

THE CARPET AND RUG INSTITUTE SUSTAINABILITY REPORT 08

environmental legacy

economic strength

social responsibility

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From the President's Office

SUSTAINABILITY IS ABOUT MORE THAN PRODUCT CONTENT

The release of the Carpet and Rug Institute's (CRI) *2008 Sustainability Report* is a matter of great pride for those of us in the carpet industry. It represents the ongoing efforts and achievements realized since our last report. Given CRI's position as the science-based source for facts about carpet and rugs, it is fitting that CRI prepared this report using principles of the Global Reporting Initiative and worked with Weston Solutions to ensure unbiased data collection and analysis. **This new report clearly demonstrates what the carpet industry as a whole has accomplished over the last five years** and helps to form an image of what the future landscape will be. As an industry, we are taking action today so we can take comfort in tomorrow.


The carpet industry's enviable reputation as the leader in floor covering was earned through hard work, innovation, and resourcefulness. Our members have adopted the spirit, principles, and practices of sustainability and have made great strides to reduce the carpet industry's total environmental footprint. The significant reduction in air pollutants is but one example.

Doing business according to high standards of sustainability is commendable, but we believe it is the only thing to do. CRI and our member companies regard the three tenets of sustainability — **environmental legacy, economic strength, and social responsibility** — as distinct, but fundamentally interdependent aspects of an overall environmental philosophy. CRI and the carpet industry have used this philosophy to develop new and exciting programs and initiatives that have broad-reaching influence and impact.

In the five years since our last report, CRI launched the Seal of Approval Program and developed the Texture Appearance Retention Ratings system, both of which play vital roles in sustainability. This year, the ANSI/NSF 140-2007 Sustainable Carpet Standard was established. **This sustainable carpet assessment standard** — the only one of its kind for the floor-covering industry — establishes performance requirements for public health and the environment and addresses the critical requirements that can help create a path to a more sustainable carpet product.

Our industry agrees with the definition that "sustainable development meets the needs of the present without compromising the needs of future generations." As we continue to reduce our environmental impact, we must identify new programs, technologies, and innovations that will move the needle even more. Sustainable operation is a journey, not a destination. As such, this *2008 Sustainability Report* documents where the industry is now, highlights how far we have come, and helps guide our path ahead. I am honored to present these findings on behalf of our members.

Werner Braun,
President,
Carpet and Rug Institute



**SUSTAINABLE
OPERATION IS A
JOURNEY, NOT
A DESTINATION.**



From the Sustainability Manager

MUCH PROGRESS HAS BEEN MADE IN FIVE YEARS

Since joining CRI in March, I have been fortunate to work with a diverse group of carpet-industry professionals on the *2008 Sustainability Report*. I am grateful for the dedication of our stakeholders, and I formed a high regard for their expertise, integrity, and commitment to our industry, our society, and our environment.

We have taken several steps to ensure that **CRI's 2008 Sustainability Report is the most robust, wide-ranging, and inclusive version to date.** We established a consortium of representatives from the carpet industry to develop a set of metrics and definitions that would be accepted by the entire membership of CRI. Perhaps, not surprisingly, reaching consensus on these parameters was challenging, but the results of the committee's concerted efforts proved the process worthwhile. Additionally, we commissioned an independent firm to capture the data and analyze the results to further demonstrate the credibility of the information gathered. The resulting document is an accurate, comprehensive, and transparent overview of sustainability efforts underway throughout the carpet industry.

Conceivably, the most important event occurring since the 2003 report was the development, acceptance, and implementation of ANSI/NSF 140-2007. The Carpet Sustainability Standard has already gained wide acceptance as a model of industrial sustainability. Further, ANSI/NSF 140-2007 is the only standard for sustainability in the flooring industry.

Much has been done, but there is much left to do. Sustainability in the carpet industry requires an active and continuous search for better processes and activities. As CRI members initiate changes to meet the strict requirements of ANSI/NSF 140-2007, their challenges grow with each success achieved.

To help meet these challenges, **CRI and its members are currently funding research that will advance future sustainable initiatives in the carpet industry.** We are also developing programs to help future carpet-industry employees. The Georgia Institute of Technology has several research projects underway, including a long-term carpet life cycle analysis. The University of Georgia is researching the insulative effectiveness of carpet in addition to undertaking a project that uses carpet waste water to help produce a biofuel. Furthermore, CRI is developing a first-of-its-kind degree program in sustainability at Dalton State College.

The carpet industry wants to have a "positive environmental footprint" that will leave the world in better condition than we found it. The *2008 Sustainability Report* illustrates the advances we have made toward that goal.

Jeffrey L. Carrier,
Sustainability Manager,
Carpet and Rug Institute



**CRI IS DEVELOPING
A FIRST-OF-ITS KIND
DEGREE PROGRAM
IN SUSTAINABILITY.**

THE “THREE-LEGGED STOOL” OF SUSTAINABILITY

The carpet industry relies on a holistic approach to sustainability. Sustainable operation and development rely on **three equally important ideas: environmental legacy, economic strength, and social responsibility**. This approach resulted in ANSI/NSF 140-2007, which considers all of these elements in its evaluation of a manufacturer’s sustainable practices. It also has organized this report, which relies on what Werner Braun calls the “three-legged stool” of sustainability. In a sustainable system, environmental legacy, economic strength, and social responsibility are inseparable and seamless. The CRI’s *2008 Sustainability Report* demonstrates that the carpet industry is an environmental leader, hard at work discovering new paths to sustainability at all three levels.

**SUSTAINABLE
BUSINESS IS
GOOD BUSINESS.**

Environmental Legacy

As one of the most pressing issues on the world stage, the future of the global environment gains more attention every year. Carpet companies are voluntarily moving toward a “zero environmental footprint” at a remarkable pace. They are focused on an even loftier goal: to establish a “positive environmental footprint,” or “restorative footprint,” that will make the environment healthier than if the carpet industry did not exist. This report shows that easy progress is over; steady progress in reducing air emissions and water and energy consumption is made possible through a greater reliance on technology and research.

