Environmental Responsibility

Southwest Contract and Panel Specialists, Inc. are committed to reducing its impact on the environment. We will continually strive to improve our environmental performance and to initiate additional projects and activities that will further reduce our impacts on the environment.

Our commitment to the environment extends to our customers, our staff, and the community in which we operate. We are committed to:

S:Supporting a business conduct centered on the health and well-being of our employees, our company, our community and our planet.

U:Understanding that we have an environmental responsibility that extends beyond our lives and the lives of generations to come.

S:Selecting vendors who are like-minded; ones who incorporate earth-friendly initiatives and make attempts at every juncture possible to reduce unnecessary wastes in the supply stream.

T:Training our people to become even more conscious within their roles of responsibility. We must empower them to develop creative solutions regarding recycling, smart energy consumption, waste reduction and more.

A:Acting in a responsible manner by complying with all government rules and regulations, and setting an example for others to follow.

I:Importing from suppliers who are in earth-friendly countries where possible. We are proud to be an American manufacture of quality furniture and we admit that in these days, it is almost impossible to build any product that is made from 100% U.S. based components. We will select environmentally responsible partners in the U.S. as well as abroad.

N:Never ceasing our efforts to seek out and eliminate environmental threats within our business processes.
ENVIRONMENTAL AWARENESS HIGHLIGHTS

BEDS
- All wood is certified according to US Forestry Service guidelines as Sustainable Hardwood Forests
- FSC wood is available at an upcharge
- Bed springs are 88.7% recycled material
- Wood finish meets BIFMA-M7.1-2007 emission tests

CHEST, BOOKCASE, DESK, WARDROBE
- 95.7% recycled material by weight
- All laminate is GreenGuard Certified
- All glue for laminating is GreenGuard certified
- Core meets CARB-II
- Urea formaldehyde-free core is available
- All laminate is 22% recycled material
- Standard products meet BIFMA-M7.1-2007 emission tests

PACKAGING MATERIAL
- 45% is recycled material
- Use recycling opportunities during installation
Laminate Panel Construction is an environmentally responsible material

The laminate industry has been involved in waste reduction/elimination, recycling and lifecycle programs for decades

Within the manufacturing process, there are many opportunities to save...

- Raw Materials
- Decorative Paper
- Core Paper
- Treating
- Assembly
- Pressing
- Cut to Size
- Finished Goods
- Shipping
Raw materials

- Shipping pallets are reconditioned and recycled
- Incoming cardboard packages are baled and recycled
- Spools from decorative and craft paper are bundled

Decorative paper

- Waste resins and cleaning water are kept out of the sanitary sewer and are solidified

- Empty storage drums are reconditioned and reused indefinitely
Decorative paper

• Scrap melamine resin-treated papers are used as filler in plastic molding compounds, which are then molded into familiar plastic components like:
  – Plastic Plates
  – Electric Outlet Covers
  – Toys

Core paper

• Scrap core paper is baled and recycled into cereal boxes and as sheet rock backing
• Equipment wash water is reused in lieu of tap water
Core paper

- Phenolic fumes from gas-fired drying ovens are captured and used as fuel to heat steam used in presses

Plate manufacturing

- Pre-textured, reusable metal plates have replaced texturing foils
- Plates eliminates the need for millions of pounds of foil each year
Assembly/Pressing

- Bare and paper backed foil used to texture laminates are baled and recycled
- Recycled foil is used to make other aluminum products and energy sources for blasting agents

Sanding

- Sanding dust is collected in bag houses and incinerated as fuel, then used to create steam for the presses
Finishing

- Useable portions of damaged laminate is cut away and used to fill custom orders
- Damaged backers are reused to protect skids of laminate from damage during transport

Finishing

- Rejected laminates are routed to the Laminate Recycling Center (LRC)
- Laminate is ground by hammer-mill to one of three sizes to conserve drilling mud and reduce pollution
Wood

• Defective and unused small wood pieces are converted to wood pellets
• Wood pellets are used for fire fuel in various industries and in residential furnaces

