



# Mohawk Industries, Inc.



Department of Commerce SMARTer Tour  
September 10, 2010



# Business Segments



1992-2000

Focus on soft surface acquisitions



Added hard surface sales force with sourced products

2000

2002

Acquired Dal-tile – leading ceramic position



Acquired Unilin – leading laminate position

2005



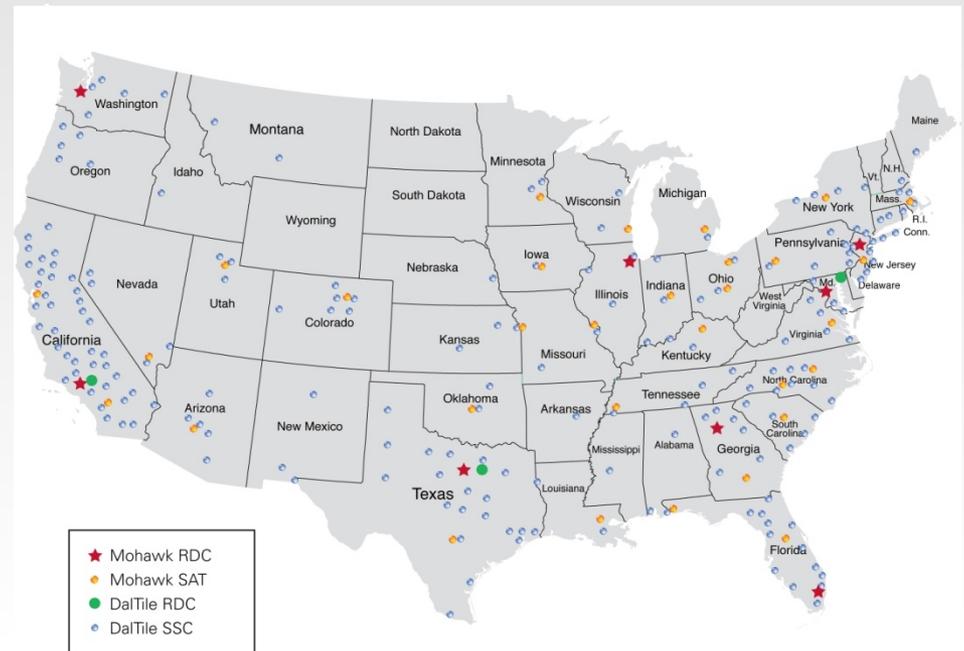
2007

Acquired Columbia Wood Flooring – leading wood position

# Best in Class Distribution Network



- State of the art logistics system
- 300 distribution points, 800 trucks
- Over 1,500 sales representatives in N.A.



# Sustainability Strategies

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## ■ **Process Strategies**

- **Energy** – Optimize energy consumption and seek innovative energy alternatives.
- **Water** – Minimize the amount of water used to conduct our businesses and create innovative ways of reclaiming the water that is used.
- **Waste** – Maximize reuse and recycling of process waste in order to reduce waste to landfill.

## ■ **Product Strategies**

- **Content** - Maximize the amount of recycled or renewable content in all products.
- **Sourcing** – Hold suppliers to the highest business and ethical standards in order to ensure that all imported or domestically sourced products are sustainably obtained or produced, are manufactured using fair labor standards and are packaged with reuse or recycling in mind.
- **End of Life** – Develop processes which make it easier for customers to recycle products at the end of their useful lives.

# Energy & Greenhouse Gas Aspects

## Corporate Sustainability Goals:

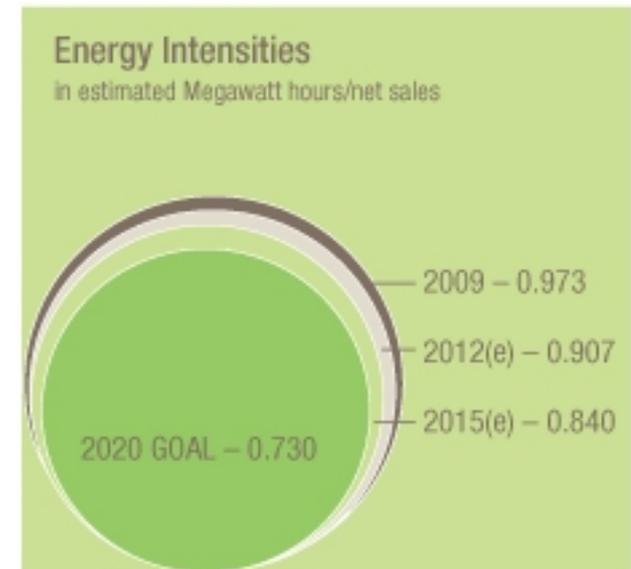
- 25% Energy Intensity Reduction by 2020
- 25% GHG Intensity Reduction by 2020

