

5/4/2026

At the Walmart Inc. (NASDAQ: WMT) Annual Shareholder Meeting on June 4, 2024, please vote FOR Item 7, which requests that the Board provide a report on how U.S. immigration policy and enforcement may impact Walmart Inc.'s operations.

Dear Walmart shareholders,

SOC Investment Group and Mercy Investment Services urge you to support Item 7: Report on Immigration Policy and Enforcement, requesting that the Board of Directors provide a publicly available report on how U.S. immigration policy and enforcement is impacting operations at Walmart Inc. (Walmart or the Company). We believe that support for this proposal is warranted for the following reasons:

- The scope of Walmart's operations and supply chain leaves the Company open to a variety of operational risks related to its immigrant workforce;
- The scope of the Company's legal, operational, and strategic oversight does not appear to adequately encompass immigration-related concerns, including Walmart's current level of relevant disclosure; and
- Failure to disclose Walmart's level of exposure to immigration policy changes could cause legal, operational and reputational damage that may jeopardize the Company's long-term performance.

The SOC Investment Group works with pension funds sponsored by unions affiliated with the Strategic Organizing Center, a coalition of unions representing millions of members, to enhance long term shareholder value through active ownership. These funds have over \$250 billion in assets under management and are Walmart shareholders. Mercy Investment Services, Inc. and the Daughters of Charity, Province of St. Louise are co-filers of this proposal.

The rapid and expansive changes to U.S. immigration policy pose a significant risk to companies, investors, workers, and consumers.

Immigration policy changes can have wide-ranging impacts on U.S. companies, supply chains, and the economy. It is estimated that immigrant labor likely accounted for nearly 20% of real Gross Domestic Product (GDP) growth between 2019 and 2024¹ and mass deportation could have a negative effect on U.S. GDP.² The cancellation of humanitarian

¹ https://www.briefingbook.info/p/immigration-and-the-us-economy-since?r=bkto&utm_medium=email

² McKibbin, Warwick, Megan Hogan, and Marcus Noland. *The International Economic Implications of a Second Trump Presidency*, Peterson Institute for International Economics. September 2024,

parole visas by the Trump administration resulted in job losses and staffing shortages across the country, including at Walmart supercenters in Florida and Texas where hundreds of workers had work permits abruptly revoked.³ The State Department's pause on granting visas to foreign-born commercial truckers also exacerbated the nation's pre-existing transportation labor shortage, potentially putting strain on the 16,000 Class A commercial drivers in Walmart's fleet.⁴ Economists warn that the administration's immigration policies are shrinking the labor force⁵ and it is estimated that nearly 6 million jobs could be lost, affecting both immigrant and U.S.-born workers.⁶ Companies in nearly every sector may be impacted by recent immigration policy changes, and their Boards should have plans in place for navigating the changing landscape.

One sector where we expect to see significant impacts from immigration policy and enforcement changes is groceries, such as domestic agriculture and meat packaging. Grocery items accounted for a majority of Walmart's net sales in the U.S. in 2025 (nearly 60%)⁷ and the Company has stated that over 70% of its produce is sourced from U.S. farms.⁸ Undocumented farmworkers account for 42% of hired farmworkers and 25% of all agricultural workers in the United States,⁹ as well as 23% of workers in the meatpacking industry.¹⁰ Agricultural employment dropped 6.5% between March and July 2025 due to the administration's immigration enforcement.¹¹ As a result, farmers have insufficient labor to process crops and livestock, contributing to significant food waste and increases in the cost of fresh vegetables and meat.¹²

Changes in visa policies also impact companies' ability to recruit and retain talent. The increase in the fee for H-1B visas from \$215 to \$100,000 will have a significant impact on companies' ability to stay cutting-edge, as H-1Bs are used for immigrants with specialized

<https://www.piie.com/publications/working-papers/2024/international-economic-implications-second-trump-presidency>, p.9

