

Greenhouse Gas Elimination: Fact Sheet

On February 25, 2010, Walmart announced plans to eliminate 20 million metric tons of greenhouse gas (GHG) emissions from its global supply chain by the end of 2015. Reductions can come from any phase of a products lifecycle, including sourcing raw materials, manufacturing, transportation, customer use and end of life disposal.

Reducing carbon in the lifecycle of products often means reducing energy use. That means greater efficiency and, with the rising cost of energy, lower costs. So as Walmart helps its suppliers reduce their energy use, costs and carbon footprint, the company will be helping its customers do the same thing.

Walmart has collaborated with Environmental Defense Fund to develop the goal, measurement, accounting and assessment systems to ensure progress toward the goal is properly documented. To count toward this goal a GHG reduction must:

- be directly influenced by Walmart,
- demonstrate how it would not have occurred without Walmart's participation.

Walmart will still focus on reducing GHG emissions from its direct operations (stores and fleet) and will continue that focus throughout its supply chain which has a carbon footprint much larger than that of Walmart's direct operations. The company will work together with its suppliers to work first on those categories with the most embedded carbon.

Supply Chain Reductions

In 2007, the company launched a pilot program to cut emissions in certain categories. As a result of this program, DVD suppliers eliminated more than 28,000 metric tons of GHG in 2009.

"Twentieth Century Fox Home Entertainment took Walmart's sustainability initiative quite seriously," said Paul Chambers, executive vice president, Worldwide Operations, Twentieth Century Fox. "We continue to explore progressive ways to reduce our carbon footprint with our DVDs and Blu-rays, and have exceeded our initial goals in doing so. We see this as a benefit to our customers, business and environment."

Another program aimed at eliminating GHG from the company's supply chain is Walmart's Supplier Energy Efficiency Project (SEEP), in which the retailer oversees energy audits and retrofits of supplier's factories. The program cut more than 3,300 metric tons of greenhouse gas emissions and saved suppliers \$200,000 in energy costs in its first year.

Greenhouse Gas Elimination by the Numbers

6 – Number of new Walmart Brazil stores that are designed to produce 30 percent fewer GHG emissions than previous formats

28,000 – Metric tons of GHG eliminated by Walmart DVD suppliers in 2009 through a pilot project

400,000 – Metric tons of avoided carbon emissions from Walmart's U.S. fleet through use of fuel efficient trucks, improved loading and routing techniques

3.8 million – Number of cars that produce 20 million metric tons of GHG in one year

\$13.5 billion – Amount of money Walmart customers will save over the life of the 350 million compact fluorescent light bulbs purchased since 2006

Global Efforts to Cut GHG

Walmart will continue its commitment to eliminate carbon emission as it reduces its own direct environmental impact by operating energy efficient stores, using renewable energy and increasing fleet efficient, For example:

- In the **U.K.**, ASDA reduced transportation fleet carbon emissions by 40 percent – through the use of new technology, consolidated supplier deliveries and increased use of rail transportation.
- Walmart **Canada** has announced plans to build a more sustainable distribution center estimated to be 60 percent more energy efficient than a traditional facility.
- Walmart **China** recently opened its first high efficiency store in Beijing. The store uses 35 percent less energy and 68 percent less water than the 2005 baseline store.
- Walmart de **Mexico** will eliminate approximately 140 tons of GHG emission annual through the solar panels on the roof of the Bodega Aurrera Aguascalientes.