



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

March 3, 2017

Kristopher A. Isham
Wal-Mart Stores, Inc.
kristopher.isham@walmartlegal.com

Re: Wal-Mart Stores, Inc.

Dear Mr. Isham:

This is in regard to your letter dated March 2, 2017 concerning the shareholder proposal submitted by Margaret E. Jacobs for inclusion in Walmart's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the proponent has withdrawn the proposal and that Walmart therefore withdraws its January 30, 2017 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Evan S. Jacobson
Special Counsel

cc: Natasha Lamb
Arjuna Capital
natasha@arjuna-capital.com

**Legal
Corporate**

Kristopher A. Isham
Associate General Counsel

702 SW 8th Street
Bentonville, AR 72716-0215
Phone 479.204.8684
Fax 479.277.5991
Kristopher.Isham@walmartlegal.com

March 2, 2017

VIA E-MAIL to shareholderproposals@sec.gov

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *Wal-Mart Stores, Inc.*
Shareholder Proposal of Margaret E. Jacobs
Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

In a letter dated January 30, 2017, we requested that the staff of the Division of Corporation Finance concur that Wal-Mart Stores, Inc. (the “Company”) could exclude from its proxy statement and form of proxy for its 2017 Annual Meeting of Shareholders a shareholder proposal (the “Proposal”) and statements in support thereof received from Arjuna Capital and Baldwin Brothers, Inc. on behalf of Margaret E. Jacobs (the “Proponent”).

Enclosed as Exhibit A is an email, from Natasha Lamb of Arjuna Capital, the Proponent’s designated representative, withdrawing the Proposal on behalf of the Proponent. In reliance thereon, we hereby withdraw the January 30, 2017 no-action request relating to the Company’s ability to exclude the Proposal pursuant to Rule 14a-8 under the Securities Exchange Act of 1934.

Office of Chief Counsel
Division of Corporation Finance
March 2, 2017
Page 2

If we can be of any further assistance in this matter, please do not hesitate to call me at (479) 204-8684 or Elizabeth A. Ising of Gibson, Dunn & Crutcher LLP at (202) 955-8287.

Sincerely,

A handwritten signature in blue ink that reads "Kristopher A. Isham" followed by a horizontal line.

Kristopher A. Isham
Associate General Counsel
Wal-Mart Stores, Inc.

Enclosures

cc: Margaret E. Jacobs
Natasha Lamb, Arjuna Capital
Bill Marvel, Baldwin Brothers, Inc.

EXHIBIT A

From: [Natasha Lamb](#)
To: [Korvin, David](#); Kristopher.Isham@walmartlegal.com
Subject: Re: Wal-Mart Stores (Margaret E. Jacobs)
Date: Thursday, March 2, 2017 10:48:27 AM
Attachments: [image001.png](#)
Importance: High

Dear David and Kristopher,

We have decided to withdraw the proposal. Can you please contact the SEC regarding the withdrawal, cc'ing us? Again, we would look forward to a productive dialog with the Company and hope that can be accomplished outside the proposal process.

Best regards,

Natasha



Natasha Lamb
PORTFOLIO MANAGER,
DIRECTOR OF EQUITY RESEARCH
& SHAREHOLDER ENGAGEMENT

natasha@arjuna-capital.com
978.578.4123

WWW.ARJUNA-CAPITAL.COM

This message contains information from Arjuna Capital that may be confidential. This message is directed only to the individual or entity named above. If you are not the intended recipient, please be aware that any disclosure, copying, distribution, or use of the contents of this email is prohibited. If you received this email in error, please notify the sender immediately and delete the message and any attachments.

From: "Korvin, David" <DKorvin@gibsondunn.com>
Date: Monday, January 30, 2017 at 6:14 PM
To: Natasha Lamb <natasha@arjuna-capital.com>
Subject: Wal-Mart Stores (Margaret E. Jacobs)

Ms. Lamb:

Attached please find a copy of the supplemental no-action request we submitted today on behalf of our client, Wal-Mart Stores. A copy of this letter also is being sent to you via UPS.

Sincerely,

David Korvin*

***Admitted only in New York; practicing under the supervision of Principals of the Firm**

GIBSON DUNN

Gibson, Dunn & Crutcher LLP
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DKorvin@gibsondunn.com • www.gibsondunn.com

This message may contain confidential and privileged information. If it has been sent to you in error, please reply to advise the sender of the error and then immediately delete this message.