Temple Factory Initiatives

• Florescent bulb recycling
• Printing black and white & double sided copies
• Cardboard recycling
• Forklifts with propane fuel
• Natural light room for new and current (South) manufacturing/warehousing plants
• Saw Dust recycling
• Computer Equipment recycling
• Scrap Metal Recycling
• Motor & Hydraulic oil Recycling
• Ballast & Battery Recycling
• Production Pallet recycling
• Toner Cartridge recycling
The Health & Safety Issues associated with High Pressure Laminate

• The primary health-safety-welfare issue of high pressure laminate at the end use is indoor air quality
  – Specifically, formaldehyde emissions
• High pressure laminate has been shown to be an effective barrier to formaldehyde emissions from engineered wood products such as fiberboard and particleboard.
• High pressure laminate does not contribute to formaldehyde emissions

LEED and Southwest Contract Furniture

• Leadership in Energy and Environmental Design was created in March 2000 by the US Green Building Council
  – Voluntary building rating system
  – Does not tell you what products to use
Recycled Content
(LEED MR Credit 4.1 & 4.2 – 2 pts)

Recycled Content: For buildings that contain recycled, reused, or refurbished materials diverted from the waste stream during the manufacturing process, with points awarded as a function of the total building used (MR 4.1 = 10% = 1 point, MR 4.2 = 20% = 1 point for a total of 2 points). Credit is based on the sum of post-consumer recycled material + ½ of post-industrial recycled material.

- Laminate contains 22% by weight post-industrial recovered waste
- 100% post-industrial core material in casegoods is available
- Bed frames are made of 100% post-consumer recovered waste (reused engine blocks and recycled rail steel)
  - Steel supplier was named “Recycler of the Year” within their state.
- Cartons are 45% by weight post-consumer recycled material
- Fabrics are available with 100% recycled content.

Possible 1 or 2 points

Local / Regional Materials
(LEED MR Credit 5.1 & 5.2)

Regional Materials: Use of building materials or products that have been extracted, harvested, or recovered, as well as manufactured within 500 miles of the project site for a minimum of 10% (based on cost) of the total material value. (MR 5.1 = 10% = 1 point, MR 5.2 = 20% = 1 point) for a total of 2 possible points.

Possible 1 or 2 points depending on location
Rapidly Renewable Materials
(LEED MR Credit 6 – 1 pt)

Rapidly Renewable Materials: Awards a point if 2.5% of the total value of all building materials used, based on cost, are derived from plants that are harvested within a ten-year cycle or less. This contributes to (MR 6.0 = 1 point).

• Wool fabric
• Corn fiber textiles
• Laminate contains cotton and American Spruce content
• Wheat Core

Possible 1 or 2 points

Certified Wood

Certified Wood Materials: Awards 1 point if a minimum of 50% of wood based materials and products are certified in accordance with Forest Stewardship Council (FSC) guidelines. This contributes to (MR 7.0 = 1 point)

• Standard product is certified according to National Forest Service
• Forest Stewardship Council (FSC) Certified wood available
• FSC Certified core material available

Possible 1 point
Low-Emitting Materials

Low Emitting Materials: Awards 1 point (Credit EQ 4.4) if the composite wood and agri-fiber products contain no added urea-formaldehyde resins.

- Use of materials meeting GreenGuard standards
- No added urea-formaldehyde materials
- Laminate is GreenGuard certified
- Laminate glue is GreenGuard certified
- Wood finish meets Natural Emissions Standards for hazardous air pollutants (NESHAP) Lower than .8 Haps/Pound
- Wood material ranges from 0.00 to 0.56 Haps/Pound
- Greenguard fabrics
- Greenguard Gore treatments
- Wood finish is below Greenguard standards for formaldehyde Emissions
- Standard laminate product meets BIFMA 7.1 and LEED 4.3

Possible 1 point

Packaging Materials

- On-campus recycling is used for packaging disposal whenever available
- Our packaging material consists of:
  - Corrugated cardboard
  - Shrink wrap
Summary

- GREEN is a complete process that reduces waste and inefficiency, as well as relying on renewable resources.
- LEED requires the review of all building materials and furnishings.
- Furniture is a very small part of the greater LEED movement.
- The furniture vendor / user relationship is critical to the success of a University Residence Hall furnished according to the LEED Program.
Environmental Policy and Green Product Initiatives

USGBC - LEED:

U.S. Green Building Rating System for New Construction & Major Renovations
USGBC LEED Certification (LEED-NC) Version 2.2

Southwest Contract products are manufactured to strict quality controls per the specifications detailed below. These products may contribute towards specific credits under U.S. Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) criteria.