Economic Strength

To succeed, carpet companies must be profitable. But success is not measured by profits alone. Instead, the direct and indirect benefits the carpet industry provides to their stakeholders must be considered too. Today, sustainable business is good business, and that makes economic sense.

Social Responsibility

Social responsibility is no longer a “nice to have” public relations initiative; it is the cornerstone of sustainable operations. It requires partnership with and commitment to a diverse group of stakeholders through a combination of charitable giving, community outreach, worker equity, and safety efforts. **These combined efforts are sources of strength and inspiration that help ensure the future of our communities.**

CRI’s Signature Initiatives

Headquartered in Dalton, Georgia, the CRI is a nonprofit trade association representing the manufacturers of more than 95 percent of all carpet made in the United States, as well as their suppliers and service providers. Through science-based research, environmental responsibility, customer advocacy, and consensus, we demonstrate how **carpet creates a better environment for living, working, healing, and learning.**

This report also highlights how CRI has leveraged its leadership position to influence the current and future sustainable operations of allied industries through the development of its Seal of Approval program, the Texture Appearance Retention Ratings, and the Carpet America Recovery Effort (CARE). Additionally, we offer further information on ANSI/NSF 140-2007.

Environmental Impact of Sustainability

SIGNIFICANT PROGRESS IN REDUCING THE INDUSTRY'S ENVIRONMENTAL FOOTPRINT

The carpet industry is among the most progressive in the country in **addressing the environmental and sustainability challenges associated with manufacturing.** Carpet manufacturers have made major strides in reducing the environmental footprint of carpet through reduced landfill use, carbon dioxide emissions, energy consumption, waste generation, water usage, and hazardous air emissions. From 1990 to 2002, the carpet industry dramatically reduced its environmental footprint while at the same time increasing production.

The following pages highlight data collected from 83 production facilities and approximately 90 percent of all carpet produced by CRI member companies. **The survey focused on seven areas of sustainability: electricity, water, fuel, materials, safety, certifications, and emissions.**

The information presented in the featured graphs has been normalized in terms of square yards of carpet produced per given year by reporting facilities. This normalization was necessary to account for variations in data from the number of facilities reporting data year to year and also for variations in the levels of production from year to year. Normalizing the data using the square yards of carpet production indicates emissions or consumption per unit of production — a more meaningful indicator than absolute data, given all the variables.

Square yards of carpet production was selected as the unit for normalization because this data unit was the one reported most comprehensively and consistently by the carpet facilities.

**CARPET
MANUFACTURERS
HAVE MADE
MAJOR STRIDES.**

BREATHING EASIER: SIGNIFICANTLY REDUCING AIR POLLUTANTS

The carpet industry has made significant reductions across the board in air pollutant emissions on a per-unit-of-production basis, **helping to improve the outdoor air quality in local communities.** The diminishment in greenhouse gas emissions and air pollution is directly correlated to the reductions the industry has made in BTU consumption and surpasses any protocol previously stated. The industry's concerted efforts to use more environmentally friendly sources of energy, such as biofuels, and reduce reliance on dirtier energy, such as coal, have also contributed to these extraordinary improvements. In normalized terms from 2003 to 2007, emissions of seven measured pollutants fell significantly:

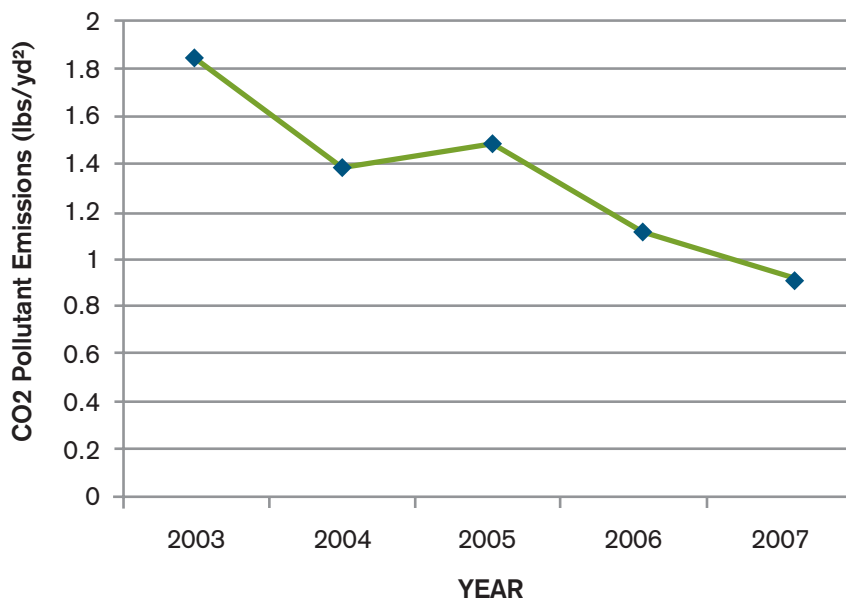
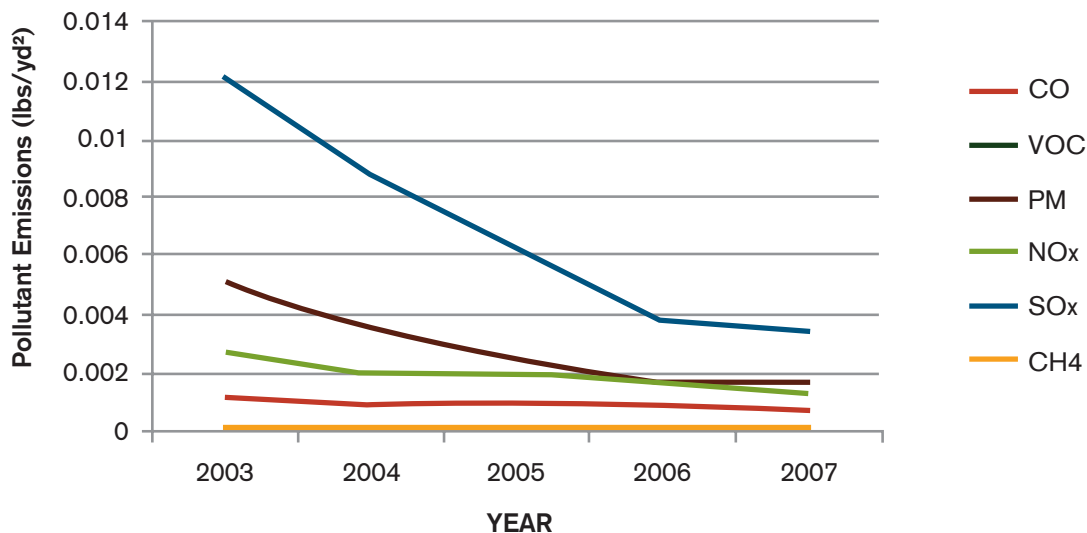
- CO emissions decreased by 41.2 percent.
- VOC emissions decreased by 35 percent.
- PM emissions decreased by 68 percent.
- NOx emissions decreased by 53.8 percent.
- SOx emissions decreased by 72 percent.
- CH4 emissions decreased by 46 percent.
- CO2 emissions decreased by 51 percent.



