

## Wisconsin Green Tier Application

### Attachment 2:

- Description of past and current environmental performance, with established baseline date against which future progress can be measured.
  - Attachment 2A is a company sustainability overview which summarizes our environmental leadership activities to date.
  - Attachment 2B provides a description of past and current environmental performance, with established baseline data against which future progress can be measured.
  - A copy of our 2011 Public Report is also included to provide further information with respect to our environmental goals and progress.(see especially pages 40-41)
  
- Description of proposed measures to maintain and improve superior environmental performance.
  - Moving forward we continue to target improvements against our environmental goals. We have established 5 year targets (through 2016), which are reported annually, against the following goals:
    - Improved percentage of our ingredients rated “Better” or “Best”, using our Greenlist™ process
    - Waste and Emissions reduction
    - Increased use of Renewable Energy
    - Greenhouse Gas reduction

## Investing in People, Investing in the Planet

From selecting better ingredients to using fewer resources, we're working every day at SC Johnson to make this world a cleaner, better place. Our sustainability efforts target four key areas where we believe we can make the biggest impact on quality of life, economic progress, our product mix and the planet.

### Reducing Resource Use

We're always looking for ways to lighten our impact on the world, protecting the earth's critical resources for generations to come.

- Since 2000, we've cut GHG emissions 26.2 percent from all of our factories and 40.2 percent of our electricity usage is sourced from renewable energy.
- Renewable energy is key to powering our worldwide factories and achieving our GHG reduction targets:
  - Methane and natural gas power our largest factory in Sturtevant, Wis.
  - Wind power provides electricity at our Bay City, Mich. and Mijdrecht, Netherlands plants and three SWIFT mini-wind turbines are being piloted at our corporate headquarters in Racine, Wis.
  - Waste palm shells are burned as a fuel source in Medan, Indonesia.
- Leadership programs with the U.S. EPA's Climate Leaders, Smartway, and others help us share best practices and track our progress.



### Improving Our Products

As a family company, we're committed to offering safe, effective products that not only work, but that are also better for families and the environment.

- Our patented **Greenlist™** process helps us find better ingredients for performance, human health and the environment. 
- Through partnerships that drive advances, such as with the U.S. EPA and others, we're continuously striving to improve the sustainability of our products.
- SC Johnson supports your right-to-know what's in the products you use, and our ingredient communication goes far above and beyond industry standards.

### Strengthening Communities

We want to make every place that's home to our business a better place to live. So when you buy products like **Pledge®** or **Glade®**, you're doing more than caring for your home. You're also helping us care for communities.



- Our partnerships and programs create mutual value at the base of the economic pyramid and contribute to local quality of life.
- In the past ten years, we've given nearly \$185 million in philanthropic contributions worldwide; five percent of pre-tax profits go to corporate giving and at the subsidiary level, companies aim to give up to two percent.
- Employees also generously give of their time and money through volunteer initiatives.

### Protecting Families

Half a billion people are affected each year by insect-borne diseases like malaria and dengue. So we're continually making our pest control products work better, and we're helping teach families how to protect themselves.

- We're continuously improving performance to help deter insects that may carry diseases with our trusted brands such as **OFF!®**, **Raid®** and **Autan®**.
- Our malaria prevention programs teach kids, parents, teachers and others about avoiding infection, and have reached more than a million people in areas such as South Africa, Ghana and Mozambique.
- Each year, SC Johnson educational programs and materials about dengue prevention reach hundreds of thousands of people in Asia, Latin America, and other areas.



## Legacy of Leadership

Here are a few examples from the last decade of how we've been recognized for doing our part.

### 2011

**Windex® Mini**, a concentrated refill pouch that uses 90% less plastic packaging than a traditional 26-ounce trigger bottle, launched in July.



### 2011

SC Johnson named as one of the top 10 greenest brands in the ImagePower Global Green Brands Survey.

### 2010

SC Johnson was named the fourth most innovative company in the consumer products category on *Fast Company* magazine's annual **Most Innovative Companies** list.

### 2009

The 2009 **Harris Interactive Reputation Quotient® Study**, which measures reputations of the 60 most visible companies in the U.S., found that SC Johnson earned the 5th highest score. Ratings were based on an online survey of Americans and measured dimensions such as social responsibility, emotional appeal, and products and services.

### 2009

SC Johnson was honored by the **Foreign Policy Association** for its commitment to social responsibility.

### 2009

SC Johnson surpasses industry guidelines by launching an innovative and expansive ingredient disclosure program.



