

Sustainability Supplier Assessment FAQs

To find the questionnaire and additional resources please go to Retail Link

Why should I do this?

We want to identify and thank our suppliers that have demonstrated leadership in sustainability. Even more importantly, in working internally and with other suppliers, we have found cost savings and innovation opportunities by investigating our energy use, our waste stream and our impacts on natural resources and the community. The measurements and behaviors we ask about in this questionnaire have significant potential to drive down costs and/or enhance quality while helping our suppliers be more sustainable. We want to strengthen our relationships with suppliers who share this approach to doing business.

Is it mandatory that I answer all these questions?

It's not mandatory. This is an opportunity for you to show how your company's practices stand out amongst Walmart's 60,000 suppliers. Leaders in sustainability deserve merit.

When do the answers need to be completed?

Our top tier suppliers are expected to answer the questions by October 1, but all suppliers are encouraged to submit their answers as soon as they can. Additionally, as your company makes progress, any supplier can go into Retail Link and revise the answers they submitted at any point. This way, we can track your progress and you can continue to get credit for your actions in the future.

How will this information be used?

Walmart wants to better understand the practices of its suppliers. This helps us keep our promise to our customers of delivering great products that will help them save money and live better. We see our suppliers as partners in this endeavor, and this is a tool to help reinforce and advance those partnerships. Any absolute numbers provided in your answers will NOT be used for comparison to other suppliers unless explicitly stated. We understand that there are many variables inherent in measuring energy use, greenhouse gas emissions, waste and water use, and in absence of common, transparent rules or protocols, one number cannot be legitimately compared with another. Despite these complications, in the future we do intend to reward those suppliers who have measured impacts and show progress toward meeting stated reduction goals.

How far back in my supply chain should I be measuring?

Question 3 (Greenhouse Gas Emissions) specifically requests Scope 1 & 2 Emissions (see Resources: Climate & Energy for more). For Questions 5 and 7, please report totals even if you are using contract factories. Aggregate all factories to give the totals. For example, if 100% of your toys are assembled by a contractor, these facilities need to report to you their totals. A general guideline for these responses is to set the bar high, ensure you've got over 95% of your production covered and do not get caught up in details around instances that may only marginally effect the answer. That said, guessing will be considered a violation of Walmart's good faith.

How do you define "Facilities that produce products for Walmart?"

"Facilities that produce your products for Walmart" is defined as: Facilities that you (supplier) own/lease and/or operate, or contract with directly to manufacture/assemble the final goods. If you do not have this data broken out for Walmart's production, that is fine. Please simply report totals inclusive of all activities.

Will the merchants have access to the information I provide?

Yes. Your merchandising team will be able to use the information you provide to gain a deeper understanding of your commitment to sustainability. However, we understand that these questions do not cover all of the things that your company may be doing to become more sustainable. Accordingly, please work with them to identify and share best practices in your categories that are not covered in this questionnaire.

Am I being evaluated based on these questions?

Evaluations of the responses will begin in September 2009.

How will I be evaluated?

Suppliers will be rated as Above Target, On Target, or Below Target for each individual section and as a whole. Please see the other resource documentation for additional information on how each section will be rated, as well as resources that can help you improve your rating.

How often will I be evaluated?

The supplier assessment is available to fill out at any time, and answers can be changed or added at any time. Accordingly, as your company makes progress we invite you to revise your answers accordingly to get credit for your leadership.

Do these questions encompass the breadth of how Walmart defines sustainability?

No. This is just one step in our journey to collaborate more closely with our suppliers on our sustainability goals. In order to keep this process from becoming onerous for our suppliers, the first phase of information gathering is focused largely on our suppliers' measurement and goal setting for key factors around sustainability. Eventually, we intend to ask other questions about suppliers and products.

What is the scope of the Sustainability Assessment, U.S. or Global?

Suppliers are to complete this questionnaire using their vendor number for Walmart or Sam's Club US. Going forward, other regions may ask you to complete the same questionnaire but currently these questions apply to Walmart or Sam's Club US only.

Are the questions for all facilities in one country or for all facilities supplying Walmart/Sam's Club?

