

Our Emissions Journey Walmart Stores Inc.



How we think about Targets?

Steps to Setting Climate/Emissions Targets

- Survey your stakeholders and industry peers
- Measure what our footprint is and tie it to costs
- Focus on the biggest opportunities that drive business value
- Develop a plan and achievable target then stretch farther
- Be comfortable with the unknowns and things out of your control



Starting with a bold ambition – for us it was 100% Renewable Energy

- Announced in 2005
- Serves as our <u>TRUE NORTH</u>
- Leverages our strengths
- Good for the bottom line
- Inspires associates, customers, suppliers







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US Footprint



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Interim targets along the way





Results - Decoupling our own growth from environmental impact and operating costs



Energy Efficient Facilities

- Reducing the energy intensity of our operations is not only a <u>cost-effective</u> way to contribute to our renewable energy goal and reduce emissions, it also improves our bottom line by reducing our annual <u>operating expenses</u> and limiting our exposure to future increases in energy prices.
- Our investment in energy efficiency has reduced our energy use intensity per square foot by an estimated <u>12</u> <u>percent</u> since 2010.
- One Example: In 2015 we replaced 5,919 Rooftop Air Conditioning Units—resulting in an estimated savings of 50 million kWh and 35 million pounds of CO2e, worth as much as \$5 million annually according to the U.S. Dept of Energy.









Onsite Renewables, EV & Storage

- We have over **350** renewable energy systems installed at our stores, clubs and distribution centers worldwide.
 - An additional ~150 sites to be added in 2018.
- Combined, these onsite systems make up ~15 percent of our total renewable portfolio.
- 19 Battery sites, ~25 in pipeline
 - 9 sites currently paired with PV, more in 2018
- Expanding EV sites to >200 in 2018 and 1000+ by 2020 with EA.
 - Transcontinental Plan

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Solar Parking Canopies At 23 solar sites

Rooftop Solar PV

WMT has installed over 620,000 solar panels in the US since 2007, eq. to 190 football fields.

Walmart*

South Africa

Fuel Cells 16 MW @ 58 sites

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Offsite Renewables

In 2018, we will contract ~1.6 billion kWh of offsite renewable;

- 1.2 Billion kWh deal to supply 7 midwestern states.
- 150 Million kWh deal to supply Alabama area.
- 182 million deal w/Google & GP

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Fleet Efficiency

- Achieved doubling the efficiency of our trucking fleet by 2015 vs 2005.
 - 650,000 mt of CO2e avoided annually
- 25 Tesla Electric Trucks for 2019 delivery (US&CAN)

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People & Process





Factory Energy Efficiency (FEE) Program

The Goal

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70 percent of Walmart's Global Sourcing business in China to participate in an energy efficiency program by 2020.

The Program

Walmart's Factory Energy Efficiency Program uses the McKinsey Resource Efficiency Deployment Engine (**RedE**), a web-based tool designed to help suppliers identify, prioritize, and implement energy efficiency projects in a simple, easy-to-use platform. Factories that use RedE are provided with project ideas to save energy costs and a platform to track progress and report energy metrics to Walmart (additional resources, e.g. water, may be added in the future). Data received by Walmart is aggregated and anonymized.





Customize their facility Select language, equipment types, utility costs Review opportunities Review detailed project profiles by ROI, CapEx, equipment, etc. Monitor performance Review energy trends, projects, cost and environmental impact

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Six Pillars of the Program

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Energy	Agriculture	Waste	Packaging	Deforestation	Product Use
Renewable Energy Energy Efficiency Fleet Efficiency	Fertilizer Optimization Animal Agriculture	Food and Solid Waste Reduction	Using Recycled Content Recycling	Avoid Deforestation	More energy efficient products

Strategic Contributors:









Thank you

