Walmart Global Ethics & Compliance

Region/Territory Category List

Updated November 7, 2023

The Walmart Responsible Sourcing and Supply Chain Security programs use a risk-based approach to auditing that focuses audit resources on geographic areas that have higher potential for risk and non-compliance. Using supply chain data provided by the British Standards Institute (BSI), Walmart places each region/territory into one of three risk categories. While the data from BSI is a key element of the risk-based approach to auditing, Walmart reserves the right to incorporate other data or risk factors into its risk-based approach and the assignment of regions/territories to a Category.

Risk-Based Approach to Auditing

Each region/territory is placed into one of three risk categories. Audit requirements for disclosed facilities under each category are as follows:

- **Category 1 Regions/Territories – Lower Risk:** Walmart does not require suppliers to submit an audit for facilities in Category 1 regions/territories on a regular schedule, except as described in the Prequalification Requirements section below. Rather, Walmart will select a sample of such facilities annually and suppliers associated with selected facilities will be required to submit an audit to Walmart. Any facility in a Category 1 region/territory may be selected as part of this sample.

- **Category 2 Regions/Territories – Medium Risk:** Suppliers are required to complete a third-party audit for facilities in Category 2 regions/territories and continue with follow-up audits so that facilities maintain a valid audit at all times. Audit reports are valid for a period of time determined by each program. In cases where a program does not specify, Walmart will set an expiration date.

- **Category 3 Regions/Territories – Higher Risk:** Suppliers are required to complete a third-party audit for all facilities in Category 3 regions/territories and the audit must receive a Green or Yellow assessment before the facility can produce for Walmart. Suppliers must continue with follow-up audits so that facilities in Category 3 countries maintain a valid audit at all times. Audit reports are valid for a period of time determined by each program. In cases where a program does not specify, Walmart will set an expiration date. Walmart may choose to deny authorization of a facility disclosed in a Category 3 region/territory where no other facilities are currently disclosed and authorized for production. Walmart will review on a case-by-case basis and may deny activation of the facility based on risk, even if the region/territory is not subject to legal prohibitions or other Walmart restrictions. Contact RS Compliance to determine whether Walmart is allowing sourcing from the Category 3 region/territory.

Walmart ⛦ Global Ethics & Compliance

Prequalification Requirements

In addition to these region/territory-based auditing requirements, suppliers associated with new or reactivated Direct Import facilities (facilities where Walmart is the importer of record) will be required to obtain a prequalification audit for such facilities prior to producing product for Walmart. Once this requirement is satisfied, auditing requirements for the facility are those set forth above based on region/territory category.

- Category 1 and Category 2 facilities must receive an Orange, Yellow, or Green rating in order to meet prequalification requirements.
- Category 3 (high risk region/territory) facilities must receive a Yellow or Green rating in order to meet prequalification requirements.

Walmart may, from time to time, ask suppliers with facilities producing certain kinds of products, or in certain industries, to obtain additional audits. Walmart reserves the right to examine other factors and to evolve its audit approach and requirements over time.

Other areas within Walmart may require factory audits. These may include Food Safety audits, Factory Capability and Capacity audits, or others. Legal prohibitions or other Walmart restrictions on sourcing from certain regions/territories may apply.

For **more information** regarding audit requirements for the two compliance programs, click on the appropriate link:

Responsible Sourcing Audit Requirements   Supply Chain Security Audit Requirements

Prohibited Regions/Territories

Legal and other restrictions prohibit suppliers from sourcing[1] product, or products' components/ingredients/raw materials, for Walmart from the following regions/territories:

- Cuba
- Iran
- North Korea
- Syria
- Crimean Peninsula, Donetsk People's Republic (DNR) and Luhansk People's Republic (LNR) Regions
- Russia

- Belarus
- Burma
- Turkmenistan
- Uzbekistan
- Xinjiang Uyghur Autonomous Region

Doing so may lead to supplier consequences, up to and including termination of the supplier's business relationship with Walmart and/or a facility's ability to produce goods for sale at Walmart.

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[1] Sourcing product, or products' components/ingredients includes those that are grown, produced, manufactured, extracted, processed in, sourced from, or transported through any of the Prohibited Regions/Territories.

Responsible Sourcing Category Lists

Category 1: Lower-Risk Regions/Territories

FOR RESPONSIBLE SOURCING AUDITING PURPOSES:

American Samoa	French Guiana	New Caledonia
Andorra	French Polynesia	New Zealand
Antigua and Barbuda	Germany	Northern Mariana Islands (Saipan)
Aruba	Greenland	Norway
Australia	Grenada	Palau
Austria	Hong Kong	Portugal
Bahamas	Hungary	Puerto Rico
Belgium	Iceland	San Marino
Bermuda	Ireland	Singapore
Bhutan	Japan	Slovakia
Brunei	Jersey, Channel Islands	Slovenia
Canada	Latvia	South Korea
Cayman Islands	Liechtenstein	Spain
Chile	Lithuania	Saint Kitts and Nevis
Costa Rica	Luxembourg	Saint Lucia
Curaçao	Macau	Saint Vincent and the Grenadines
Czechia	Malta	Sweden
Denmark	Marshall Islands	Switzerland
Dominica	Martinique	Trinidad and Tobago
Estonia	Micronesia	United Kingdom
Finland	Monaco	United States
France	Netherlands	Uruguay

Category 2: Medium-Risk Regions/Territories

FOR RESPONSIBLE SOURCING AUDITING PURPOSES:

