



## Waste: Plastics

Relevant Reporting Indicators

SASB CG-MR-410a.3; CG-HP-410a.1; FB-FR-430a.4

GRI 103-2, 103-3, 417-1 a

UNSDG 12

### About this topic brief

Walmart has reported on a wide range of Environmental, Social and Governance (ESG) topics since 2005. Our reporting is guided by frameworks such as the Global Reporting Initiative (GRI) Standards, the United Nations Sustainable Development Goals (UNSDGs), the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD). We also participate in external programs such as CDP, a global environmental disclosure system.

This brief covers Walmart's activities for fiscal year ending January 31, 2021 (FY2021), unless otherwise noted. Calendar years (CY) are marked as such or written in a four-digit format. "Walmart" means Walmart Inc., a Delaware corporation and its consolidated subsidiaries, but, except for financial data, otherwise excludes all acquired eCommerce subsidiaries, businesses, platforms and/or marketplaces, unless otherwise noted. This brief also covers some activities of the Walmart Foundation, a separately incorporated Delaware charitable private foundation.

We did not seek, nor was there, external assurance from third parties with respect to most of the information in this document; exceptions are noted.

### Forward-looking statement

This topic brief contains certain forward-looking statements based on Walmart management's current assumptions and expectations, including statements regarding our ESG targets, goals, commitments, programs and other business plans, initiatives and objectives. These statements we make can typically be identified by the use therein of words and phrases such as "aim," "hope," "believe," "estimate," "plan," "aspire" or similar words. All such statements are intended to enjoy the protection of the safe harbor for forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Our actual future results, including the achievement of our targets, goals or commitments, could differ materially from our projected results as the result of changes in circumstances, assumptions not being realized, or other risks, uncertainties and factors. Such risks, uncertainties and factors include the risk factors discussed in



Item 1A of our most recent Annual Report on Form 10-K and subsequent quarterly reports on Form 10-Q filed with the Securities and Exchange Commission (“SEC”), as well as, with respect to our ESG targets, goals, and commitments outlined in this brief or elsewhere, the challenges and assumptions identified in this brief under the heading **Challenges** and other assumptions, risks, uncertainties and factors identified in this brief. We urge you to consider all of the risks, uncertainties and factors identified above or discussed in such documents carefully in evaluating the forward-looking statements in this topic brief. Walmart cannot assure you that the results reflected or implied by any forward-looking statement will be realized or, even if substantially realized, that those results will have the forecasted or expected consequences and effects. The forward-looking statements in this topic brief are made as of the date of the publishing of this topic brief, unless otherwise indicated, and we undertake no obligation to update these forward-looking statements to reflect subsequent events or circumstances.

## Our aspiration

Walmart’s aspiration is zero plastic waste as part of a movement toward a circular economy, meaning a transition from a “take-make-dispose” approach to one that values the reuse and regeneration of materials and energy. We work with suppliers, customers and communities to accelerate the adoption of circular packaging and products, including, but not limited to, plastics.

## Goals & metrics

Goal	Metric	FY2019	FY2020	FY2021
<b>Total Waste<sup>1</sup></b>				
Zero waste <sup>2</sup> to landfill and incineration in our operations in U.S., Canada, Mexico, U.K. and Japan <sup>3</sup> markets by 2025	Percentage of waste materials diverted from landfill and incineration per country	All figures in this column for this row are CY2018 U.S.: 81%	All figures in this column for this row are CY2019 U.S.: 82%	All figures in this column for this row are CY2020 <sup>4</sup> U.S.: 82%
		Canada: 87%	Canada: 88%	Canada: 89%
		Japan: 77%	Japan: 78%	Japan: 79%
		U.K.: 85%	U.K.: 85%	U.K.: 89%
				Mexico: 75%



