

Annual General Meeting

Company Participants

- Brett Biggs, Executive Vice President and Chief Financial Officer
- Dacona Smith, Executive Vice President and Chief Operating Officer
- Dan Bartlett, Executive Vice President of Corporate Affairs
- Donna Morris, Executive Vice President, Chief People Officer
- Doug McMillon, President and Chief Executive Officer
- Gregory Penner, Chairman
- Kary Brunner, Senior Director of Investor Relations
- Kathleen McLaughlin, Executive Vice President and Chief Sustainability Officer
- Rachel Brand, Executive Vice President of Global Governance, Chief Legal Officer and Corporate Secretary

Other Participants

- Unidentified Participant

Presentation

Operator

Hello and welcome to the Annual Shareholders Meeting of Walmart Inc. Please note that the meeting is being recorded. There will be a general question and answer session after the formal meeting adjourned. 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 now turn the meeting over to you.

Gregory 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 and formally open our 50th Annual Shareholders Meeting. Although a virtual meeting isn't how we envisioned holding our 50th shareholders meeting. I'm proud of who we are and what we've accomplished as a company over the past 50 years. Obviously we're meeting under extraordinary circumstances. There is the pandemic which we have been responding and adapting

to for the past months, but also we're meeting under the shadow being cast by the violence of racism which is tearing at our country. We mourn the senseless death of George Floyd and our hearts are with his family. Unfortunately and tragically his death is just one of far too many instances of injustice.

We also stand with our associates and communities. We share your deep sense of frustration and pain. We know we have a role to play in helping create a more just and fair country, and to ensuring that we uphold and strengthen our commitment to diversity and inclusion within our company. And I know these sentiments are shared by all the members of our Board of Directors who have joined our virtual meeting. Also joining online are representatives from Ernst & Young Walmart's Independent Accountants. 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 10.35 AM, 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 votes. 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 11 director nominees, including myself who are up for re-election this year. They are Cesar Conde, Tim Flynn, Sarah Friar, Carla Harris, Tom Horton, Marissa Mayer, Doug McMillon, Steve Reinemund, Rob Walton and Steuart Walton. Thank you all for your willingness to continue to serve our company.

Next, I've asked Walmart President and CEO, Doug MacMillan to share an update on the company's priorities during this unusual year. Then, I've asked Rachel Brand, our Corporate Secretary to take us through the formal business portion of the meeting. Doug?

Doug McMillon {BIO 3063017 <GO>}

Thank you, Greg. Good morning, everyone, and thanks for your interest in our company. As you would know, we've been operating in a difficult and volatile environment. We're proud of our associates for how they've responded. Most of my comments will be related to how we've been navigating the global health and economic crisis, but I want to start by speaking to what we're all currently experiencing here in the U.S. The killing of George Floyd is tragic, painful and unacceptable. It's important that we all understand that our problems as a nation run much deeper than one horrible event. The pain we're feeling reminds us of the need to support each other and come together. Until we as a nation confront and address these hard realities, we will never achieve the best of what we can be.

Walmart is an inclusive company that is fundamental to our values and culture. We remain committed to these principles. We're motivated to continue our work related to diversity and inclusion inside our company and to finding ways to influence the various systems that exist in our country in a more impactful positive and inclusive way. More than ever, given the disruption and volatility we and the rest of the world are facing, we've learned that it's critical to keep our purpose and values top of mind because they service guideposts to help us navigate the health and economic crisis as successfully as possible. We developed a set of five priorities to guide our decision-making since the crisis began and I'll use them to frame the rest of my comments.

They are: One, support our associates that are serving on the frontlines. Two, serve our customers that need access to food and critical supplies. Three, help others including the communities we serve, new associates looking for work, the suppliers we partner with, those who lease space in our stores plus the work of federal, state and local governments. Four, manage the short-term well operationally and financially including our cash position and inventory level. And five, drive our strategy forward even as we navigate a crisis.

First, our associates, they have been flat out amazing. So our first priority has been supporting them in every country where we operate, their physical safety, financial health and emotional well-being have been at the top of our list. In the U.S., we've done that by providing extra pay and benefits including two special cash bonuses to all hourly associates and assistant managers in our stores, Sam's Clubs, distribution and fulfillment centers. We've done similar things in our international markets to support and reward associates.

From an operational standpoint, we reduced store hours to allow for additional cleaning and sanitizing, implemented protocols for temperature checks and installed sneeze guards at pharmacies and checkouts. Also, all associates are required to wear face coverings which we've provided to them. We've hired more than 300,000 associates in the U.S., the majority on a temporary basis to help relieve some of the burden faced by our current associates in stores and supply chain facilities as well as to help provide opportunities for people who've been displaced from their previous jobs. We've also implemented a number of benefits to support associate health and well-being and we're pursuing strategies for testing associates for the virus, including in the longer term antibody testing. Of course COVID 19 has affected many communities and our people. We felt the impact of this awful virus within our Walmart family and we mourn the loss of some of our own. Our hearts go out to their families.

After supporting our associates, our next priority is serving customers. This has meant adjusting to rapidly changing demands, when the crisis first hit, we saw sales shift heavily towards food and consumables as we had previously experienced in China. This was followed by a do-it-yourself phase related to home projects, entertaining and educating. We saw a third phase begin influenced by stimulus dollars, call it, relief spending. Here, sales increased in categories such as apparel, televisions, video games, sporting goods and toys. Our supply chain is among the

most capable in the world, but in this environment, we've stretched it. We're working intensely to recover our in-stock position.

