

Sustainable “Chemicals” Policy

Zach Freeze
Wal-Mart Stores, Inc.

WAL★MART®

Save money. Live better.™

2005: "21st Century Leadership"



Be supplied 100% by renewable energy



Create zero waste



Sell products that sustain our resources and environment

Today's Sustainable Value Networks



1. Greenhouse Gas
2. Global Logistics
3. Sustainable Buildings
4. Alternative Fuels
5. Waste
6. Packaging
7. Textiles
8. Electronics
9. Agriculture and Seafood
10. Jewelry
11. **Chemicals**
12. Wood and Paper
13. China



Wal-Mart Footprint

Energy



Packaging



Agriculture



Chemicals



Direct = 8%

Indirect = 92%



Transportation



Facilities



Marine



Greenhouse Gas

WAL*MART*

Chemical Intensive Products SVN

Mission

- Provide to our customers affordable and effective products in which all chemicals are evaluated for potential health and environmental impacts delivered in the most efficient and effective way

Scope

- Products we sell or use that are composed of chemical ingredients and could potentially adversely affect human health and the environment.

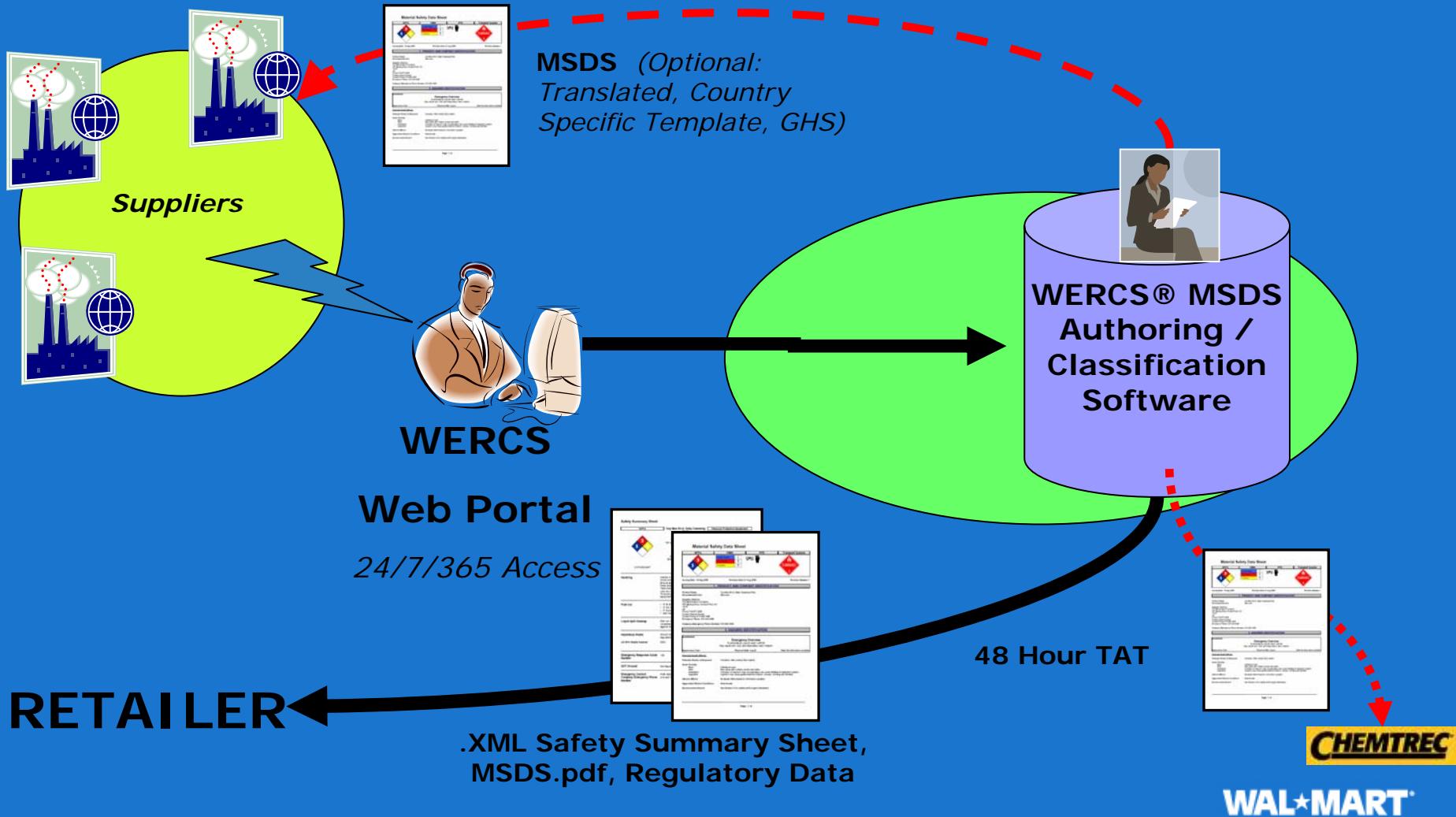
“Chemical” Management

