

Environmental Sustainability



2014

Fruit of the Loom, Inc.

Our Commitment

As one of the leading apparel and sporting goods companies in the United States, we have a unique opportunity to make a difference for our associates and the communities that are so vital to our company worldwide. Sustainability is not a new word to us. We have long known that the long-term strength of our company is as dependent on the health of our communities as it is on our reputation for value, quality and service. Doing our part to sustain those communities is not just doing what is right; it is a critical long-term business vision.

We use two words to communicate our sustainability focus: Empower and Preserve; empowering our people and preserving our natural resources. We empower our people by ensuring respect for human rights, promoting health and wellness and by providing individuals with opportunities to maximize their potential through education and community support. We preserve our natural resources by ensuring compliance with applicable environmental laws and regulations and continuously seeking the most environmentally friendly products, processes, and equipment.

Our social responsibility initiatives focus on streamlining our operations across all our business divisions and global regions to ensure full visibility of our supply chain and better governance of our Code of Conduct. Furthermore, we maintain our commitment to supply chain transparency and continuous improvement by partnering with key organizations like the Fair Labor Association, ILO/IFC Better Work, FUNDAHRSE and Fundemas, all of which are strong supporters of sustainable labor practices.

Another key element of our efforts is community engagement. Fruit of the Loom continues to be at the forefront of community development by sponsoring corporate initiatives that focus on health, education and community support. We are committed to endorsing multi-stakeholder initiatives that focus on eliminating some of the major human rights issues affecting the global supply chain such as forced labor and child labor.

We seek constant improvement in our environmental processes. As you will see highlighted in this website, we have achieved major reductions in the use of key resources like water and energy. We have also achieved significant reduction in landfill waste and CO₂ emissions thanks to aggressive recycling, novel packaging design, and container use optimization.

As proud as we are of our past accomplishments, we know that we must focus on continually improving. As we continue to grow and expand globally, our pledge is to further our commitment to our people and our planet. We know that our ability to compete, and hence our future, depends on our capacity to make good on that commitment – for our company, our employees and our communities.



Rick Medlin
President and Chief Executive Officer

Core Environmental Values



We are committed to **proactive involvement** in activities directed to the **preservation and conservation** of our natural resources.

We are committed to operating our facilities in compliance with all applicable **environmental laws and regulations**.

We are committed to working with our employees, customers, and suppliers to design products, processes, equipment, and packaging that are **environmentally friendly** and **economically viable**.

We are committed to **encouraging** and **educating** our employees in environmental responsibilities and activities required for the **preservation of our natural resources**.

Our Commitment

Senior managers of Fruit of the Loom, Inc. and its subsidiaries (“the Company”) are responsible for setting environmental goals and initiatives for the Company and for attending to and effecting resolution of environmental compliance issues worldwide. They are also responsible for continuous improvement to govern our environmental reservation. This **Environmental Policy** emphasizes the Company’s intent to maintain the strong compliance reputation upon which it was established, and to stress the Company’s commitment to continuously identify improvements that impact our environmental footprint and research appropriate reductions. Fruit of the Loom, Inc. corporate environmental engineers conduct periodic environmental and energy assessments at each operating facility to assure continued compliance and to assist in identifying improvement opportunities. The **environmental assessment program** is utilized to raise the environmental awareness of personnel involved and help ensure that all of the Company’s facilities operate in an environmentally safe manner. Facilities are evaluated for compliance with all applicable federal, state, and local requirements as well as corporate policies.

Our Commitment

The Company conducts corporate level educational meetings on a periodic basis for our facility environmental coordinators and encourages these coordinators to further their education via on-line computer courses, seminars, and conferences. In addition, facility environmental coordinators conduct periodic education with all employees regarding our environmental stewardship and compliance issues. Through **employee training** and **awareness programs**, we educate and encourage our employees to promote environmental sustainability in their homes and communities.

It is required that all Fruit of the Loom, Inc. facilities do the following:

- ▶ **Develop and implement Standard Operating Procedures** (SOPs) that assure environmental safety and the protection of our employees;
- ▶ **Maintain compliance** with applicable environmental laws and regulations, as well as internal corporate policies and procedures;
- ▶ **Conduct training programs** to assure that employees receive an appropriate level of environmental training;

Our Commitment

- ▶ Establish **energy/environmental teams** to review each process and identify opportunities to improve our environmental stewardship;
- ▶ Establish **preventive maintenance** and **replacement programs** to assure a high degree of equipment reliability; and
- ▶ Establish **cooperative dialogue** with regulatory agencies and local community organizations and representatives.

