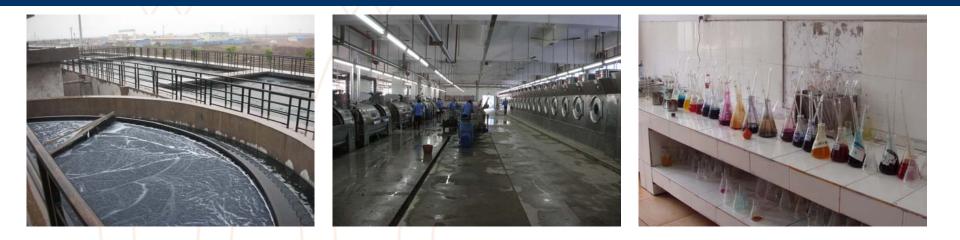


Business for Social Responsibility

Water Management in the Apparel & Textile Supply Chain

CEO Water Mandate Second Working Conference August 21-22, 2008 Linda Hwang, Business for Social Responsibility

Agenda



- BSR's Sustainable Water Group history and objectives
- Information management and reporting
- Membership = Requirements for implementation
- Expansion 'upstream' and into new industries



Sustainable Water Group

Dedicated to responsible practices around water use and wastewater discharge in supply chains using industry-developed guidelines.

Emergence of an Industry Standard:

- 1 Clear and consistent expectations for the environmental performance of mills and laundries regarding wastewater
- 2 Standards are reviewed by environmental and textile industry experts to ensure adequacy and technical feasibility
- 3 Standards designed to allow individual companies to implement a water effluent treatment program that fits their business objectives

Member Companies Coldwater Creek, Inc. Gap Inc. H&M Hennes & Mauritz AB JC Penney Company LL Bean Levi Strauss & Co. NIKE, Inc. Nordstrom, Inc. Timberland

Information Management & Reporting

WebH2O: Online Environmental Information Database Tool



The Old Way



The New Way

- Web-based tool for collecting, storing, sharing, displaying and analyzing environmental and geospatial data
- Combines Information Management System with Geographic Information System, science modules and built-in technical expertise
- Controlled and secure user access

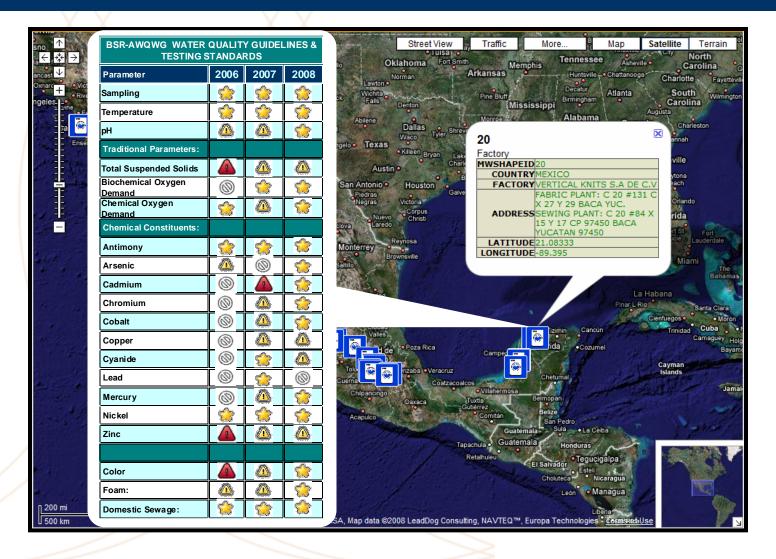
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BOD (mg/l):			
COD (mg/l):			
Ambien			

- Combination of word documents and excel spreadsheets
- Static information
- Very inexpensive
- Easy to learn and use

Information Management & Reporting

WebH2O: Online Environmental Information Database Tool



B S R

Membership Requirements

The credibility of the group depends in part on implementation requirements.



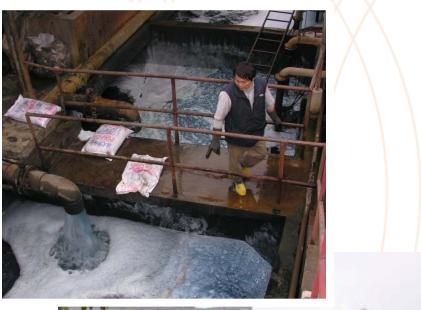


- Each company will be required to implement wastewater guidelines within x months of becoming a member.
- "Implementation" is defined by the collection of water and wastewater data from x number of suppliers.
- Membership may also require the sharing of a basic set of water-related statistics to the entire group.



Expansion 'Upstream' and into New Industries

From Apparel Water Quality Working Group to Sustainable Water Group.





- Members voted to expand the focus of the group into existing members' additional consumer products (footwear, leather and accessories)
- Expansion will also include management of facility-level water use.
- How will we break down "water use": textile dilution, color matching, laundering, line cleaning, etc.
- How much energy and chemicals usage do we save when we increase water efficiency?
- Food processors in the U.S. have similar requirements for water management.



Sustainable Water Group

There are always more opportunities for collaboration.





- Industry guidelines for water use in the supply chain
- Supplier training / industry awareness
- Technical expertise
- Database of best practices
- Database of national regulations and permit systems
- Promotion of POTWs
- Community engagement programs
- Capacity-building for local government