

TOPSON DOWNS

ENVIRONMENTAL AGENDA 2016



OBJECTIVE

Topson Downs strives to conduct business in a manner that considers our impact on the planet. A healthy environment is crucial for our customers, business, employees, community, and planet. In 2009, our building renovation received a LEED Gold Certification, and our sustainability culture is ongoing. Topson Downs' Global Compliance team is led by Myrna Grief, Director.

GOALS FOR THE COMING YEARS

- Create an evolving record of emissions from our headquarters, warehouse, and factories.
- Establish an annual, comprehensive self-assessment of our and our factories' emissions and environmental performance.
- Open dialogue with factories about cleaner production methods, including less water and energy intensive practices, laser washing for denim to replace traditional chemical methods, and use of recycled yarns.
- By 2020, reduce both CO2 emissions and generated waste by 20% at our headquarters and warehouse.



OUR ENVIRONMENTAL POLICY

We believe that accountability is the best way to make change happen. We are beginning to monitor and create a comprehensive assessment of our environmental footprint, at our Los Angeles headquarters and warehouse, as well as at all of our factories abroad.

We are developing a self-audit tool to ensure that all of our factories are performing at our environmental standards, and will periodically report our performance assessments to the public.

We will conduct continuous training on-site at all of our locations to increase environmental awareness and ensure improvement and compliance.

We choose to responsibly use resources, reusing and recycling whenever possible.

We reduce our carbon footprint by conserving energy, improving energy efficiency, and implementing passive or renewable energy sources whenever feasible.

HEADQUARTERS



ACHIEVEMENTS

LEED GOLD CERTIFIED BUILDING

Our building renovation had sustainability as a top priority – its design reduces our inherent water and energy consumption, and was constructed with sustainable materials.

SOLAR PANELS AND PASSIVE LIGHTING

Global Positioning Solar Tracking Skylights reduce energy use through automatic light sensitive dimming controls and reduced reliance on artificial lighting.

LIGHT SAVERS

Motion activated lighting in every office eliminates wasted electricity use.

UNIVERSAL HVAC CONTROL

Our innovative Cool Roof design reflects 83% of sunlight, reducing our overall HVAC needs. For our remaining cooling needs, our HVAC system is divided into sections based on use, but operated by a single control. This means the AC will

not be used more than necessary, saving on energy usages and reducing overall carbon footprint.

REDUCE

We have no paper towels in our bathrooms – air blowing hand dryers help us reduce our overall waste in the office. Since relocating to this building in 2009, it is estimated that we have saved over 260 trees and 304,770 gallons of water (not to mention a savings of \$80,700!).

REUSE

To reduce waste, we reuse our cardboard boxes and clothes hangers as many times as feasible. Not even our fabric scraps are wasted – they are passed on to a third-party to be given a new purpose.

RECYCLING

Whatever cannot be reused gets recycled. After our cardboard boxes have been used to their full potential, they are recycled, along with any used paper, bottles, cans, and electronic waste. We have recycling bins near the printers and in the kitchen, and an electronic waste disposal area in the basement.

“GREEN” VEHICLE PARKING

Prime parking spots are offered to those vehicles that exhibit maximum fuel efficiency, and we provide charging stations for electric vehicles. Accessible employee bike racks encourage alternative transportation methods that reduce air pollution and carbon emissions.

XEROSCAPING

Our landscape is designed with native California plants to reduce water consumption.

USE ALL-NATURAL CLEANING PRODUCTS

Emphasis on safe cleaning products reduces chemical emissions, protecting both environmental and employee health.

OPPORTUNITIES

ENVIRONMENTAL MANAGEMENT SYSTEM

Establish a permanent system to monitor, enforce, and progress our corporate sustainability program.

INCREASE ENVIRONMENTAL AWARENESS

Engage employees in environmental dialogue through service days, transparency and contribution to our policies, and requiring an eco-conscious signature on all company emails.

INCREASE ENERGY EFFICIENCY

Replacing our incandescent bulbs with LED lighting can reduce our electrical consumption by 80%. A breakdown is shown below in the figure to the right.

POWERED BY RENEWABLE ENERGY

We plan to be powered by 70% renewable energy via an offset, while also investing in renewable energy production.

ENERGY STAR CERTIFICATION

We are currently working to achieve an Energy Star certification for our building operations that can save us between \$24,788 and \$74,365 annually in tax deductions.