³ <https://www.consumeraffairs.com/news/walmart-grapples-with-staffing-crisis-after-migrant-work-permits-are-suspended-070725.html>

⁴ <https://careers.walmart.com/us/en/home/careers-areas/supply-chain-and-transportation/drivers>

⁵ <https://forumtogether.org/article/u-s-workforce-challenges-how-immigration-enforcement-is-impacting-the-american-economy/>

⁶ <https://www.epi.org/publication/trumps-deportation-agenda-will-destroy-millions-of-jobs-both-immigrants-and-u-s-born-workers-would-suffer-job-losses-particularly-in-construction-and-child-care/>

⁷ <https://corporate.walmart.com/content/dam/corporate/documents/esgreport/2025/FY2025-Walmart-ESG-Report.pdf>, p.69

⁸ <https://corporate.walmart.com/news/2008/07/01/walmart-commits-to-americas-farmers-as-produce-aisles-go-local>

⁹ https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5384966

¹⁰ <https://www.thenation.com/article/economy/poultry-meat-workers-trump-deportation-meatpacking/>

¹¹ <https://foodprint.org/blog/how-the-current-immigration-crackdown-is-impacting-food-and-farmworkers/>

¹² <https://civileats.com/food-policy-tracker/#mass-deportations-are-starting-to-hurt-agriculture-analysis-says>

knowledge.¹³ Studies show that for every temporary foreign worker employed by a U.S. firm, 5-7.5 new domestic jobs are created.¹⁴ Notably, Walmart was the #7 sponsor of H-1B visas in the fiscal year of 2025¹⁵ and, as of April 2026, Walmart is still the #10 national sponsor of H-1B visas.¹⁶ As Walmart is competing for online sales with online-only retailers like Amazon, skilled workers are required to develop and maintain a robust web platform and infrastructure.¹⁷ The Company's ecommerce revenue exceeded \$150 billion in FY 2026 according to statements by CFO John Rainey.¹⁸

We believe that a lack of clarity on what measures Walmart is taking to manage immigration policy impacts could lead to reputational damage. Immigration policy in the United States is both politically divisive and increasingly salient.¹⁹ The protests sparked by immigration enforcement actions in Minneapolis, Minnesota in January and February 2026 caused local business leaders, including Fortune 500 executives, to call for deescalation.²⁰ One of the companies that was impacted by reputational damage associated with immigration enforcement was Target, where employees were detained by Immigration and Customs Enforcement (ICE), causing protests and boycotts that ultimately led it to join calls for a drawdown. This reputational damage is still being felt, with the American Federation of Teachers calling for a boycott against the company for failing to adequately respond to the enforcement surge.²¹ Home Depot is also facing significant consumer backlash and calls for a boycott, and at some locations, ICE enforcement activities have contributed to a 20% drop in sales.²²

As a major consumer facing brand, Walmart may be vulnerable to similar boycotts and public scrutiny. Unfortunately, the Company has already been impacted by ICE raids at Walmart stores and facilities, including the disappearance of a Walmart worker in Nashville²³ and the violent tackling and tasing of a Walmart delivery driver at a store in Albuquerque.²⁴ The violent nature of many of these raids and the lack of proper due diligence for detainees is contributing to growing reputational risk for businesses exposed

¹³ <https://www.dol.gov/agencies/whd/immigration/h1b>

¹⁴ <https://www.mercatus.org/research/policy-briefs/attracting-global-talent-ensure-america-first-innovation>

¹⁵ <https://www.cnbc.com/2025/09/20/trump-h-1b-visa-tech-foreign-governments.html>

¹⁶ <https://www.uscis.gov/tools/reports-and-studies/h-1b-employer-data-hub>

¹⁷ <https://www.wsj.com/business/retail/walmart-ecommerce-amazon-competitor-b7fe1cd5>