Packaging				
100% of U.S. general merchandise private brand primary plastic packaging is free of PVC by 2020	Estimated percentage based on supplier reports		97% <sup>5</sup>	99% <sup>6</sup>
20% private brand plastic packaging in North America <sup>7</sup> is made of post-consumer recycled content by 2025	Estimated percentage based on supplier reports		7% <sup>8</sup>	9% <sup>9</sup>
17% of global private brand plastic packaging is made of post-consumer recycled content by 2025	Estimated percentage based on supplier reports		9% <sup>10</sup>	9% <sup>11</sup>
100% of global private brand packaging is recyclable, reusable or industrially compostable by 2025	Estimated percentage based on supplier reports		55% <sup>12</sup>	62% <sup>13</sup>
Total weight (global packaging)	Estimated total weight of private brand primary plastic packaging, including plastic bags (globally), based on supplier reports		>1,200,000 MT <sup>14</sup>	>1,300,000 MT <sup>15</sup>

## Relevance for our business & society

Packaging plays an important role in protecting and delivering quality products to our customers. But in most cases, packaging is simply a means to transport a product. Once the end user has removed the packaging, it could become waste. Approximately 51%<sup>16</sup> of our private brand packaging is plastic, and Walmart customers, associates and other key stakeholders are increasingly concerned with it going to waste.

**Benefits of plastics:** Plastics can provide enhanced food safety and prevent food waste and damage to other products. Plastics are lightweight durable materials that make transporting goods easier. According to [the American Chemistry Council's Plastics and Sustainability report](#), plastic



often has a lower environmental footprint than paper or other materials in terms of carbon emissions and land usage.

**Problems with plastics:** Approximately [half of all plastics](#) ever manufactured have been made in the past 15 years, according to National Geographic. Increased plastics use, including that of single-use and non-recyclable plastics, means more plastics are ending up in our environment. For instance, people use about 1 trillion plastic bags a year globally. In the U.S., each bag is used for an average of 12 minutes and fewer than 10% are recycled. Mismanaged plastics can harm wildlife, marine life and water systems, and a recent [report](#) by SYSTEMIQ and the Pew Charitable Trust estimates that plastic waste management will cost governments \$670 billion and businesses \$10 trillion by 2040. We face these urgent environmental and economic risks as a company, as an industry and as a society.

## Walmart's approach

To achieve zero plastic waste, we are working across our business, with suppliers, governments, nongovernmental organizations (NGOs) and other industry leaders to:

- Optimize product packaging at Walmart and beyond, using less plastic and aiming for 100% reusable, recyclable or industrially compostable packaging
- Reduce reliance on plastic bags
- Engage customers to reduce, reuse and recycle
- Reduce operational waste
- Catalyze innovations in waste reduction systems

Different plastics types require different intervention methods.

### Plastic packaging: A simplified framework for how we're addressing our footprint<sup>17</sup>

Plastic types		% of our plastic Footprint	Intervention method
#1 and #2	PET and HDPE	53%	Optimize for improved recyclability through design; incorporate recycled content for maximum circularity
#3 and #6	PVC and Polystyrene	6%	Eliminate; substitute with alternative materials
#4	LDPE	23%	Reduce when possible; collect in-store via store drop-off



#5	Polypropylene	4%	Work to improve recycling through The Recycling Partnership's <a href="#">Polypropylene Coalition</a>
#7	Other plastic types	14%	Minimize use to reduce contamination

For specific details, check out our [Recycling Playbook](#)

### From the experts: Transitioning toward a circular economy with zero packaging waste

In an [analysis](#), SYSTEMIQ and The Pew Charitable Trusts found systemic action is required by business, civil society and government to meaningfully decrease plastic pollution. The study included a roadmap that outlines a combination of approaches that will help address the problem, including investments in new technology, increased recycling, reduction and reuse, expanded public policy, changes in consumer behavior, additional materials R&D and better recycling and waste management infrastructure. This roadmap builds on [research from the Ellen MacArthur Foundation](#) that found recycling alone was not enough to fix the problem. Rather, large scale reuse models and innovations are required to make plastics more reusable, recyclable or compostable.

These insights show that there is no single solution to achieving a circular economy. Reaching this goal will require all of us to use a number of current approaches and develop new ones as well.

