SMaRT® Sustainability Standard
Sustainable Materials Rating Technology
Supplier Overview

Accessible  –  Comprehensive  –  Transparent
• What is SMaRT?
• Why choose it?
• Who else is involved?
• How do you achieve a SMaRT rating?
• What does it mean to your customers?
• What are the next steps for you and SMaRT?
What is SMaRT©?

- SMaRT is to products what LEED® is to buildings

- A set of consensus-based sustainable product standards that covers 80% of the world's products—including building products, fabric, apparel, flooring and carpet

- SMaRT is based on the LEED model—a consensus rating system with prerequisites and optional credits

- Acronym stands for Sustainable Materials Rating Technology

- SMaRT© Sustainable Building Product Standard launched December 2006
Who oversees SMaRT?

The Institute for Market Transformation to Sustainability (MTS)

- A non-profit based in Washington, D.C.
- An Accredited Standards Developer audited by American National Standards Institute (ANSI)
- MTS unites leading environmental groups, manufacturers, and state and local governments
- Its goal is to increase the share of sustainable products to 90% of the market by 2015
Why choose SMaRT©?

SMaRT is distinguished from other sustainable certification programs by being:

• **Accessible**

• **Comprehensive**

• **Transparent**
Why choose SMaRT©? SMaRT is Accessible.

- **Open** – any interested party can become a committee member
- **Consensus-based** – committees have sole responsibility for standards development, approval, interpretation, and revision
- **Affordable** – SMaRT is cost effective
Why choose SMaRT? SMaRT is Comprehensive

- **Leading standards** – Meets existing stringent product sustainability standards in its criteria, including:
  - Int’l Organization for Standardization (ISO) 14001 Environmental Management
  - GREENGUARD / California 01350 VOC
  - FSC Certified Wood

- **Life Cycle Assessment (LCA)** – Per ISO standards, an LCA scientifically measures environmental impacts throughout product life cycle – raw materials extraction, manufacturing, shipping, use or reuse.

- **Global** – Requires global supplier data for 12 environmental impacts
Life Cycle Assessment Flow Chart

Raw Materials
- Waste
- Transportation

Bulk Processing
- Waste
- Transportation

Engineered and Specialty Materials
- Waste
- Transportation

Product Manufacturing
- Waste
- Transportation

Packaging for Shipping
- Waste
- Transportation

End Use of Product
- Waste
- Transportation

Treatment, Disposal

The Earth: Air, Soil, Water and Biosphere

RECYCLE

Material processed for reuse in another product system.

REUSE

SMaRT Solutions for Sustainable Business
Why choose SMaRT©? SMaRT is transparent.

- **Quantified** - All assumptions, requirements and metrics within criteria are available to the public
- **Documented** – Manufacturers must disclose points earned by certified products
- **Audited** – Certification is audited by MTS; an external audit may be required depending on certification level
- **Accredited** – Criteria was developed by an American Nationals Standards Institute (ANSI) accredited process
Who else is involved?

SMaRT Officers

- Ken Baker, Principal, Gensler
- Doug Pierce, AIA, LEED AP, Perkins+Will
- Ginny Dyson, IIDA, LEED AP, DMJM / Rottet
- Keith Winn, IIDA, LEED AP, ASID, Catalyst Partners
- Ralph Bicknese, AIA, LEED AP, Hellmuth+Bicknese
- Eric Corey Freed, Licensed Architect, Principal, Organic Architects
- Sigi Koko, Principal, Down to Earth Design
- Lou Newett, Environmental Director, Knoll Inc.
- Tim Cole, Environmental Director, Forbo Flooring
- Michael Bohn, Marketing VP, Bosch & Siemens Home Appliances
- Tim Nolan, State of Minnesota
- Michi Pena, Commissioner, Chicago Dept. of General Services
Who else is involved?

