



December 16, 2021

Via email: rachel.brand@walmart.com

Rachel Brand
EVP Global Governance, Chief Legal Officer and Corporate Secretary
Walmart, Inc.
702 Southwest 8th Street
Bentonville, AK 72716-0215

Dear Ms. Brand:

The Unitarian Universalist Association, a long-time shareowner of Walmart, Inc. (the “Company”), is hereby submitting the attached proposal (the “Proposal”) pursuant to the Securities and Exchange Commission’s Rule 14a-8 to be included in the proxy statement of the Company for its 2022 annual meeting of shareholders. The UUA is co-filing this resolution with the School Sisters of Notre Dame, Central Pacific Province (the “Lead Filer”). The resolution requests that the Board conduct an evaluation and issue a report describing if, and how, Walmart’s indirect lobbying activities through trade associations and other organizations align with the Paris Climate Agreement’s aspirational goal of limiting average global warming to 1.5 degrees Celsius.

The Unitarian Universalist Association (“UUA”) is a faith community of more than 1000 self-governing congregations that brings to the world a vision of religious freedom, tolerance, and social justice. With roots in the Jewish and Christian traditions, Unitarianism and Universalism have been forces in American spirituality from the time of the first Pilgrim and Puritan settlers. The UUA is also an investor with an endowment valued at approximately \$267 million, the earnings from which are an important source of revenue supporting our work in the world. The UUA takes its responsibility as an investor and shareowner very seriously. We view the shareholder resolution process as an opportunity to bear witness to our values at the same time that we enhance the long-term value of our investments.

The UUA through its Unitarian Universalist Common Endowment Fund has continuously beneficially owned, for at least three years as of the date hereof, at least \$2,000 worth of the Company’s common stock. Verification of this ownership will be sent under separate cover. The UUA intends to continue to

hold such shares through the date of the Company's 2022 annual meeting of shareholders.

The UUA defers to the Lead Filer in all decision-making regarding this proposal. As such, we authorize the The School Sisters of Notre Dame Central Pacific Province to withdraw the resolution on our behalf if an agreement is reached.

Please contact Timothy Dewane at 262-787-1023 or tdewane@ssndcp.org with any questions or to arrange for a meeting. If need be, I can be reached directly at (617) 620-0574 or tbrennan@uua.org.

Very truly yours,



Timothy Brennan,
Special Advisor on Responsible Investing

cc: Andrew McGeorge, Treasurer & CFO, UUA
Timothy Dewane, School Sisters of Notre Dame
Frank Sherman, Seventh Generation

Enclosure: Shareholder resolution



Resolved

Shareholders request that the Board of Directors conduct an evaluation and issue a report within the next year (at reasonable cost, omitting proprietary information) describing if, and how, Walmart's indirect lobbying activities through trade associations and social welfare and nonprofit organizations align with the Paris Climate Agreement's aspirational goal of limiting average global warming to 1.5 degrees Celsius. The report should also address plans to mitigate the risks presented by any misalignment between its indirect lobbying and the company's positions.

Supporting Statement

The recent Emissions Gap Report from the United Nations Environment Programme¹ indicates critical gaps remain to prevent the worst effects of climate change. The Build Back Better Act calls for climate investment to support the United States goal to reduce emissions by 50% by 2030². Companies have a crucial role to play in empowering policymakers to close these gaps.

Investors and stakeholders are increasingly scrutinizing potential misalignment between companies' climate commitments and policy advocacy.³ Corporate lobbying activities that are inconsistent with meeting the goals of the Paris Agreement to hold global warming to 1.5 degrees Celsius over pre-industrial levels present regulatory, reputational and legal risks. Such policy engagement also presents systemic risks to the economy, as delays in implementation of the Paris Agreement increase the physical risks of climate change, undermine economic stability, and introduce uncertainty and volatility into investment portfolios.

Walmart actively supports the goals of the Paris Agreement⁴, has committed to science-based targets for emissions reduction⁵, co-leads the Retail Race to Zero campaign⁶, and advocates for 1.5 degree aligned, science-based national and international climate policies⁷, including the Infrastructure Investment and Jobs Act and the Build Back Better budget reconciliation proposal.⁸ The Company discloses its public policy positions on its website and a partial list of trade associations and coalitions that engage in political activities.⁹ Although the Company states that it "*periodically reviews its memberships to determine if any adjustments are needed*", it is not transparent in disclosing a full list of its major trade associations or identifying any misalignments with its own policy positions. Influence Map provides examples of company

¹ <https://www.unep.org/resources/emissions-gap-report-2021>

² <https://www.nrdc.org/experts/manish-bapna/house-passes-historic-climate-action-build-back-better-act>

³ <https://www.politico.com/news/2021/04/20/investors-corporate-climate-lobbying-activity-483429>

⁴ <https://www.c2es.org/press-release/42-companies-urge-biden-congress-to-work-together-on-climate-solutions/>

⁵ <https://corporate.walmart.com/global-responsibility/sustainability/planet/climate-change>

⁶ <https://corporate.walmart.com/newsroom/2021/07/07/retailers-join-forces-to-tackle-climate-change-in-the-race-to-zero>

⁷ <https://corporate.walmart.com/policies#climate-policy>

⁸ <https://www.linkedin.com/pulse/we-need-strong-climate-policy-now-enable-decade-kathleen-mclaughlin/>

⁹ <https://corporate.walmart.com/esgreport/esg-issues/engagement-in-public-policy>

review processes of industry association policy positions and how well they meet investor expectations.¹⁰

Of particular concern are industry and policy organizations that speak for business but, unfortunately, too often present forceful obstacles to meaningful climate public policy. These organizations have consistently opposed legislative and regulatory intervention on climate change in the past and continue to oppose the Build Back Better budget reconciliation proposal.¹¹¹² An alignment assessment can help to identify and address risks presented by misalignment and protect the credibility of Walmart's leadership efforts on climate.

Thus, we urge the Board to conduct a comprehensive review of Walmart's lobbying and public policy activity and publicly disclose plans to address any misalignment with the Paris Agreement's objectives.

¹⁰ <https://lobbymap.org/filter/List-of-Companies-and-Influencers#7>

¹¹ <https://www.axios.com/big-business-sharpens-attack-build-back-better-51323e3b-286a-495d-acf7-026ac3b513cc.html>

¹² <https://www.wsj.com/articles/some-companies-sit-out-the-fight-over-democrats-tax-increases-11636367400>