The third priority for us has been to help others. This has included taking steps to support suppliers in some instances with greater flexibility with delivery windows and financing. For our in-store tenants, we waived or discounted rent through April and May. It's also meant supporting community organizations that serve as a social safety net. Through the company and foundation, we've given more than \$35 million to COVID-19 relief and response initiatives.

Finally, we're collaborating with federal and state governments. As of today, we've opened 187 COVID-19 testing sites in 31 states. We've worked with our apparel suppliers to produce PPE for healthcare workers. This has led to the delivery of 10 million additional medical gowns so far with 81 million scheduled for delivery through the end of June with the help of McKesson. As we've supported associates and serve customers and communities, we've also been able to effectively manage the business and continue to make progress against our long-term strategy.

Before this crisis, we were already seeing robust adoption of online pickup and delivery as this crisis created the need for social distancing and required people to stay at home. Customers embraced pickup and delivery even more. In the U.S., we quickly rolled out ship from store to temporarily meet the surge in orders placed on Walmart.com. We also launched Express Delivery to provide customers the convenience of having their orders delivered to their door in under two hours. Express Delivery is available from nearly 1,000 stores today and our goal is to be in around 2,000 by the end of June.

At Sam's Club, the value of a membership has never been more evident, and we've seen strong growth with SamsClub.com as we've seen with walmart.com. Our 26 international countries are experiencing different impacts and timing as it relates to COVID-19. I'm really proud of the work we've done around the world to serve our customers during this time.

I want to close where I began, by thanking our associates. We're more grateful to them than I can articulate. The effect this virus is having around the world has made it clear that we all need to do everything we can to help each other and our communities get through this. At Walmart, we're blessed to have a unique set of assets and a strong business that puts us in a good position to support our associates and serve our customers, communities and shareholders. I wish you and your families good health and thanks again for your interest in Walmart.

Now please allow me to turn it over to Rachel Brand, our Executive Vice President of Global governments. She will take us through the presentation of the proposals.

Rachel Brand {BIO 7234302 <GO>}

Thank you, Doug. We will conduct this virtual meeting in the same order we've conducted our in-person shareholder meetings in the past. We will address formal

business first moving into 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 3 minutes to present it. A chime will be played when there are 30 seconds remaining and another chime when there are 10 seconds remaining. There are 8 matters to be brought before the meeting today only these eight items if properly presented will be voted on. The first four items are the company proposals, they appear in the proxy statement as proposals one through four. The first is the election of 11 directors. Information about each Director nominee can be found in the proxy statement. The second proposal 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, 2021. The fourth proposal is to amend the ASDA Sharesave Plan 2000 by increasing the number of shares available for issuance under that plan.

Now we will move on to the shareholder proposals. The company's response to each one can be found in the proxy statement. I will recognize each presenter when it is his or her turn to speak for 3 minutes. The first shareholder proposal appeared as number 5 in the proxy statement. It was submitted by PWB investors and other co-filers. Conrad McCarran will present it on behalf of the shareholder proponents. Operator, is Mr. McCarran on the line?

Operator

Yes.

Rachel Brand {BIO 7234302 <GO>}

Thank you. Mr. McCarran, you have 3 minutes.

Unidentified Participant

Thank you, and good morning. I'm Conrad McCarran, Senior Vice President of As You Sow, which filed Proposal number 5 on the proxy statement today, which asks the company to issue a report assessing the environmental impacts of continuing to use single-use plastic shopping bags. Walmart distributes an estimated 18 billion to 20 billion single-use plastics carry out shopping bags per year, which contribute to plastic pollution. About 1 trillion single-use plastic bags are used annually across the globe or about 2 million distributed every minute.

Plastic bags are a major component of the global plastic pollution crisis. Every year Americans reportedly throw away 100 billion plastic grocery bags, most used for only a very short time. Only an estimated 1% to 3% of these plastic bags are recycled, which means that the rest are either landfills, burned or escaped into the environment. It is estimated that about 100,000 marine animals are killed by plastic bags every year that end up in the ocean.

Further plastic bags can take a 1,000 years to break down in a landfill and are among the top 10 most commonly collected plastic materials in the Ocean Conservancy's Annual International Coastal Cleanup. For many years, our competitors including Costco, Trader Joe's and Whole Foods have not distributed plastic shopping bags. Competitor Kroger has agreed to ban plastic shopping bags by 2025. Kroger's CEO, Rodney McMullen has commented "the plastic shopping bags days are numbered, our customers have told us, it makes no sense to have so much plastic only to be used once before being discarded and they are exactly right". We believe that Walmart failure to match its peers and fully phase out plastic bags poses reputational and financial risks because of the potential to contradict Walmart's public positioning on sustainability. The company's public communications, statements and advertising clearly emphasize environmental sustainability and social responsibility, and acknowledge the need for reduction of plastic bag distribution.

Walmart management has failed to provide evidence to shareholders that it has adequately studied the financial and reputational risks of continuing to use plastic shopping bags. This proposal merits shareholder support to send a message to management that a stronger response is warranted. Shareholders would receive benefit from a more detailed discussion of the company's awareness of and plans to deal with the environmental.

Rachel Brand {BIO 7234302 <GO>}

Mr. McCarren, your time is expired. Please conclude.

