

Overall analysis/ Product Profile Results

Walmart Inc.'s Retailer Profile

Operating Brands Headquarters US Walmart, Sam's Club

Market Share (Formal Retail Market)

25-27%

Geographic Coverage

Nationwide

Type of Ownership

Public

Primary Retail Format

Hypermarkets

Primary Consumer Segment

Mass market

Operation Model

Corporate-owned / Centralized

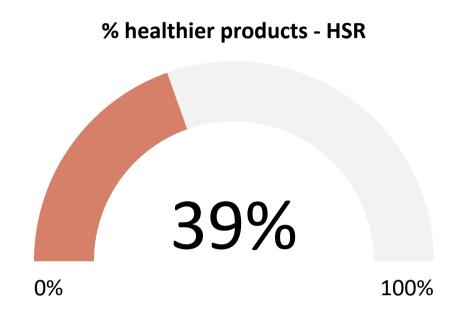
Important - The findings of this Assessment regarding retailers' performance rely to a large extent on information shared by retailers, in addition to information that is available in the public domain. Several factors beyond the retailers' control may impact the availability of information. Therefore, in the case of limited or no engagement by such retailers, this Assessment may not represent the full extent of their efforts.

Footnote:

1. Euromonitor International, Staple Foods Industry edition, 2024

Overall Product Profile Results

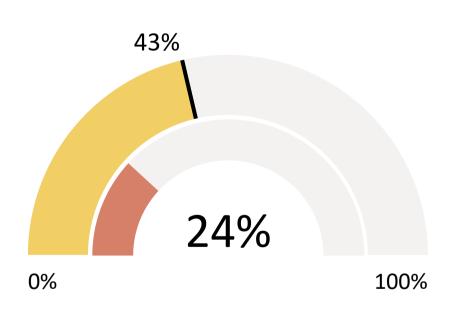
The results below show the percentage of "healthier" products, or products passing the model's criteria, for the company's overall portfolio, as assessed by different nutrient profiling models.



Of 3274 private label products assessed across all applicable categories, 39% are considered healthier based on the **HSR model** and healthier threshold of 3.5 stars or above.

The Health Star Rating (HSR) is a front-of-pack interpretive nutrition labelling system designed to help consumers make healthier choices. It scores products from 0.5 (least healthy) to 5 stars (most healthy), based on nutrients to limit (energy, sodium, total sugar, saturated fat) and positive food components (fruit/vegetable content, protein, fiber) on the basis of nutritional composition per 100g or 100mL across one of six categories. Products scoring 3.5 stars or higher are considered 'healthier'. ATNi uses the HSR in its Global Index and Country Spotlight Indexes to enable cross-company comparisons.

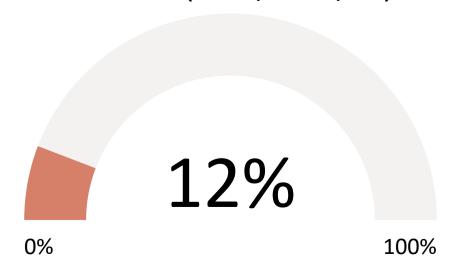




Of 3259 private label products assessed across all applicable categories, 24% are considered healthier based on the **Nutri-Score** grades of A + B (represented by the inner arch of the graph). When extending the definition to include grade C (A + B + C), 43% of private label products are considered healthier (outer arch), allowing flexibility depending on the context and purpose of comparison.

The **Nutri-Score model** was also used to assess the proportion of products in each retailer's portfolio that receive each of the five categories: from category A (dark green), indicating higher nutritional quality, to category E (dark orange), indicating lower nutritional quality.

% products low in fat, sugar, salt and do not contain **UPF markers (colours/flavours/NNS)**



Of 3295 private label products assessed across all applicable categories, 12% are non-HFSS (so not High in Fat, Salt and Sugar) and non-UPF (no colours/flavours/NNS as markers of Ultra-Processed Food) products.

The HFSS + colours/flavours/NNS approach (Popkin et al. 2024) combines HFSS (high in fat, sugar, and salt) thresholds with common UPF markers (in this case: colours, flavours, and nonnutritive sweeteners) to flag less healthy food and beverage items.