Legal Corporate

Kristopher A. Isham
Associate General Counsel



702 SW 8th Street
Bentonville, AR 72716-0215
Phone 479.204.8684
Fax 479.277.5991
Kristopher.Isham@walmartlegal.com

January 30, 2017

VIA E-MAIL to shareholderproposals@sec.gov

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *Wal-Mart Stores, Inc.*
Shareholder Proposal of Margaret E. Jacobs
Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that Wal-Mart Stores, Inc. (the “Company”) intends to omit from its proxy statement and form of proxy for its 2017 Annual Shareholders’ Meeting (collectively, the “2017 Proxy Materials”) a shareholder proposal (the “Proposal”) and statements in support thereof received from Arjuna Capital and Baldwin Brothers, Inc. on behalf of Margaret E. Jacobs (the “Proponent”).

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2017 Proxy Materials with the Commission; and
- concurrently sent copies of this correspondence to the Proponent.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the “Staff”). Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to this Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

THE PROPOSAL

RESOLVED: Shareholders request Walmart prepare a report by November 2017, omitting proprietary information and prepared at reasonable cost, on the Company's policies and goals to reduce the gender pay gap.

The gender pay gap is defined as the difference between male and female median earnings expressed as a percentage of male earnings (Organization for Economic Cooperation and Development).

The supporting statement also states that for the requested report to be “[a] report adequate for investors to assess [the Company’s] strategy and performance,” it should include “the percentage pay gap between male and female employees across race and ethnicity, including base, bonus and equity compensation, policies to address that gap, methodology used, and quantitative reduction targets.” A copy of the Proposal, the supporting statement and related correspondence from the Proponent is attached to this letter as Exhibit A.

BASIS FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Proposal may properly be excluded from the 2017 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal relates to the Company's litigation strategy.

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(i)(7) Because It Deals With Matters Relating To The Company's Ordinary Business Operations.

Rule 14a-8(i)(7) permits a company to omit from its proxy materials a shareholder proposal that relates to the company's “ordinary business” operations. According to the Commission's release accompanying the 1998 amendments to Rule 14a-8, the term “ordinary business” refers to matters that are not necessarily “ordinary” in the common meaning of the word, but instead the term “is rooted in the corporate law concept of providing management with flexibility in directing certain core matters involving the company's business and operations.” Exchange Act Release No. 40018 (May 21, 1998) (the “1998 Release”). In the 1998 Release, the Commission stated that the underlying policy of the ordinary business exclusion is “to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting,” and identified two central considerations that underlie this policy. The first was that “[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.” The second consideration related to “the degree to which the proposal seeks to ‘micro-manage’ the company by probing too deeply into matters of a complex nature upon which shareholders, as a

group, would not be in a position to make an informed judgment.” *Id.* (citing Exchange Act Release No. 12999 (Nov. 22, 1976)).

A shareholder proposal being framed in the form of a request for a report does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the report is within the ordinary business of the issuer. *See* Exchange Release No. 20091 (Aug. 16, 1983). In addition, the Staff has indicated that “[where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business . . . it may be excluded under rule 14a-8(i)(7).” *Johnson Controls, Inc.* (avail. Oct. 26, 1999).

The Staff consistently has concurred with the exclusion under Rule 14a-8(i)(7) of shareholder proposals that implicate and seek to oversee a company’s ordinary business operations, including when the subject matter of the proposal is the same as or similar to that which is at the heart of litigation in which a company is then involved. *See, e.g., Johnson & Johnson* (avail. Feb. 14, 2012) (concurring with the exclusion, as relating to litigation strategy, of a proposal where the company was litigating several thousand cases involving claims that individuals had been injured by the company’s drug LEVAQUIN®, and the proposal requested that the company report on any new initiatives instituted by management to address the “health and social welfare concerns of people harmed by adverse effects from Levaquin”); *Reynolds American Inc.* (avail. Mar. 7, 2007) (concurring with the exclusion, as relating to litigation strategy, of a proposal requesting that the company provide information on the health hazards of secondhand smoke, including legal options available to minors to ensure their environments are smoke free, where the company was currently litigating six separate cases alleging injury as a result of exposure to secondhand smoke and a principal issue concerned the health hazards of secondhand smoke); *AT&T Inc.* (avail. Feb. 9, 2007) (concurring with the exclusion, as relating to ordinary business operations (*i.e.*, litigation strategy), of a proposal requesting that the company issue a report containing specified information regarding the alleged disclosure of customer records to governmental agencies, while the company was a defendant in multiple pending lawsuits alleging unlawful acts by the company in relation to such disclosures); *Reynolds American Inc.* (avail. Feb. 10, 2006) (concurring with the exclusion, as relating to litigation strategy, of a proposal requesting that the company notify African-Americans of the unique health hazards to them associated with smoking menthol cigarettes, where the company noted that undertaking such a campaign would be inconsistent with positions it was taking in denying such health hazards as defendant in a lawsuit alleging that the use of menthol cigarettes by the African-American community poses unique health risks to this community).