Unidentified Participant

Posed by the continued distribution of these bags. Therefore, we respectfully ask for your support on proposal number 5. Thank you.

Rachel Brand {BIO 7234302 <GO>}

Thank you, Mr. McCarran. We appreciate your viewpoint. The Board recommends a vote against this particular proposal for the reasons explained in the proxy statement.

The next proposal appeared as number 6 in the proxy statement. It was submitted by the Rafael Living Trust and other co-filers. Christie's Phees will present it on behalf of the shareholder proponents. Operator, is Ms. Phees on the line?

Operator

Yes.

Rachel Brand {BIO 7234302 <GO>}

Thank you. Ms. Phees, you have 3 minutes.

Unidentified Participant

Thank you. Good morning. My name is Christies Phees, and I would like to thank you for the opportunity today to move shareholder proposal number 6. I want to, of course, recognize that our attention today is focused on the pandemic of racism in our country, and these past months, we've all been focused on the COVID-19 pandemic threatening many lives and livelihoods around the world. We are really living and a historic moment in American history. Our shareholder proposal requests Walmart's due diligence in preventing a future global health crisis of our own making. The growing threat of antibiotic resistance.

The current pandemic illuminates the need to act, to reduce or avoid threats before they result in significant loss of life and economic disruption. Antibiotics are the foundation of human medicine and they are losing their effectiveness. Scientist estimate that by 2050 antibiotic resistance could cause 300 million premature deaths and up to 100 trillion dollars in global economic damage, if no action is taken to protect these medicines. And one of the biggest causes of antibiotic resistance is the overuse of antibiotics in food animals. Walmart has an immense impact on the way food products are grown and raised, just one of the largest purchasers of meat products in the country. Currently, the company allows its suppliers to administer antibiotics important to human medicine to farm animals, a practice that fuels spread of antibiotic resistant superbugs. In fact last fall, consumer advocates reported binding superbugs in samples of pork purchased at Walmart stores. Reputational damage and litigation from such reports is a clear threat to our company, but even more importantly, this is an incredible risk to public health.

Walmart currently asks its meat and poultry suppliers to report on the use of antibiotics on farms. Our proposal asks the company to then investigate this data and provide strategies for how the company might act to reduce its risks related to antibiotic resistance.

The board's opposition statement rightfully points out that antibiotic use in food animals is a very complex issue. Among those complexities is the current regulations which allow use of antibiotics in healthy animals that are "at risk". While on the surface this sounds logical, the term at risk is often interpreted to include animals that are raised in poor unsanitary condition and in fact instead of cleaning up those conditions, farms are permitted to use critically important antibiotics to prevent sickness in animals. If Walmart is truly committed to changing systems for the better protecting its business and its consumers, it will benefit the company to assess which suppliers are using such poor practices and shift its purchasing accordingly. This responsive action would reflect and implement the company's real priority to preserve antibiotic effectiveness and thereby reduce risks for the company shareholders. Thank you for your time.

Rachel Brand {BIO 7234302 <GO>}

Thank you, Ms. Phees, we appreciate your views. The Board recommends a vote against this proposal for the reasons explained in the proxy statement.

The next proposal appeared as number 7 in the proxy statement. It was submitted by Cynthia Murray. Operator, is Ms. Murray on the line?

Operator

Yes.

Rachel Brand {BIO 7234302 <GO>}

Thank you. Ms. Murray, you have 3 minutes.

Unidentified Participant

Good morning, and thank you. My name is Cynthia Murray, I'm a Walmart shareholder and associated for 19 years and a member of United for respect. I'm proponent of proposal 7, which urges the board to adopt the policy to include hourly associates on the list of director candidates. The Coronavirus create huge risk at Walmart. We keep seeing outbreaks connected to Walmart stores in the news, and thousands of Walmart workers have tested positive for the disease. At least 22 people who work at Walmart have died. Walmart delays, failures and inconsistencies have exposed a serious disconnect between Board oversight and what's needed in the stores. Our experience serving our customers, keeping stores open and meeting safer efforts show how valuable it would be to Walmart to have associates in the boardroom. With Coronavirus, it's like Black Friday in my store even though there are policies on customers' limits, there is no enforcement inside the store. I will be 67 this month and have asthma. My husband and son are both at high risk, I took two leaves of absence after my daughter reminded me that my job shouldn't put my life at risk. I came back to work at Walmart to find that my store now has its fourth manager in a year, raising serious concerns about consistency. It's not just my store. We surveyed over 1,500 associates weeks after Walmart announced they were limiting the number of people in stores, fewer than 1 in 10 reported they could always maintain appropriate distancing. Coronavirus is new but the failures of Walmart responses aren't new to us. Paid sick leave is one of the area where we've told management for years that the policy incentivize people to come to work sick. Now even with the pandemic leave policy, 45% of those surveyed were still likely to come to work if they don't feel well, largely due to fear of discipline or being unable to afford to stay home. These and other gaps in Walmart responses are life and death for us and for customers and a huge risk to the company.

Sam Walton said the folks on the frontlines, the ones who actually talk to the customers are the only ones who really know what's going on out there, but our inside don't make it up the chain. On the board we could be a balance again short-term thinking and risky corporate behavior. Every day Walmart hourly associates show our commitment to long-term success of the company. We need a seat on the Board for ourselves, our families, our communities and shareholders. I urge shareholders to vote yes on proposal 7. Thank you.

