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Walmart Associates, Shareholder Advocates Respond to Walmart Annual Shareholder Meeting

NEW YORK -- In response to Walmart's (NYSE:WMT) annual general meeting, in which investors voted on [a proposal](#) calling on the Walmart board of directors to adopt a new policy that would include hourly associates for consideration as nominees for the company's board of directors, Walmart associate and shareholder advocates made the following statements:

Cyndi Murray, nearly 20-year Walmart associate, United for Respect member, and proponent of the proposal to add worker representation to the Walmart board of directors, said:

"Hourly associates are raising serious concerns about Walmart's safety practices, and the board and upper management responded today by simply restating those same policies as though no problems exist. At least 21 Walmart associates have died of Covid-19, and countless associates are [working on the frontlines without adequate protections](#). As associates we know what Walmart needs to do to protect us, customers, and shareholders. Walmart's board should immediately meet with concerned workers and establish a taskforce to take seriously the recommendations and insights of associates on the frontlines."

Eli Kasargod-Staub, executive director of [Majority Action](#), a nonprofit shareholder advocacy organization, said:

"Walmart leadership's tone-deaf response at today's shareholder meeting exemplifies why the insights of frontline workers must be integrated into Walmart's governance structure. The Walton family's decisions will not protect shareholders from the long-term impacts of the operational, political, and legal risks of Walmart's failures to protect workers and communities in the COVID-19 pandemic. Walmart should immediately meet with concerned associates to gain perspectives on how to manage these risks immediately, and establish a policy of including associates as director candidates so their insights are systematically integrated into its corporate governance."

With over half of Walmart shares held by the Walton family, shareholder proposals only have the chance to pass at the company if they have Walton family support. Despite the uphill battle,

proposals remain an important measure for shareholders to communicate their concerns to the board.

There is [growing recognition](#) that worker representation on the board is an important governance reform. Proposals related to employee representation on Boards were included on seven proxies this year, up from three in 2019. Walmart associates [met with investors](#) with nearly \$3 trillion in assets to advocate for the proposal, [sharing how Walmart's Covid-19 failures create risks for workers, customers and shareholders](#).

The Illinois state treasurer Michael Frerichs [indicated](#) he would vote for the proposal, stating that “having employee representation on Walmart’s Board of Directors would provide a valuable perspective to help the Board achieve its goals.” The annual general meeting comes a day after Illinois State Attorney General Kwame Raoul sent [a letter to Walmart](#) signed by the attorneys general of California, Connecticut, Delaware, Illinois, Maryland, Massachusetts, Michigan, Minnesota, New Mexico, Pennsylvania, Washington, and the District of Columbia, calling on the company to “strengthen measures to protect the health and safety of workers during the COVID-19 pandemic.”

Despite a [growing concern](#) for their handling of the Covid-19 crisis and governance issues, Walmart executives skirted critical questions at the annual meeting, reiterating company lines without addressing critical issues facing Walmart associates and shareholders.

Cat Davis, who shared her powerful story of management sexual harassment at the meeting, [asked Walmart how they are addressing the pressing issue of systemic racism](#): “Walmart is the [largest employer of Black people in the US](#), and has failed to protect its workforce and its customers during the COVID-19 pandemic which has impacted Black communities disproportionately due to systemic racism. Now there is an outbreak of police violence targeting Black people including workers, customers and our families. What is management and the board of Walmart doing to keep Black workers and Black shoppers safe in our communities and to address systemic racism? How is the board managing these risks?”

The Board also failed to address other critical questions in the meeting: one related to litigation arising from death of Wando Evans, a Walmart associate from Illinois who died from COVID-19, and what contingencies or reserves Walmart is putting in place to account for the potential of this and further litigation related to employee deaths during the pandemic; and another question asking whether top management knows how many cases of Covid-19 there have been among Walmart associates and how many associates have died.

United for Respect’s employee-driven, publicly available [COVID-19 tracker](#) reveals over 750 reports of unsafe working conditions at Walmart stores nationwide to date.

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Majority Action is a nonprofit organization dedicated to empowering shareholders of all sizes to hold corporations and their leadership accountable to high standards of long-term value creation, corporate governance, and social responsibility. www.majorityaction.us

United for Respect (UFR) is a national non-profit organization. UFR is a multiracial movement of working people throughout the U.S. advancing a vision of an economy where our work is respected and our humanity recognized. UFR is not a labor union and does not intend or seek to represent retail employees over terms and conditions of employment or to bargain with retail employers. www.united4respect.org