### 2009

SC Johnson launches its first owned and operated windmill, at its largest European manufacturing plant. The turbine will prevent 3,930 metric tons of greenhouse gas emissions annually.

### 2009

SC Johnson was named one of the **"World's Most Ethical Companies" for 2009** by Ethisphere, for the third year in a row.

### 2008

SC Johnson receives the U.S. EPA's Safer Detergents Stewardship Initiative award for voluntarily committing to use safer surfactants in products.

### 2008

SC Johnson voluntarily begins working with suppliers to eliminate phthalates from the fragrances they provide for our products.

### 2008

A 5-year deal to source nearly half the electricity for our Bay City, Michigan factory from wind power helps cut 29,500 tons of CO2 annually.

### 2007

SC Johnson is recognized for using Green-e certified energy at Waxdale, our largest global manufacturing facility.



### 2006



SC Johnson achieves **Charter for Sustainable Cleaning** membership with Europe's International Association for Soaps, Detergents and Maintenance (AISE).

### 2006

SC Johnson is awarded the Ron Brown Award for Corporate Leadership, for commitment to responsible raw material choices.



### 2006

SC Johnson is among the first to surpass its Climate Leaders goals, reducing our greenhouse gas emissions 23% per pound of product.

### 2006

In recognition of our **Greenlist™** process, SC Johnson is awarded the Presidential Green Chemistry Challenge Award.



### 2005



SC Johnson is the first major consumer packaged goods company to partner with the **U.S. EPA's Design for the Environment** program.

### 2005

SC Johnson sponsors field testing of the Base of the Pyramid Protocol™ to develop a sustainable business in Nairobi, Kenya.

### 2005

SC Johnson starts up our 2nd co-generation turbine, becoming the first CPG plant in the U.S. Midwest to produce nearly all our own energy through clean-burning technologies.

### 2003

SC Johnson receives the first-ever **Lifetime Atmospheric Achievement Award** from the U.S. EPA, for protecting both the ozone layer and climate.

### 2002

SC Johnson is the first consumer packaged good manufacturer to join the U.S. EPA's Climate Leaders program.



## Attachment 2B

### Sustainability Areas of Focus:

For the last two decades, SC Johnson has set firm environmental goals every five years and regularly reported the results. The 2011 Public Report marks our 20th year of publicly sharing updates about our environmental goals and progress.

Our sustainability efforts target five key areas. From greener products, to conserving resources, to helping communities, these are the areas where we believe we can make the greatest impact. Public Report

Information on some of our activities and initiatives is provided below and more information can be obtained from our web site at [www.scjohnson.com](http://www.scjohnson.com).

### IMPROVING OUR PRODUCTS:

#### GREENLIST™ PROCESS

Better products from better information.

In 2001, SC Johnson developed the Greenlist™ process to classify ingredients considered for use in our products by their impact on the environment and human health. Today, SC Johnson scientists have a computerized, global system that helps them select the best available ingredients and continually improve our products.

Our now-patented Greenlist™ process includes ratings for more than 95% of the ingredients we use. It has been scientifically reviewed by numerous organizations, and we continue to add to and improve the process.

Our goal with the Greenlist™ process is that beyond meeting legal and regulatory requirements for our products, we also increase year-on-year the percentage of our ingredients that has the least impact on the environment and human health. We started at 4% “Best” ingredients in 2001; today we are at 27%.

As a result, using Greenlist™ we have been able to continuously improve our products. For example, by reformulating Windex® brand glass cleaner, we cut 1.8 million pounds of volatile organic compounds (VOCs) from it while giving it 30% more cleaning power.

We're also committed to sharing the Greenlist™ process because we believe other organizations could benefit from it, too. That's why we have partnered with Five Winds International as our third-party administrator to license the Greenlist™ process to other companies royalty-free.

### **The Greenlist™ Ingredient Selection Process**

Through our Greenlist™ process, each potential ingredient receives a rating from 3 to 0. An ingredient with a 3 rating is considered "Best," 2 is "Better," 1 is "Acceptable" and 0-rated materials are used only on a limited, approved basis when there is not a viable alternative. Whenever possible, we work toward replacing these 0-rated materials with those that have a preferable environmental or health profile.

When SC Johnson scientists create a new product or reformulation, they work to select raw materials rated "Better" or "Best." When existing products are reformulated, the scientist must include ingredients that have ratings equal to or higher than the original formula.

This diligence helps us go beyond regulatory requirements to continually make our products better. While some raw materials with a 0 score are not restricted by government regulatory requirements, over the years SC Johnson has decided to limit their use.