Rachel Brand {BIO 7234302 <GO>}

Thank you, Ms. Murray. We appreciate your views. As Doug mentioned, some of the many actions to prioritize the safety of associates and customers that the company has taken and more extensive information about this, including actions taken regarding safety, pay and benefits can be found on our corporate website. The Board recommends a vote against the particular proposal you made for the reasons explained in the proxy statement.

We'll now move on to the final proposal, which appeared as number 8 in the proxy statement. Carolyn Davis will present it on behalf of Organization United for Respect. Ms. Davis pre-recorded her presentation, which we will now play.

Unidentified Participant

Shareholders of Walmart Inc. Walmart urge the Board of Directors a strengthen Walmart's prevention of workplace sexual harassment by formalizing the Board's oversight responsibility, aligning senior executive compensation incentives, reviewing and necessary overseeing a revision of company policies that are important to shareholders by December 31, 2020, where actions taken admitting confidential and priority information. My name is Cat Davis, I worked at Walmart for 12 years. I am a member of United for Respect. I'm also a victim of sexual harassment at Walmart some years ago. We had an assistant manager who was very flirtatious often by his sexual advances towards women. My colleagues discussed he was making sexual advances regularly. One day while I was at work he approached me with his credit card in his hand. I asked him why are you handing me your credit card? He said you can take it and buy whatever you want clothes, nails, other things that he thought women were interested in. I thought it was a joke. He told me to take the car and go on a spending spree, but in return I have to check into a hotel in my name, so he can meet me there after he go off work. I didn't accept this offer, but he did repeat himself and I said, no. He seems surprised that I had turned down the offer which made me wonder how many times he had made this offer at Walmart. And I'm reporting this to you now for the first time. I didn't report it before because no one has stopped him before. I assumed that my voice would not make a difference. At some point, another associate there reported him and instead of being fired, he was transferred to another store about 30 minutes away. He was terminated initially, but it took too long for Walmart take a compliant seriously. As a member of United for Respect, I am committed to approach thousands of stores and have heard stories about managers, vendors and consumers who have sexual harassment associates without significant consequence. Walmart harassment policy must be improved and must be applied consistently. We need to ensure when a complaint is filed, Walmart immediately launches an investigation and informs the person who filed the compliant with their findings and any action that Walmart has taken.

When the manager or supervisor commits sexual harassment, Walmart should terminate them. The stories of how I and others were sexually harassed at Walmart do not need to happen. Walmart policies are not following its policies means that shareholders face significant risk. Workplace sexual harassment have gotten a major attention from an elected official, the media and policymakers and spurred significant public debate. Additionally, a company whose culture tolerates sexual harassment tends to have higher turnover and less productive employees.

Mr. McMillon, Chairman Penner, if our associates had a voice in our corporate Board room, we could work together to ensure that all associates are safe. Robust Board oversight is especially important at Walmart to address ongoing sexual harassment issues. I urge shareholder vote yes on this proposal as the largest corporate employer of women in the U.S. Walmart clearly should be a leader in preventing sexual harassment and holding wrongdoers accountable. We urge shareholders to vote for this proposal. Thank you.

Rachel Brand {BIO 7234302 <GO>}

Ms. Davis. Thank you for your views and for telling your story. Although we don't support your specific proposal we agree with much of what you said. We do not tolerate sexual harassment in the workplace. Any reported sexual harassment must be taken seriously and investigated and they are. We encourage associates report misconduct. We investigate those reports and we take action when misconduct is found. Using that process we will investigate the concerns you've raised today. You can find more information about all of this in the proxy statement.

This concludes all of the matters to be presented for shareholder consideration at the meeting. It is now 10.59 AM and the polls are closed.

Based on the initial report from the inspectors of election, the preliminary voting results are as follows. Each director nominee has been re-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. The preliminary voting results will be announced in the press release later today and the official results will be disclosed in the filing with the SEC. The 2020 annual shareholders meeting is now formally adjourned.

We will now pause briefly before moving into a Q&A session moderated by Kary Brunner, Senior Director of Investor Relations.

Questions And Answers

A - Kary Brunner {BIO 20114316 <GO>}

Good morning. I'm Kary Brunner, Senior Director of Investor Relations. We will now take the next 30 minutes to respond to questions submitted through the virtual meeting platform. We will answer as many questions as we can in the remaining time. 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.

The first question is while we recognize that Walmart has taken many steps to protect workers, customers and investors from adverse impacts related to COVID-19, given the reports of ongoing workforce and operational issues at Walmart facilities, is the Board of Directors tracking and able to disclose the following performance metrics

to illustrate the effectiveness of its broader response strategy, including days lost due to COVID-related illnesses, workforce turnover rate, changes in workforce productivity, changes in workforce compensation incentives and employee engagement and morale? Doug.

A - Doug McMillon {BIO 3063017 <GO>}

Thanks for the question. Happy to respond. The answer is yes, we have been keeping the Board up to speed routinely through video conferences, written messages and individual conversations and we've shared metrics, try to describe this quantitatively as well as qualitatively. As you may know, we've done a number of different things, including trying to create an environment where associates that shouldn't come to work, don't, whether they feel uncomfortable, might not be feeling well, have a pre-existing condition. We created a 3 tier leave policy and we're happy to report that since it's been established more than 270,000 associates have access that leave policy and taken advantage of it. That gives us some confidence that it's been effective because it's so important that those that are uncomfortable don't come to work. As you also know, we've been hiring people to help get the work done, fill in those gaps and we're pleased to have had the opportunity to hire more than 300,000 people since the middle of March to work at Walmart U.S., to help cover for those that have taken leave or have called in, our call-in rates by the way have been fairly consistent during the crisis and that's one of the metrics that we've been sharing with the Board.

