



Policy on Sustainable Chemistry in Consumables

1. Background

Walmart customers expect products that are safe, affordable and sustainable. Sustainable Chemistry is the design of chemical products and processes that reduce or eliminate the use or generation of hazardous substances, both to humans and the environment. Sustainable chemistry is an evolving field as science and customer expectations evolve. To minimize the negative environmental and social impact, Walmart has developed a policy on sustainable chemistry for its consumables/Health & Wellness business.

2. <u>Policy</u>

The objective of this policy is to help ensure that household cleaning, personal care, beauty and cosmetic products sold by Walmart will minimize hazards to people or the environment. Walmart advances the development of sustainable chemistry practices.

- Walmart will work with suppliers on continuous performance improvement on The Sustainability Index to address chemical disclosure, risk assessment and hazard avoidance.
- Beginning in January 2015, Walmart will require suppliers to provide online public ingredient disclosure for items sold at Walmart.
- Walmart has prioritized a list of approximately ten chemical ingredients, as its initial list of high priority chemicals, for continuous reduction, restriction, and elimination, using informed substitution principles, and will regularly review if additional chemicals should be prioritized. Priority Chemicals will be shared with suppliers.
- Walmart will begin to label private brand cleaning products in accordance with the U.S. EPA's Design for the Environment Safer Product Labeling program, to the extent possible, and will continue to assess the applicability of DfE as it expands to broader product areas.

3. Implementation

This policy applies to the Walmart and Sam's Club U.S. consumables business, including household cleaners, personal care, beauty and cosmetics categories. For further details, suppliers should reference the Chemical Policy Implementation Guidebook.

- Walmart will utilize The Sustainability Index twice annually, in spring and fall, to measure continuous improvement.
- Suppliers are currently sharing ingredient information with the WERCS. Beginning in January 2014, Walmart will monitor progress on high priority chemical reduction, restriction, and elimination and will begin to publicly report on progress in January 2016.
- Beginning in January 2018, items still containing these high priority chemicals must disclose these ingredients on pack and in accordance with any legal requirements.
- Beginning in **January 2014**, Walmart will identify private brand products for Design for the Environment labeling.