Albania	Equatorial Guinea	Malawi	Saudi Arabia
Algeria	Eswatini	Malaysia	Senegal
Angola	Fiji	Maldives	Serbia
Argentina	Gabon	Mauritius	Seychelles
Armenia	Gambia	Mexico	Sierra Leone
Azerbaijan	Georgia	Moldova	Solomon Islands
Bahrain	Ghana	Mongolia	South Africa
Barbados	Greece	Montenegro	Sri Lanka
Belize	Guatemala	Morocco	Suriname
Benin	Guyana	Mozambique	Taiwan
Bolivia	Honduras	Namibia	Tajikistan
Bosnia and Herzegovina	India	Nauru	Tanzania
Botswana	Indonesia	Nicaragua	Thailand
Brazil	Israel	Niger	Timor-Leste
Bulgaria	Italy	North Macedonia	Togo
Burkina Faso	Jamaica	Oman	Tonga
Cabo Verde	Jordan	Panama	Tunisia
Cameroon	Kazakhstan	Papua New Guinea	Turkey (Türkiye)
China (except other outlined regions)	Kenya	Paraguay	Tuvalu
Colombia	Kiribati	Peru	Ukraine
Comoros	Kosovo	Philippines	Uganda
Croatia	Kuwait	Poland	United Arab Emirates
Cyprus	Kyrgyzstan	Qatar	Vanuatu
Djibouti	Laos	Republic of the Congo	Venezuela
Dominican Republic	Lebanon	Romania	Vietnam
Ecuador	Lesotho	Rwanda	Western Sahara
Egypt	Libya	Samoa	Zambia
El Salvador	Madagascar	São Tomé and Príncipe	

Category 3: Higher-Risk Regions/Territories

FOR RESPONSIBLE SOURCING AUDITING PURPOSES:

Afghanistan	Ethiopia	Nepal
Bangladesh	Guinea	Nigeria
Burundi	Guinea-Bissau	Pakistan
Cambodia	Haiti	Somalia
Central African Republic	Heilongjiang, Jilin, and Liaoning Provinces	South Sudan
Chad	Iraq	Sudan
Côte d'Ivoire	Liberia	West Bank
Democratic Republic of the Congo	Mali	Yemen
Eritrea	Mauritania	Zimbabwe

Walmart Global Ethics & Compliance

Supply Chain Security Category Lists

Category 1: Lower-Risk Regions/Territories		
FOR SUPPLY CHAIN SECURITY AUDITING PURPOSES:		
Andorra	Iceland	Papua New Guinea
Antigua and Barbuda	Ireland	Qatar
Australia	Japan	Rwanda
Austria	Kiribati	Saint Kitts and Nevis
Bahrain	Kuwait	Saint Lucia
Bermuda	Lesotho	Samoa
Bhutan	Liechtenstein	San Marino
Botswana	Luxembourg	São Tomé and Príncipe
Brunei	Macau	Seychelles
Cayman Islands	Malawi	Singapore
Comoros	Maldives	Solomon Islands
Cyprus	Malta	South Korea
Denmark	Marshall Islands	Sri Lanka
Dominica	Martinique	Sweden
Estonia	Mauritius	Switzerland
Eswatini	Micronesia	Timor-Leste
Fiji	Monaco	Tonga
Finland	Mongolia	Tuvalu
French Guiana	Nauru	United Kingdom
French Polynesia	New Zealand	Uruguay
Greenland	Northern Mariana Islands (Saipan)	Vanuatu
Grenada	Norway	
Hong Kong	Palau	

Category 2: Medium-Risk Regions/Territories

FOR SUPPLY CHAIN SECURITY AUDITING PURPOSES:

Angola	Dominican Republic	Latvia	Saudi Arabia
Argentina	Ecuador	Lebanon	Senegal
Armenia	Egypt	Liberia	Serbia
Aruba	El Salvador	Lithuania	Sierra Leone
Azerbaijan	Equatorial Guinea	Madagascar	Slovakia
Bahamas	Eritrea	Malaysia	Slovenia
Barbados	Ethiopia	Mali	Somalia
Belgium	France	Mauritania	South Africa
Belize	Gabon	Moldova	South Sudan
Benin	Gambia	Montenegro	Spain
Bosnia and Herzegovina	Georgia	Morocco	Sudan
Brazil	Germany	Mozambique	Suriname
Burkina Faso	Ghana	Namibia	Taiwan
Burundi	Greece	Nepal	Tajikistan
Cabo Verde	Guinea	Netherlands	Tanzania
Cambodia	Guinea-Bissau	New Caledonia	Togo
Cameroon	Guyana	Nicaragua	Trinidad and Tobago
Canada	Haiti	Niger	Tunisia
Central African Republic	Honduras	North Macedonia	Uganda
Chad	Hungary	Oman	United Arab Emirates
Chile	Indonesia	Panama	United States of America
China	Israel	Peru	Vietnam
Costa Rica	Italy	Philippines	West Bank
Côte d'Ivoire	Jamaica	Poland	Western Sahara
Croatia	Jordan	Portugal	Yemen
Curaçao	Kazakhstan	Puerto Rico	Zambia
Czechia	Kosovo	Republic of the Congo	Zimbabwe
Democratic Republic of the Congo	Kyrgyzstan	Romania	
Djibouti	Laos	Saint Vincent and the Grenadines	

Walmart Global Ethics & Compliance

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FOR SUPPLY CHAIN SECURITY AUDITING PURPOSES:

Afghanistan	Guatemala	Pakistan
Albania	India	Paraguay
Algeria	Iraq	Thailand
Bangladesh	Kenya	Turkey (Türkiye)
Bolivia	Libya	Ukraine
Bulgaria	Mexico	Venezuela
Colombia	Nigeria	