## Key strategies & progress

Optimize packaging

Reduce plastic bags

Engage customers

Reduce operational waste

Catalyze innovation

### Optimize product packaging at Walmart & beyond

Walmart is working with our suppliers and the broader retail consumer packaged goods industry to optimize packaging. Our ambition is to accelerate a transition to 100% reusable, recyclable or industrially compostable packaging. As a starting point, we have set a goal to achieve this ambition for Walmart private brand packaging by 2025; we are currently at 62%. We are also working with North America private brand teams to achieve 20% post-consumer recycled content by 2025. Globally, we seek to achieve 17% of Walmart private brand plastic packaging made of post-consumer recycled content by 2025; our progress is 9%.



**Inspire ambition and measurement among suppliers and beyond:** We have asked our private brand suppliers to measure their packaging baseline, work toward 100% packaging that is recyclable, reusable or industrially compostable by 2025 and report progress. We share progress in the [Goals & metrics](#) section.

Through [Project Gigaton™](#), we encourage suppliers to set their own targets for reducing waste, reusing materials and using recycled materials. More than 3,100 suppliers<sup>18</sup> have joined Project Gigaton to date.

To help inspire commitment across the industry more broadly, we joined the U.S., Canada and U.K. Plastics Pacts. The initiative seeks to unify businesses, government entities, NGOs, researchers and other stakeholders around a common vision for the circular economy for plastics as outlined by the Ellen MacArthur Foundation's [New Plastics Economy Initiative](#).

Walmart also co-leads the [Consumer Goods Plastics Coalition](#) working group, focused on engaging other retailers and manufacturers. This year, the Coalition helped introduce "Golden Design Rules" to encourage reducing plastic use and improving recyclability by phasing out problematic materials, colors and labels from packaging.

**Identify packaging use cases and potential interventions with the greatest potential for progress:**

In 2020, we worked with SYSTEMIQ to analyze Walmart U.S. private brand packaging, assess packaging reduction and identify the best innovations to pursue. The categories selected for the analysis were: expanded polystyrene (EPS) meat and seafood trays, beverages, flexible fresh food, household chemicals and personal care and beauty.

We found that actions to reach our goal vary by material and product type. We have shared the SYSTEMIQ data and findings with relevant business areas and suppliers. Merchants and private brand teams are working with suppliers to incorporate the findings into their current efforts and are developing pilots to reduce plastic packaging.

**Provide tools and other resources:** We provide resources to suppliers such as the [Walmart Recycling Playbook](#), a resource developed by Walmart in collaboration with The Association of Plastic Recyclers (APR), the Sustainable Packaging Coalition and Pure Strategies. The Playbook provides criteria for streamlined packaging design and can be found on [Walmart's Sustainability Hub](#). The Hub contains additional tools, trainings and informative videos. The Walmart Recycling Playbook is available to any company, not just Walmart and Sam's Club suppliers.

There has been an explosion of attention on plastic packaging waste. However, there is not yet access to a shared science-based tool that will run scenarios, compare packaging design choices and evaluate system investments. Solutions require convergent action across the value chain,



based on shared evidence. Without such a tool, action is likely to be slower, fragmented and less effective at delivering critical economic, environmental and social outcomes.

According to The Recycling Partnership (TRP), a key gap today is a simple way for decision makers to understand the economic and environmental implications of plastic circular solutions in order to prioritize among different options.

With the support of Walmart, The Recycling Partnership and SYSTEMIQ came together to help accelerate industry adoption of circularity commitments through the development of PlasticIQ, a scenario modeling tool to help U.S. companies set effective circularity strategies. The tool is in testing now and is planned to be freely available in the U.S. in Spring 2021.

To help associates work toward our plastic packaging commitments, Walmart provides guidance and best practices through a regular sustainable packaging tips email.