Topic A: Nutrition Prioritization

Findings Recommendations Recognition of nutrition Recognition of nutrition Walmart's 'ESG Priority Assessment' includes 'Safer, Healthier Products', which Walmart is encouraged to explicitly recognize nutrition-related risks in its public <u>Link</u> includes 'Nutrition' specifically. However, it does not explicitly recognize enterprise risk register, such as the potential business impacts of changing consumer preferences and health consciousness, reputational risks, and possible future regulatory nutrition-related risks to its business in its annual risk register disclosure. requirements. Doing so would help the company proactively manage emerging Addressing and prioritizing nutrition challenges and improve its transparency with investors and other stakeholders. Walmart's ESG strategy includes a clear focus on nutrition via the 'Community' <u>Link</u> Addressing and prioritizing nutrition pillar. Broadly, it consists of ensuring affordability of products (including 'produce'), nutrition education, labelling (e.g. its 'Built for Better - For You' and Walmart is encouraged to build on its current efforts under the 'Community' pillar by 'Great for You' logos), product innovation (including private label), as well as further integrating nutrition considerations across its commercial business functions. through its philanthropic efforts. The company pursues a 'shared value' growth This could include developing specific objectives and activities to improve access to and strategy, which integrates its ESG approach into its commercial growth plan. At affordability of healthy foods, and publish a comprehensive multi-year plan for delivery. the same time, Walmart does not report on nutrition in its quarterly financial The company is also recommended to integrate updates on its nutrition-related efforts in its quarterly earnings reports to further demonstrate transparency and the reports. company's prioritization of nutrition. **Nutrition governance and accountability Nutrition governance and accountability** Walmart states that its Executive Vice President and Chief Sustainability Officer <u>Link</u> (CSO) provide oversight of its ESG strategy and programs, which include a focus Walmart is recommended to assign direct responsibility for its nutrition strategy to a on nutrition. They also update the Nominating and Governance Committee of named executive. It is also recommended to develop KPIs for its nutrition strategy, such the Board on progress. No specific information was found on who holds direct as sales targets for healthier products, and link these to its executive remuneration plans. This would embed nutrition goals more deeply within corporate governance, accountability for the company's nutrition strategy, and the extent to which the Board reviews it specifically. Although Walmart reports linking executive reinforce accountability, and signal to investors and stakeholders the company's commitment to advancing its nutrition goals. remuneration to ESG objectives, it is unclear whether this includes nutritionrelated KPIs.

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Topic B: Portfolio Improvement

Findings Recommendations **Nutrition targets and reporting Nutrition targets and reporting** No evidence was found on the public domain of targets to increase sales of Walmart is strongly recommended to publicly report the percentage of its sales – by <u>Link</u> either 'healthier' products or fruits and vegetables. The company reports that both volume and value - that meets a defined 'healthy' threshold. While it could use 30% of its private label and fresh produce items meet the 'Great For You' the 'Great For You' criteria for this purpose, a more robust approach would be to use a nutrition criteria, though the scope and year of this figure are not specified. No government-endorsed NPM as the basis, such as the forthcoming FDA 'Healthy' targets or reporting were identified reducing key nutrients of concern or nutrient content claim criteria. The company is also strongly encouraged to set an increasing levels of positive ingredients within its private label portfolio. ambitious, timebound target to increase the proportion of its sales derived from 'healthier' products. In addition, Walmart could consider setting complementary **Defining 'healthier' products** targets to reduce levels of nutrients of concern (sodium, sugar, and saturated fats) Walmart identifies 'healthier' private label and fresh produce items using the <u>Link</u> across its private label portfolio, and to transparently report on its progress on an 'Great For You' nutrition criteria, which sets limits for total fat, saturated fat, annual basis. trans fat, sodium, and added sugars and encourages foods like fruits, vegetables, **Defining 'healthier' products** whole grains, low-fat dairy, nuts, seeds, and lean meats – thresholds for which are publicly available. Developed with input from nutrition experts and based on Walmart is strongly recommended to adopt a government-endorsed NPM to define the 2010 Dietary Guidelines for Americans and guidance from the FDA, USDA, 'healthier' products within its portfolio, such as the forthcoming FDA 'Healthy' criteria. and IOM, the criteria are not formally endorsed by these bodies. Walmart has Walmart is also recommended to benchmark this against government-endorsed not benchmarked its 'healthier' definition against a government-endorsed healthy definitions, and publish the results. nutrient profile model (NPM). Reducing processing levels Walmart has committed to remove synthetic dyes and 30 other ingredients, <u>Link</u> including preservatives, artificial sweeteners, and fat substitutes, from its private label food products by 2027. The company reports that, at present (October 2025), synthetic dyes are present in about 10% of its private label portfolio.