Of particular note, in *Wal-Mart Stores, Inc.* (avail. April 14, 2015), the Staff concurred with the exclusion, as relating to the Company’s litigation strategy, of a proposal substantially similar to the Proposal (the “2015 Proposal”) where the Company was subject to numerous pending lawsuits and claims alleging gender-based discrimination in pay (the “2015 No-Action Letter”). In that no-action request, the Company outlined numerous pending lawsuits and claims alleging gender-based discrimination in pay, and discussed how disclosure of the information

requested by the 2015 Proposal would adversely affect the Company's litigation strategy in those matters.

The Company believes that the Proposal similarly may be excluded from the 2017 Proxy Materials pursuant to Rule 14a-8(i)(7) because, just as in 2015 No-Action Letter, the Proposal involves the same subject matter as, and implicates the Company's litigation strategy in, pending lawsuits involving the Company and therefore relates to the Company's ordinary business operations. First, both the 2015 Proposal and the Proposal request that the Company prepare a report addressing the difference in the Company's pay to male and female employees. While the style of the request differs slightly (the 2015 Proposal requested a goal and a report on progress made towards eliminating this difference and the 2017 Proposal requests on the Company's policies and procedures to reduce this difference), both assume that there is a gender pay gap at the Company.

Moreover, many of the pending lawsuits and claims discussed in the 2015 No-Action Letter remain active today, and disclosure of the report requested by the Proposal would adversely affect the Company's litigation strategy in those pending lawsuits and claims alleging gender-based discrimination in pay. Many of these pending actions and claims are follow-ons to *Dukes v. Wal-Mart Stores, Inc.*, in which the Company was a defendant and which was commenced as a class-action lawsuit in June 2001 in the United States District Court for the Northern District of California. In that case, the named plaintiffs asserted that the Company engaged in a pattern and practice of discriminating against women in pay, promotions, training, and job assignments, and seek, among other things, injunctive relief, front pay, back pay, punitive damages, and attorneys' fees. After the Supreme Court reversed a nationwide class certification order in *Dukes*, the *Dukes* plaintiffs continued to pursue that case on a regional basis, and former class members filed a number of parallel putative regional class actions. Three of those, styled as *Odle v. Wal-Mart Stores, Inc.*, *Phipps v. Wal-Mart Stores, Inc.*, and *Love v. Wal-Mart Stores, Inc.*, remain pending today. Additional cases asserting claims on behalf of individual former *Dukes* class members have been filed and are pending in multiple states, including Florida, Illinois, and Missouri. Moreover, many women who allege that they are former *Dukes* class members have filed charges with the U.S. Equal Employment Opportunity Commission making similar allegations against the Company.

To date, the Company has prevailed in several of the individual cases because the plaintiffs were unable to prove their claims of gender-based pay and promotion discrimination. Moreover, to date, there has been no adverse judgment against the Company in any of these matters. The Company is determined to continue defending its interests in this long-running litigation.

Every company's management has a responsibility to defend the company's interests against unwarranted litigation. A shareholder proposal that interferes with this obligation is inappropriate, particularly when the company is involved in pending litigation on the very issues that form the basis for the proposal. For that reason, the Staff consistently has viewed

shareholder proposals that implicate a company's conduct of litigation or its litigation strategy as properly excludable under the "ordinary course of business" exception contained in Rule 14a-8(i)(7). *See, e.g., Chevron Corp.* (avail. Mar. 19, 2013) (excluding a proposal as relating to the company's ordinary business operations (*i.e.*, litigation strategy) where the proposal requested that the company review its "legal initiatives against investors" because "[p]roposals that would affect the conduct of ongoing litigation to which the company is a party are generally excludable under rule 14a-8(i)(7)"); *CMS Energy Corp.* (avail. Feb. 23, 2004 (concurring with the exclusion of a shareholder proposal requiring the company to void any agreements with two former members of management and initiate action to recover all amounts paid to them, where the Staff noted that the proposal related to the "conduct of litigation"); *NetCurrents, Inc.* (avail. May 8, 2001) (excluding a proposal as relating to the company's ordinary business operations (*i.e.*, litigation strategy) where the proposal required the company to file suit against certain of its officers for financial improprieties); *Benihana National Corp.* (avail. Sept. 13, 1991) (permitting exclusion under Rule 14a-8(c)(7) of a proposal requesting the company to publish a report prepared by a board committee analyzing claims asserted in a pending lawsuit).