**Share best practices:** In November 2020, Walmart hosted a virtual Sustainable Packaging Innovation Summit with more than 3,000 participants. The summit explored solutions to the plastics problem and provided guidance on how to spur action and achieve reduction goals. Walmart leaders, suppliers and NGOs addressed trends in innovation, public policy and the importance of elimination, reduction and reuse. In 2020, Walmart representatives also spoke at GreenBiz Circularity, the Ellen McArthur Foundation Annual Summit and the CLP Holdings' investors meeting.

**Test and implement reuse/refill options:** We are piloting reusable and refillable product packaging in our operations. We have learned from our operations in the U.K., where Asda joined forces with some of the U.K.'s best-known brands to launch its first "test and learn" sustainability store in Leeds to find new ways to reduce plastics and encourage customers to reuse and refill. The Leeds-based store became the first Asda in the U.K. where shoppers can fill up their own containers with products, including Asda's own-brand coffee, rice and pasta.<sup>19</sup>

## Reduce reliance on plastic bags

Walmart is working to reduce plastic bag waste. We estimate that plastic bags account for 11%<sup>20</sup> of our global plastic packaging footprint. Recent efforts include:

**Identifying alternatives:** In 2020, we became a founding partner of Closed Loop Partners' [Beyond the Bag](#) effort. We work with peers, like Target and CVS Health, as well as innovators to identify scalable alternatives to plastic bags. Collectively, founding partners have committed \$15 million to launch the Beyond the Bag Initiative. This three-year initiative aims to identify, test and implement viable design solutions and more sustainable models for retail bags. In 2021, the Beyond the Bag



challenge announced [nine winners](#) that will split \$1 million in non-equity funding. Depending upon the type of solution, winners will either be invited to join a Circular Accelerator, a mentorship program to further hone and advance their solutions, or begin product testing to improve performance, customer experience and more. The consortium will work closely with winning solutions throughout 2021 to further develop solutions and possibly make these designs available at retailer partners.

**Piloting bagless options:** We are experimenting with bagless options in markets that have high customer interest and/or regulatory requirements that make bagless the norm. Recently, Walmart U.S. launched a [bagless pilot](#) in Vermont, where 78% of our customers support bagless shopping instead of paying a fee for single-use bags. We have also expanded our bagless online grocery pickup service to more than 80 stores in New York and Maine. Insights from such initiatives help inform future bagless efforts. Walmart Mexico is also going bagless. The #SinBolsaPorFavor campaign was implemented to encourage our customers to utilize reusable bags by making the green bag available and inviting them to bring their own. At the end of 2020, more than 72% of our stores in Mexico stopped offering plastic bags.

**Encouraging customers to utilize reusable bags:** To make it more convenient for customers to choose reusable options, we improved the placement of reusable bags and offered new designs. In 2020, we added the popular designed reusable bags from The Pioneer Woman and solutions for Scan & Go check out.

**Providing customers an opportunity to recycle:** We provide access to in-store plastic bag and film recycling bins for customers in more than 2,000 stores.

**Effects of COVID-19 on bag usage in Canada:** As of the end of 2020, despite years of decreasing use, Walmart Canada saw an increase in single-use plastic checkout bag use by approximately 17% over 2018 usage. The increase is attributed to a number of factors including the stop-use guidance for reusable bags and the halting of the \$0.05 user fee for plastic bags for a portion of the year as a result of the global COVID-19 pandemic.

## Engage the customer to reduce, reuse & recycle

We have asked our private brand suppliers to label our food and consumable product packaging with consumer-friendly recycling information, and we encourage our national brand suppliers to provide similar label information. Our goal is for 100% of Walmart U.S. private brand food and consumable packaging to include the How2Recycle® label by 2022. In FY2021, 57% of Walmart U.S. private brand food/consumables sales came from items carrying the How2Recycle label and 67% of Sam's Club U.S. private brand sales came from items carrying the How2Recycle label.<sup>21</sup> We are



encouraging our national brand suppliers to make similar commitments through our Project Gigaton platform and through joining the U.S. Plastics Pact.

For Earth Day in 2020, we showcased a Reduce, Reuse, Recycle shop, which allowed customers to shop for products online that have a variety of sustainability features that they can sort by, including: reduce energy, reduce food waste, reduce plastic and recycle.