Topic C: Pricing & Promotions

Findings Recommendations Affordability of healthier products Affordability of healthier products Walmart states that "pricing" is one of the ways that it aims to "provide access Building on its overall commitment to affordability, Walmart is encouraged to develop <u>Link</u> to healthier food options". For example, it estimates that it offered "price gaps" a dedicated strategy to increase the affordability of 'healthier' products specifically, on fresh fruits and vegetables worth \$1.6 billion in 2025, though it is not clear ensuring that these are priced more competitively relative to less healthy options. The how this concept is defined and calculated. company is encouraged to increase transparency around how its "price gaps" metric for fresh fruits and vegetables is defined and calculated, and to consider setting a timebound target for this. These efforts can be further strengthened by a broader The company states that it works to "build the digital and physical infrastructure to support access to nutritious foods", though it does not specify what this strategy to improve the accessibility for lower-income consumers of affordable, means in practice. The company also tracks the "Number of pickup and delivery healthy products specifically. locations globally" and "% of US population within 10 miles of Walmart stores **Price promotions and loyalty rewards** and/or clubs" as KPIs and emphasizes its role in facilitating the use of Walmart is encouraged to leverage its loyalty rewards program to actively incentivize Supplemental Nutrition Assistance Program (SNAP) benefits for online grocery the purchase of 'healthier' products, ideally through ongoing or permanent shopping, but these do not include an emphasis on healthier products. mechanisms. The company is also encouraged to develop a program or policy to **Price promotions and loyalty rewards** ensure that a greater share of price promotions are applied to 'healthier' products throughout the year, or to reduce promotions on less healthy products. The company While the company has an extensive loyalty rewards program in place, no evidence was found of using it specifically to incentivise the purchasing of could also consider tracking and publicly reporting quantitative data on these healthier products. In addition, no evidence was found of a program or policy to initiatives to demonstrate their reach and impact. allocate a greater share of price promotions to healthier products.



Topic D: Responsible Marketing

Findings Recommendations In-store marketing techniques In-store marketing techniques Walmart is encouraged to develop initiatives to increase the proportion of healthier products that are No evidence of a policy or initiative to address the positioning of healthier or unhealthy products in prominent in-store locations, prominently displayed in high-traffic areas of stores, such as end-of-aisle displays, checkout zones, and store entrances, relative to less healthy products. The company is also advised to progressively improve improve shelf-space ratios, or adopt in-store promotional techniques (beyond price) to drive sales of healthier products the overall shelf-space ratio between healthier and less healthy products, and, at minimum, commit to and/or fruits and vegetables was found in the public domain. ensure that healthier product variants receive at least as many shelf facings and as advantageous positioning as their original product counterparts. Ideally, these efforts would be complemented by Responsible marketing to children similar practices in online retail environments, ensuring that healthier options are prominently featured No evidence of a responsible marketing to children policy, or in digital promotions, search results, and recommendations. explicit commitments to restrict the marketing of unhealthy Responsible marketing to children products, was found on the public domain. Walmart is strongly encouraged to establish a formal policy to not market products that do not meet a Responsible marketing of breastmilk substitutes (BMS) and formal definition of 'healthy', ideally based on a government-endorsed NPM or the PAHO Model, to complimentary foods (CF) children under the age 18, in line with WHO and UNICEF recommendations. This commitment should No evidence of a policy for the responsible marketing (according apply to all products, including treats and seasonal products, and across all marketing channels and to WHO BMS Marketing Code) of BMS or CF products was found techniques, including in-store promotion, digital media, and sponsorships, while being transparent on the public domain. about any exemptions. The company is also encouraged to commission independent third-party audits of this policy on an annual basis, and to publish the results to demonstrate transparency and accountability. Responsible marketing of breastmilk substitutes (BMS) and complimentary foods (CF) Walmart is encouraged to develop and publicly disclose a policy on the responsible marketing of BMS and CF, fully aligned with the WHO International Code of Marketing of Breastmilk Substitutes and subsequent relevant World Health Assembly (WHA) resolutions. This policy should clearly outline the company's commitments, scope of application, and mechanisms for monitoring and enforcement across all markets and subsidiaries.