• U.S. Green Building Council (USGBC) and its LEED® Rating System
  – LEED recognizes SMaRT certified products
  – Use of SMaRT certified products for 2.5% of total the value of a project contributes one Innovation and Design credit

• American Institute of Architects (AIA)
  – SMaRT is part of AIA's imperative to reduce 60% of conventional energy use in buildings by 2015
  – AIA promotes SMaRT to its 23,000 members

• Sustainable Furniture Council
  – SFC approved SMaRT as the standard to which its members should certify
Who else is involved?

• Capital Markets Partnership
  – Led by JPMorgan Chase and San Francisco Mayor Gavin Newsom
  – Launching at the New York Stock Exchange in July 2008:
    > Green Building Investment Underwriting Standards recognize SMaRT
    > Sustainable Mortgage Backed Securities (SMBS) recognize SMaRT

• Fireman's Fund – Adopted SMaRT in its underwriting criteria for discounted insurance to manufacturers of certified products

• City of Santa Monica – Includes SMaRT certified products in its purchasing directive, which it will send to other U.S. cities for adoption in 2008
Who else is involved?

Three companies are leading industry by SMaRT certifying their products:

- Forbo flooring
- Milliken textiles
- Knoll furniture
How do you achieve a SMaRT rating?

- Submit a completed application
- Pass an internal MTS data audit
- Execute a legally binding certification that verifies:
  - Data are accurate and not misleading
  - Qualified professionals were used
- Publish certification summary on a web site
- Pass an external audit by Ernst & Young's Global Sustainable Auditing Group or Redstone Global Auditing (depending on level)
- Renew certification every three years
How do you achieve a SMaRT rating?

Product must achieve 14 prerequisite points and score a minimum of 28 out of 162 points in the following areas covering all product stages across the global supply chain:

• Safe for public health & environment
• Renewable energy & energy efficiency
• Biobased or recycled materials
• Facility or company requirements
• Reclamation, sustainable reuse & end of life management
How do you achieve a SMaRT rating?

Based on overall points achieved, there are four levels of SMaRT certification:

<table>
<thead>
<tr>
<th>SMaRT Rating</th>
<th>Sustainable</th>
<th>Sustainable Silver</th>
<th>Sustainable Gold</th>
<th>Sustainable Platinum</th>
</tr>
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<tbody>
<tr>
<td>Point Range</td>
<td>28-40</td>
<td>41-60</td>
<td>61-89</td>
<td>90-162</td>
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<td>At MTS discretion</td>
<td>At MTS discretion</td>
<td>Mandatory</td>
<td>Mandatory</td>
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</tbody>
</table>
How did the Knoll Life chair rate?

**Sustainable Gold with 71 points**

- 18 points: Safe for public health & environment
  - GREENGUARD Children & Schools℠ certified

- 23 points: Renewable energy & energy efficiency
  - Lubin electricity offset by wind energy

- 16 points: Biobased or recycled materials
  - 60%+ recycled content

- 10 points: Facility or company requirements
  - Life Cycle Assessment

- 4 points: Reclamation, Reuse & End of Life
What does it mean to their customers?

• They are purchasing an **independently certified product** that is good for the environment, economy and social equity.

• They can have **confidence in the environmental claims** because of the accessible, comprehensive, and transparent nature of the certification process.

• They can achieve an **additional LEED credit** for the Life chair, depending on percent of total project value.
Greenwash-free Marketing

• Consumers want truth – SMaRT certification gives you a label that consumers can trust and verifiable attributes that will stand up in the court of public opinion.

• Investors have proof with quantifiable documentation

• The SMaRT consensus standard meets the legal and environmental requirements by the US EPC, the US Attorneys General and the Federal Trade Commission.
The SMaRT Market difference

- To products what LEED® is to buildings

- **Accessible** – Open, consensus-based, and affordable

- **Comprehensive** – Incorporates leading standards, LCA, global supply chain

- **Transparent** – Quantified, documented, audited, and accredited
Market Transformation to Sustainability
1511 Wisconsin Avenue, NW
Washington, DC 20007

P: 202-338-3131
F: 202-338-2800
E: info@sustainableproducts.com
B: http://www.sustainableproductsblog.com
W:http://mts.sustainableproducts.com

Accelerating the Global Market
 Transformation to Sustainability

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