WE ARE USING MORE
ENVIRONMENTALLY
FRIENDLY SOURCES
OF ENERGY.

BREATHING EASIER: SIGNIFICANTLY REDUCING AIR POLLUTANTS (CONTINUED)

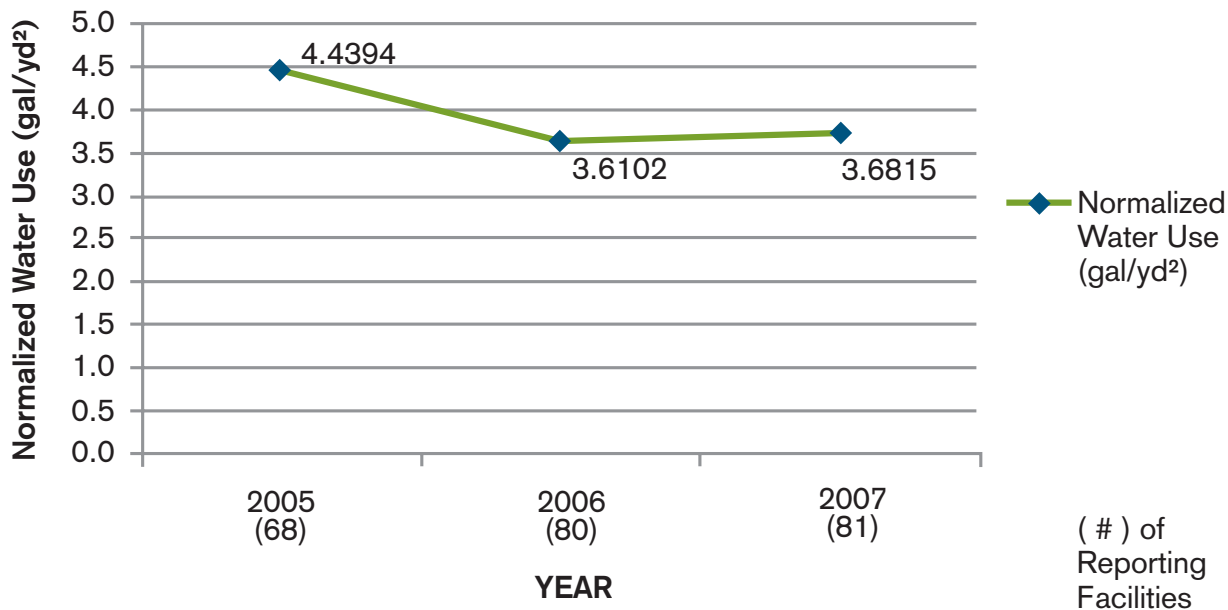
Two scales were needed to capture all of the key emissions information. The **first graph** focuses on carbon monoxide (CO), volatile organic compounds (VOC), particulate matter (PM), nitrogen oxides (NOx), sulfur oxides (SOx), and methane (CH4). In this graph, it is impossible to distinguish between VOC and CH4 at this scale. The **second graph** is for carbon dioxide (CO2), since CO2 emissions are two orders of magnitude larger than the others, requiring the separate scale. To develop data on both graphs, AP-42 calculations were employed.



TAKING THE PLUNGE: MINIMIZING WATER USE

From 2005 to 2007, water consumption in carpet manufacturing operations declined by nearly 30 percent. The trend flattened in 2007 as the carpet industry reached a point of diminishing returns with current practices. In 2007 and 2008, **new technologies were developed to continue the reduction of water consumption**, including the use of “foam in” dye application, increased use of solution-dyed products and increased use of “grey water.” Using grey water in carpet manufacturing helps reduce the demand on fresh drinking water and, while it cannot be used for drinking, grey water is safe to use in manufacturing process because it has been treated by a wastewater facility and can be released into waterways.* Newly launched technologies like these promise to continue our reductions in water consumption, and we look forward to monitoring future results moving forward.