- **Third Party (The WERCS) Provides a consistent source for:**
 - **MSDS (Material Safety Data Sheet)**
 - **Safety Summary Sheets**
 - **Transportation Information**
 - **Waste Handling**
 - **Regulatory Information for Compliance**
- **Wal-Mart Specific information - Supplier Number and Buyer Information**
- **Formulation Information**
 - **Chemical Names**
 - **CAS #s**
 - **% Ranges**

(for potentially hazardous materials and products with VOC)

Managing the products in Wal-Mart's Supply Chain

The WERCS Process



CIP Original Strategy

- 2006 – Elimination of Chemicals from our Products
 - Permethrin
 - Propoxur
 - Nonylphenol Ethoxylates

Although we have removed or established timelines for the removal of these chemicals, our strategy has shifted.

Going Forward we will focus on Continuous Improvement vs. 100% Elimination

Focus: Continuous Improvement

Informed Substitution: Make our goals transparent and achievable while rewarding those suppliers who can change the game!

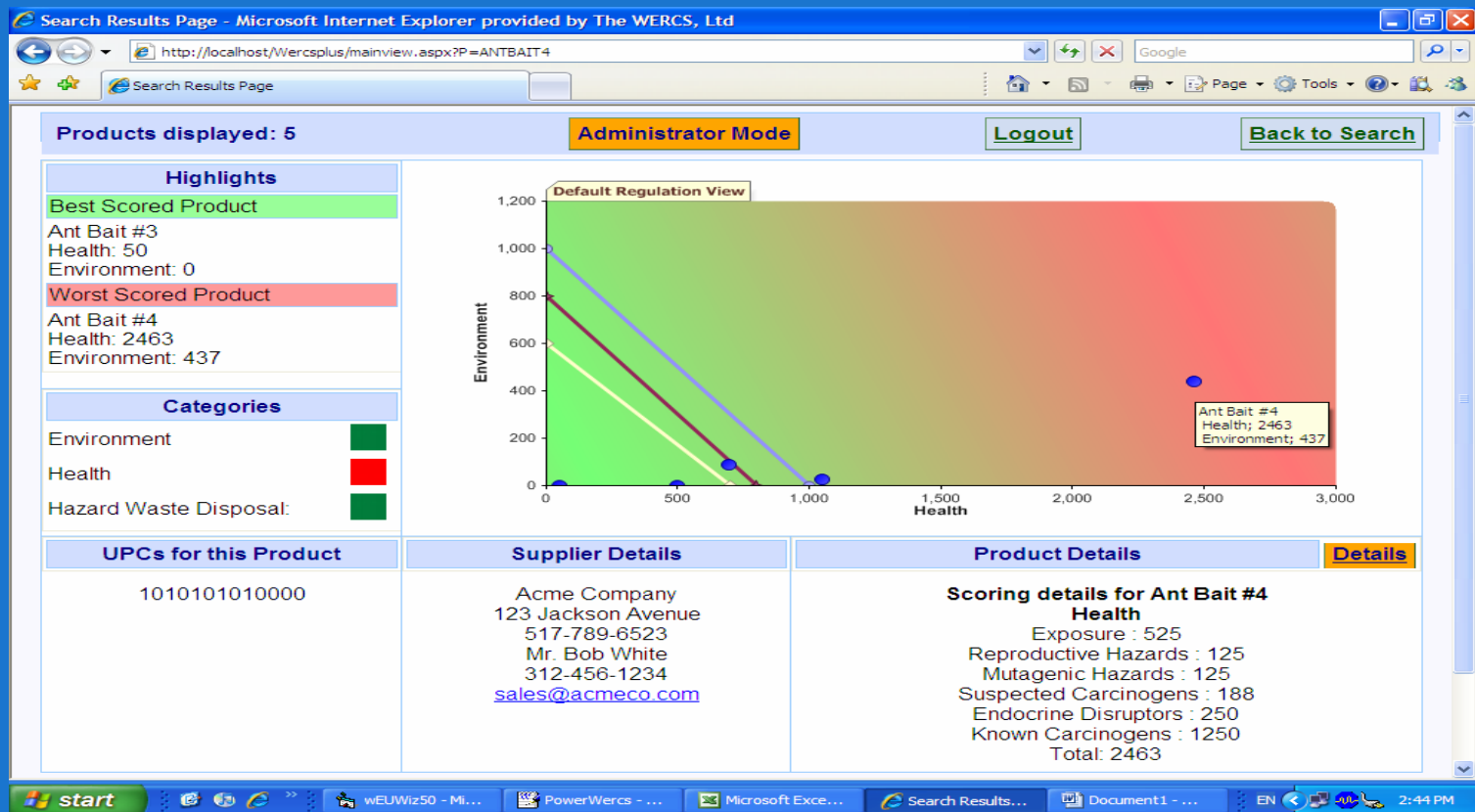
When certain characteristics or chemicals apply to products, the question must be raised