In addition to the leave policy, I think you're aware of the many operational changes that we've made -- the usage we're making at PPE, the steps we've taken to increase social distancing, that includes things like closing earlier so that we can clean, having associates answer a series of questions, taking their temperature, providing masks. We've shipped during the crisis to the U.S. alone with an 110 million masks to our associates in stores, clubs, distribution centers, fulfillment centers. You've probably noticed we're using Flexiglass in different parts of the store, making hands sanitizer available. And as it relates to social distancing limiting the number of customers coming into the store has been an important step, but we've also done things like put one way arrows down on the floor to encourage customers to avoid each other going down the aisle. In addition we've created some extra pay and benefits to appreciate those associates and whether they called in or whether they came to work. We've announced two specialty cash bonuses that totaled approximately \$755 million, and in our fulfillment centers we increased our temporary pay about \$2 an hour.

We also pulled forward our first quarter MyShare bonus, which help get cash in the hands of our associates early in the crisis and we got a lot of good feedback from them as it relates to that. They just done an incredible job, and as you heard me say earlier, we created these five priorities to remind us all each day what it is we were trying to do and the first priority on our list was to support our associates on the frontline, nothing happens if they're not supported and they're not pleased with how the company is taking care of them. A number of us have been going to visit stores, clubs, distribution centers, e-commerce fulfillment centers around the country during the crisis, I have been to quite a few states myself and have visited with a lot of our associates and asked repeatedly on those visits what more do -- what more can we

do to support them. And as the thing was starting in the beginning, we were getting really good ideas from our associates as it relates to what we can do. And as far as I can remember, we implemented all of those, and as of late for more than a month now, folks have had a hard time coming up with additional things that we can do, but if we come across any more ideas to help keep them safe, we'll certainly consider those and most likely do them.

So as it relates to a granular data, you can follow up with the team if we didn't sufficiently answer all of your question, but I hope we did.

A - Kary Brunner {BIO 20114316 <GO>}

Thank you. The next question is what affects has the pandemic had on Walmart from an earnings perspective and in regards to our future business model? Brett Biggs, our CFO will take that.

A - Brett Biggs {BIO 17414705 <GO>}

Hi, thanks for the question. As probably most of you know we released earnings a couple of weeks ago and we described the quarter as really several quarters within a quarter, and as Doug mentioned, the initial stock up and then stimulus dollars came out in the middle part of April and we had another acceleration of sales. And when you look at the mix shift that we had between e-commerce and our stores, that is something that we think will accelerate going into the future, so our e-commerce business will become even more important than it has in the past. We also had additional cost, we had about \$900 million in additional costs in the quarter, some of those will be more permanent, like cleaning and sanitation, but about three-fourths of those cost, or what Doug alluded to a minute ago around associate bonuses and pulling forward, bonuses and things that we did for our associates, which we're very happy to be able to do that.

The strategy that we've been implementing around omnichannel is the right strategy, and I think this period of time has shown that to us even more and I think to our investors and our customers as well that we're there for them, no matter how they want to shop whether it's in stores, whether it's pickup or delivery or e-commerce, we have the ability to do to do that. And when you combine that with the great assortment and the great prices that we've always been known for, it's a strategy that we believe is a very, very important and very, very viable for the future.

A - Doug McMillon {BIO 3063017 <GO>}

I just had -- we've had this strategy for a while now and a vision for our future business model, which results in a flywheel. The experience over the last few months has really accelerated that and increased our conviction that we've got the right plan and thankful to have the assets to put together to bring into life, not only in the U.S. but around the world, and we are seeing customer behavior across countries exhibit some consistency. People still want to shop in stores and clubs and it's great that we've got a bunch of them and they also want to shop on their app online and in the future we want to shop in even more ways and what we'll do is just keep building new products and making them available to customers in a way that we can be there in a way they want us to be and then have the supply chain behind it which includes

the usage of stores to be able to fulfill those orders in the way that they expect quickly and cost effectively. So I just leave this experience so far saying it feels like we're on the right track strategically. It will drive change in our business model and we are well on our way to make that happen and now we've even -- feel even more strongly about it.

A - Kary Brunner {BIO 20114316 <GO>}

Thank you. The next question -- actually we received several questions on online competition and if there is a second wave in this pandemic, logistics and delivery to customers. How will they be improved and how do you appraise competition in that last mile delivery? And also are you applying robotics to better compete with online competition?

A - Doug McMillon {BIO 3063017 <GO>}

Sure. That's a lot of questions. I'll try to be concise in my answer, but it'll take me a little bit of time to get through all that. Again, we think our omnichannel strategy is the winning strategy and it's great to have the capabilities that we have today. I appreciate the support to be able to make investments in e-commerce as we have. I'll focus on the U.S., but a lot of what I'm about to say would apply to international as well. Let me start with the supply chain because we don't have the product we can take care of customers, and I'm appreciative of our merchandising team, our replenishment teams around the world in a way that they've responded to the changing demand, and Brett just outlined a few minutes ago because the categories were impacted in different ways at different times and have been doing this almost 30 years now and I've never seen anything like the pressure that our supply chain team has been on, but our teams have done a nice job responding being creative and they just worked really hard, which leads me to the next group to thank, which is our suppliers.