**WATER
CONSUMPTION
DECLINED BY
30 PERCENT.**



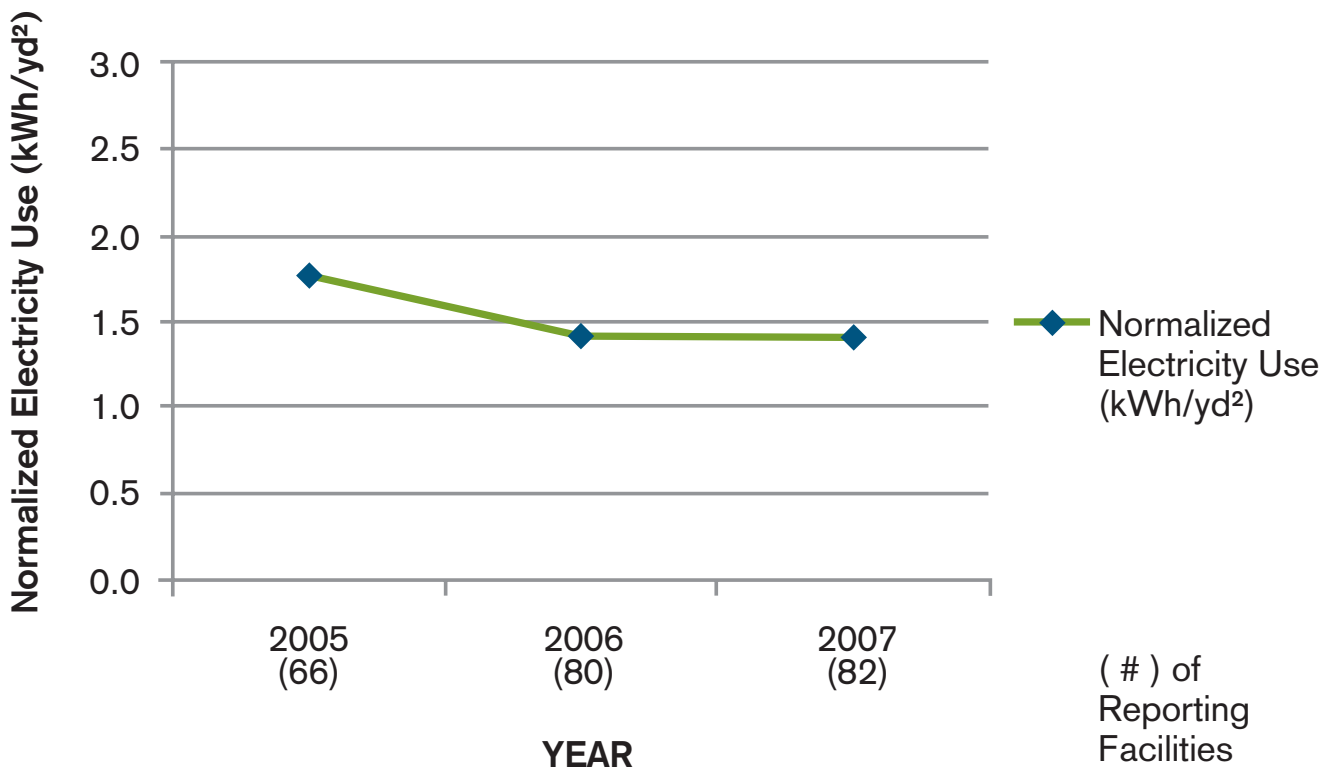
* A very large portion of the water consumed in the manufacture of carpet is discharged to local utilities for treatment and returned to the water supply.

RENEW AND REUSE: REDUCING ELECTRICITY USES FOR MANUFACTURING

Electricity is used in the manufacturing of fiber (including yarn manufacturing from extrusion) and carpet (including tufting, dyeing, coating, and other processes). Through the increased reliance on renewable and self-generated energies as well as the capture and reuse of heat from the dyeing and finishing processes, **the carpet industry is able to reduce the amount of electricity required for producing a square yard of carpet.**

The data represented in the graph is for electricity purchased “off the grid” and does not include self-generated or provided sources. It does not account for any renewable energy credit (REC) purchases. The amount of electricity required to produce a square yard of carpet in 2005 was 1.77 kWh. In 2007, the kWh used to produce a square yard of carpet dropped to 1.39 kWh. The number of facilities reporting kWh data ranged from 66 facilities in 2005 to 82 facilities in 2007.

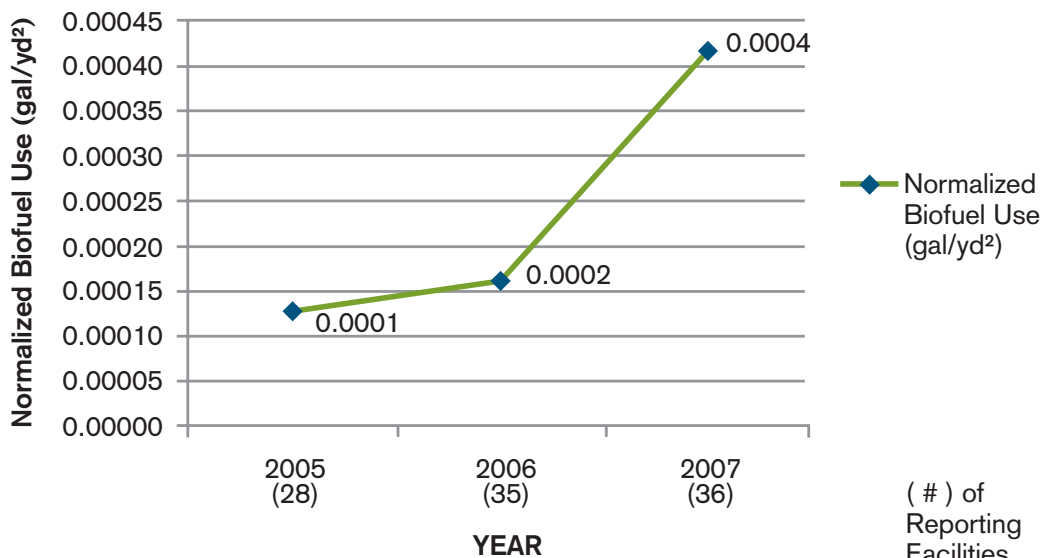
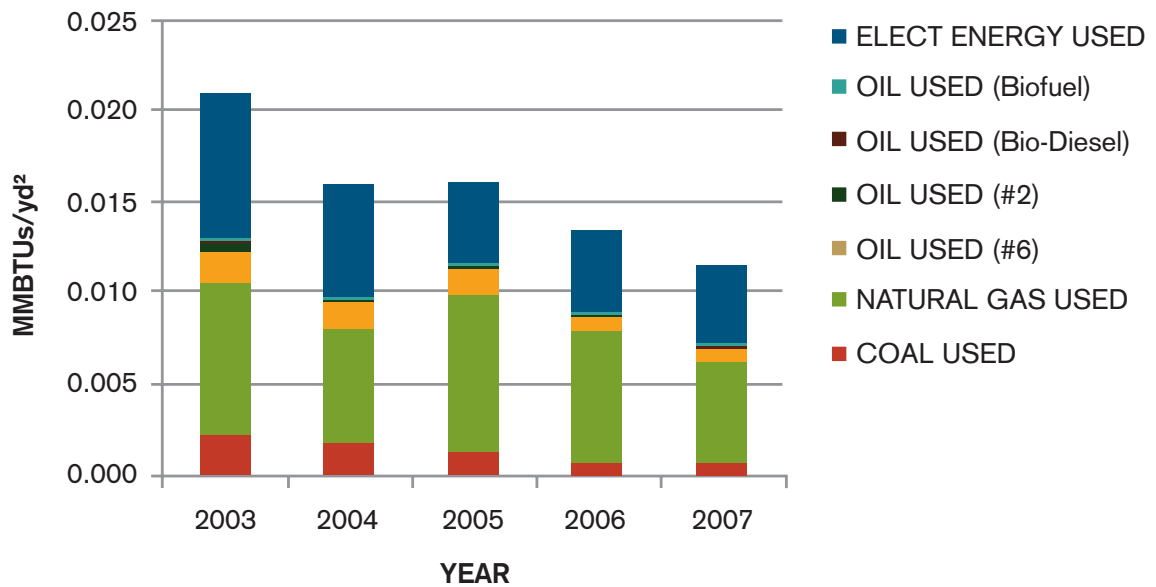
**INCREASED
RELIANCE ON
RENEWABLE AND
SELF-GENERATED
ENERGIES.**



