

RESOLVED, that shareholders of Walmart Inc. (“Walmart”) ask the company to study the feasibility of providing two weeks of paid sick leave, as well as two weeks of paid leave to care for a sick or quarantined family member or a child whose school or child care provider is closed or unavailable due to illness, as a standard Associate benefit not limited to COVID-19.

SUPPORTING STATEMENT

The COVID-19 pandemic and the economic crisis it precipitated have drawn the attention of the public and policy makers to the importance of paid sick leave (PSL) for workers and public health. Substantial media attention has focused on U.S. workers’ lack of access to PSL, especially in sectors with significant public contact such as retail and food service.¹ Workers without PSL, or who fear disciplinary consequences for using PSL, risk being fired if they do not come into work despite illness, and some cannot afford to miss work. Studies show that PSL mandates adopted in the U.S. since 2007 have lowered disease and overall absence rates.

PSL promotes public health by allowing workers who have been exposed to an infectious disease to isolate, preventing further exposure. According to public health experts, PSL is cost-effective compared to the costs associated with disease spread. PSL helps to counter the negative economic impact of the pandemic, especially for women and non-white workers, who are bearing the brunt of job loss,. Finally, PSL benefits companies, which report that bolstering paid sick leave improves morale and boosts productivity.

Policy makers at all levels are debating PSL. Even before the pandemic, bills had been introduced in Congress to require employers to provide PSL, and eight states plus the District of Columbia had established PSL social insurance systems. The Families First Coronavirus Response Act (FFCRA), which did not apply to large companies like Walmart, required that employers provide paid leave for workers ill with COVID-19 or caring for a sick family member. An October 2020 study found that states that gained PSL as a result of the FFCRA had fewer COVID-19 cases and the relationship was statistically significant. The House-passed HEROES Act would fill some of the FFCRA’s gaps and extend its PSL requirement through 2021, and the PAID Leave Act would require employers to provide at least seven days of PSL and 14 days of additional PSL in a public health emergency. State and local governments, including California, San Francisco, and Philadelphia, have also mandated PSL for workers not covered by the FFCRA.

Walmart has adopted a COVID-19 emergency sick leave policy. This Proposal asks that Walmart study the feasibility of providing Associates with two weeks of paid sick leave and two

¹ See, e.g., <https://www.businessinsider.com/coronavirus-changes-walmart-starbucks-employee-benefits-2020-3>; <https://www.cnn.com/2020/04/16/business/grocery-store-workers-retail-paid-sick-leave/index.html>; <https://www.theatlantic.com/health/archive/2020/03/does-walmart-provide-paid-sick-leave/608779/>; <https://www.washingtonpost.com/business/2020/03/10/walmart-apple-olive-garden-are-among-major-employer-s-updating-sick-leave-policies-coronavirus-cases-spread/>; <https://qz.com/1841763/us-grocery-workers-risk-coronavirus-but-most-lack-paid-sick-leave/>; <https://www.nytimes.com/2020/03/14/opinion/sunday/coronavirus-paid-sick-leave.html>

weeks of paid leave to care for a sick family member or a child whose school or child care provider is closed or unavailable due to illness, which is similar to the FFCRA's leave provisions.

We urge shareholders to vote for this proposal.