The questions apply to all facilities supplying products to Walmart and Sam's Club. You do not have to break out Walmart's specific portion of the, for example, emissions in each factory. Please simply include the total emissions. You also need not worry if the facilities are owned or contracted because this will not affect the score.

I want to complete the form for my company as a whole, not individual business units. How do I do this?

The tool is organized by vendor number, so you simply need to complete the form for each vendor number. If you have the ability to break your information out by vendor number, that is very good, but if you do not, please simply fill in the same information (aggregate total for the entire company) for each vendor number listed.

My reduction targets are normalized to production (or some other variable). How should I report this?

Enter the % or number in the space provided to indicate your target reduction amount, and communicate with your buyer that the figures are normalized. The intent of this question is to demonstrate that a reduction target has been set.

Is Walmart going to be validating my responses? Will it be at my cost?

Responses to this questionnaire will be accepted in good faith, relying on the integrity of the supplier. Violation of that good faith will be considered very serious by Walmart. Merchandising teams will be trained in how to identify inaccuracies, and if you have concerns that inaccurate information has been provided, please email SustainabilityAssessment@wal-mart.com.

We report our greenhouse gas emissions through another program. Can we get credit for that?

Walmart has thoroughly researched the various carbon reporting programs out there and believes that the Carbon Disclosure Project is the most complete and credible. The CDP allows companies to enter their scores from other carbon accounting programs and provides a uniform reporting system.

How do my scores from the Packaging Scorecard impact my overall score?

Scores are automatically pulled from the Packaging Scorecard and are based on the percent of your products for which you have completed the scorecard. If you have completed the Packaging Scorecard for all your products, you're in great shape. But more importantly, the process of completing that scorecard should help you identify ways to cut costs and increase the sustainability of the packaging of your products.

What if I choose not to complete the scorecard?

You will not be penalized for not participating. However, we want to stress our commitment to delivering great products that help our customers save money so they can live better. Sustainability is an important factor we will use to determine which products fit this profile, and answering these questions will help us evaluate suppliers' progress fairly.

What if I didn't complete the Packaging Scorecard?

If you haven't completed the Packaging Scorecard for your products, it's time to start. This continues to be a priority for Walmart and lack of participation will impact your score.

My product is certified by a group that's not on your list. Can I still get credit for that?

Walmart and Sam's Club-recognized certification programs are evaluated based on strict criteria to ensure they are credible and meet both sustainability and business value objectives. If you would like to recommend a certification or self-registration program be considered, please email sustainability_index@wal-mart.com.

My company has had environmental programs in place for years. How can we get credit for the work we've already done?

If your company has a long history of environmental stewardship and corporate responsibility, you will be well positioned to score well on the Sustainability Assessment because you have already done much of the hard work of understanding the impacts of your business. Additionally, the Sustainability Assessment will not replace the relationship that you have with your merchandising team. This is simply a tool for Walmart to better understand and evaluate progress against our company-wide goal of selling sustainable products.

Who can I call if I have questions? Will there be a hotline?

Start by talking to your buyers. If they are not able to answer your questions, email your questions to sustainabilityassessment@wal-mart.com.

Definitions for Key Terms

Question 5: “Solid Waste”

Please include entire factory solid waste to landfill (not just your production). If multiple customers are using the same facility, report total factory output for all customers. This information may be obtained through your waste management facility or calculated, for example, based on volume capacity of waste containers and frequency of collection.

Question 7: “Water Use”

Please include entire factory water use (not just your production). If multiple customers are using the same facility, report total factory output for all customers. This information may be obtained through your water management company or utility (e.g. invoice or billing statement).

Questions 5, 7, 11: “Facilities that produce your products”

Facilities that you (supplier) own/lease and/or operate, or contract with directly to manufacture/assemble the final goods. (See FAQs for more)

Question 13: “Social compliance”

Social compliance is defined as meeting or exceeding the requirements of local laws and buyers' Code of Conduct concerning wages, hours, health, safety, and human rights of employees.

Question 15: “Community development”

Community development support could include the promotion and/or investment in local infrastructure or institutions focused on education, health and wellness, and economic opportunity, for example.