The following information and criteria are based upon the LEED Green Building Rating System for New Construction and Major Renovations, Version 2.2 October, 2005.

INFORMATION FOR QUALIFYING CREDITS

<table>
<thead>
<tr>
<th>LEED CATEGORY</th>
<th>INTENT</th>
<th>REQUIREMENTS</th>
<th>POSSIBLE POINTS</th>
<th>QUALIFYING PRODUCTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>MR.1 Recycled Content: 10% (post = 1/2 pre-consumer)</td>
<td>Materials and Resources MR.1</td>
<td>Increase the use of building products that contain recycled content material</td>
<td>1 Point</td>
<td>Laminate contains 22% by weight post-industrial waste Core material is 100% post-consumer/post-industrial waste Steel bed frames are 100% post-consumer/post-industrial recovered waste Carton material is 45% by weight post-consumer material Fabrics are 100% recycled content at the appropriate grade pricing</td>
</tr>
<tr>
<td>MR.1 Recycled Content: 20% (post = 1/2 pre-consumer)</td>
<td>Materials and Resources MR.1</td>
<td>Increase the use of building products that contain recycled content material</td>
<td>1 Point added to 4.1</td>
<td>Laminate contains 22% by weight post-industrial waste Core material is 100% post-consumer/post-industrial waste Steel bed frames are 100% post-consumer/post-industrial recovered waste Carton material is 45% by weight post-consumer material Fabrics are 100% recycled content at the appropriate grade pricing</td>
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<td>MR.5 Regional Materials: 10% Extracted, Processed &amp; Manufactured Regionally</td>
<td>Materials and Resources MR.5</td>
<td>Increase the use of building products that are extracted and manufactured within the project region</td>
<td>1 Point</td>
<td>Production sites: Temple, Texas Atlanta, Georgia Dumas, Arkansas Louisville, Kentucky Chicago, Illinois Lindsay, Ontario</td>
</tr>
<tr>
<td>MR.5 Regional Materials: 20% Extracted, Processed &amp; Manufactured Regionally</td>
<td>Materials and Resources MR.5</td>
<td>Increase the use of building products that are extracted and manufactured within the project region</td>
<td>1 Point</td>
<td>Production sites: Temple, Texas Atlanta, Georgia Dumas, Arkansas Louisville, Kentucky Chicago, Illinois Lindsay, Ontario</td>
</tr>
<tr>
<td>MR.6 Rapidly Renewable Materials</td>
<td>Materials and Resources MR.6</td>
<td>Increase the use of materials derived from plants that are harvested within a ten year cycle</td>
<td>1 Point</td>
<td>Wood fabric at graded prices Corn fabrics at graded prices Foam for lounge furniture is soy-based Laminate contains cotton and American spruce content Wheat core, once available, qualified. Awaiting its reintroduction into the market</td>
</tr>
<tr>
<td>MR.7 Certified Wood</td>
<td>Materials and Resources MR.7</td>
<td>Increase the use of Forest Stewardship Council (FSC) certified wood</td>
<td>1 Point</td>
<td>Standard product meets ANSI/BIFMA X7.1-2003 Emission Testing which meets LEED standards FSC certified wood available at approximately a 12% price increase for the designated wood product FSC certified composite core available at approximately a 28% price increase</td>
</tr>
<tr>
<td>IEQ.4: Low Emitting Materials: Composite Wood &amp; Agrifiber Products</td>
<td>Indoor Environmental Quality MR.4</td>
<td>Reduce indoor air contaminants and improve indoor air quality</td>
<td>1 Point</td>
<td>Standard product comes from verified Sustainable Hardwood Forests as defined by the United States Forestry Service FSC certified wood available at approximately a 12% price increase for the designated wood product FSC certified composite core available at approximately a 28% price increase</td>
</tr>
</tbody>
</table>