Our suppliers have been collaborative, transparent with the situations that they've been dealing with. We sell a lot of different categories, so we touch the food categories. You've seen the pressure that the meat business have been under for example, but it's more than that, we've had some stress in kind of shelf stable dry grocery goods as well, but all the way across the store from food into apparel and general merchandise, there have been pressures there too. I've not been in stores in a long time and seen the kind of pressure that our craft and fabric department has been put under from an in-stock point of view. I haven't seen puzzle sell in a long time like we've sold them recently and so being able to predict those things both us and the suppliers and respond back quickly has been a challenge, but again the suppliers have done a great job of helping us recover and make that happen both for our e-commerce business as well as our stores. So if that step recovers and we improve our in-stock, then the question becomes, where do we put the inventory based on how customers want to shop? And of course we want to improve our in-stocks at store level, that's the number one focus that we have at the moment. But as those of you that follow the company know we've increasingly been supplementing our e-commerce fulfillment with store fulfillment and we've got a great assortment of around 120,000 items in our super centers and they can be used for pickup experience for customers as well as delivery.

And over the last few years, we've expanded that pickup business as we shared before, it's got a very high Net Promoter Score, our customers love it. I've been out in parking lots, the last few weeks and our associates are especially grateful of the opportunity given the virus to be able to pull up in the parking lot and get their orders. That capability being able to pick efficiently in store which dates back to our UK business where we started to begin with and imported it over to the U.S., then unlocks the ability to deliver and we use a variety of delivery capabilities to service the customers' needs and we have our own independent contractor platform called Spark. We also worked with a number of third-party providers to cover off our last mile and that variety of capabilities we think gives us not only some resilience, but also the ability to scale quickly and I've been impressed with the latest innovation that the team has been able to accomplish and that's this Express Delivery opportunity for customers to be able to get an order in less than 2 hours. We went through a period of time during the crisis where we were really suffering from an in-stock point of view and had to reduce the number of pickup and delivery windows out of the supercenters because our in-stock wasn't reliable, that lasted for a few weeks, but the team recovered and as in-stock got better we opened up more and more slots for pickup and delivery and then they layered on top of the Express capability and scaled it. I mean, as I mentioned earlier, we got 2,000 stores and the teams working quickly to get to 2,000 stores and more, and I think that's going to be something our customers are going to love in addition to the services that we offer already.

So we'll keep innovating as it relates to last mile and be competitive in that space. And then Kary, I think the last part of the question was related to robotics. And there are a number of technologies, machine learning, artificial intelligence which are -- which apply to our demand forecasting ability, but also robotics inside stores and automation in our distribution centers that we will continue to pursue. We have a history of doing that, the company's innovated over time with self-distribution and the things that we do in our supply chain and that will continue. But our business will always be a people business. We have had real significant increase in the number of associates that we've had the last few months we've gotten now globally north of 2,350,000 associates. We've seen that number tick up as we've hired all these additional associates, including the temporary help and I think for a generation of retail to come will still have a lot of people and a lot of jobs. Now those jobs will change and they need to. We've got to prepare our associates for the future of work. Our businesses around the world and as countries we need to all continue to drive productivity. But as we do that we want to bring our people along. We want them to be trained and equipped, be ready for change and understand the new system that we're trying to build. So it's exciting to see that our teams have put in place a number of different pieces of automation. I think we're still very much in a test and learn phase. In some cases, we've scaled things like fast unloaders to help the associates in the back room, manage freight and we do some shelf scanning these days with a device that roams up and down the aisles and that's been helpful as it relates to modular accuracy and those are just two examples of technology that we'll put together to bring this higher level of productivity through. But as I mentioned, we'll do that with our people and bring them along in the process.

A - Kary Brunner {BIO 20114316 <GO>}

Thank you, Doug. Brett you can take the next question, how secure is the dividend and share buybacks?

A - Brett Biggs {BIO 17414705 <GO>}

Sure. So the company is in excellent financial position as you would have seen in our first quarter results. We held more cash -- hold more cash currently and it's just a way for us to have more flexibility as we go forward. We have very strong access to the capital markets and our cash flow is very strong. It has been strong in the past and it was strong again in the first quarter. As we allocate capital and we make those decisions, the first thing that we always want to do is invest in our business and you've seen us do that over time through capital expenditures, through investments in associates, through investors -- through investments in customer experience. We're very committed to our dividend. We've had 47 years straight of increases in that dividend. So I think that demonstrates the fact. And then we have a long history as you know as investors of share buybacks and there's a number of things that we consider in making that decision over any period of time, but we feel very, very good about the value of the company.

A - Kary Brunner {BIO 20114316 <GO>}

Thank you, Brett. The next question will go to Dacona Smith, who is our Executive Vice President and Chief Operating Officer at Walmart U.S. I see some empty shelves at our local Walmar's, are these related to disruptions in logistics for example, Chinese factories ports being closed. How bad are these disruptions to supply chains and is this improving? What could be done short and long-term to prevent? Dacona.

A - Dacona Smith {BIO 20980414 <GO>}

Yeah, Kary. We are seeing some improvements in big parts of our business. Clearly, there were some disruptions, but we're seeing parts improve and as approved in-stock inside the stores is clearly improving as well. I would really to relate to Scott to touch on further on the supply chain disruption, but we can see improvements inside the stores.

