilon

I just add that we value our long term associates greatly. As I mentioned earlier, a bunch of us are long term associates and we appreciate when someone's serving the Company for five, 10, 15, sometimes, Greg and I are signing certificates for associates with 40, 45 years of experience. Occasionally 50 here in the U.S., and they obviously are super important to the success of the Company and understanding where their compensation levels are as important to us.

A - Daniel Binder {BIO 1749900 <GO>}

Our next question, how is the business doing in Canada overall?

A - Doug McMilon

Doing well. I got to be there in January and had a chance to visit with the management team and visit local stores. Omer Tore is here with us who's the Chief Financial Officer for international we were just down at a meeting with our international associates that are here in town for shareholders week, and my ears still are ringing from the Canadian team because they brought cowbells to the meeting. They were very excited.

The stores that I saw, it looked really good. The financial performance of the business has been strong. And strategically they're working on their flywheel. They're building new businesses and putting them together in a way that's exciting. Appreciate the leadership from IO and the team there during the pandemic period. The team in Walmart Canada, as with our other markets has really stood tall during that period. Anything you want to add Omer?

A - Omer Tore {BIO 15323018 <GO>}

Thanks, Doug. One thing I would add if they're doing a lot of great work in e-commerce, accelerating our online business and that's the numbers speak for themselves. It also they're remodeling the stores continuously, so to serve our customers the best way possible.

A - Doug McMilon

Thank you.

A - Daniel Binder {BIO 1749900 <GO>}

Our next question. What is the plan -- what is the wage plan for produce meat departments in particular, knowing that this is one of the busiest areas in the store with heavier and more sophisticated workloads? It seems like this area is below Walmart's average wage at \$12 per hour.

A - Doug McMilon

Julie, do you want to go first?

A - Julie Murphy {BIO 16771003 <GO>}

Like as we mentioned earlier, we are very detailed and deliberate on our focus with wages and that would include the produce and the meat departments. They are very important aspects of our business as we think in terms of fresh perception and the skills and the abilities, capabilities that we need to develop within the stores. So we look at this not only as we look at the overall starting rates for the stores, but we look at specific areas and capabilities within the stores, and make sure that we maintain that investment and that we're competitive within the markets that we serve.

A - Doug McMilon

Obviously meat would not be below other areas. If there's a specific instance there where someone's got a concern, please reach out and talk to someone in your leadership area or reach out to one of us.

A - Daniel Binder {BIO 1749900 <GO>}

Our next question. Do current fuel costs provide any additional impetus to consider a transition to at least a partially electric fleet for Walmart's massive logistics operations?

A - Doug McMilon

Yes, I'm excited about the electrification of transportation. And we've got commitments out there, I'm just speaking to the U.S. There are other things going on an international, Omer, you're someone could chime in. But I'm here in the U.S., we've got several commitments out to buy electric vans for last mile delivery capability. I hope that things progress to the point that we can be testing things with tractors, we've got a few orders out there and commitments to try and help drop some innovation there as well.

But I think the place will see it first, it's with EV vehicles, vans in particular running last mile from stores into neighborhoods.

A - Daniel Binder {BIO 1749900 <GO>}

Our next question, the Company had negative operating cash flow in Q1. Is that a concern?

A - Doug McMilon

I'll introduce Brett Biggs, our CFO at least for next few -- the next few days, who's done a fantastic job with for the Company. And yes, cash flow would be one of our concerns from the first quarter.

A - Brett Biggs {BIO 17414705 <GO>}

Yes, that's a good question. The first quarter is always a bit of an anomaly, one, because of the way our bonus structures work in the stores and in the home office, those are paid out in the first quarter. And there's other payments that we make during the quarter that are unique to that quarter. But we also in the first quarter, operating income was a little lower than we had anticipated, and our inventory was higher than we anticipated. So as we buy inventory, obviously, that uses cash.