Topic E: Responsible Labelling

Recommendations **Findings Identifying healthier products** Identifying healthier products Walmart identifies 'healthier' products in its private label and fresh produce <u>Link</u> Walmart is recommended to extend its 'Good For You' labelling system to national ranges via the 'Great For You' icon, which appear on pack. It also has a dedicated brand products, both on in-store shelf labels and online, or to adopt another NPM, online store page for qualifying products. The company has not adopted a ideally one that is government-endorsed, to help consumers distinguish between system to identify 'healthier' or 'unhealthy' products on shelf tags beyond its healthier from less healthy products across its entire portfolio, including both private private labels brands. label and national brand products. Responsible use of health and nutrition claims Responsible use of health and nutrition claims No evidence was found of a policy to only place health and nutrition claims on Walmart is encouraged to adopt a policy to only place health and nutrition claims on products classified as 'healthier' according to an NPM. products if they are classified as 'healthier' according to an NPM.

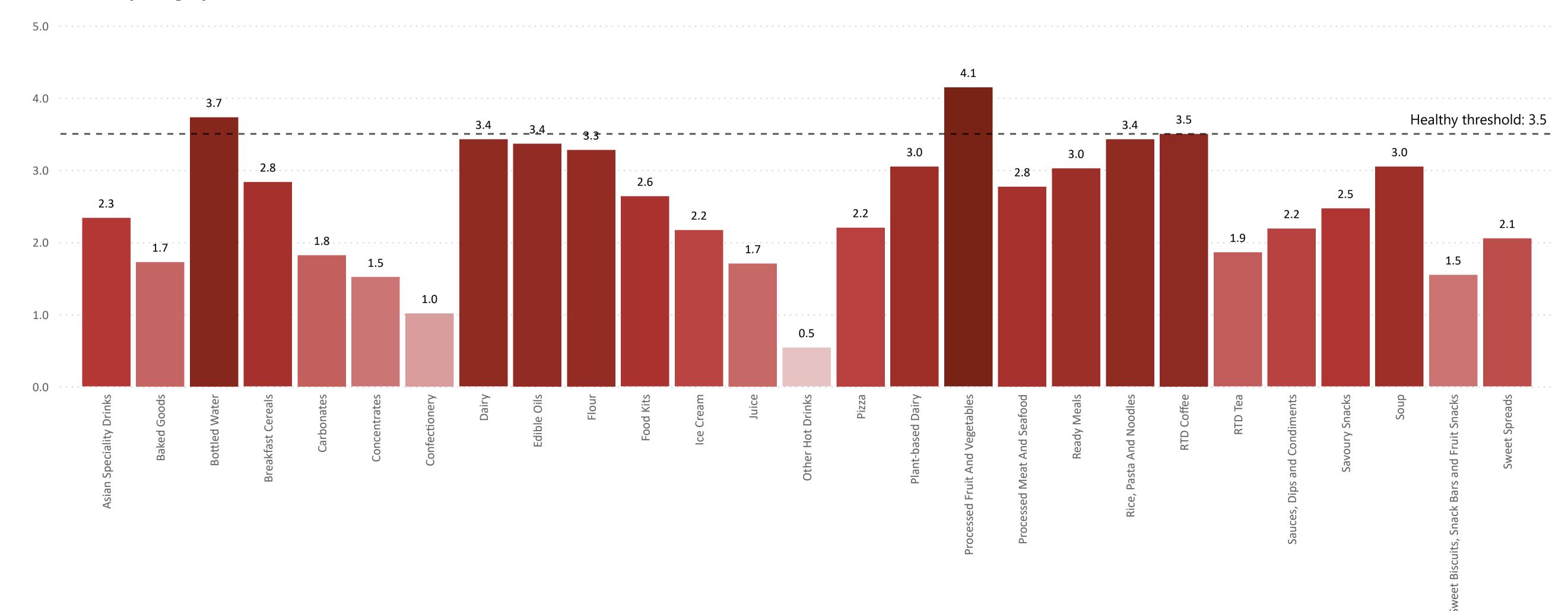
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Private Label Product Profile Results

The Product Profile for Retail Assessment provides a structured evaluation of the nutritional composition of private label packaged food and beverage products from selected retailers. It employs a range of internationally recognized nutrient profiling models to assess product characteristics, including the Australasian Health Star Rating (HSR), the Nutri-Score model, and the HFSS + colours/flavours/NNS approach (Popkin et al. 2024). These models support a consistent and comparative analysis of portfolio healthiness across the retailers. Graph below indicates mean HSR of each categories assessed for Walmart.