BALANCING THE MIX: USING LESS ENERGY AND LESS "DIRTY" FUEL

From 2003 to 2007, **energy consumption was drastically reduced across the board.** More important, the reliance on "dirty" energy, such as #6 fuel oil and coal, dropped while the use of renewable energy sources, such as biofuel, jumped. Prior to 2007, biofuel use was steady among reporting facilities. During 2007, biofuel use increased 72.9 percent from previous-year use among the reporting facilities.

USE OF RENEWABLE ENERGY SOURCES JUMPED.

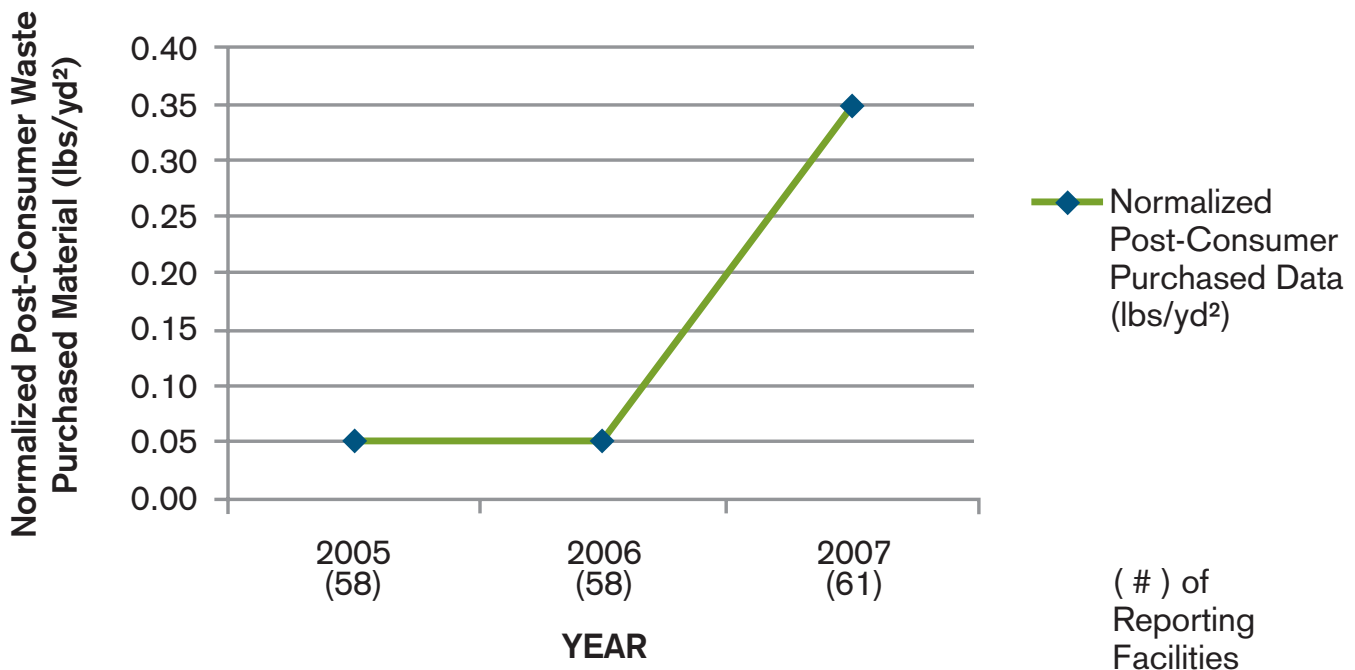


(#) of Reporting Facilities

RECYCLING: USE OF POST-CONSUMER WASTE MATERIALS IS WAY UP

In addition to recycling waste materials internally, **carpet manufacturers purchased post-consumer waste materials to incorporate in the manufacturing of carpet and backing.** The graph below shows the trend in purchase of post-consumer waste materials normalized by unit of production, with a steady use of post-consumer-purchased materials from 2005 to 2006 and then a sudden, significant increase in 2007. In 2007, the amount of post-consumer waste materials increased by 85.6 percent compared to the 2006 reported amount. Because this data is normalized on a per-square-year-of-production basis, it likely reflects decisions by manufacturers to include a higher percentage of post-consumer waste materials in their products. These include PET bottles collected and recycled, carpet recycled into new carpet, and glass cullet used in backings. As evidenced, greater recycled content is used in carpet today compared to 2005.