## Reduce operational waste

Throughout our operations, we aim to eliminate plastic waste by reducing, reusing and recycling plastics needed to run our business. Because of our size, small changes can make a big difference. For example, we contract with vendors to collect and recycle rigid plastics and plastic film produced from our operations and returned from customers. During 2020, we recycled more than 375 million pounds of such plastic film and rigid plastics globally, a more than 12% increase from 2019.<sup>22</sup> To learn more about our waste elimination initiatives, including our resources for reducing plastic packaging waste and market-specific waste goals, see [Walmart Sustainability Hub](#), [Walmart Canada](#) and [Walmart Mexico](#).

## Catalyze innovation in waste reduction systems

We collaborate with other companies, governments, nonprofits and institutions to address systemic issues, including the creation of new packaging materials and the challenge of collecting plastics for recycling. Recent efforts include:

**Creating a shared vision of local waste reduction systems:** In 2020, we joined the U.S., Canada and U.K. Plastics Pacts as part of the Ellen MacArthur Foundation's initiative to create a circular economy for plastics. The effort seeks to unify businesses, government entities, NGOs, researchers and other stakeholders around a common vision for a circular economy for plastics, which includes an aspiration to recycle or compost 50% of plastic packaging by 2025.

The Walmart Foundation also provided funds in 2020 through The Recycling Partnership (TRP) for 10 U.S. cities, representing 1.3 million households, to implement lessons learned from TRP's 50 Cities Leadership Summit related to developing infrastructure, fighting contamination, communicating with residents and capturing materials curbside.

As a member and working group co-lead of the Consumer Goods Forum Plastic Waste Coalition, we helped shape a [position paper](#) on optimal Extended Producer Responsibility programs.

**Recovering polypropylene:** The Walmart Foundation funded The Recycling Partnership's launch of the National Polypropylene Recycling Coalition. Polypropylene, or No.5 plastic, is a material found in everyday consumer packaging such as yogurt cups, coffee pods, butter tubs and many others.



According to [The Recycling Project's 2020 State of Curbside Recycling report](#), as much as 1.6 billion pounds of polypropylene from single-family homes could be recycled into new products ranging from automotive parts to personal care and food packaging.

The coalition is an industry pre-competitive collaboration that focuses on improving polypropylene recovery and recycling in the U.S. and further developing the end market of high-quality recycled polypropylene. The grant will also support research and community education.

**Recovering plastic film:** In FY2020, the Walmart Foundation funded the Foundation for Chemistry Research and Initiatives' Materials Recovery for the Future, a proof of concept for flexible plastic film recovery and the development of effective end markets. The pilot yielded successful results demonstrating that flexible plastic packaging can be collected, sorted and baled at a material recovery facility through curbside recycling programs.

**Replacing problematic plastics:** The Walmart Foundation invested in TRP's research about alternatives to plastics, such as expanded polystyrene (EPS) – a common material used for fast food cups and meat trays – because EPS is not recyclable or compostable. The research found viable alternatives to EPS and outlined considerations of the various choices, such as cost, recyclability and performance based on various use cases. A report sharing the key research findings is planned to be publicly available in April 2021.

## Challenges

- Lack of incentives for industry to scale alternatives and for the public to support alternatives
- Alternatives to plastics that cause similar or greater environmental harm
- Insufficient recycling and composting infrastructure
- Inability to source recycled plastics at an acceptable cost at the required volumes
- Low consumer recycling rates
- COVID-19 temporarily halted plastic bag collection and reusable bag usage at stores for health reasons and increased reliance on single-use plastics

## Additional resources

- [Sustainable Packaging Playbook](#)
- [Walmart Recycling Playbook](#)
- [Walmart Sustainability Hub](#)
- [Walmart Canada](#)
- [Walmart Mexico](#)
- [Project Gigaton](#)



- [Ellen MacArthur Foundation's Global Commitment](#)
- [Breaking the Plastic Wave report](#)

## Endnotes

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<sup>1</sup> Based on review of material handling and waste diversion processes, as reported by waste vendors, food banks and stores.