In addition, all contracted facilities, worldwide, must adhere to the Fruit of the Loom, Inc. [Code of Conduct](#) which includes environmental standards. Our code of conduct is available as a PDF download in the following translations:

- ▶ [English](#)
- ▶ [Spanish](#)
- ▶ [Chinese](#)

Our Commitment

To further support Fruit of the Loom, Inc.'s commitment, an **Environmental Steering Committee** comprised of senior management meets quarterly. The Steering Committee's responsibilities are to provide direction in all activities related to the preservation and conservation of the environment. The Steering Committee is responsible for the following:

- ▶ Establish annual goals and initiatives;
- ▶ Provide leadership resources for the operating facilities; and
- ▶ Identify, communicate, and follow up on improvement opportunities to advance environmental stewardship.

Our Commitment

FACILITY COMMITMENT

Each facility's management is responsible for compliance with all applicable environmental laws and regulations and the implementation of any recommendations made by the Environmental Steering Committee.

Each facility is responsible for identifying improvements that impact our environmental stewardship from the origin of components utilized in our products to the final placement of all by-product usage.

Each facility manager is responsible for assigning an environmental coordinator for his/her facility. The environmental coordinator is responsible for ensuring that procedures are in place to comply with government rules and regulations and to assist the facility manager in identifying continuous improvements in our environments stewardship.

Steering Committee

To support Fruit of the Loom, Inc.'s commitment to environmental stewardship, an **Environmental Steering Committee**, comprised of senior management from various areas throughout the organization, was established. Below is a list of the positions that make up the Steering Committee.

Executive

President, CEO
Executive VP, CFO

Manufacturing

Executive VP, Manufacturing
Senior VP, Manufacturing
Senior VP, Manufacturing Services
Senior VP, Apparel Manufacturing
Senior VP, Supply Chain Operations
Senior VP, Sourcing
Senior VP, Safety, Education, Workman's Comp
Vice President, Purchasing
Vice President, Process Eng.
& Fabric Development
Vice President, Operations

Legal

Senior VP & General Counsel, Fruit of the Loom, Inc.
Senior VP & General Counsel, Russell Brands and
Vanity Fair

Human Resources

Senior VP, Human Resources

Engineering Services

Vice President, Engineering Services
Senior Director, Risk Management
Senior Director, Energy & Environmental Services
Director, Corporate Mechanical Engineering
Specialist, Environmental Compliance

Environmental Excellence

Fruit of the Loom, Inc. operates facilities throughout the world. As part of these operations, various government environmental laws and regulations can apply. These may include regulations for air emissions, wastewater discharges, solid and/or hazardous waste management, and various other items.

Fruit of the Loom, Inc. practices continuous improvement in the advancement of environmental stewardship in managing resource usage in our processes and products.

We strive to make improvements in the following areas: water, energy, waste, process chemicals, transportation, and packaging.

Our Success

Over the years, Fruit of the Loom, Inc. has documented over **930 process improvement projects**.

These projects have allowed us to make great strides in reducing the amount of waste generated, reducing the amount of process chemicals used, and reducing the amount of water used in our daily operating procedures.

These projects also **showcase our ongoing savings** in energy, packaging, and transportation.

Total Reductions and Savings

- ▶ Waste
 - Cloth by 186,536 tons
 - Fiber by 5,087 tons
 - Paper by 39,858 tons
 - Aluminum by 104 tons
 - Metal by 2,367 tons
 - Plastic by 3,951 tons
 - Wood Pallets by 5,108 tons
 - Recycled Oil by 8,014 tons
 - Wax by 3.5 tons
 - Elastic Bands by 4,616,995 yards
 - Labels by 949 pounds
 - Batteries by 101 tons
- ▶ Process Chemicals
 - Reduced by 5,284,117 pounds
- ▶ Water
 - Reduced by 59,708,835,712 gallons
 - Equivalent to filling 90,409 Olympic pools.

Our Success

Another major achievement is that two of our Honduran facilities are ISO 14000 certified. The ISO 14000 environmental management standards exist to help organizations successfully and effectually minimize harmful effects on the environment caused by its activities and achieve continual improvement of its environmental performance.

[http://www.iso.org/iso/iso_catalogue/management and leadership standards/
environmental_management.htm](http://www.iso.org/iso/iso_catalogue/management_and_leadership_standards/environmental_management.htm)

Total Reductions and Savings

- ▶ Electricity by 365,917,757 kWhs
Equivalent to 29,037 U.S. homes annual consumption.
- ▶ Natural Gas by 86,329,293 ft³
- ▶ Fuel Oil by 1,845,203 gallons
- ▶ Trucking by 3,311,889 miles
- ▶ Personal Travel by 170,296 miles
- ▶ Air Travel by 6,483,696 miles
Equivalent to 260.8 trips around the Earth.
- ▶ Sea Travel by 67,525 miles

The decrease in our energy consumption and our transportation miles has resulted in the reduction of our greenhouse gas emissions.