In addition, the Staff consistently has concurred with the exclusion under Rule 14a-8(i)(7) of shareholder proposals when the subject matter of the proposal is the same as or similar to current litigation in which the company is then involved and when the implementation of the proposal would amount to an admission by the company. *See, e.g., Johnson & Johnson* (avail. Feb. 14, 2012) (concurring in the exclusion of a proposal where implementation would have required the company to report on any new initiatives instituted by management to address the health and social welfare concerns of people harmed by LEVAQUIN®, thereby taking a position contrary to the company's litigation strategy); *R.J. Reynolds Tobacco Holdings, Inc.* (avail. Feb. 6, 2004) (concurring in the exclusion of a proposal that directed the company to stop using the terms "light," "ultralight," "mild" and similar words in marketing cigarettes until shareholders could be assured through independent research that light and ultralight brands actually reduce the risk of smoking-related diseases. At the time the proposal was submitted, the company was a defendant in multiple lawsuits in which the plaintiffs were alleging that the terms "light" and "ultralight" were deceptive. The company argued that implementing the proposal while the lawsuits were pending "would be a de facto admission by the Company that 'light' and 'ultralight' cigarettes do not pose reduced health risks as compared to regular cigarettes"). *See also Exxon Mobil Corp.* (avail. Mar. 21, 2000) (concurring with the exclusion of a proposal requesting immediate payment of settlements associated with Exxon Valdez oil spill as relating to litigation strategy and related decisions).

One of the principal legal issues in the gender-discrimination lawsuits and claims currently pending against the Company, which also forms the basis for the Proposal, is whether, as stated in the Proposal, there is a "gender pay gap," which the Proposal defines as "the difference between male and female median earnings." Therefore, the subject matter of the Proposal is identical to a principal legal issue in many of the lawsuits and claims pending against the Company. In addition, the Proposal's first request is that the report address the Company's

“policies and goals to reduce the gender pay gap;” in other words, the Proposal assumes that gender-based pay inequity exists at the Company, which is a contested issue in the pending litigation. Thus, nearly identical to the 2015 Proposal, and similar to the Johnson & Johnson and R.J. Reynolds Tobacco proposals, the Proposal relates to actions the Company may take in response to an issue that is the subject of pending litigation. The Proposal’s requirement that the Company disclose any “goal” set to “eliminate[e] gender-based pay inequity” at the Company presupposes such inequity exists and therefore, just as in Johnson & Johnson and R.J. Reynolds Tobacco, would require the Company to take action that could be viewed as an admission by the Company in the pending litigation.

Moreover, the Proposal seeks a report from the Company describing the Company’s “policies and goals to reduce the gender pay gap.” As discussed above, the existence of any gender-based pay inequity pattern or practice is the very legal issue that the Company is currently litigating. Thus, by requesting the Company to furnish information in a report with respect to its policies and goals to reduce the “difference between male and female median earnings,” the Proposal interferes with the Company’s defense of pending litigation. Specifically, by taking the position that gender-based pay inequity exists at the Company, the Proposal would obligate the Company to take a public position, outside the context of pending litigation and the discovery process, with respect to the existence of gender-based pay inequity at the Company. It would also potentially compel the Company to disclose any internal investigations regarding the same, the results of which may prematurely disclose the Company’s litigation strategy to its opposing parties in pending litigation.

