



702 SW 8th Street
Bentonville, AR 72716
Phone 479.273.4000
corporate.walmart.com

November 3, 2023

Beatriz Balbin
Chief
Special Procedures Branch
OHCHR
1211 Geneva 10, Switzerland

Re: AL OTH 104/2023

Dear Ms. Balbin,

Thank you for reaching out to us in reference to the mandate of the Special Rapporteur on extreme poverty and human rights. Walmart respects human rights and seeks to use our scale, capabilities and influence to help people and communities improve their lives. We want every Walmart associate to thrive.

While we appreciate the intention behind your letter, we take issue with the multiple factual inaccuracies and mischaracterizations of our workforce that are reinforced by the citation of outdated studies, articles, and anecdotes:

- **Wages:** The average starting wage for Walmart associates in the U.S. is >\$15.25/hour, which is more than twice the federal minimum wage. We have raised minimum starting wages by over 90% and average hourly wages by 54% since 2015. The average hourly wage for Walmart associates in the U.S. is >\$17.00 and our average total hourly compensation is \$21.75. It is higher in distribution and fulfillment centers, where the average starting wage is >\$23.25, average wage is >\$25.50, and average total hourly compensation is >\$33.50.
- **Workforce:** Walmart's US hourly workforce is 68% full-time as a result of our [efforts to increase the percentage of full-time roles](#); approximately 99% of supply chain roles are full-time.
- **Walmart drivers:** The statement that "Walmart classifies its drivers as independent contractors...meaning the drivers don't have any of the traditional benefits of employment such as minimum wage guarantees, workers' compensation or paid time off" is false. Our drivers are Walmart associates and are offered benefits such as paid time off, health coverage, parental leave, discounts on food and general merchandise, a retirement plan, stock ownership programs, and Walmart-paid education (including college/university education). In 2022, we made investments in our Walmart Private Fleet to allow Walmart drivers to make up to \$110,000 in their first year with the company, which is nearly twice the amount of the average salary for a long-haul driver. Drivers that have been with Walmart longer than that period have the potential to make even more,

considering factors such as tenure and location. Furthermore, because being a driver for Walmart is such a good career, we started a Private Fleet Development Program to provide Walmart associates working in stores, distribution centers, fulfillment centers, and transportation offices the opportunity to earn their Commercial Driver's License and become a Walmart private fleet driver.

- **Associate dependence on social programs:** In the U.S., public assistance programs often come with work requirements and people may seek employment in order to qualify for benefits programs. We do not inquire about or turn people away based on such circumstances. Instead, we focus on removing barriers to getting hired, providing competitive wages and robust benefits in jobs (68% of hourly roles are full time), with multiple career paths, on-the-job training, and free education (high school completions, certificates, degrees such as supply chain management). Associates can use the skills they gain on the job—combined with the training and education offerings Walmart provides—to move up to roles with greater responsibility, higher pay, and set themselves on a life-changing career pathway. Approximately 75% of our field managers began as hourly associates. Associates receive their first promotion, on average, within seven months of joining the company and, last year, 88% of our open positions above entry level were filled internally.
- **Freedom of association and collective bargaining:** Walmart believes firmly in the principle of respect for the individual and that the decision of whether to join, form, or not to join an employee association or trade union is up to an individual and that this right must be respected without interference. We have robust policies and practices in place to help ensure our associates' rights are respected and, as of the end of FY2023, certain populations of Walmart associates were represented by some form of third-party representation in 10 of the 20 countries in which Walmart operated, including Mexico, our second-largest market. There are a great number of inaccurate statements and extremely dated and unreliable sources cited in the letter with regard to Walmart's track record on this matter; for example, new hires in Walmart stores do not watch videos that in any way mention organized labor, nor do they receive information related to organized labor in some other format. The only exceptions are statutory supervisors who are trained to *respect* the rights of associates and on *how to comply* with labor laws in accordance with the National Labor Relations Act. Walmart's compliance record with the US National Labor Relations Board is strong: In the past ten years, Walmart has been the subject of approximately .1% of the unfair labor practice charges filed with the NLRB, but our workforce as a percentage of the overall U.S. workforce is many times greater than that. Moreover, approximately 71% of charges filed against Walmart were withdrawn or dismissed.

For a more comprehensive discussion of our approach to our associate value proposition, please see our disclosure on Good Jobs & Advancement for Associates, available at <https://corporate.walmart.com/purpose/esgreport/social/human-capital-good-jobs-advancement-for-associates>. We update this disclosure at least annually so that you can always get the most recent and relevant information about Walmart associates.

With respect to human rights more broadly, we strive to use our position as an employer, retailer, and community member to promote respect for human rights. We focus our efforts on our identified salient human rights issues:

- Treating workers with respect
- Promoting a safe and healthy work environment

- Providing a fair and inclusive work environment
- Combating forced and underage labor

The U.N. Guiding Principles on Business and Human Rights recognize four essential components of an effective human rights due diligence program. Walmart's approach to human rights due diligence reflects those components: we assess actual and potential human rights impacts, integrate and act upon the findings of our assessments, track the effectiveness of our response to human rights impacts, and communicate how impacts are addressed.

We have published a robust disclosure dedicated to setting out our policies, practices, and outcomes with respect to human rights, including human rights due diligence, which is available here:

<https://corporate.walmart.com/purpose/esgreport/social/human-rights>.

Thank you again for your letter. We hope the supplemental information we have provided here and in our online disclosures helps to complete the picture of our respect for human rights and our practices to provide good jobs and opportunities for advancement for our fellow associates.

Sincerely,



Brendan Morrissey
Vice President, ESG
Walmart Inc.