



Merillat.
Our Commitment to Environmental Stewardship

TOMORROW'S THINKING *Today*





ENVIRONMENTAL STEWARDSHIP is part of the culture of Merillat. We recognize our ongoing responsibility to be good corporate citizens and stewards of our environment. As part of this ongoing commitment, we maintain policies and practices to ensure we are a leader in the industry in environmental stewardship — in essence, doing *Tomorrow's Thinking Today* in the following areas:

- Energy conservation and improved efficiency
- Improved air quality and reduced greenhouse gas emissions
- Sustained environmental stewardship certification
- Employee volunteerism in our local communities to help keep the places where we live clean and environmentally sound

Environmental Commitment

With our commitment to the environment, we have embarked on two overarching goals:

The first is to explore ways to develop new materials, technologies and services. This is so our customers can feel confident they have selected a cabinetry brand that comes from a company that is working to preserve the quality of our environment in the communities we live and work.

Secondly, we are diligently searching for ways to reduce our carbon footprint, including implementing energy efficiency measures in our facilities, recycling materials, improving indoor air quality, taking waste reduction measures as well maintaining or exceeding current environmental stewardship certifications, including the Kitchen Cabinet Manufacturer's Environmental Stewardship Program (KCMA ESP) and ISO 14001 Environmental Management System.

In 2006, with the success and overwhelming support of our employees, we implemented Tomorrow's Thinking Today company-wide. This important initiative includes a team of managers who solely focus on environmental, health and safety in each of our facilities — their jobs are to work with employees in finding ways to reduce our carbon footprint in every facility. Our organization leaders and all employees genuinely believe in practicing good environmental stewardship and fully understand the impact of our policy in everyday, day-to-day activities.

- We will meet or exceed legal requirements for environmental practices.
- We will maintain our ISO 14001 and KCMA Environmental Stewardship Program Certifications and conduct regular audits to verify compliance.
- We will maintain organization scorecard metrics to monitor our overall carbon footprint and use these to set goals for our environmental continuous improvement.

The Tomorrow's Thinking Today initiative includes an employee volunteer program to solicit and implement ideas that will have a positive impact on the environment. We are implementing two ambitious programs in 2008 including green certification and employee recognition for contributions toward ecology and resourcefulness.

We will perform green scoring audits in all of our facilities to earn one of three possible ratings for self certification of our facilities.



The goal is for 80% of Merillat's facilities to achieve at least a silver level "Green Site Certification" in 2008/2009.

We have set a goal of at least completing 50 Tomorrow's Thinking Today projects for 2008/2009. To see our updated environmental commitment and achievements on a dedicated Web site go to www.tomorrowstinkingtoday.com.



How are we helping

Energy Efficiency



- We are using less electricity resulting in less CO₂ emissions to the equivalent of removing 58 automobiles from the freeways.
- We've replaced old inefficient lighting with energy efficient compact fluorescent lighting and have even removed lighting from areas that we deemed over lit.
- We removed old EXIT signs and replaced them with light emitting diode (LED) EXIT signs. These use almost 95% less energy than our old signs and they last up to 20 years before they need to be replaced.



Air Quality

We've made a commitment to those who live and work in our communities to reduce greenhouse gas emissions by using more energy efficient products and practices.

Some examples of what we are doing include checking our filters monthly, turning off lighting in rooms that are not occupied and keeping outside entry doors closed.

In addition to reducing the amount of greenhouse gases we are releasing into the atmosphere, we are also reducing volatile organic compound (VOC) emissions that are released during our cabinet manufacturing processes.

Recycling Programs



Merillat uses waste byproduct to create steam that is used for heating our facilities, manufacturing particleboard, and kiln drying. By using wood byproducts we rely less on coal and natural gas to power our facilities.

Our ongoing mission is to reduce the amount of all types of manufacturing waste we are generating or sending to the landfills near our facilities by converting it to saleable byproducts or by recycling as much as we can within our facilities.

50,000 tons of wood byproducts are used as fuel for our facilities. These wood byproducts would otherwise end up in landfills. This recycling of byproducts is equivalent to eliminating 5,000 industrial size waste containers.

KCMA Environmental Stewardship Program (ESP)

Merillat is a member of the Kitchen Cabinet Manufacturers Association (KCMA). KCMA ESP evaluates our commitment to the environment regarding:



-  energy efficiency
-  recycling
-  reducing the amount of greenhouse gases we are emitting
-  community sponsorships

In order to achieve certification, participating organizations must achieve a point level in listed categories.

The program is designed to encourage industry policies and practices that benefit the environment and the well being of society. When looking for cabinetry, look for the KCMA seal of approval. You can rest assured you'll find it on all of our cabinetry lines.

ISO14001

Merillat's goal of being an energy conscious organization led us to achieve the International Organization for Standardization (ISO) certification.



This third party organization sets World Class voluntary international standards for environmental management issues. We are proud to be the **first company-wide organization** in the cabinetry industry to meet the certifications set under ISO 14001. The certification requires us to put in place and implement a series of practices and procedures that, when taken as a whole, result in an organization's Environmental Management System (EMS). ISO 14001 requirements are involved and detailed for manufactures in comparison to KCMA ESP.



Forestry Policy

Merillat expects suppliers to follow good environmental and sustainable forestry practices. We encourage suppliers to use Forestry Stewardship Council or Sustainable Forestry Initiative protocols for timber supply and mills. We support local forestry and habitat initiatives, scholarship and training. We use residual waste from logging and sawmill operations and recycle chips and dust from manufacturing to make particleboard for kitchen cabinetry.



To learn more about our environmental stewardship visit
www.tomorrowsthinkingtoday.com.

