



Using your CDP disclosure to report to Walmart's Project Gigaton™

<u>Project Gigaton</u>[™] is a Walmart initiative to reduce or avoid one billion metric tons (one gigaton) of greenhouse gas emissions from the global value chain by 2030. This commitment is a cornerstone of Walmart's <u>approved</u> Science-Based Target. Through Project Gigaton[™], suppliers can take their sustainability efforts to the next level through goal-setting to reduce emissions in their own operations and value chain.

<u>CDP</u> (formerly the Carbon Disclosure Project) is a global environmental nonprofit through which cities, states, regions, and corporations report annually on their environmental performance to their stakeholders including investors, corporate customers, and policy makers. Disclosing through CDP enables companies to evaluate and improve their environmental performance by benchmarking against their peers, identifying and implementing best practices, and communicating progress and ambition to their stakeholders and the public. Walmart has been disclosing on their own climate performance through CDP since 2004 and requesting suppliers to do the same since 2009.

Walmart has aligned Project Gigaton[™] with CDP to help facilitate the reporting process by enabling suppliers to leverage their CDP disclosures to report to Project Gigaton[™].

To participate in Project Gigaton[™] and leverage your CDP disclosure for reporting, you must be on Walmart's CDP Supply Chain request list so that you can agree to share your CDP data with Walmart. If you did not receive a CDP request from Walmart in the most recent reporting cycle, please email <u>corpsu@wal-mart.com</u> to get added to the list for the next reporting cycle. If you did respond to Walmart's request for disclosure through CDP, you can follow the following steps to use your CDP data in Project Gigaton:

Step One: Set a Goal

- Work within your organization to set an emissions reduction goal. All goals should be SMART goals: *Specific, Measurable, Achievable, Relevant, Time Limited.*
- Walmart encourages you to set a target in one or more of the six program pillars (Energy, Waste, Packaging, Nature, Transportation, or Product Use & Design).
- If your company is already progressing towards a comprehensive emissions reduction goal that does not fall neatly into one of these six categories (e.g. a Science-Based Target), choose "Other" instead of a specific pillar.

Step Two: Sign Up

Visit the <u>Walmart Sustainability Hub</u> to create a Project Gigaton[™] account where you can add and update your goals, and report your progress annually, using your CDP disclosure.

Step Three: Report Annually

To leverage your CDP disclosure for Project Gigaton[™], your company must report to the CDP Climate Change Questionnaire and submit by the published CDP deadline each year. The CDP questionnaire includes a variety of qualitative and quantitative questions that relate to your company's overall governance, accounting, and management of climate change emissions and





impacts. In order to use your CDP data for Project Gigaton[™], you must complete <u>all relevant</u> <u>fields below in question C4.3b of the CDP disclosure</u>, which enables you to detail your emissions reduction initiatives.

- C4.3b relevant fields include: Initiative type and description, estimated annual CO₂e savings, the source of your greenhouse gas footprint (i.e. Scopes 1, 2 and/or 3) generated by the project, estimated lifetime of the initiative and a detailed comments section to describe the initiative
 - Report ALL emissions reductions activities, across any of the 6 pillars relevant to your company, not simply Energy projects (e.g. waste, packaging, agriculture).
 - Use the <u>CDP Climate Change Reporting Guidance</u> for more detailed support in responding to question C4.3b.
 - If you have any issues with disclosing to CDP, access <u>CDP's help center</u> or email <u>SC.WalMartStores@cdp.net</u>
 - If you have issues with submitting data to Project Gigaton[™], please contact Corpsu@wal-mart.com
- You must complete and submit your CDP disclosure by CDP's scoring deadline, usually at the end of July. <u>Click here</u> for more information on this year's deadline.
- If your project meets the above criteria, Walmart and CDP will pre-populate your CDP data into your Project Gigaton[™] account. When you login to your Project Gigaton[™] account to complete your reporting to Project Gigaton[™] each year, you'll find your CDP data pre-loaded and can choose which CDP-reported projects to include/exclude, assign a percentage of the total reported emissions of a project to Project Gigaton[™], or add additional information not included in your CDP response.
- Please note that since all emissions reductions projects are submitted with their estimated lifetime, and reductions are multiplied to account for the total duration of the project, the same project may only be reported through CDP and counted towards project gigaton once. Please do not report the same project over multiple reporting cycles unless the estimated lifetime is one year or less.

Receive <u>recognition</u> from Walmart for contributing to Project Gigaton™!

Walmart highlights the leadership of *Giga-Gurus* who have set SMART goals (specific, measurable, achievable, relevant and time limited) in three pillars, agreed to share them publicly, and have reported avoiding emissions in at least three pillars. Walmart also highlights *Sparking Change* suppliers who have set at least one SMART goal, agreed to share them publicly, reported avoiding emissions in at least one pillar.

Frequently Asked Questions:

Q: Where can I find more information about Project Gigaton™? A: You can find more information about Project Gigaton™ on the <u>Walmart Sustainability Hub</u>.

Q: Where can I find additional technical information about reporting to Project Gigaton™? A: Project Gigaton™ Accounting Methodology

Q: Where can I find more support for my CDP response?

A: <u>CDP's reporting guidance</u> includes questionnaires, guidance, and scoring methodologies. Contact your CDP rep or email reach out to <u>CDP's help center</u> with additional questions.





Q: What benefits have companies found by disclosing to CDP?

A: CDP disclosure is an industry standard and global best practice in environmental management. Companies have found many benefits to participation including:

- Meet stakeholders' expectations of transparency and accountability
- Demonstrate continuous improvement & ambition in emissions management
- Evaluate environmental performance by benchmarking against peers
- ▼ Identify opportunities for efficiency and cost savings in operations and supply chain
- Evaluate business risks and opportunities in the transition to low-carbon economy
- Build internal buy-in and public recognition for improved environmental performance

Q: Most of my greenhouse gas footprint lies in my supply chain. How do I engage my suppliers to collect meaningful data and include them in my goals?

A: Consider joining <u>CDP's Supply Chain program</u> to engage your own suppliers on the same platform as Walmart and many other customers and investors.

Q: Where can I find more information on committing to set an approved Science-Based Target? A: Visit <u>www.sciencebasedtargets.org</u> or email <u>commit@cdp.net</u>

Q: Does it cost to disclose through CDP?

A: If you are requested to disclose through CDP's Supply Chain program by Walmart, you can submit your CDP response for free (administrative fee applies to companies also responding to an investor request).

Q: What if my company is not yet ready to disclose through CDP?

A: CDP recommends that a minimal response is better than no response at all. However, Walmart also provides online calculators if you need help calculating greenhouse gas emissions to report directly via Project Gigaton[™].

Q: I responded to CDP last year. Why is my data not showing in the Project Gigaton[™] portal? A: To participate in Project Gigaton[™] and leverage your CDP disclosure for reporting, you must be on Walmart's CDP Supply Chain request list so that you can agree to share your CDP data with Walmart. If you did not receive a CDP request from Walmart in the most recent reporting cycle, please email <u>corpsu@wal-mart.com</u> to get added to the list for the next reporting cycle.