Greenhouse Gas Reduction

Total Reductions and Savings

▶ Carbon Dioxide	286,189 tons
Equivalent to 52,131 passenger vehicles annual CO ₂ emissions.	
▶ Nitrogen Oxides	668.5 tons
▶ Sulfur Dioxide	2,954.2 tons
▶ Carbon Monoxide	7.61 tons
▶ Volatile Organic Compounds	0.9 tons
▶ Particulate Matter	7.3 tons
▶ Lead	2.5 pounds
▶ Mercury	4,852,886 mg
▶ Methane	228 kg

GHG Emissions calculations are based on emission factors and worksheets provided by the GHG Protocol. <http://www.ghgprotocol.org/>

Definitions

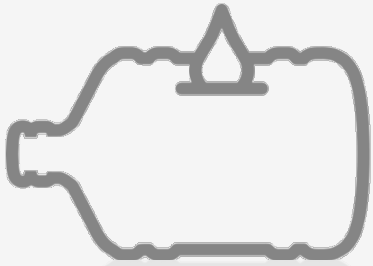
- ▶ **Carbon Dioxide Equivalent – (CO₂e)** – A measure used to compare the emissions from various greenhouse gases based upon their global warming potential (GWP). The carbon dioxide equivalent for a gas is derived by multiplying the tons of the gas by the associated GWP.
<http://www.epa.gov/climatechange/glossary.html#C>
- ▶ **Carbon Footprint** – The greenhouse effect is the trapping and build-up of heat in the atmosphere near the Earth's surface. Some of the heat flowing back toward space from the Earth's surface is absorbed by water vapor, carbon dioxide, ozone, and several other gases in the atmosphere and then reradiated back toward the Earth's surface. If the atmospheric concentrations of these greenhouse gases rise, the average temperature of the lower atmosphere will gradually increase.
<http://www.epa.gov/climatechange/glossary.html#C>
- ▶ **Environmental Sustainability** – Sustainability refers to a quality and system of life that allows people to meet their current needs without compromising the resources available for future generations to meet their future needs. Environmental Sustainability encompasses actions to ensure the health and continuation of ecological systems.
<http://www.ecomii.com/ecopedia/sustainability>

Definitions

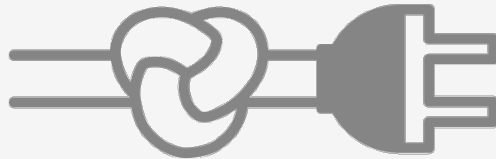
- ▶ **Greenhouse Gas – (GHG)** – Greenhouse gases include any gases that absorb infrared radiation in the atmosphere. Greenhouse gases include, but are not limited to, water, carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and fluorinated gases.
<http://www.epa.gov/climatechange/glossary.html#G>
- ▶ **Greenhouse Effect** – The greenhouse effect is the trapping and build-up of heat in the atmosphere near the Earth's surface. Some of the heat flowing back toward space from the Earth's surface is absorbed by water vapor, carbon dioxide, ozone, and several other gases in the atmosphere and then reradiated back toward the Earth's surface. If the atmospheric concentrations of these greenhouse gases rise, the average temperature of the lower atmosphere will gradually increase.
<http://www.epa.gov/climatechange/glossary.html#G>
- ▶ **Recycling** – Collecting and reprocessing a resource so it can be used again.
<http://www.epa.gov/climatechange/glossary.html#R>

Categories of Excellence

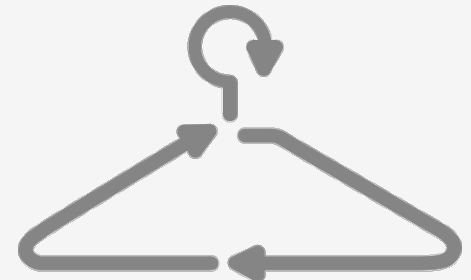
WATER



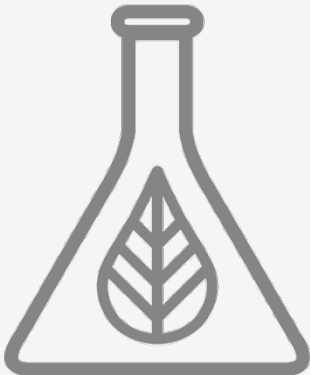
ENERGY



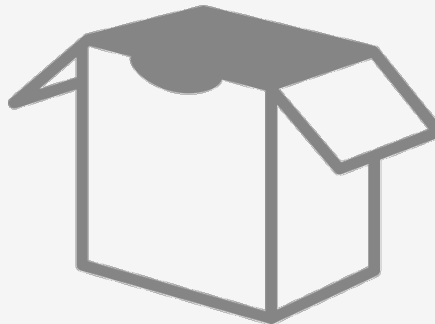
WASTE/RECYCLING



PROCESS CHEMICALS



PACKAGING



TRANSPORTATION



Fruit of the Loom, Inc.