The Greenlist™ process was designed to contribute to better choices in our supply chain, too. It encourages consideration of more sustainable resources, including renewable materials. It also recognizes the value of suppliers that demonstrate a higher level of environmental responsibility, such as that confirmed by ISO 14001 certification.

### **Best Materials Mean Better Results**

In our latest reporting year – 2010/11 – SC Johnson's use of "Better" and "Best" ingredients reached 51% versus 18% in 2000/01. Despite sales growth, our use of the lowest-rated materials has decreased from 10% in 2000/01 to 4% in 2010/11.

## **CONTINUOUS IMPROVEMENT**

At SC Johnson, we understand that it isn't just important what's inside our products; what's NOT inside matters a lot too.

Over the years, it's natural that as new studies are completed, new information occasionally comes to light that makes a particular ingredient less desirable.

While all SC Johnson products meet legal and regulatory requirements, in many cases we choose to go beyond the requirements and replace less desirable ingredients with those that we believe have a better environmental or health profile.

**Here are a few examples...**

In **1975**, we voluntarily and unilaterally eliminated chlorofluorocarbons (CFCs) from our aerosol products worldwide – a full three years before the U.S. mandate to do so, because of concerns about CFCs impact on the ozone layer.

In **1993**, we eliminated paradichlorobenzene (PDCB) in toilet products because it affects ozone in the upper atmosphere and is also a water contaminant that may accumulate in the food chain.

In **2002**, we eliminated polyvinyl chloride (PVC) from our packaging because it is not biodegradable and has been linked to health problems and other issues.

Also in **2002**, we eliminated chlorine-bleached paperboard packaging because the chlorine can cause contamination of air and water.

In **2004**, we eliminated the organophosphate insecticide DDVP because of links to human health and environmental risk.

In **2006**, we eliminated another insecticide, propoxur, because of its toxicity and persistence in the environment.

In **2008**, we began working with our suppliers to have them eliminate phthalates from the fragrances they supply for our products because of consumer concerns about the larger class of substances in the phthalate family. The phase-out will be completed by 2012.

In **2011**, we announced that by 2015, the company will only purchase palm oil-based ingredients that originate from responsible and sustainable sources.

Here are a few of the partnerships we take part in to help continually improve our products.

## **Design for the Environment**

In 2005, SC Johnson became the first major consumer packaged goods company to partner with the United States Environmental Protection Agency in the agency's Design for the Environment (DfE) program.



DfE is committed to helping companies and industries compare and improve the performance, human health profile and environmental responsibility of products, processes and practices. SC Johnson has participated in the DfE Formulator Program, which encourages partners to make products that are environmentally safer, cost competitive and effective. Our DfE partnership products have included items such as Shout® Citrus Action and Shout® Trigger Laundry Stain Remover.

## **Charter for Sustainable Cleaning**

In 2006, SC Johnson achieved Charter for Sustainable Cleaning membership with the International Association for Soaps, Detergents and Maintenance (A.I.S.E.), a European-based international association of companies in the soaps, detergents and maintenance products industry. Now, SC Johnson is a signatory to the new A.I.S.E. Charter - 2010.



The Charter is a lifecycle analysis-based framework that promotes a common industry approach to sustainability practices and reporting. It covers initiatives from the human and environmental safety of chemicals and products, to eco-efficiency, consumer information and other topics.

The Charter 2010 update adds a product dimension that enables companies to give a sustainability assurance for individual products with a Charter logo.

As part of our ongoing commitment to the Greenlist™ process and programs like the Charter, we have successfully increased the number of readily biodegradable surfactants used in many of our products, including several Mr. Muscle® cleaners that are sold in Europe.

### **Safer Detergents Stewardship Initiative**

Part of the U.S. Environmental Protection Agency's Design for the Environment Program, the Safer Detergents Stewardship Initiative recognizes environmental leaders who voluntarily commit to using safer surfactants.

Surfactants are ingredients that act as wetting agents. For example, they help cleaning products work better by making substances such as dirt dissolve more readily when the product is applied to them.

Surfactants are one of the 19 categories of ingredients that SC Johnson has rated using our Greenlist™ process, which provides ratings for 95% of the raw materials we use. Our scientists use the rating information to select better ingredients for the environment and human health while maintaining the product performance you've come to expect from SC Johnson.

Because we make our products like Scrubbing Bubbles®, Mr. Muscle® and Duck® cleaners with better ingredients including safer surfactants, SC Johnson was named a Champion in the Safer Detergents Stewardship Initiative.

