

WAL-MART STORES, INC., OFFERING ENVIRONMENTALLY FRIENDLY TEXTILE OPTIONS TO CUSTOMERS

More Merchandise Changes Appearing in Stores

In 2005, Wal-Mart Stores, Inc. mapped out environmental goals that would lead the company toward a sustainable future. One of these goals is to provide our customers with products that sustain our resources and protect the environment.

To help us reach this goal, we developed an internal team to focus on improving the quality of life for our customers by providing them with environmentally friendly and fashionable clothing options while maintaining everyday low prices. We also established the 2010 Plan, which is a five-year study on global sourcing of sustainable textiles aligned with a comprehensive merchandising strategy.

Wal-Mart is Moving Toward a Sustainable Future:

Through various pilot programs, initiatives and collaborative efforts with key suppliers and farmers, new textile products are already on our shelves.

- Wal-Mart Textile Network members have educated our fashion merchandisers about specific network goals, projects and products, **such as organic cotton and other sustainable fibers, including bamboo.**
- Wal-Mart recently **launched its Textiles Scorecard Pilot program** to a select group of suppliers to give them a fully-transparent **measurement tool designed to evaluate the sustainability of their products**, including the amount of packaging, greenhouse gas emissions and the impact of dyes used in the textiles. We will continue to work with these suppliers to improve the scorecard and make it more efficient and effective for all of our suppliers. The scorecard will soon be made available for all Wal-Mart suppliers to access, share best practices and learn from each other to better advance the sustainability of their own textile products.
- Sam's Club introduced **organic cotton apparel** to its diverse line of products. There were **190,000 yoga outfits sold in 10 weeks.** Today, Wal-Mart is the **largest buyer of organic cotton**, with more than 10 million pounds purchased annually. We're also the world's largest purchaser of conversion cotton – cotton grown without chemicals, but waiting to be certified as organic. We expect to see an estimated 20-percent increase in organic cotton sales in 2007 over 2006.
- We are incorporating alternate fibers, such as bamboo and recycled fibers, into a variety of product assortments. We have introduced **recycled yarn socks and bamboo fiber long-sleeve t-shirts and bras, which are in select stores and clubs nationwide.**
- Wal-Mart is collaborating with the Hanes brand to develop a line of **sleepwear that showcases sustainable consideration from the field to the factory to post-production.**

Wal-Mart is Reducing Waste through Textile Initiatives:

Wal-Mart's strategic environmental goals also include creating zero waste. The company has in place initiatives specific to this goal and is working to reduce waste across merchandise categories through all our networks.

- After transitioning our associates' uniform from the previous blue vests to our current collared shirts, Wal-Mart **committed to recycling all the used and unused vests in an effort to reduce waste and reuse the textile in a positive way.** Through the company's vest recycling initiative, Wal-Mart partnered with Veterans of Foreign Wars, Sustainable Solutions, and Hallmark to recycle the vests into lap blankets and greeting cards to be distributed to U.S. veterans, troops and their families. The recycling effort **produced 100,000 greeting cards and 5,000 blankets.** The remaining vests were recycled into boxes used by Wal-Mart to ship online merchandise.
- Through our existing sandwich bale program, where cardboard balers have been transformed into key tools to reduce plastic waste, we can now recycle plastic hangers. **To date, the company has recycled more than 18,607 pounds of hangers.**
- Wal-Mart's packaging shift is underway with post-consumer waste in cardboard hangtags and the development of plastisol-free heat labeling (tag-less).

- We are recovering raw materials and making use of pre-consumer waste (post-industrial), such as pattern clippings, to create regenerated fabrics.
- We are working closely with dye houses to increase the use of lower toxicity dyes that have less impact on the environment. We are also incorporating environmentally-preferable dyes into the list of approved pallet of Wal-Mart colors.

Wal-Mart's Changes are Being Embraced:

- "The Bentonville, Ark., retailer has prodded its suppliers to cut their packaging and pare their reliance on nonrenewable fuels. It has relentlessly promoted long-lasting but slow-selling compact-fluorescent light bulbs. **It is the world's largest buyer of organic cotton, purchasing more than 10 million pounds a year.** (*The Wall Street Journal*, July 24, 2007)
- "Like Wal-Mart, I'm sure local business leaders can latch onto opportunities that not only make their companies more sustainable but more profitable at the same time as they do the right thing by the environment, suppliers and customers' quality of life," (*New Zealand Management*, Aug. 2006).
- "If you can make a change in Wal-Mart, even if it's a small change, it's really a big change, especially if it affects the supply chain," (*Grist Magazine*, Nov. 22, 2005).

For more information about Wal-Mart's sustainability efforts and textile initiatives, please visit www.walmartstores.com.

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