¹⁸ <https://www.digitalcommerce360.com/article/walmart-online-sales/>

¹⁹ <https://www.reuters.com/world/us/trumps-immigration-approval-hits-new-low-according-reutersipsos-poll-2026-02-17/>

²⁰ <https://www.pbs.org/newshour/nation/dozens-of-minnesota-ceos-issue-joint-letter-urging-de-escalation-in-state-after-shooting>

²¹ <https://www.cnbc.com/2026/03/26/target-aft-boycott-ice-minneapolis.html>

²² <https://www.bloomberg.com/opinion/articles/2025-11-10/home-depot-needs-to-address-ice-raids>

²³ <https://www.newsweek.com/walmart-worker-ice-agents-nashville-leugim-romero-2068930>

²⁴ <https://migrantinsider.com/p/walmart-ice-and-the-senator-who-almost>

to these activities. Furthermore, given ongoing ICE activity throughout the country and efforts to expand the number of detention facilities, there is continued potential risk to Walmart's operations and supply chain resiliency. Improved disclosure on the impacts of these policy changes would help shareholders better evaluate the Company's ability to respond to operational disruptions and to mitigate possible reputational threats.

Walmart's existing disclosure does not adequately address immigration-related human capital and supply chain risk.

Although Walmart's existing disclosures include information addressing regulatory and policy risk, the lack of specific language on immigration-related risk in the Company's statements suggests that it is less able to confront the nuances of these issues. Walmart's 2026 Form 10-K, for example, addresses many policy-related risk factors by name, including high petroleum costs and weakness in the consumer housing market, among others.²⁵ In its Statement of Opposition, the Company has noted that, "Immigration-related developments are considered as part of broader enterprise risk management and workforce planning...,"²⁶ but deems similarly impactful policy changes as worthy of a separate clause. Immigration policy, as an area of significant economic concern, should be treated similarly. Many of Walmart's peers and competitors address immigration-related risk in their own 10-K forms: Target Corp., Dollar General, and Lowes,²⁷ among others, disclose immigration policy changes as a specified business risk. The Company's 2025 ESG Report also only cursorily addresses immigration concerns,²⁸ and its 2026 proxy statement fails to mention changes to immigration policy as an area of specified management oversight.²⁹

The Company states that, as it has a large globally diversified supply chain and a relatively small number of visa-sponsored employees relative to its total workforce, immigration policy is not a significant source of operational or supply chain risk.³⁰ On the contrary, the

²⁵ <https://www.sec.gov/ix?doc=/Archives/edgar/data/0000104169/000010416926000055/wmt-20260131.htm>, p.14-15

²⁶ <https://www.sec.gov/ix?doc=/Archives/edgar/data/104169/000119312526173673/wmt-20260423.htm>, p.107

²⁷ Target Corp. <https://www.sec.gov/ix?doc=/Archives/edgar/data/0000027419/000002741926000016/tgt-20260131.htm>, p.16 and 18; Dollar General

<https://www.sec.gov/ix?doc=/Archives/edgar/data/0000029534/000110465926032325/dg-20260130x10k.htm>, p.22; Lowes

<https://www.sec.gov/ix?doc=/Archives/edgar/data/0000060667/000006066726000029/low-20260130.htm>, p.9

²⁸ <https://corporate.walmart.com/content/dam/corporate/documents/esgreport/2025/FY2025-Walmart-ESG-Report.pdf>, p.91, 94, and 95

²⁹ <https://www.sec.gov/ix?doc=/Archives/edgar/data/104169/000119312526173673/wmt-20260423.htm>, p.107

³⁰ Ibid.

massive breadth of the Company's operations exposes it to a broad variety of legal, operational, strategic, and reputational risks. Walmart's reluctance to provide more robust disclosure reflects a concerning tolerance for regulatory risk and underscores the need for comprehensive transparency.

For these reasons, we recommend that shareholders vote FOR this proposal.

This is not a solicitation of authority to vote your proxy. Please DO NOT send us your proxy card as it will not be accepted.