A - Kary Brunner {BIO 20114316 <GO>}

Great. Thank you, Dacona. The next question is, it appears as though Walmart's paid COVID-19 related leave is only provided if there is a mandate from health authorities to quarantine or a confirmed diagnosis. Otherwise, it appears that individuals who believe that they may be exposed must use valuable PTO time to take unpaid leave. Will this policy not result on false choice for Walmart associates leading them to choose between coming into work while sick, which potentially could infect others or going unpaid utilizing valuable PTO largely because mass testing is simply still not available? Donna Morris, our Chief People Officer will take that one.

A - Donna Morris {BIO 16617461 <GO>}

Thank you. Our first priority since the outbreak of the pandemic has been the overall support of our associates. The COVID policy applies to all of our frontline hourly associates, whether they be regular, part time, full-time or temporary. And it has

been in place since shortly after the pandemic outbreak here in the U.S. I believe the exact date was March 13th. So we have in fact been very, very active in encouraging all of our frontline hourly associates, if they are unwell, feeling unsafe or believe they should not be in the workplace to leverage the leave policy. And as Doug shared earlier, we feel somewhat relieved that our overall associate population has accessed the leave policy to assure that they can be away from work, once again no implications in terms of their attendance or our time off policies.

A - Doug McMillon {BIO 3063017 <GO>}

Just to repeat the cash bonuses that we provided so far went to everyone so that helped and then having the quarterly bonus not be attached to attendance anymore also ensured that the associates got money through that too as well.

A - Kary Brunner {BIO 20114316 <GO>}

Okay, thank you. The next question is for you Doug. Is Walmart planning any further global expansion?

A - Doug McMillon {BIO 3063017 <GO>}

Our focus right now is on our existing markets. We just got such a great opportunity where we are not only in the U.S., we've got a tremendous business in Mexico and Central America, Canada, big opportunity in India. If you follow the company closely that we've made a large investment there and continue to be excited about our opportunities there. So we're positioned with large populations, with other characteristics in these markets that cause us to be bullish on the future. So that's our focus and don't have anything else to that.

A - Kary Brunner {BIO 20114316 <GO>}

Okay. Thank you, Doug. Kathleen McLaughlin will take the next question. She is our Chief Sustainability Officer. As a shareholder proposal was denied, what does Walmart doing internally as a company to address the impact of single-use plastic bags? Kathleen.

A - Kathleen McLaughlin {BIO 18336643 <GO>}

Thank you very much for your question. We agree that plastic waste is a critical priority to address and we have prioritized that through an initiative to tackle all forms of single-use plastic across our business that includes packaging, that includes plastic bags. As it turns out plastic bags make up about 6% of our plastic footprint considering other forms of packaging across the assortment. So we're absolutely tackling that as long as -- as well as everything else. We're doing if you things, one we're really focused on accelerating elimination of plastic -- reduction of plastic and recyclability across our entire assortment with partnership with suppliers. We're a core partner of the on MacArthur Foundation and we have a roadmap working with suppliers across all use cases of plastics including bags, but also clamshells bottles, films et cetera. We've also worked closely with systemic that has created a global roadmap of different kinds of plastic and recommending approaches to eliminate waste across the different use cases working very closely with us, but also fellow members of the Consumer Goods Forum.

We held summit last fall and issued a plastic packaging playbook that's now publicly available for all suppliers. It's about 700 people come to that summit including suppliers as well as industry experts to accelerate reduction, substitution enhancements in packaging to make it fully recyclable. We have committed to recycled content as well as recyclability and that's available -- more information about that is available online in our ESG report. With respect to bags specifically, we've undertaken two major initiatives, one is working to reduce the use of bags in stores. We've made reusable bags prominently available on carousels. We've done more affordable promoting their use among our customers and also offering opportunity to recycle bags in stores and we do take a fair number of bag that way. We also of course comply with any regulations and legislation about plastic bags and that actually helps us go faster. It helps to shift consumer behavior.

The second thing we're doing is piloting approaches to eliminate the use of plastic in our grocery pickup operations. We've seen very positive uptake of that. We're excited about what we're seeing there and encouraged to roll that out if COVID complicates this situation as many will know in terms of single-use packaging and bags and so on, but it's something we remain very committed to and we're excited to make progress on it. I would say stay tuned, we have additional things we'll be announcing quite shortly around this that are more collaborative efforts bringing in some other retailers. We think this really is a whole system challenge where we need policymakers and retailers to unite and shifting behavior in this system. So stay tuned.

A - Kary Brunner {BIO 20114316 <GO>}

Thank you, Kathleen. Our next question is, how have you been affected by recent unrest in Walmart's main operating cities? Doug, do you want to take that one?

A - Doug McMillon {BIO 3063017 <GO>}

Yeah, sure. We have been impacted. It's -- as you would guess in a minority of locations. We've had some stores where we've had inventory loss and some physical damage, but it's not where many stores as a percent of total and the team has done a really good job of keeping our associates and customers safe. We've been pretty aggressive as it relates to closing stores, closing stores early and that's what we'll continue to do through the crisis. We'll just focus on associate and customer safety and then recover as needed beyond that.

A - Kary Brunner {BIO 20114316 <GO>}

Thank you, Doug. Dan Bartlett, our Executive Vice President of Corporate Affairs will take the next question. Will there be any changes to the planning of the new home office based upon the likely change in future way of working with more of distributed workforce versus the campus-based traditional workforce? Dan.

