



Dear Shareholders,

We're proud of how our team performed last fiscal year, and we're grateful for the trust you continue to place in us. We grew revenues 5.1 percent and operating income 8.6 percent. We ended the year in great shape with inventory, operating cash flow was strong at \$36.4 billion, and we drove return on investment improvement of 50 basis points. A big thank you and congratulations to our associates for delivering such strong results!

Today's Walmart is a people-led, tech-powered omnichannel retailer dedicated to helping people save money and live better. I'm so proud of how our associates, around the world, work hard to bring our purpose of helping people live better to life.

People-Led

Being a people-led company means we prioritize creating opportunities for our associates to grow, develop new skills, and build careers. We've reduced turnover and retained talent by investing in wages, healthcare, and education. Our average wage in Walmart U.S. for hourly associates has grown to nearly \$18/hour. Our highest-performing Walmart U.S. store managers earned more than \$500,000 last year. Half of all our managers earned bonuses of \$100,000 or more. More than 1.1 million people have retirement savings in our 401k plan, and more than 475,000 participate in our Associate Stock Purchase Plan. Eighty one percent of them are hourly associates. When our associates benefit, our customers and members do too. That leads to benefits for our shareholders.

Tech-powered

We are more tech-powered than we've ever been. We're building and deploying today's technologies, including AI, in its various forms, and automated storage and retrieval systems in our distribution and fulfillment centers. Our supply chain automation makes jobs more enjoyable by eliminating or replacing mundane tasks. It helps us better flow inventory and personalize experiences.

We're moving with speed. By the end of this year, in the U.S., we'll deliver to 95 percent of the population in under three hours. In China and India, hours have become minutes. We're building a smarter, more flexible, more intelligent and automated supply chain that supports both our stores and our eCommerce business. There is more change happening in our supply chain than I've ever seen. My first job with Walmart was working in one of our warehouses, and seeing what our team is doing today is mind-blowing. We're doing the things we used to dream about.

Driving change while staying true to who we are

We're clear on which aspects of our company we want to keep and strengthen like our purpose, our values, and our culture while we simultaneously drive change in lots of ways to better serve our customers and members. Our desire and ability to change started with Sam Walton and it continues today. We have positioned ourselves to serve people how they want to be served whether that's through an eCommerce order they have delivered, curbside pick up, or a visit to a store or a Sam's Club. When we say omnichannel, we just mean that we want to serve people however they choose to be served in that moment. Becoming even more convenient for our customers and members, along with our everyday low prices and a growing eCommerce assortment is driving our business.

Strengthening our business model and putting our unique set of assets to work

We are building a new business model that delivers top-line growth, gives us room to invest in associate wages and lower prices, while enabling us to improve profitability and return on investment as we build it. Growing our eCommerce business, including our marketplace, advertising, fulfillment services, and data monetization enables us to serve our customers and members better while delivering for shareholders.

Navigating turbulence

Having been with our company for so long, I've seen us navigate times like the period after 9/11, the global financial crisis, a pandemic, and historically high inflation of the past several years. And while we know we're not immune to the effects of the changing environment we're in today, I like our position. I wouldn't trade hands with anyone because of our people, our purpose and culture, our unique assets, and our ability to change. When the winds blow, flexibility is important and we've got that in our people, our assortment, the ways we serve customers, and our emerging business model.

When I look around, I don't see another company like ours. We're proving we can change and innovate, and we know how to execute. Walmart is an "and" company. We're people and technology. We're stores and eCommerce. We're innovation and execution.

Helping people live better

We're proud to provide low prices on quality merchandise and we want to do that in the most delightful and convenient ways while also helping to strengthen communities and our planet. We literally want to help people live better. We want our customers, members, and associates to know that their lives have been enriched through the work we do every day.

Looking ahead, we'll continue to change while staying true to who we are, and we'll build out this more flexible business model. One that allows us to make the appropriate investments for our future as we drive results today. The power of being an *and* company will ensure that we can deliver on the financial framework we've laid out to support strong topline growth, improved margins, and higher returns.

Thank you for your interest in our company and for being part of this journey with us.

With gratitude,

A handwritten signature in black ink that reads "Doug". The signature is written in a cursive, slightly stylized font.