Can we re-formulate this product to make it less hazardous while keeping cost of goods, lifecycle costs, and efficacy in mind?

HOW? Provide a tool to the suppliers and buyers of these products at minimal cost

Chemical “Screening Tool”

Provides our buyers and suppliers a fully-transparent tool designed to help evaluate chemicals used in products; potentially reducing products that could pose environmental and/or health hazards.



Configurable Weighting

Weighting of areas or groups of lists can be done specific to product category for accurate screening

Goals can be established for progress tracking and improvements

Name	Group	Weight	Active	Details
Known Carcinogens	Health	500	<input checked="" type="checkbox"/>	Details
Reproductive Hazards	Health	50	<input checked="" type="checkbox"/>	Details
Target Grey List	Health	2000	<input checked="" type="checkbox"/>	Details
Endocrine Disruptors	Health	100	<input checked="" type="checkbox"/>	Details
Suspected Carcinogens	Health	75	<input checked="" type="checkbox"/>	Details
Mutagenic Hazards	Health	50	<input checked="" type="checkbox"/>	Details
Sensitizer	Health	25	<input checked="" type="checkbox"/>	Details
Exposure	Health	10	<input checked="" type="checkbox"/>	Details
Ozone Depletion	Environment	75	<input checked="" type="checkbox"/>	Details
Hazardous Waste	Environment	50	<input checked="" type="checkbox"/>	Details
VOC	Environment	50	<input checked="" type="checkbox"/>	Details
PBT Chemicals	Environment	100	<input checked="" type="checkbox"/>	Details
Air Pollutants	Environment	25	<input checked="" type="checkbox"/>	Details
Water Pollutants	Environment	25	<input checked="" type="checkbox"/>	Details

Sustainability Goals	2008	2009	2010
Health	1000	800	600

Actions to Green Chemical Inventories

Aim for the Top

Prefer chemical products that are fully assessed and that have low hazard and lifecycle benefits

Practice Informed Substitution

Process of continual improvement; toward more data and better understanding of what is green and sustainable

Bring up the Bottom

Screen all chemicals against criteria for adverse impacts to human health and the environment to move away from the use of the most hazardous chemicals

Concentrated Detergent

- 400 million gallons of water saved
- 95 million pounds of plastic resin saved
- Fewer Trucks on the road
- Reduced Out-of-Stocks
- Customer-Friendly



Clorox *green works* line

- Eco-friendly, plant and mineral based products
- Powerful natural cleaners that work as well as conventional cleaners
- Products are not tested on animals



Keep moving forward with providing success stories of our products;

“Tilting the Floor”

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