Comparing LED vs Incandescent vs CFL Light Bulbs

Figures based off one average 800-lumen bulb.

Calculations assume cost of electricity \$0.20 per kWh and 2.07 lbs of carbon emitted per kWh, used 11 hrs per day, for 20 days per month. Calculated on an annual basis.

	LED	Incandescent	CFL
Lifespan (in hrs)	22,000	1,200	6,000
Average Cost	\$8-11	\$1	\$5
Watts used	10	60	13
Total Energy used	26.4 kWh	158 kWh	48 kWh
Total Cost of Electricity	\$5.28	\$32	\$9.60
Replacements per 10 years	1.15	53.5	5.02
Total energy use over 10 years (per bulb)	264 kWh	1580 kWh	480 kWh
Total cost over 10 years (per bulb)	\$65.45	\$373.50	\$121.10
CO2 emissions per 10 years	546.48 lbs	4266 lbs	993.6 lbs

CARBON DISCLOSURE PROJECT

By partnering with the Carbon Disclosure Project, we will be reporting our annual carbon emissions to the project, and collaborating with them to advance our emission reductions.

DIVERT MORE WASTE

Not only will we make sure there are personal recycling bins in each office, but we will begin a composting program that can collectively reduce the amount of our waste sent to landfills by 75%.

CARPOOL INCENTIVES

Offering prime parking spots and periodic raffles for carpooling employees reduces carbon emissions and air pollution.

WAREHOUSE

ACHIEVEMENTS

LIGHT SAVERS

As in our headquarters, motion activated lighting in every office eliminates wasted electricity.

RECYCLING

Recycling bins at printers and in the kitchen properly divert our paper and plastic waste.

PAPERLESS FUTURE

We are currently updating our system towards paperless verification and payroll systems, and reduce need for printed labels.

OPPORTUNITIES

REDUCE PLASTIC

Switching from plastic wrap to minimal paper tape to secure our shipment boxes drastically reduces our plastic use.

NO MORE PROPANE

Replacing our 14 propane powered forklifts with electrical power will significantly reduce air pollution and emissions.

CARPOOL INCENTIVES

Providing prime parking spots in our crowded parking lot provides incentive for employees to reduce their carbon footprint and air pollution.

TRACK OUR EMISSIONS

By establishing a record of our current warehouse emissions, we can begin to set and implement reduction goals.

PERSONAL RECYCLING

We plan to expand the recycling program beyond the printer and provide recycling bins for all desks and in the kitchen.

OUR FACTORIES

All of our factories have completed HIGG Index assessments since 2012. The HIGG index was developed by the SAC (Sustainable Apparel Coalition) as a tool to measure each factory's environmental impact, and to track progress from year to year. This tool is used by members of the SAC, including Target. Opportunities for sustainable resource use and production methods are ongoing. Additionally, we've begun to look into opportunities to use wood and wheat byproducts as fuel rather than typical fossil fuel. Over the next two years, we expect to significantly reduce our factories' carbon dioxide emissions and progress towards a smaller damaging impact abroad.

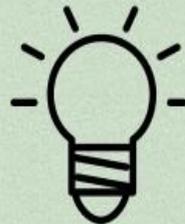
Our Sustainable Future

Reducing Emissions



First things first - we are working to get Energy Star certified. Not only will we be saving from reduced energy consumption at our headquarters, but we will receive an annual tax deduction of up to \$74,365, while also lowering our carbon emissions.

Headquarters



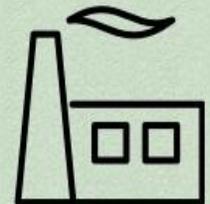
At our headquarters, we are fully revamping our sustainability initiatives. Our biggest investment lies in replacing our lighting to LED. Over 10 years, we'll save \$310 per bulb -- and over 3720 lbs of carbon in the atmosphere.

Warehouse



Replacing our 14 propane-powered forklifts in our warehouse with electric ones is a major step for our company. We're expecting to save significantly in costs, greenhouse gas emissions, and air pollution.

Factories



Our biggest mission is reducing emissions in our factories by moving away from energy produced by fossil fuels. We are learning from a case that saved \$30,000 annually by switching to this process, and we are excited for the cost savings expected in the upcoming years.