Fruit of the Loom, Inc. has always acknowledged water as a valuable resource and understands that it should be used wisely.

Every facility in the organization continually searches for ways to reduce water consumption. It is standard practice at all of our facilities to ensure that all water-using equipment is well maintained and checked periodically for leaks. Also, when purchasing new equipment, water efficiency is taken into account.

We are constantly investigating opportunities to reduce and/or reuse process water.



Not only do we try to reduce water usage within our organization, but we also attempt to work with suppliers who put forth effort to decrease their water consumption as well. This is achievable by making changes in our manufacturing processes that require materials and/or packaging made with the use of water.

In 2013, we documented project results that reduced our water consumption by over 280,593 gallons, and we reduced our overall corporate water consumption from 7.8 gallons per textile pound to 6.9 gallons per textile pound.



Energy reduction has always been a priority for each of the Fruit of the Loom, Inc. facilities. This reduction is achieved in several ways, including, but not limited to, process optimization, machine optimization, and minimizing general facility energy consumption. This energy reduction not only saves the company a substantial amount of money each year, but it also has a profound effect on the environment.

Our corporate Engineering Services team provides annual energy and support equipment assessments at the Company's facilities. The primary focus of these assessments is to identify wasteful utility practices while examining efficiencies of energy recovery, HVAC, and all energy support systems.

Additionally, we gather facility production data, combine it with past production history, and forecast future utility usage in an effort to more accurately plan energy requirements throughout the Company.



We use our plant utility information as we examine energy rates and contracts to ensure that we decrease the impact of market volatility on our forecasted utility costs as much as possible.

In 2013, we tracked 18 individual projects that resulted in a reduction in our electricity consumption by over 5.7 million kWhs. This resulted in a reduction of over 3,914 metric tons of CO₂e.

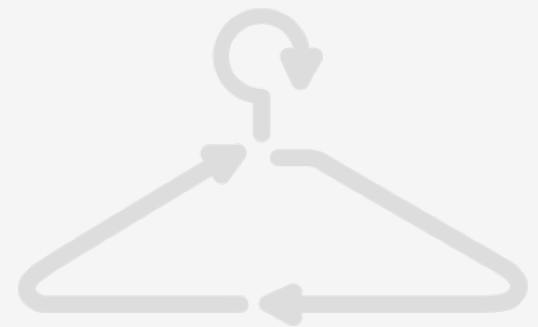
> 3,914 metric tons



Fruit of the Loom, Inc. puts emphasis on minimizing waste and managing it properly. We work diligently to reduce the amount of waste generated through our daily operations.

In a continuing effort to reduce the amount of generated waste going to the landfill, we recycled over 51 million pounds of waste in 2013. This accounted for 84% of our total waste.

> 51 million pounds



Without the use of chemicals, the textile industry, as we know it, would be nonexistent. Everything from softening the material so that it is comfortable to the consumer, to getting the pH of the water right during the dyeing process, is done through the use of chemicals. There is a constant effort to reduce the amount of chemicals that we use on a daily basis.

Two processes are used within the Company to reduce the amount of potentially hazardous chemical usage. First, all new chemicals are evaluated by both our Environmental and our Safety Teams to minimize potential effects on our employees and on the environment. Second, we evaluate current processes in an effort to reduce the amount of chemicals being used.

In 2013, we tracked six individual projects in our facilities that reduced our chemical usage by 2,798 pounds.



Fruit of the Loom, Inc. has made it a priority to reduce the number of trucking and sea transport miles required to transport our goods. We have implemented projects that increase transportation efficiency, which in turn reduces fuel consumption and our GHG emissions.

In 2013, we tracked 11 individual initiatives that reduced our trucking mileage by over 227,256 miles. This resulted in a reduction of over 419 metric tons of CO₂e.

> 419 metric tons



Fruit of the Loom, Inc. understands that the amount of packaging used in our products has a profound effect on the environment, as all of the packaging, at some point, will be discarded and recycled, or shipped to a landfill. The Company also understands the importance of being a good environmental steward by limiting the amount of packaging materials used for transporting and marketing our products.

By right-sizing packages and using recyclable and/or recycled materials where possible, Fruit of the Loom, Inc. can positively impact the environment.

In 2013, we tracked 26 individual projects that reduced our paper and cardboard usage by over 21,405 pounds, and we reduced wooden pallets by an additional 1,191 tons.



Environmental Excellence

- ▶ It is our commitment to our employees and to our customers.
- ▶ It is part of our Core Values.
- ▶ It is who we are.