## Key Strategies:

- Proven Solutions
  - Compressed Air, Lighting, VFDs, other Energy CapEx projects
- Innovative Solutions
  - Heat Recovery, Preheat of Combustion Air
  - Use Renewables / Alternative Energy where appropriate
- Employee Engagement
  - Energy Kaizens / energy assessments, leak detection, plant energy networks, behavior based energy awareness

## Our Pillars:

- Engaged Employees who embrace our Sustainability Goals by driving low/no-cost energy & GHG reduction opportunities
- A strong pipeline of projects / initiatives in proven energy / GHG management solutions
- Innovative solutions that transform the energy profile of our operations



# Water Aspect

## Corporate Sustainability Goal:

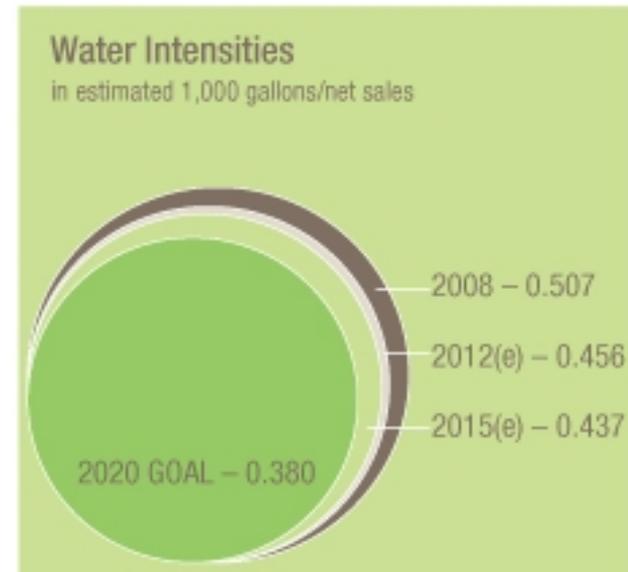
- 25% Water Intensity Reduction by 2020

## Key Strategies:

- Proven Solutions
  - Water Reclamation / Recycling Programs
- Innovative Solutions
  - Rainwater Capture & Use in Belgium
  - Grey Water Capture & Recycling
- Employee Engagement
  - Water balances / assessments, leak detection, behavior based water conservation awareness

## Progress to Date:

- The Mohawk Flooring group has achieved a 50% reduction in water consumption since 2005
- Within our Dal-Tile organization, four of our eight manufacturing plants recover and reuse 100 percent of their process waste water.



# Waste Aspect

## Corporate Sustainability Goals:

- 25% Landfill Waste Intensity Reduction by 2020

## Key Strategies:

- Proven Solutions
  - Replacing virgin raw materials with post-consumer recycled materials. E.g. – Recycled bottles, tires, wood materials.
  - Systematic identification and inventory of waste stream items
- Innovative Solutions
  - Increasing avenues for both pre and post-consumer waste materials to be integrated into our products
- Employee Engagement
  - Plant level recycling efforts and waste stream identification programs

## Progress to Date:

- Active since 1999, we are now the recycler of approximately 20% of all PET bottles and containers collected and recycled in North America annually
- Pre- and Post-Consumer waste materials make up the majority of all wood materials used for the production of chip board and laminate core boards
- Diverted over 3 Billion pounds of waste materials in 2009.



# Environmental Achievements

- **Over 3 Billion lbs. of material** diverted from landfills annually
- **Process over 20%** of all plastic beverage and food bottles recycled in N. A.
- **Over 500 products** containing recycled materials
- **18 Million lbs. of tires** recycled annually into door mats
- **Over 50% water reduction** per yard of carpet since 2005
- **Recycled carpet reprocessed** at Mohawk GreenWorks® center
- **Bio-based carpet fiber from corn**—Exclusive SmartStrand® carpet

## Recognition

- 2008 GSA (US Government) Evergreen Award
- First ever Wal-Mart Vendor Award for Sustainability
- *Newsweek* ranked Mohawk in the top 15 consumer products group
- SmartStrand was the 2010 recipient of *Floor Covering Weekly's* GreenStep Award





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