A - Dan Bartlett {BIO 3071809 <GO>}

I appreciate the question. The good thing is we're at the phase in our planning an architectural design in which we have plenty of opportunities to get the best practices in learnings as everybody starts to adapt to the new normal as they say, but

also these buildings have not even taken form shape yet or. And so we already approached us with the mentality of having maximum flexibility for on the floors -- on the floors in which there will be office space. And so there are certainly be learnings that we'll adapt and implement as a part of this in the design structure and implementation. So the good thing about it is that we're at a period in this process where we can adopt best practices without disrupting the overall timeframe of the project.

A - Doug McMillon {BIO 3063017 <GO>}

As you've heard from other businesses. It's been impressive to see how different parts of the organization can work in different ways. Our technology team for example has continued to have tremendous momentum with many of them working from home. We've announced some changes related to that part of our team, but big picture, I think in a post vaccine world, we're going to need office space and people are going to collaborate and work together. And so I don't anticipate significant changes, as Dan said, we've got flexibility in time should we learn things that change our minds, but as this crisis has gone on, we've noticed things that were missing. Just one example would be, it's hard to on board a new associate in this environment. How do you get to know people, how do you get a sense for what culture is like and culture inside a company is such an important aspect that I think being present with each other is going to matter over time and that will influence the way we think about our new home office campus.

A - Kary Brunner {BIO 20114316 <GO>}

Thank you, Doug. You might take the next question as well, how is Walmart stepping up and competing against Dollar stores, that seem to be increasing share?

A - Doug McMillon {BIO 3063017 <GO>}

We think about the customer first and competition is in the peripheral vision and our job is to have a value relative to our competition, price leadership and EDLP are obviously really important to us. As it relates to dollar stores, hard discounters and others like that. It's really important that we get our sizing right, our packaging, right, so that customers can compare price. We're competitive as it relates to pricing and then we offer more, a supercenter has a broad assortment as opposed to those types of competitors and lately we've been expanding our other capabilities to create ease of use, including the delivery capability. So again, we basically build out an omnichannel business customers can get what they want, including strong opening price points, private brands and enable us to be competitive with all forms of competition.

A - Kary Brunner {BIO 20114316 <GO>}

Thank you, Doug. Dacona Smith will take the next question. With regards to how stores are reinforcing traffic flow during this time among customers, are these guidelines mandatory or suggested the customers? And is there a reporting capability for customers that they see others not following the guidelines? Dacona.

A - Dacona Smith {BIO 20980414 <GO>}

Yeah. Good question, Kary. Yeah, as you know, we have taken measures to ensure that customers understand the importance of social distancing and then we've also used directional arrows. In addition to that, there has been communication over our PA systems encouraging customers to pay attention to those measures. And as well as that, Kary, there are several steps that stores can take to communicate any concern, so that we can help reinforce those guidelines. So stores we feel really good about the processes we have in place and the actions that stores are taking to ensure that we keep customers and associates safe.

A - Kary Brunner {BIO 20114316 <GO>}

Great. Thank you, Dacona. Doug, you can take the next one. How successful has the delivery service been? Has the virus had an impact on getting more stores use delivery or is this still work in progress?

A - Doug McMillon {BIO 3063017 <GO>}

It's been really successful and we're scaling it further. I think it's here to stay and our customers are responding really positively. Our NPS score on delivery and pickup both high and the encouraging thing is we've shared at several of our investor conferences over the last few years is that when customers use pickup and delivery, they shop with us more often. Again this omnichannel approach one brand multiple experiences for customers is a winning strategy and I think delivery will be an important component of that.

A - Kary Brunner {BIO 20114316 <GO>}

Thanks, Doug. We have time for maybe one or two more questions. What is going on in India during this time more broadly?

A - Doug McMillon {BIO 3063017 <GO>}

Okay. It's a big question. It's a big country. There's a lot going on in India. As it relates to our business and we've operated cash and carry stores there for a long time and are pleased to have been in the market. We source some product out of India, but most recently, the big news is the investment we made in Flipkart and PhonePe and that's going really well. We're pleased with the investment, excited about the team there and the progress that they're making in India and in many emerging markets, things can be volatile. There are regulation changes and today we're dealing with COVID-19 in India just as we are in other markets. And so the team's doing a nice job of being flexible responding to the environment that they're operating in, in the last few weeks, back up and operating serving customers effectively and making it happen.

A - Kary Brunner {BIO 20114316 <GO>}

Thank you, Doug. And our last question. You can go ahead and take this one as well. How many COVID parking lot testing stations have been established to date in the U.S.?

A - Doug McMillon {BIO 3063017 <GO>}

I mentioned it earlier, the number is 187 currently. It's a moving target. I mean, even this week, I was on the phone with one of our governors who would like to have more testing stations. There'll be some that will close because of low demand. There will be others that will open, but it's been great to see the team's creativity and persistence. They were challenging to open in the beginning for a number of reasons, including a lack of PPE, but as tests have changed and other circumstances have changed we've been able to scale it and we're pleased to provide this service where it's requested.

A - Kary Brunner {BIO 20114316 <GO>}

Thank you, Doug. That is all the time we have for questions. As I mentioned earlier, relevant questions that cannot be answered due to the time constraints, we will provide responses on the Investor Relations section of our corporate website as soon as possible. Similar questions will be grouped together and responded to collectively. Thank you everyone for your attendance. This concludes our meeting.

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