

Zero Emissions Strategy



Corporate Zero Emissions Goals:



Climate

NEW: Target zero emissions by 2040

• Reach 100% renewable energy by 2035

Work with suppliers to avoid 1 gig of greenhouse gas emissions across supply chain by 2030



Nature

NEW: With the Walmart Foundation, help protect, manage or restore ~50M acres of land and 1M square miles of ocean by 2030

Source 20 commodities more sustainably by 2025



Waste

Create zero waste in key markets by 2025

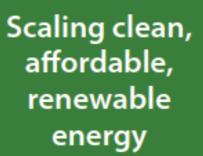
• 100% private brand recyclable, reusable packaging by 2025



Make responsible recruitment standard business practice by 2026

People







Improving energy efficiency in our facilities



Improving refrigeration systems in our facilities



Maximizing the efficiency and safety of our trucking fleet

Initiatives:

- Onsite renewable
- Offsite renewable
- Renewable fuels
- Policy engagement

- Efficient technologies
- Energy management
- Building design

- Reduce Maintenance
- Prevent Improved designs
- Transition New refrigerants

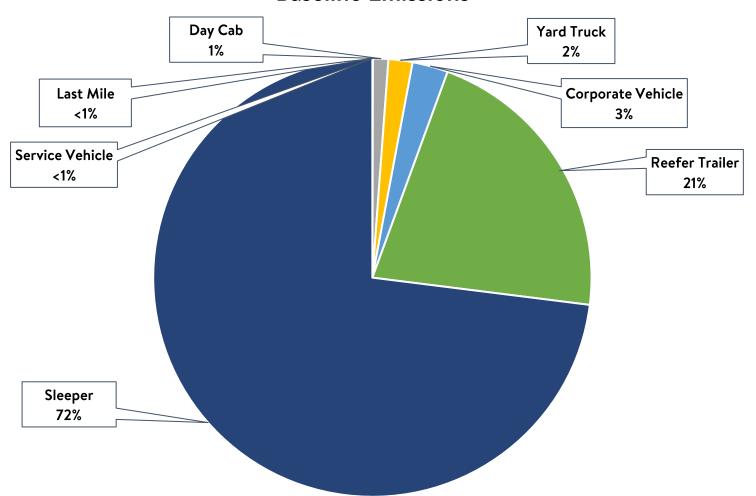
- Efficient technologies
- Optimize routing and filling
- Driver training
- Low-carbon fuels
- Advance electrification

https://corporate.walmart.com/newsroom/videos/zeroemissions-by-2040



CO2 Emissions Current State:

Baseline Emissions



2.3B lbs. of CO2 by Vehicle Type

- Last Mile: 314k
- Service Vehicle: 712k
- Day Cab: 29M
- Yard Truck: 45M
- Corporate Vehicle: 67M
- Reefer Trailer: 549M
- Sleeper: 1.9B



Solution Varies by Vehicle Type Over Time:

- Baseline
- Baseline + Alternative Fuels
- Baseline + Alternative Fuels + Hybrid
- Zero Emissions

2023 New TRUs & 2027 All TRUs CA Compliant

Class 8 Trucks & TRUs (Refrigerated Trailers) 7670 Sleeper, 211 Daycabs, & 9035 TRUs

Passenger Vehicles

4300 total: 2170 Sedans, 637 SUVs, 313 Pickups, 1176 Vans, & 48 last mile

Yard Trucks & Service Vehicles
958 Yard Trucks & 74 Service Vehicles

2020 2025 2030 2035 2040+



Electric Refrigerated Trailers



- Used to run the refrigeration system on electric versus diesel power when a trailer is stationary
- · Expected benefits include:
 - · Emissions reductions
 - · Fuel cost savings
 - Maintenance reductions
- Current challenges:
 - Few charging receptacles have human and equipment safety built-in
 - · Cost of infrastructure



Auxiliary Power Units



- Provides power for driver amenities while the truck is stopped
 - A/C and heat
 - · Hotel load
- Standard on all sleeper trucks
- ThermoKing TriPac
- Uses about 1/10th of the fuel per hour as the main engine

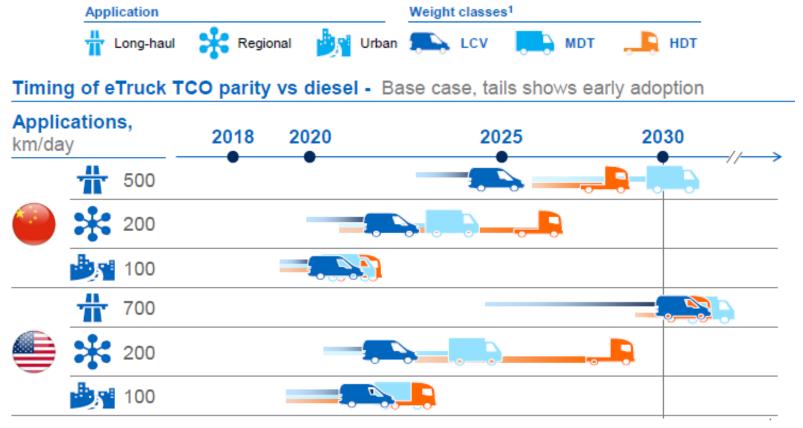
Tesla Electric Trucks

- Battery operated
- Positives
 - equal to or greater torque and operating needs
 - · Zero emissions
 - Quick charging process takes 30 minutes to equal 80%
- Negatives
 - 300 -350 mile distance under a full gross unit
 - Requires high voltage charging stations minimal locations





Fleet: US industry will likely begin to long-haul fleet conversion at scale in 2030



- Walmart has historically been an industry leader on long-haul efficiency and innovation
- Almost all states have new or pending actions (e.g., CA requiring zero emissions vehicles including long-haul by 2040)
- US long-haul evolution likely to lag urban vehicles
- -Longer distances, larger battery, less regenerative breaking
- -Routing optimized for efficiency
- -Lack of charging infrastructure
- -Lower diesel prices
- -Utility infrastructure, policy

SOURCE: McKinsey Energy Insights' Global Energy Perspective, May 2019

¹ Weight class definitions: US: HDT: Class 8 (>15t), MDT: Class 4-7 (6-15t); LCV: Class 1-3 (<6t), excluding pick-up trucks below 3.5t; EU: HDT >16t, MDT: 7.5-16t, LCV: <7.5t; CN: HDT >14t, MDT: 6-14t, LCV: <6t

Walmart Press Release on becoming a regenerative company

 https://corporate.walmart.com/media-library/document/walmartsets-goal-to-become-a-regenerativecompany/ proxyDocument?id=00000174-ae08-dcf3-a7fcafdcca070000

Walmart Sustainability Hub

https://corporate.walmart.com/global-responsibility/sustainability/



Sustainability

USING OUR STRENGTHS TO HELP PEOPLE LIVE BETTER AND PRESERVE THE PLANET

People | Planet | Sustainability Hub | Policies and Guidelines

For more than 15 years, Walmart has been collaborating with others to drive positive impact across global supply chains. Our