

Walmart Stores
Lobbying Expenditures Disclosure
Lead Proponent: Zevin Asset Management

WHEREAS, we believe in full disclosure of Walmart’s direct and indirect lobbying activities and expenditures to assess whether Walmart’s lobbying is consistent with its expressed goals and shareholder interests.

RESOLVED, shareholders of request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Walmart used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Description of management’s decision-making process and the Board’s oversight for making payments described above.

For purposes of this proposal, a “grassroots lobbying communication” is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. “Indirect lobbying” is lobbying engaged in by a trade association or other organization of which Walmart is a member.

Both “direct and indirect lobbying” and “grassroots lobbying communications” include efforts at the local, state and federal levels.

The report shall be presented to the Nominating and Governance Committee and posted on Walmart’s website.

Supporting Statement: Walmart spent \$73,370,000 from 2010 – 2020 on federal lobbying. Walmart deserves credit as a leader for its state lobbying disclosure. Yet shareholders face a dark money blind spot, as Walmart fails to disclose its memberships in or payments to trade associations and social welfare organizations or the amounts used for lobbying, including grassroots.

Companies can give unlimited amounts to third party groups that spend millions on lobbying and undisclosed grassroots activity. These groups may be spending “at least double what’s publicly reported.”^[1] The federal Lobbying Disclosure Act does not require reporting of grassroots lobbying, and disclosure is uneven or absent in states. Walmart is a member of the Chamber of Commerce, which has spent over \$1.7 billion on lobbying since 1998, and serves on the boards of the Business Roundtable and National Retail Federation (NRF), which together spent \$23,435,000 on lobbying in 2019 and 2020. The Business Roundtable and Chamber Commerce have drawn attention for launching a “massive lobbying blitz” against raising corporate taxes to pay for infrastructure.”^[2]

We are concerned that Walmart’s lack of disclosure presents reputational risk when its lobbying contradicts Walmart’s public positions. For example, Walmart pledged \$100 million to advance

racial equity, including on criminal justice,^[3] yet donates to trade associations like NRF promoting harsher shoplifting penalties.^[4] Walmart supports diversity, equity and inclusion, yet the Chamber lobbied against the For the People Act.^[5] Walmart believes in addressing climate change, yet the Chamber and BRT lobby to block climate action.^[6] And while Walmart has drawn scrutiny for avoiding federal taxes,^[7] its trade associations are lobbying against raising corporate taxes to fund infrastructure.

[1] <https://theintercept.com/2019/08/06/business-group-spending-on-lobbying-in-washington-is-at-least-double-whats-publicly-reported/>.

[2] <https://www.washingtonpost.com/us-policy/2021/08/31/business-lobbying-democrats-reconciliation/>.

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

[4] <https://wamu.org/story/20/10/16/when-shoplifting-is-a-felony-retailers-back-harsher-penalties-for-store-theft/>.

[5] <https://thehill.com/business-a-lobbying/business-a-lobbying/554430-watchdog-group-launches-campaign-to-pressure?rl=1>.

[6] <https://www.desmog.com/2021/10/22/corporate-tech-giants-climate-action-oil-lobbyists-state-capitols/>.

[7] <https://theintercept.com/2021/09/06/infrastructure-bill-companies-tax-increase/>.