Mean HSR by category





Private Label Product Profile Results

The table presents an overview of the nutritional quality of products across various food categories, based on HSR, Nutri-Score (A+B and A+B+C) and the HFSS + colours/flavours/NNS approach (Popkin et al. 2024). Each row corresponds to a specific food category, and the percentages reflect the share of products in that category meeting the respective model's criteria. The figures in parentheses indicate the number of products meeting the criteria over the total assessed. Blank cells indicate that data was not available or not applicable for that category and model. Categories with less than 5 products are greyed out.

Category	% healthier products: HSR	% healthier products: Nutri-Score (A+B)	% healthier products: Nutri-Score (A+B+C)	% products that are HFSS	% products that are HFSS AND/OR contain UPF markers (colours/flavours/NNS)
Asian Speciality Drinks	33% (1/3)	0% (0/3)	67% (2/3)	33% (1/3)	100% (3/3)
Baked Goods	12% (39/319)	5% (15/319)	15% (48/319)	97% (308/318)	97% (310/318)
Bottled Water	94% (47/50)	20% (10/50)	100% (50/50)	0% (0/47)	87% (41/47)
Breakfast Cereals	26% (23/89)	10% (9/89)	22% (20/89)	99% (87/88)	100% (88/88)
Carbonates	36% (4/11)	0% (0/11)	45% (5/11)	55% (6/11)	100% (11/11)
Concentrates	25% (17/68)	1% (1/68)	9% (6/68)	81% (54/67)	99% (66/67)
Confectionery	1% (1/163)	1% (1/163)	1% (1/163)	100% (163/163)	100% (163/163)
Dairy	70% (178/253)	22% (57/256)	39% (99/256)	78% (201/257)	89% (228/257)
Edible Oils	73% (16/22)	77% (17/22)	95% (21/22)	100% (22/22)	100% (22/22)
Flour	67% (6/9)	56% (5/9)	67% (6/9)	100% (9/9)	100% (9/9)
Food Kits	37% (11/30)	20% (6/30)	53% (16/30)	57% (17/30)	100% (30/30)
lce Cream	1% (1/88)	1% (1/88)	35% (31/88)	99% (87/88)	100% (88/88)
Juice	7% (4/59)	5% (3/59)	27% (16/59)	43% (26/60)	57% (34/60)
Other Hot Drinks	0% (0/26)	0% (0/26)	0% (0/26)	100% (26/26)	100% (26/26)
Pizza	5% (4/82)	0% (0/82)	4% (3/82)	98% (80/82)	100% (82/82)
Plant-based Dairy	73% (16/22)	32% (7/22)	64% (14/22)	41% (9/22)	82% (18/22)
Processed Fruit And Vegetables	94% (373/396)	80% (315/396)	95% (376/396)	28% (110/396)	53% (208/396)
Processed Meat And Seafood	52% (115/222)	32% (71/222)	40% (89/222)	80% (187/234)	87% (204/234)
Ready Meals	50% (110/220)	12% (27/221)	67% (148/221)	50% (111/222)	89% (197/222)
Rice, Pasta And Noodles	70% (93/133)	69% (92/133)	71% (95/133)	94% (125/133)	94% (125/133)
RTD Coffee	100% (3/3)	100% (3/3)	100% (3/3)	0% (0/3)	0% (0/3)
RTD Tea	36% (5/14)	21% (3/14)	36% (5/14)	50% (9/18)	67% (12/18)
Sauces, Dips and Condiments	26% (113/440)	19% (85/438)	41% (181/438)	81% (361/443)	91% (405/443)
Savoury Snacks	24% (52/216)	13% (27/215)	29% (63/215)	99% (212/215)	99% (213/215)
Soup	34% (26/77)	22% (17/77)	94% (72/77)	52% (41/79)	87% (69/79)
Sweet Biscuits, Snack Bars and Fruit Snacks	5% (9/169)	0% (0/169)	2% (3/169)	100% (169/169)	100% (169/169)
Sweet Spreads	17% (15/90)	1% (1/74)	23% (17/74)	100% (90/90)	100% (90/90)
Total	39% (1282/3274)	24% (773/3259)	43% (1390/3259)	76% (2511/3295)	88% (2911/3295)