As a final matter, we note that the mere fact that a proposal touches upon a significant policy issue is not alone sufficient to avoid the application of Rule 14a-8(i)(7) when a proposal implicates ordinary business matters. Although the Commission has stated that “proposals relating to such [ordinary business] matters but focusing on sufficiently significant social policy issues (*e.g.*, significant discrimination matters) generally would not be considered to be excludable,” the Staff has expressed the view that proposals relating to both ordinary business matters and significant social policy issues may be excluded in their entirety in reliance on Rule 14a-8(i)(7). *See* 1998 Release. As an example, although smoking is considered a significant policy issue, the Staff has concurred, as noted above, with the exclusion of proposals that touched upon this issue where the subject matter of the proposal (*e.g.*, the health effects of smoking) was the same as or similar to that which was at the heart of litigation in which the company was then involved. *See, e.g., Philip Morris Cos. Inc.* (avail. Feb. 4, 1997) (noting that although the Staff “has taken the position that proposals directed at the manufacture and distribution of tobacco-related products by companies involved in making such products raise issues of significance that do not constitute matters of ordinary business,” the company could exclude a proposal that “primarily addresses the litigation strategy of the Company, which is viewed as inherently the ordinary business of management to direct”). Similarly, even if the Proposal is viewed as touching on the significant policy issue of discrimination, the subject matter of the Proposal (*e.g.*, the Company’s “policies and goals to reduce the gender pay gap”) encompasses the subject matter of litigation in which the Company is currently involved. Thus,

because the Proposal pertains to the Company's litigation strategy, which is an ordinary business matter, we believe the Proposal is excludable under Rule 14a-8(i)(7).

In summary, the Proposal requests that the Company take action that would facilitate the goals of the plaintiffs in pending litigation against the Company at the same time that the Company is actively challenging those plaintiffs' allegations. In this regard, the Proposal seeks to substitute the judgment of shareholders for that of the Company on decisions involving litigation strategy by requiring the Company to take action that is contrary to its legal defense in pending litigation. Thus, implementation of the Proposal would intrude upon Company management's exercise of its day-to-day business judgment with respect to pending litigation in the ordinary course of its business operations. Accordingly, we believe that the Proposal may be properly excluded from the Company's 2017 Proxy Materials under Rule 14a-8(i)(7) as relating to the Company's ordinary business operations.

CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its 2017 Proxy Materials.

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Please direct any correspondence regarding this matter to me at Kristopher.Isham@walmartlegal.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (479) 204-8684, or Elizabeth A. Ising of Gibson, Dunn & Crutcher LLP at (202) 955-8287.

Sincerely,



Kristopher A. Isham
Associate General Counsel
Wal-Mart Stores, Inc.

Enclosures

cc: Margaret E. Jacobs
Natasha Lamb, Arjuna Capital
Bill Marvel, Baldwin Brothers, Inc.

EXHIBIT A



December 19th, 2016

VIA OVERNIGHT MAIL

Gordon Y. Allison
Vice President and General Counsel
Corporate Division
Wal-Mart Stores, Inc.
702 Southwest 8th Street
Bentonville, AR 72716-0215

Re: Shareholder Proposal for 2017 Annual Meeting

Dear Mr. Allison:

Baldwin Brothers Inc. is an investment firm, based in Marion MA. Arjuna Capital is an investment firm focused on sustainable and impact investing.

I am hereby authorized to notify you of our intention to lead file the enclosed shareholder resolution with Wal-Mart Stores, Inc. on behalf of our client Margaret E. Jacobs. Arjuna Capital and Baldwin Brothers Inc. submits this shareholder proposal for inclusion in the 2017 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 (17 C.F.R. § 240.14a-8). Per Rule 14a-8, Ms. Jacobs holds more than \$2,000 of WMT common stock, acquired more than one year prior to today's date and held continuously for that time. Ms. Jacobs will remain invested in this position continuously through the date of the 2017 annual meeting. Enclosed please find verification of the position and a letter from Ms. Jacobs authorizing Arjuna Capital and Baldwin Brothers Inc. to undertake this filing on her behalf. We will send a representative to the stockholders' meeting to move the shareholder proposal as required by the SEC rules.

We would welcome discussion with Wal-Mart Stores, Inc. about the contents of the proposal. Please contact Natasha Lamb of Arjuna Capital [natasha@arjuna-capital.com; (978) 704-0114] for all matters related to this resolution; she will be handling the communication with the company regarding this resolution on behalf of the Proponent.

Please also confirm receipt of this letter via email.

Sincerely,

Bill Marvel
Executive Vice President
Baldwin Brothers, Inc.
204 Spring Street
Marion, MA 02738
bmarvel@baldwinbrothersinc.com

Natasha Lamb
Managing Partner
Arjuna Capital

Enclosures

Gender Pay Equity

Whereas:

The median income for women working full time in the United States is reported to be 79 percent of that of their male counterparts. This 10,800 dollar disparity can add up to nearly half a million dollars over a career. The gap for African America and Latina women is 60 percent and 55 percent respectively. At the current rate, women will not reach pay parity until 2059.