## **Ingredient Disclosure**

Our ingredient communication website is part of a broad ingredient communication program. We put our product ingredients online and also began making them available through our toll-free consumer hotline and adding them to our product labels.

### **Beyond the Right-to-Know Initiative**

SC Johnson's ingredient communication plan builds on a household products industry right-to-know initiative that was announced in late 2008. It's a solid program, and we applaud it. In fact, we're so committed that we go significantly further.

This includes:

- Listing all ingredients, including dyes, preservatives and fragrance ingredients.

- Focusing on a single naming system – the International Nomenclature of Cosmetic Ingredients (also known as INCI) – for simplicity and clarity. These are terms you're used to seeing on makeup and personal products.
- Not just listing but defining ingredients, and including an explanation of their purpose in the product.
- Providing information about U.S. products in English and Spanish.
- Providing information about Canadian products in English and French.

### **And, Continuing Enhancements**

In January 2012, we announced the release of our Exclusive Fragrance Palette that was more than two years in the making. This fragrance palette provides a comprehensive list of the fragrance ingredients found in the company's products and is accessible through [www.whatsinsidescjohnson.com](http://www.whatsinsidescjohnson.com).

We also launched website enhancements such as a fragrance education section, comprehensive product definitions, FAQs, links to other resource websites and more. And, we announced plans to roll out product labels that list ingredients using their INCI names. This will be completed over several years.

## Reducing Resource Use:

### Reducing Greenhouse Gas Emissions

Throughout the past decade, we have continually established and achieved goals that helped us lessen our impact on the world.

We believe that to make a gain, you have to set a goal. That's why in 2000, SC Johnson established a greenhouse gas emissions benchmark for our five largest international manufacturing plants.

In 2002, two more SC Johnson plants voluntarily joined our efforts as well. In addition, that year we joined the U.S. Climate Leaders program and set a second greenhouse gas reduction goal that covered all U.S. operations.

By 2005, we had surpassed our goals for both the United States and our seven largest plants. So in 2007, we announced aggressive new objectives for 2011. We planned to cut U.S. greenhouse gas emissions by 8% versus our 2005 baseline and cut greenhouse gas emissions from all our worldwide factories by 12% versus our 2000 baseline.

Thanks to ongoing efficiency improvements as well as renewable energy projects by 2011 we had achieved a 26% reduction in global greenhouse gas emissions. In the United States, we far surpassed our objective, cutting emissions 27% versus 2005.

But we're never satisfied. Once again in 2011, we set new goals for the future.

### Using Renewable Energy

Some might look at a pile of garbage and see...well, a pile of garbage. At SC Johnson, we see an opportunity.

We use garbage, waste palm shells and wind to help power our facilities, cutting greenhouse gas emissions and use of fossil fuels. Here's a look at several of our key projects.

## **Clean Gusts of Green Energy**

In 2008, SC Johnson secured a source of wind power for nearly half of the electricity required to run our Bay City, Michigan factory. The plant, which produces Ziploc® brand bags, was one of the first manufacturing facilities in Michigan to incorporate wind energy.

And what a difference it makes! The deal helps SC Johnson keep 29,500 tons of carbon dioxide out of the atmosphere annually. The energy saved could supply 1,800 average homes in a year. And the CO2 reduction is like taking almost 3,000 cars off the road each year.

Similarly, in 2009, SC Johnson launched its first owned and operated windmill at our largest manufacturing plant in Europe, called Europlant. Located in Mijdrecht, The Netherlands, Europlant produces brands such as Glade®, Duck® and Mr. Muscle®.

The 417-foot wind turbine generates about 42 percent of the electricity to power our plant, preventing 1,650 metric tons of GHG emissions annually.

In January of 2010, we continued to push the winds of change by launching an urban wind energy pilot program at our headquarters campus in Racine, Wisconsin. The goal is to reduce our greenhouse gas usage while at the same time raising awareness that renewable energy can be used in urban settings.

In 2011, we began exploring adding two or three wind turbines at our Waxdale manufacturing facility in Racine, Wisconsin, where we produce brands such as Glade®, Pledge®, Scrubbing Bubbles®, Windex® and Raid®.

The turbines would be the latest in a series of investments at Waxdale that, together, would enable the site to produce 100 percent of its electrical energy on-site with approximately 60 percent of it from renewable sources.

If the project receives local, state and federal approvals, the wind turbines will generate enough electricity to power 850 homes in a year. That's the energy equivalent of more than 750,000 gallons of gasoline. Importantly, the effort will reduce the carbon emissions associated with powering the Waxdale plant by six million metric tons.