I'm not concerned about that we will work through the inventory that we have in the stores excess inventory over the next quarter two, Some of the timing that happened in Q1 will reverse out in Q2 and Q3. So, I'm not concerned about what happened in Q1. And just to point out, again, the financial, the incredible financial stability of the Company, we're double A rated credit company. And we still have over \$10 billion of cash on the balance sheet.

So good question, but I think you'll see that turnaround Q2, Q3.

A - Daniel Binder {BIO 1749900 <GO>}

Great. Our next question. Will Walmart ever bring Walmart academies to Canada for early associates to grow their careers?

A - Doug McMilon

Donna, would you like to take that one?

A - Donna Morris {BIO 16617461 <GO>}

We actually Doug, and thank you for this question are actively looking at how we might be able to bring live better you to our frontline associates in Canada. Clearly the education system is different in the country. And the access to education, in terms of the cost is different than what we see here in the U.S. making it somewhat more accessible for some of our associates. Nonetheless, we are encouraged and excited about that prospect.

A - Doug McMilon

We do have education and training programs in every market where we operate around the world. They're now all branded Walmart Academy over time, there may be some consistency there too.

A - Daniel Binder {BIO 1749900 <GO>}

Our next question. Overall, or supply chain issues diminishing.

A - Doug McMilon

Not as much as we'd like as it relates to inflation, if I can categorize that as a supply chain issue, it has been quite a couple of years as it relates to the supply chain. Here in the U.S., we buy about two-thirds of what we sell. Here in the US. It's either grown or made here. So the other third comes from China, India, Mexico, Canada primarily. And we did see during the pandemic pressures from the U.S. supply chain in protein categories and some of the other areas. And you all know about what happened with the ports as it relates to imports.

So during the pandemic, with people being at home more, we saw a greater level of demand for an extended period of time, call it two years that really stretched supply chains both domestically and as it relates to imports just focused on the U.S. And then during the first quarter other things happened, including the war in Ukraine that drove up costs related to fuel further than they were already and put more pressure on things like grains. So our support wires that were already feeling some pressure and had been talking to us about cost increases, some of which we had received, continue to feel more intense pressure.

And so, today when I think about supply chain concerns, I'm less worried about what's happening with container flow, and more concerned about what's happening with inflation itself. Some of the costs that we were talking about earlier related to cashflow showed up with container storage and things like that during Q1 for Walmart U.S. and for Sam's Club U.S. in particular. And so, those things are fairly short term, and they'll pass through in the next few quarters as we work that out.

So I think demand will stay fairly strong. We'll have a successful sales year and we increased our guidance by a little bit after releasing our Q1 results or as we released our Q1 results. But we do think that that inflationary pressure is something we should all be keeping an eye on particularly for some of our customers.

A - Daniel Binder {BIO 1749900 <GO>}

We'll go to our next question. Does Walmart have the wherewithal to establish its own real estate investment trust, otherwise known as a REIT as a separate Company?

A - Greg Penner {BIO 5585986 <GO>}

Right, because this is something used to be a little more popular probably 10, 15 years ago, where companies would separate the real estate out into a separate company, and then lease it to the operating company. You don't see it quite as much as they used to see it. As a company, we're always looking at the best way to operate the business.

We own the vast majority of our real estate, there are times we lease assets, we own - we have minority interest in companies, we own majority of some public companies, there's a lot of different things that we look at, and how to run the company and how to own those assets. And as we've gone through it, the real estate investment trust is just not something that that has made sense for us and for shareholders.

A - Daniel Binder {BIO 1749900 <GO>}

This is all the time we have for questions. As I mentioned before, for relevant questions that could not be answered due to time constraints, the Company will provide responses on the investor relations section of our corporate website as soon as possible. Substantially, similar questions will be grouped together and responded to collectively.

Thank you everyone. This concludes our meeting.

Operator

This now concludes the meeting. Thank you for joining and have a pleasant day.

The host has ended this call. Goodbye.

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