<sup>2</sup> Meeting or exceeding Zero Waste International Alliance (ZWIA) business recognition program requirements, which include adoption of ZWIA definition of zero waste and achievement of 90% or more diversion of all discarded resources from landfills, incinerators and the environment. We measure reductions in food waste through use of the following: Measurement metric = total weight of non-diverted food in pounds (i.e., landfill and controlled combustion without energy recovery) / total weight of all food sold in pounds. Zero waste goal and reporting scope includes waste materials and products generated in Walmart's owned facilities and its operations (stores, clubs, warehouses, return centers, truck maintenance garages, etc.).

<sup>3</sup> Original goal covered U.S., Canada, Japan and the U.K. and now includes Mexico. Walmart divested its retail operations in the U.K. and Japan in February and March of 2021, respectively. Going forward, we will no longer disclose progress for our divested operations.

<sup>4</sup> Based on review of material handling and waste diversion processes in Canada, Japan, Mexico, the U.K. and U.S., as reported by waste vendors, food banks and stores. In cases where certified or otherwise documented weights were not available due to industry challenges, they have been estimated based on waste audits, historical data, extrapolation for similar facilities in size and scope, etc.

<sup>5</sup> Walmart private brand suppliers representing 70% of Walmart U.S. general merchandise private brand sales reported packaging data.

<sup>6</sup> Walmart private brand suppliers representing 85.9% of Walmart U.S. general merchandise private brand sales reported packaging data. For the time frame for the private brands packaging survey, we instructed suppliers to use their latest or most recent 12-month period for which they have data available. If they reported last year, use the same reporting period as the initial/prior reporting year to avoid gaps or overlap with the prior year's submissions.

<sup>7</sup> FY2020 and FY2021 metrics for private brand plastic packaging in North America made of post-consumer recycled content includes U.S., Canada and Mexico.

<sup>8</sup> Walmart private brand suppliers representing 73% of Walmart global private brand sales reported packaging data. The calculation includes all private brand plastic packaging and single-use plastic and reusable bags globally. Packaging materials classified as "plastics plus fiber" were included in the denominator of this calculation but not in the numerator.

<sup>9</sup> Walmart private brand suppliers representing 81% of Walmart global private brand sales reported packaging data. The calculation includes all private brand primary plastic packaging and single-use plastic and reusable plastic bags globally. For the time frame of the private brands packaging survey, we instructed suppliers to use their latest or most recent 12-month period for which they have data available. If they reported last year, use the same reporting period as the initial/prior reporting year to avoid gaps or overlap with the prior year's submissions. Because of the sale of Walmart's Argentina business in late 2020, we were unable to capture sufficient packaging data for the Argentina market. To represent this market's business, we used the 2018-2019 private brand packaging survey for Argentina.

<sup>10</sup> Walmart private brand suppliers representing 73% of Walmart global private brand sales reported packaging data. The calculation includes all private brand plastic packaging and single-use plastic and reusable bags globally. Packaging materials classified as "plastics plus fiber" were included in the denominator of this calculation but not in the numerator.



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<sup>11</sup> Walmart private brand suppliers representing 81% of Walmart global private brand sales reported packaging data. The calculation includes all private brand primary plastic packaging and single-use plastic and reusable plastic bags globally. For the time frame of the private brands packaging survey, we instructed suppliers to use their latest or most recent 12-month period for which they have data available. If they reported last year, use the same reporting period as the initial/prior reporting year to avoid gaps or overlap with the prior year's submissions. Because of the sale of Walmart's Argentina business in late 2020, we were unable to capture sufficient packaging data for the Argentina market. To represent this market's business, we used the 2018-2019 private brand packaging survey for Argentina.

<sup>12</sup> Walmart private brand suppliers representing 73% of Walmart global private brand sales reported packaging data. The calculation includes all private brand plastic packaging and single-use plastic and reusable bags globally.

