

# **Walmart Sustainable Agriculture: Fact Sheet**

On October 14, 2010 Walmart took another step in its sustainability journey by unveiling its global sustainable agriculture goals. The company announced it would focus on three broad areas, with specific goals and commitments to help measure progress. By the end of 2015, Walmart will:

#### Support farmers and their communities

- o sell \$1 billion globally in food sourced directly from small, medium and local farmers;
- provide training to 1 million farmers and farm workers in such areas as crop selection and sustainable farming practices -- the company expects half of these farmers to be women;
- o raise the income of farmers it sources from by 10 to 15 percent.

### · Produce more food with less waste and fewer resources

- invest \$1 billion in its global fresh supply chain to help deliver fresh, quality food with a longer shelf life to its customers;
- reduce in-store food waste by 15 percent in our emerging markets and 10 percent in all other markets, using 2009 as the baseline year; and
- develop a Sustainable Produce Assessment for producers in our Global Food Sourcing network, launch pilot in 2011, to better understand energy, water, fertilizer and pesticide use per unit of food produced.

# Sustainably source key agricultural products

- o require sustainably sourced palm oil for all Walmart private brand products globally; and
- o only source beef from Brazil that does not contribute Amazon deforestation.

Walmart understands that food and agriculture are local. The company's efforts are not a one-size-fits-all approach, but tailored to the unique needs of each of its markets.

# **Argentina**

Walmart will increase the amount of produce it sells from small and medium farmers by more than 60 percent and ensure 80 percent of its producer suppliers are certified in good agricultural practices. The company plans to reduce in-store food waste by 13 percent and reduce pesticide residue through training and certification. In addition to requiring sustainably sourced palm oil in its private brand products, Walmart Argentina supports Marine Stewardship Council (MSC) certification in San Matias Gulf, will increase the assortment of fish and seafood sustainably sourced by 10 percent annually and buy only whole fish that meet the minimum sizes recommended by non-government organizations.

#### Brazi

Walmart will source \$65 million from its <u>Producers Club</u> program to develop local farmers and reduce in-store food waste by 20 percent. Walmart Brazil is also committed to not source products that contribute to Amazon deforestation, such as soybeans, timber and beef. The company will share its knowledge on sourcing beef that does not contribute to Amazon deforestation with other Walmart markets that source beef from the country and will expand its full traceability program throughout its supply chain.

# Canada

Walmart will purchase 30 percent of the produce assortment locally on an annual basis by Dec. 31, 2013, and purchase 100 percent of their assortment when local produce is available. Walmart Canada announced a sustainable seafood commitment in March 2010 where it will only sell certified sustainable fish by the end of 2013. It will also require sustainably sourced palm oil in its private label products by the end of 2015.

# **Central America**

Walmart will sell more than \$150 million from small and medium sized farms by increasing the number of local growers it sources from by 22 percent, increasing bank credit access to growers and helping train them in crop selection and sustainable farm practices. The company will also encourage farmers to use drip irrigation in the dry season. Walmart Central America will require 100 percent of its farmed fish to be Best Aquatic Practices (BAP), or equivalent, certified by 2015.



# Chile

Walmart will work with suppliers to increase the use of drip irrigation to reduce water waste, reduce greenhouse gas emissions associated with produce by 15 percent through freight mile reductions and reduce in-store food waste by 18 percent. The company will also only source beef from Brazil that does not contribute to Amazon deforestation. At the same time, the company will increase from 122 to 222 the number of direct small and medium farmer suppliers, contributing to increasing their profits.

#### China

Walmart will expand the success of its Direct Farm Program by engaging as many as 2 million farm workers and reduce produce waste by 15 percent by the end of 2015. In addition, it will require sustainably sourced palm oil in its private brand products, and 15 percent of the company's Direct Farm products will be upgraded from Green to Organic certified by the end of 2015.

# India

Walmart will partner with 1 million farmers and farm workers to source 50 percent of its fresh produce. Through the Direct Farm program, the company aims to increase farmer income by 20 percent and reduce food waste by 5 percent. The company will work with farmers to reduce the application of chemical fertilizers and pesticides. It will also require sustainably sourced palm oil in its private brand products by the end of 2015.

#### Mexico

In Mexico, Walmart will require 80 percent of its produce purchases come from its direct growers program; increase farmer incomes by 30 percent and work with growers to increase their use of drip irrigation. Reducing fruit and vegetables waste in its stores by 5.3 percent. And by the end of 2012, all Tilapia from China and Bassa from Vietnam will be purchased (directly/indirectly) from Best Aquaculture Practices (BAP) certified or minimum equivalent processing facilities.

# <u>Japan</u>

Walmart's Seiyu operation is currently sourcing vegetables and fruits directly from more than 15,000 farmers. The company will increase the number of such farmers in the direct sourcing program to more than 17,000 in the next five years and, as a result, directly sourced-fruits and vegetables will account for nearly 40 percent of total produce sales. Seiyu will reduce instore produce waste by more than 35 percent by 2015 from 2009 levels.

### <u>United Kingdom</u>

Walmart's ASDA operations will increase produce sourced from local suppliers and improve the health and livelihood of women in agricultural communities by the end of 2015. ASDA will reduce food waste by 10 percent "farm to fork," and invest £99 million (approximately \$145 million) in its fresh supply chain. ASDA will also require sustainably sourced palm oil in its private brand products by the end of 2015.

# **United States**

Walmart will double sales of locally sourced produce, including through its Heritage Agriculture program, which reintroduces the cultivation of produce in areas where it once grew, sources from small and women owned farms near our stores and works with larger growers to expand their operation closer to our distribution network. The company will accelerate work on the agriculture component of the Sustainability Index, beginning with a Sustainable Produce Assessment from select global food sourcing growers in 2011. It will also require sustainably sourced palm oil in its private brand products by the end of 2015. Walmart U.S. will require all fresh and frozen, farmed and wild seafood suppliers to submit a plan to become third-party certified as sustainable using MSC, BAP or equivalent standards by 2011.

### Sam's Club

Walmart will increase its sales of Fair Trade and/or Rain Forest Alliance certified products in produce and floral by 15 percent. The company will also grow its fresh business with minority owner companies by 15 percent. It will also require all fresh and frozen, farmed and wild seafood supplies to submit a plan to become third-party certified as sustainable using BAP, MSC, or equivalent standards by 2011. Sam's Club will also require sustainably sourced palm oil in all of its private brand products globally by the end of 2015. It has also committed to reduce food waste in clubs and distribution centers by 11 percent annually.