CARPET WASTE IS RECYCLED INTO NEW CARPET.





ENVIRONMENTAL INITIATIVES OF MEMBER COMPANIES

The following provides a glimpse into the scope of environmental innovations being undertaken throughout the carpet industry:

- More than 200 products are in Shaw's Eco products systems, and the company's Anso® nylon fiber received Cradle to Cradle certification through McDonough Braungart Design Chemistry.
- Beaulieu Commercial offsets 100 percent of its energy use with certified renewable energy and offers post-consumer recycled content in all of its products.
- In 2005, the Nature Conservancy recognized J&J Industries for the establishment of a Wetlands Conservancy — a 20-acre refuge along a tributary of the Conasauga River adjacent to the company's Dalton facilities.
- All electricity used by InterfaceFLOR® USA is renewable through onsite generation or Green-e-certified Renewable Energy Credit purchases. In total, 44 percent of the company's energy consumption from the LaGrange and West Point, Georgia operations is from renewable sources.
- Shaw Industries is on an exclusive list of Founding Reporters for The Climate Registry, a nonprofit organization that measures and publicly reports greenhouse gas emissions.
- The Mohawk Group's Chicago Showroom earned LEED® Gold Certification in 2008.
- J&J Industries received company-wide certification under ISO 14001, the prestigious international environmental standard. The certification includes J&J's main campus and tile plant.
- Since 1997, every Milliken plant across the globe has been ISO 14001 certified. All Milliken products are NSO 140 Gold and SMaRT platinum certified.
- Shaw's Dalton Waste to Energy Plant was profiled on CNBC, earning recognition for burning post-industrial carpet waste and wood flour to power a nearby facility. In its first year, the innovative process saved \$1 million and replaced 90 percent of the facility's oil use.
- By recycling waste vegetable cooking oil from local restaurants, Tandus replaced 100 percent of the diesel fuel from the company's commercial boiler and reduced CO2 emissions by 78 percent.

ENVIRONMENTAL INITIATIVES OF MEMBER COMPANIES (CONTINUED)

- Masland Contract had 95 products certified at the Gold level under the new ANSI/NSF 140-2007 Carpet Sustainability Standard.
- With the opening of its GreenWorks Center, Mohawk Industries began collecting carpet made of nylon 6, Type 6,6 nylon, and polypropylene, recycling 90 percent of the materials into carpet products or components and the remaining 10 percent into engineered resins.
- Since 1995, Interface's ReEntry 2.0 carpet reclamation program has diverted more than 130 million pounds of carpet from landfills — in 2007 alone, more than 28 million pounds were diverted.
- Based on third-party results of a Greenhouse Gas Inventory and Life Cycle Analysis on its products, Tandus received third-party certification allowing it to list products as "carbon-free" on Carbonfund.org.
- Shaw Industries, named the 2007 Large Recycler of the Year by CARE, won the 2008 U.S. DOE Energy Saver Award and the 2008 Georgia Air and Waste Management Association's Corporate Environmental Award.
- Beaulieu Commercial was the first manufacturer to receive certification under ANSI/NSF 140-2007 Carpet Sustainability Standard. All tile products supported with the company's Nexterra backing received platinum certification. Nexterra modular tile backing contains 85 percent post-consumer recycled content.
- The Dow Chemical Company converted its Dalton latex carpet-backing manufacturing facility to receive 90 percent of its energy from methane gas piped from a nearby landfill. Products manufactured using Lomax® technology received up to five points under ANSI/NSF 140-2007, and one-half to two points under LEED.
- Milliken has not contributed to landfill waste since 1999.
- J&J Industries' employee recycling program encourages employees to bring their recyclables from home to deposit in the company's on-site recycling center.
- Aquafil S.p.A received certification under ISO 14001. The company recycles yarn scrap to produce Econyl70 nylon, which contains 70 percent recycled content.
- Since 2002, Interface, Inc. has offset the impact of nearly one million gallons of gasoline through the purchase of almost 11,000 tons of verified emission reduction credits.

RECYCLING
PROGRAM
ENCOURAGES
EMPLOYEES TO
BRING THEIR
RECYCLABLES
FROM HOME.

Economic Impact of Sustainability

THE CARPET INDUSTRY IS AN AMERICAN SUCCESS STORY

The benefits of carpet are compelling: underfoot comfort, sound absorption, improved slip resistance, thermal comfort, and an astounding array of colors, textures, and patterns. For these reasons, carpet covers nearly 60 percent of all floors in the United States. **And the country's carpet industry produces more than 19 billion square feet of carpet each year.** Almost 90 percent of all domestic carpet is manufactured in Georgia.

**CARPET COVERS
NEARLY 60 PERCENT
OF ALL FLOORS.**

CRI's member companies represent every sector of the carpet industry and have a positive economic impact that is felt far beyond the industry's bottom line. Carpet industry employees, customers, suppliers, investors, and dealers all receive direct and indirect benefits from carpet-manufacturing operations and so do their local communities. The economic strength of the carpet industry represents a truly vibrant "made in America" success story.

Communities

- Annual carpet-mill sales exceed \$14 billion and represent a significant economic impact to the state of Georgia.
- Multiple local charitable organizations are supported.
- Mills provide local jobs creating an economic ripple effect.
- Mills invested more than \$400 million in new technology to improve sustainability.
- Mills have diverted more than 1 billion pounds of old carpet from landfills.

Employees

- The largest manufacturing industry in the State of Georgia with more than 70,000 employees nationwide.
- Progressive health, retirement, and safety programs are offered to virtually 100 percent of full-time employees.
- Excellent wages, with annual payroll of more than \$4 billion.

