WHAT IS CRADLE TO CRADLE DESIGN?
SUSTAINABLE BUSINESS STRATEGY

• Driving innovation into the business
• Protecting our resources by using them efficiently
• Engaging our associates and communities in meaningful ways
• Focusing on long-term financial success

Vance Bell, CEO of Shaw
A HOLISTIC APPROACH TO SUSTAINABILITY

Communications
Design for Environment
Waste Reduction Efforts
Green Buildings
SMS and/or ISO-14001
EH&S and Sustainability
Energy Reduction
Indoor Air
Packaging Transportation

Growth & Sustainability
SHAW 2030 ENVIRONMENTAL PERFORMANCE GOALS

• Reducing energy intensity by 40%
• Reducing total waste to landfills 100%
• Reducing hazardous waste 100%
• Reducing water intensity 50%
• Achieving an OSHA incidence rate of ZERO
• Designing 100% of products to Cradle to Cradle® protocols
PRODUCT INNOVATION & DESIGN
PRODUCT INNOVATION & DESIGN

• Design for environment framework
  – Phase 1
  – Phase 2

• Innovation-driven approach to responsible product design

• Product sustainability certifications & standards

• Sustainable supply chain

• Product stewardship - end of use
CRADLE TO CRADLE
PHILOSOPHY
MIMICKING NATURE
Plants
Animals
Decomposers
Soil
Nutrients

Biological Nutrient Cycle

Manufacturing/Assembly

Material’s End Of Life

Customer Use

Technological Nutrient Cycle

Product

Source: GreenBlue
Cradle to Cradle® Continuous Improvement Strategy Chart

100% GOOD GOAL:
BIological nutrients in
SAFE CARBON CYCLE,
TEchnical nutrients in
CONTINUOUS REUSE PERIODS

INVENTORY

ASSESSMENT

PHASE 1

PHASE 2

PHASE 3

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Assessing chemicals in a graduated way.

To get the information, we work with our entire supply chain to get material information.

**Green - - - A**
- Little or no hazard; acceptable for use under the Cradle to Cradle Design Protocol.

**Yellow - - - B**
- Low to moderate hazard; acceptable for use.

**Red - - - C**
- High hazard; phase out as soon as possible.

**Black - - - X**
- Banned materials because of extreme hazards.
<table>
<thead>
<tr>
<th>Program Category</th>
<th>Basic</th>
<th>Bronze</th>
<th>Silver</th>
<th>Gold</th>
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ECOWORX® TILE BACKING

- 100% PVC and Phthalates free
- Contains 44% recycled content
- 40% lighter than PVC alternatives
- Supported by environmental guarantee that provides free cradle-to-cradle recycling
We want it back!
ECOWORX® BROADLOOM BACKING

- Available in Broadloom and Performance Broadloom
- 20% recycled content
- **Environmental Guarantee** for reclamation
- **Cradle to Cradle** certified
- EcoWorx Broadloom **NSF-140 certified**
ECO SOLUTION Q®
PREMIUM BRANDED NYLON

Commercial fiber of choice because it is tough, resilient, beautiful and fully recyclable.

• Available in over 200 color options
• Extensive Performance Warranties
• Contains 25% post consumer and 20% pre-consumer recycled content
MEET YOUR NEW INSTALLATION PARTNER.

The first cradle to cradle installation system. This non-toxic and odorless system virtually eliminates VOCs and provides an ideal solution for occupied space and/or high moisture applications.
MORE POWER. LESS ADHESIVE.

Low-material, high-performance design means 4 rolls of LokDots weighing just over 1 lb have the installation capacity of one 35 lb bucket of wet adhesive.

A MATERIALS REDUCTION OF 97%
ANSO® NYLON

- Used in our residential line-up of products.
- Outstanding abrasion resistance
- Unsurpassed soil and stain resistance with R2X
EPIC® HARDWOOD

- Uses EnviroCore, a dense inner layer composed of recycled wood fiber
- Requires 50% less newly harvested wood than traditional engineered hardwood
- Offers beauty, durability, and performance
Today, more than 60% of all product sales are Cradle to Cradle Certified.®
OTHER CERTIFICATIONS

- Design for the Environment (U.S. EPA)
- Cradle to Cradle
- CALIFORNIA AIR RESOURCES BOARD
- GREENGUARD (Indoor Air Quality Certified)
- BRE
- FROM U.S. RENEWING FORESTS (NWFA Verified)
- TRANSITIONAL to higher levels of environmental and social performance
- CRI Green Label Plus
- FSC (Forest Stewardship Council)
- Israel Green Label
- Environmental Choice Australia
- Green Label Singapore
- NSF (Sustainability Certified)
TRANSPARENCY

• Today’s reality.

• Many companies require an open and transparent disclosure of chemistry and IP.

• We are being asked to create EPD, HPD, Declare, and Pharos.

• It is the next generation of MSDS – being required by companies to protect their employees.
Since 2006, we have recycled more than 700 million pounds of post-consumer carpet.
EVERGREEN NYLON RECYCLING

- **100 million pounds** of post-consumer Nylon 6 carpet fiber is recycled every year through Evergreen

- **31% life cycle energy savings** as compared to virgin Caprolactam
1% Carpet to other Products

RECLAMATION & RECYCLING
RECLAMATION & RECYCLING

• Engineered resin becomes new products
14% Carpet to Energy

With all other possibilities exhausted—energy embedded can be recaptured.
Re2E uses post-consumer carpet as an alternative fuel source.
QUESTIONS