Fortune reports the wage gap is 70.3 percent for retail salespersons, ranking such positions at number 8 in their top 20 jobs with the highest gender pay gaps list.

Despite women holding just over one half of retail industry positions, women are underrepresented in higher paying retail management positions and overrepresented in low paying front line jobs.

At Walmart, approximately 57 percent of our employees are women, but women account for only 42 percent of management, and 32 percent of corporate officers. The National Organization for Women (NOW) reports women workers at Walmart were paid 5,200 dollars less on average than male workers and salaried women earned 14,500 less in 2001, despite longer tenure and higher performance ratings.

A large body of evidence suggests diversity in leadership leads to better performance. McKinsey & Company states, "the business case for the advancement and promotion of women is compelling" and has found companies with highly diverse executive teams boasted higher returns on equity, earnings performance, and stock price growth. Best practices to address this underleveraged opportunity include "tracking and eliminating gender pay gaps."

Mercer finds actively managing pay equity "is associated with higher current female representation at the professional through executive levels and a faster trajectory to improved representation."

Regulatory risk exists as the Paycheck Fairness Act pends before Congress. The Equal Employment Opportunity Commission has proposed rules requiring wage gap reporting. California, Massachusetts, New York, and Maryland have passed some of the strongest equal pay legislation to date.

The *Wall Street Journal* reports, "Research attributes salary inequalities to several factors—from outright bias to women failing to ask for raises." A Harvard University economist concluded the gap stems from women making less in the same jobs. As much as 40 percent of the wage gap may be attributed to discrimination.

Retail peer The Gap has publically reported and committed to gender pay equity, along with many companies in the technology sector.

Resolved: Shareholders request Walmart prepare a report by November 2017, omitting proprietary information and prepared at reasonable cost, on the Company's policies and goals to reduce the gender pay gap.

The gender pay gap is defined as the difference between male and female median earnings expressed as a percentage of male earnings (Organization for Economic Cooperation and Development).

Supporting Statement: A report adequate for investors to assess Walmart's strategy and performance would include the percentage pay gap between male and female employees across race and ethnicity, including base, bonus and equity compensation, policies to address that gap, methodology used, and quantitative reduction targets.



December 19th, 2016

Gordon Y. Allison
Vice President and General Counsel
Corporate Division
Wal-Mart Stores, Inc.
702 Southwest 8th Street
Bentonville, Arkansas 72716-0215

Dear Mr. Allison:

Re: The Babbie Jacobs Living Trust (Margaret E. Jacobs, Trustee) / Account ***FISMA & OMB Memorandum M-07-16***

This letter is to confirm that Pershing LLC is the record holder for the beneficial owner of the account of above, which Baldwin Brothers Inc. manages and which holds in the account 513 shares of common stock in Wal-Mart Stores, Inc. (WMT).*

FISMA & OMB Memorandum M-07-16

As of December 19th, The Babbie Jacobs Trust held, and has held continuously for at least one year, 513 shares of WMT stock.

This letter serves as confirmation that the account holder listed above is the beneficial owner of the above referenced stock.

Sincerely,

Kaylyn Norvell
Vice President
Account Manager
Pershing Advisor Solutions LLC, a BNY Mellon company

*DATE: The date that the stock position was received by Pershing LLC is 12/14/2014.



One Pershing Plaza, Jersey City, NJ 07399
www.pershingadvisorsolutions.com

Pershing Advisor Solutions LLC, a BNY Mellon company
Member FINRA, SIPC



BALDWIN BROTHERS

December 15th, 2016

Dylan Sage
Executive Vice President
Baldwin Brothers Inc.
204 Spring Street
Marion, MA 02738

Dear Mr. Sage,

I hereby authorize Baldwin Brothers Inc. and Arjuna Capital to file a shareholder proposal on my behalf at Wal-Mart Stores, Inc. (WMT) regarding Gender Pay Parity.

I am the beneficial owner of more than \$2,000 worth of common stock in WMT that I have held continuously for more than one year. I intend to hold the aforementioned shares of stock through the date of the Company's annual meeting in 2017.

I specifically give Baldwin Brothers Inc. and Arjuna Capital full authority to deal, on my behalf, with any and all aspects of the aforementioned shareholder proposal. I understand that my name may appear on the Corporation's proxy statement as the filer of the aforementioned proposal.

Sincerely,

DocuSigned by:
Margaret Jacobs
A101F88FD3F2437...

Margaret E. Jacobs

c/o Baldwin Brothers Inc.
204 Spring Street
Marion, MA 02738