Customers

- Carpet improves the environment for learning, living, working, and healing.
- The carpet industry is focused on making the safest floor coverings.
- Carpet is the best value for consumers' flooring investments.
- Carpet is a sustainable flooring solution.

Partners and Suppliers

- We ensure ready demand and fair prices to our suppliers and partners.
- We encourage the development of green practices throughout the supply chain.

Social Impact of Sustainability

HOW THE INDUSTRY CONTRIBUTES TO QUALITY OF LIFE

More than any other pillar of sustainability, social responsibility puts a human face on the carpet industry's environmental efforts. In an encapsulated format, **the data in this report show the degree to which the companies and individuals associated with the carpet industry are contributing to quality of life** in the diverse communities they influence. While their contributions are too big and too numerous to be adequately described with mere figures and graphs, it is important to remember that these numbers represent compelling stories of selflessness and generosity.

Charitable Giving

- CRI members and their employees contributed millions of dollars to United Way, Red Cross, and other charitable organizations.
- By donating 25¢ per yard on selected commercial carpet products, Mohawk's "Specify for a Cure" program has generated more than \$2.5 million for the Susan G. Komen Breast Cancer Foundation.
- With more than \$1.4 million in annual gifts to the United Way in 2007, Shaw Industries and its employees contributed more than any other carpet-industry donor.

Charitable Work

- CRI members who tracked their donated volunteer hours reported an average of 13,500 hours donated per company.
- These figures do not include the hours donated by individual employees as volunteers, coaches, board members, and helping hands.
- The Conasauga River Alliance, Nature Conservancy, and Rivers Alive are a few of the environmental organizations benefiting from carpet-industry employee volunteerism.
- In 2007, Interface associates sponsored the planting of more than 12,000 trees through the worldwide "Trees for Travel" program. Since 1997, the company has planted more than 87,000 trees to reduce the impact of 174 million business related air miles.
- Mohawk Industries donated discontinued flooring materials to Habitat for Humanity. The donated flooring is expected to meet the Orlando chapter's needs for years.
- When CRI member J&J Industries learned of unfit and uncomfortable living conditions suffered by U.S. troops stationed in Kabul, Afghanistan, the company sent 50 rugs — enough to cover the bare floors in the facilities where the troops were housed.



Conasauga River Cleanup (Rivers Alive Georgia Campaign) – Tandus volunteers, from left to right: Keith Coffey, Carole Sheram, Lucinda Taylor, Cyndie Coker, and Andria Sheram.



The flag pictured here was sent to J&J Industries by troops stationed in Kabul, Afghanistan. It is displayed at J&J Industries' corporate offices as a constant reminder of the sacrifices U.S. service members make for the security of our nation.

HOW THE INDUSTRY CONTRIBUTES TO QUALITY OF LIFE (CONTINUED)

Workforce Development

- For the second year in a row, Tandus was named a Top 125 company on *Training Magazine's* list of companies achieving training excellence.
- Milliken has been on *Fortune Magazine's* list of "Best Places to Work" for four years in a row.
- All CRI members have internal training programs or participate in industry-sponsored training events.
- The carpet industry has partnered with Southern Polytechnic University to develop online programs leading to a bachelor of textile engineering degree.
- Continuing education training is underway with Dalton State College covering topics such as environmental stewardship, sustainability, customer service and sales, and a wide variety of other areas.
- The CEU program designed and distributed by the carpet industry is robust and grants credit through organizations such as The American Institute of Architects (AIA) and the Interior Design Continuing Education Council (IDCEC).
- Many CRI members offer tuition assistance and flexible work schedules to accommodate student/workers' studies.

Professional Recognition

- Milliken & Company was recognized in 2008 by The Ethisphere Institute as one of the world's most ethical companies.
- Mohawk Industries was awarded the first-ever Walmart Vendor Award for Sustainability.
- GlobeScan's 2006-2 Survey of Sustainability Experts reported Interface, Inc., as the most frequently mentioned large company on topics of corporate social responsibility.
- Milliken's safety record has been recognized as one of the best in all manufacturing, and 92 percent higher than the textile and carpet industry averages.
- Shaw Industries was named on *Fast Company's* "Fast 50" list for 2007. *Fast Company* lists "profit-driven solutions for what ails the planet." Shaw was cited for best practices, vision, and creativity in the business community.
- CRI's Green Label and Green Label Plus programs can earn one full LEED Point or one Greenguide for Healthcare point and meets or exceeds CHPS testing protocols.

Workplace Safety

- Milliken & Company was awarded the Johnson Controls Safety & Environmental Leadership Award (2004) for innovative and effective efforts to protect workers.
- Tandus' brand Crossley received the 2004 Back to Work Safety Award from the Nova Scotia Department of Environment and Labor.
- Data provided by carpet facilities since 2005 show a 14 percent decrease in the number of OSHA recordable incidents.

CRI MEMBERS
OFFER TUITION
ASSISTANCE.

CRI Signature Initiatives

CRI WORKS TO EXTEND SUSTAINABILITY TO ALLIED INDUSTRIES AND THEIR CUSTOMERS

As CRI members progress on sustainable operations and reducing their environmental footprint, **CRI leverages its leadership position to influence the current and future sustainable operations of allied industries** by developing various initiatives. The Seal of Approval program, the Texture Appearance Retention Ratings, and the Carpet America Recovery Effort (CARE) are several examples.

Seal of Approval: Certifying Effective Carpet-cleaning Products and Services

CRI first began testing cleaning products in 2004 as a way to show the carpet-cleaning industry and their customers which solutions cleaned well without causing damage to carpet fibers. The goal was to increase customer satisfaction with carpet by helping maintain the carpet's life and appearance. By testing and certifying cleaning solutions, extractors, cleaning systems, and vacuum cleaners, CRI's Seal of Approval program assures consumers that they are using products that work.