<sup>13</sup> Walmart private brand suppliers representing 81% of Walmart global private brand sales reported packaging data. The calculation includes all private brand primary plastic packaging and single-use plastic and reusable plastic bags globally. For the time frame of the private brands packaging survey, we instructed suppliers to use their latest or most recent 12-month period for which they have data available. If they reported last year, use the same reporting period as the initial/prior reporting year to avoid gaps or overlap with the prior year's submissions. Because of the sale of Walmart's Argentina business in late 2020, we were unable to capture sufficient packaging data for the Argentina market. To represent this market's business, we used the 2018-2019 private brand packaging survey for Argentina.

<sup>14</sup> Walmart private brand suppliers representing 73% of Walmart global private brand sales reported packaging data. The calculation includes all private brand plastic packaging and single-use plastic and reusable bags globally. The estimation was calculated by extrapolating supplier-reported packaging data (weight in metric tons) in relation to supplier participation percentage of sales.

<sup>15</sup> Walmart private brand suppliers representing 81% of Walmart global private brand sales reported packaging data. The calculation includes all private brand primary plastic packaging and single-use plastic and reusable plastic bags globally. The estimation was calculated by extrapolating supplier-reported packaging data (weight in metric tons) in relation to supplier participation percentage of sales. For the time frame of the private brands packaging survey, we instructed suppliers to use their latest or most recent 12-month period for which they have data available. If they reported last year, use the same reporting period as the initial/prior reporting year to avoid gaps or overlap with the prior year's submissions. Because of the sale of Walmart's Argentina business in late 2020, we were unable to capture sufficient packaging data for the Argentina market. To represent this market's business, we used the 2018-2019 private brand packaging survey for Argentina.

<sup>16</sup> 51% is representative of Walmart's private brand primary packaging. Estimates are based on supplier reporting in FY2021. Primary packaging is packaging that goes home with the consumer. Walmart private brand suppliers representing 81% of Walmart global private brand sales reported packaging data. The calculation includes all private brand plastic packaging and single-use plastic and reusable bags globally.

<sup>17</sup> Walmart private brand suppliers representing 81% of Walmart global private brand sales reported packaging data. The calculation includes all private brand primary plastic packaging and single-use plastic and reusable plastic bags globally. For the time frame of the private brands packaging survey, we instructed suppliers to use their latest or most recent 12-month period for which they have data available. If they reported last year, use the same reporting period as the initial/prior reporting year to avoid gaps or overlap with the prior year's submissions. Because of the sale of Walmart's Argentina business in late 2020, we were unable to capture sufficient packaging data for the Argentina market. To represent this market's business, we used the 2018-2019 private brand packaging survey for Argentina.

<sup>18</sup> The data represents the number of suppliers that have signed up to Project Gigaton from launch until February 4, 2021.

<sup>19</sup> On February 16, 2021, Walmart Inc. completed the sale of Asda Group Limited (Asda) to Issa brothers and investment funds managed by U.K. private equity firm TDR Capital LLP. Issa brothers and TDR Capital acquired majority ownership stake in Asda, while Walmart retains an equity investment in the business, with an ongoing commercial relationship and a seat on the Board.

<sup>20</sup> In the current year (FY2021), we aligned to the Ellen MacArthur Foundation methodology in calculating our plastic packaging footprint. This resulted that we no longer include national brand plastic packaging in the denominator of our calculation. Our plastic bag footprint as a percentage of our global plastic packaging footprint for the prior year was 12% when calculated on the same method as the current year.

<sup>21</sup> Walmart private brand suppliers representing 81% of U.S. private brand sales reported packaging data. This percentage excludes the sales of private brand items that do not use primary packaging. For the time frame for the private brands packaging survey, we



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instructed suppliers to use their latest or most recent 12-month period for which they have data available. If they reported last year, use the same reporting period as the initial/prior reporting year to avoid gaps or overlap with the prior year's submissions. Primary packaging is packaging that goes home with the consumer.

<sup>22</sup> Global plastic total includes CY2019 totals for Argentina as the market's CY2020 data was not submitted as of March 18, 2021.