## **From Landfill Trash to Energy Treasure**

In 2003, we built our first cogeneration turbine in Racine, Wisconsin to provide power for our largest global factory. At 2.2 million square feet, the Waxdale plant is the home of well-known products from brands like Windex®, Glade® and Scrubbing Bubbles®.

While SC Johnson and other companies have been tapping landfill resources for decades, Waxdale used new technology to create electricity for power and generate steam to heat operations. Using only landfill gas, the turbine produces 3,200 kilowatts of electricity and 19,000 pounds of steam per hour.

It was so successful that in 2004 we announced plans to build a second turbine for Waxdale, using a mixture of landfill and natural gas. The two turbines combine to generate the entire daily base load of electricity for Waxdale, as well as 50-100% (depending on the season) of the steam needed for operations. See it in action [here](#).

Best of all, the turbines significantly reduce our reliance on coal-fired electricity and eliminate 52,000 tons of greenhouse gas emissions each year. That's like taking 5,200 cars off the road or returning 298 railroad cars full of coal to the ground annually.

## **Power from Waste Palm Shells**

Indonesia is another place where we're putting someone else's waste to good use. In 2007, we launched a biomass initiative using palm shells, the remaining waste of the palm oil industry, at our factory in Medan.

As a waste product, palm shells are often burned under uncontrolled conditions. By using them as a fuel source, SC Johnson transfers them back into the value chain with minimal environmental impact. Palm shells also work well as a biofuel. With our palm shell burner/boiler system, we've cut greenhouse gas emissions at our Medan factory by more than 15%, while reducing diesel fuel use by 80%.

Importantly, we're making sure our supply of palm shells is sustainable and responsible, with supply chain policies that ensure the shells are purchased from a single, verified sustainable source.

# Leadership Programs and Partnerships

## Recognition for Onsite Power Generation

In 2011, SC Johnson was recognized as number eight on the U.S. Environmental Protection Agency's (EPA) Top 20 On-Site Generation List. This recognizes the fact that we generate our own electricity using landfill gas and wind power.

SC Johnson is a member of EPA's voluntary Green Power Partnership and qualifies for EPA's Green Power Leadership Club, which distinguishes members that purchase 10 times the program's minimum requirement.

In November 2011, SC Johnson received a 2011 Green Power Leadership Award from the EPA. The annual award recognizes leading green power users for their commitment and contribution to the advancement of the U.S.'s voluntary green power market.

## SmartWay Transport Partnership

Getting there green is half the fun. That's why in 2007, SC Johnson joined the SmartWay Transport Partnership, a voluntary, collaborative partnership with the U.S. Environmental Protection Agency.



SmartWay strives to reduce greenhouse gases and other air pollutants and improve fuel efficiency. SmartWay partners – including freight carriers as well as shippers such as SC Johnson – commit to improve the environmental performance of their freight delivery operations. In return, we get access to tools and strategies from the EPA to improve fuel-efficiency and reduce the environmental footprint of our freight operations, such as intermodal shipping, warehouse improvements and less idling.

In 2009, SC Johnson worked to implement legislation in Wisconsin that provides a special permit for heavier truckloads. With the permit, we can safely increase the weight of shipments to our local warehouses to 98,000 pounds from the normal 80,000-pound loads. The heavier loads result in 72,000 fewer shipping miles traveled yearly and 15.7 tons of carbon dioxide eliminated.

In addition, 100 percent of 2009 outbound SC Johnson shipments were handled by carriers participating in the SmartWay Transport Partnership, up from 78% in 2008.

### **Climate Leaders**

In 2002, SC Johnson became the first consumer packaged goods company to join the United States Environmental Protection Agency's Climate Leaders initiative, the largest greenhouse gas goal-setting program in the U.S.



Climate Leader companies commit to reduce their environmental impact by analyzing their greenhouse gas emissions, setting aggressive reduction goals and reporting progress to the EPA annually.

As a charter member, we pledged to reduce our U.S. greenhouse gas emissions by 8% from 2000 to 2005. However, by the end of 2005 we had reduced our U.S. greenhouse gas emissions by 17%, which doubled the 8% absolute reduction target. We were one of only five participants to reach our Climate Leaders goal.

Our 2011 objective was to cut our U.S. greenhouse gas emissions by another 8% versus the 2005 baseline. We achieved a 27% absolute reduction, greatly exceeding our goal.

While the Climate Leaders program has now been discontinued by EPA, SC Johnson's work to cut our greenhouse gas emissions continues, including a new goal for 2016 to reduce our emissions another 6%.