CRI and the carpet industry encourage **the use of Seal of Approval products as way to ensure product sustainability and negate premature replacement.** If a carpet is designed to last 10 years, but, because of improper maintenance must be replaced after five years' use, the environmental footprint of that product is doubled. The energy and water savings represented in the original product are offset by the additional energy and water needed to produce a replacement. This does not even take into account the burden placed on a landfill if the old carpet is not recycled.

THE GOAL WAS TO INCREASE CUSTOMER SATISFACTION.

Texture Appearance Retention Ratings: Specifying the Right Products

Another part of the sustainability equation is proper specification of the right product for the right application. Carpet is made through the wonders of many different construction techniques that can have profound effects on product durability. A carpet that may be ideal for a moderately used dining room or office space may not be best suited for a heavily traveled corridor or airport terminal.

CRI, in conjunction with carpet industry stakeholders, developed a standard — the Texture Appearance Retention Ratings (TARR) system — to help specifiers and their customers identify which carpet types to use for various applications. **No matter which carpet construction is used, designers, architects, or customers can use the TARR systems to match carpet type with the application best suited for the life of the carpet.** By so doing, that piece of carpet will meet its intended design life, again, eliminating premature wear and subsequent disposal before its time.

CRI WORKS TO EXTEND SUSTAINABILITY TO ALLIED INDUSTRIES AND THEIR CUSTOMERS (CONTINUED)

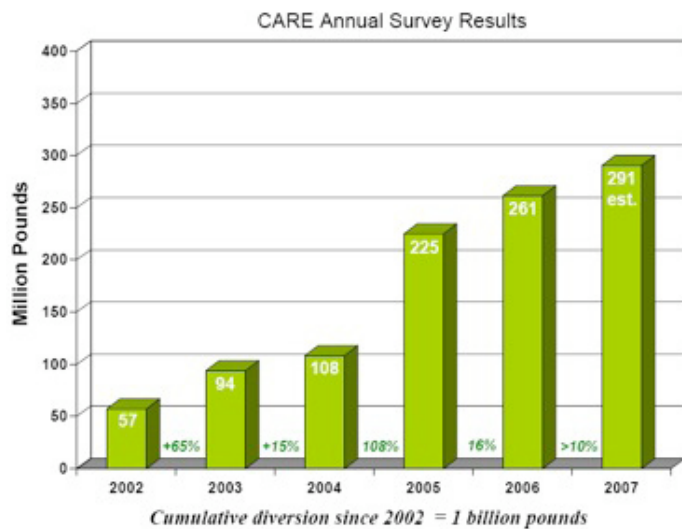
Carpet America Recovery Effort: Finding New Solutions for Old Carpet

CARE is a voluntary, nonprofit effort between the U.S. Environmental Protection Agency (EPA), various state governments, and the carpet industry. **The mission of CARE is to develop market-based solutions for the reuse and recycling of post-consumer carpet.** To date, there is a cumulative diversion of 1 billion plus pounds. That equates to the following reduced environmental impacts:

- GHG emissions averted 7 billion pounds (CO2 equivalents).
- Energy saved 10 trillion BTUs.
- Landfill space saved 5 million cubic yards.

During the last 10 years, the carpet industry invested an estimated \$400 million in new technology. This investment facilitates new sustainable carpet designs, processing technology, and extended producer responsibility to enable end-of-life management for our products.

THE CARPET INDUSTRY HAS INVESTED AN ESTIMATED \$400 MILLION IN NEW TECHNOLOGY.



Special Focus: ANSI/NSF 140-2007

DRIVING THE FUTURE OF SUSTAINABILITY

Since the last CRI Sustainability Report was published in 2003, CRI and its members, along with various stakeholders, have contributed to the development of the groundbreaking standard for carpet sustainability — ANSI/NSF 140-2007. ANSI/NSF 140-2007 is a comprehensive measure of sustainability in **carpet designed to make specifying sustainable carpet an easy and transparent process**. Thus far, the standard, five years in the making, has met with enthusiastic acceptance from multiple audiences.

An Objective Standard

CRI recognized the necessity for creating an objective standard that was beyond reproach:

- A Joint Planning Committee was established and consisted of stakeholders from state and federal governments, architects and designers, academics, environmental groups, and the carpet industry. The Joint Planning Committee was chaired by Dr. Matthew Realff of The Georgia Institute of Technology.
- Every decision was discussed, debated, and balloted.
- CRI partnered with NSF International, a world leader in standards development and product certification.
- In November 2007, ANSI/NSF 140-2007 was accepted by the American National Standards Institute, or ANSI, a highly respected standards development and accrediting body.
- The ANSI mark guarantees that accredited standards are developed in strict accordance with ANSI requirements for openness, balance, consensus, and due process.
- ANSI requires regular inspections and audits to maintain the standards' accreditation status.
- Seamless integration was established with CRI's signature Green Label and Green Label Plus Indoor Air Quality programs. Compliance with Green Label Plus standards can qualify a product for a point under ANSI/NSF 140-2007's Public Health and Environment section, and is a required point for Gold and Platinum certification.

UNDERSTANDING
THE FULL IMPACT
OF A PRODUCT.

DRIVING THE FUTURE OF SUSTAINABILITY (CONTINUED)

Features of ANSI/NSF 140-2007

Multi-Attribute Standard: The sustainability of the product is examined from five areas of emphasis:

- Public Health and Environment
- Energy and Energy Efficiency
- Bio-based or Recycled Materials
- Manufacturing
- Reclamation and End-of-Life Management

Emphasis on Life Cycle Analysis: Life Cycle Analysis is the basis for understanding the full impact of a product on the environment and society.

Familiar Format and Style: ANSI/NSF 140-2007 is similar in form and format to the well-known LEED Green Buildings Rating Systems.

Varying Levels of Achievement: Silver, Gold, and Platinum certifications are offered.

Stakeholders: State of California, State of Pennsylvania, State of Minnesota, U.S. Environmental Protection Agency, The Georgia Institute of Technology, the carpet industry.

UNDERSTANDING
THE FULL IMPACT
OF A PRODUCT.