



14 November 2012

Attn Mr. Walter Tseng
TS+RD Manager
Freudenberg Far Eastern Spunweb Co., Ltd.
(Taiwan Headquarter and office) 38, Lun Din, Shi Hai Village, Tayuan, Taoyuan, Taiwan, R.O.C.
(Shanghai Office) B1212-1213, Far East International Plaza, No.317 Xianxia Road, Shanghai, 200051,
P.R. China
(Shanghai Factory) No 33 Zhongjiang road, Yizheng Automotive industrial park, Yizheng city Jiangsu,
211900 P.R. China

Dear Mr. Tseng,

I take pleasure in submitting a summary report on SGS's Verification Audit of your manufacturing processes in accordance with the criteria 6.1 ECO preferred content as define in the Green Building Council of Australia (GBCA) Green Star™ Office Interiors Technical Manual v1.1 Mat-2 Flooring Calculator and Material Calculator Guide, version 5, October 2011. Full details of the scope, methodology and individual components verified are provided to this summary report.

The product was audited:

- LFH4280HSG Recycled polyester felt.

The audit verified the following Mat-2; Eco Preferred content (Green Star™ Office Interior):

- LFH4280HSG 88%.

Thank you for the opportunity to be of service.

Yours Sincerely,

Metha B.

Mr. Metha Buaraksakul
SGS Verifier

SGS (Thailand) Limited
SCA

Montree T.

Mr. Montree Tangtermsirikul
RABQSA Approved QMS Lead Auditor and Business
Manager
SGS (Thailand) Limited
System & Services Certification Div.



Green Building Council of Australia (GBCA) Verification Summary Report

Organization:	Freudenberg Far Eastern Spunweb Co., Ltd.		
Address:	(Taiwan Headquarter and office) 38, Lun Din, Shi Hai Village, Tayuan, Taoyuan, Taiwan, R.O.C. (Shanghai Office) B1212-1213, Far East International Plaza, No.317 Xianxia Road, Shanghai, 200051, P.R. China (Shanghai Factory) No 33 Zhongjiang road, Yizheng Automotive industrial park, Yizheng city Jiangsu, 211900 P.R. China		
Standard(s):	Green Building Council of Australia (GBCA) – Material Calculator Guide (version 5, October 2011)		
Representative:	Mr. Walter Tseng (TS+RD Manager/walter.tseng@freudenberg-nw .com)		
Site(s) audited:	Manufacturing site as above address	Date(s) of audit(s):	October 8-9, 2012
Lead auditor:	Metha Buaraksakul	Additional team member(s):	-
This report is confidential and distribution is limited to the verification team by SGS (Thailand) Limited, Carpet International Thailand Public Company Limited and WSP Environmental & Energy, and Green Building Council of Australia (GBCA).			

1. Verification objectives

The objectives of this verification were:

- to confirm that the production process and its product of organization is complied with criteria 6-1 of ECO-preferred content defined in the Green Building Council of Australia (GBCA) – Material Calculator Guide (version 5, October 2011);
- to collect and verify needed data given by the organisation and its supply chain in order to calculate material eco-preferred content.

2. Scope of verification

Eco-preferred content of Non-Woven Fabrics

This is a multi-site audit and an Appendix listing all relevant sites and/or remote locations has been established (attached) and agreed with the client Yes No

3. Verification conclusions

Team verified ECO-preferred content against criteria 5.1 defined in Green Building Council of Australia – Material Calculator Guide version 5 (October 2011). The Guideline focuses on Resource Utilization, Environmental Management System and Reusability. The verification methods used include interviewing, observation of activities and review of documentation and records in accordance with the guideline reference.

During the audit, evidences of management system certification were demonstrated as follow:

Freudenberg Far Eastern Spunweb has been certified for ISO 14001:2004 by Det Norske Veritas (DNV) for Design and

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Manufacture of Non-Woven Fabrics from the August 31, 2012 to September 7, 2012. Certificate number is 1609-2000-AE-RGC-RvA.

Freudenberg Far Eastern Spunweb has been certified for ISO/TS 16949:2009 by Det Norske Veritas (DNV) for Design and Manufacture of Non-Woven Fabrics. Certificate number CERT-10832-2006-AQ-HOU-IATF and IATF certificate number 0129176 dated November 3, 2011 and valid until November 2, 2014.

Organization has established and maintained management system in line with the requirements of the standard and demonstrated the ability of the system to systematically achieve agreed requirements for products or services within the scope and the organization's policy and objectives.

4. Significant Audit Trails Followed

The specific processes, activities and functions reviewed are detailed in the verification plan. In performing the Green Building Council of Australia – Material Calculator Guide version 5 (November 2011) verification, various audit trails and linkages were developed, including the following primary verification trails, followed throughout:

Freudenberg Far Eastern Spunweb (FFES) supplies to Carpet International Thailand (CIT) non-woven fabric polyester.

Freudenberg Far Eastern Spunweb has been certified for ISO/TS 16949:2009 by Det Norske Veritas (DNV) for Design and Manufacture of Non-Woven Fabrics. Certificate number CERT-10832-2006-AQ-HOU-IATF and IATF certificate number 0129176 dated November 3, 2011 and valid until November 2, 2014.

Suzhou Xiangcheng District Jiangnan Fiber Group Co., Ltd. has been certified for ISO 9001:2008 by IQNet and CQM for Design and production of Gaolilun staple fiber, recycled three-dimensional crimped polyester short fiber, recycled polyester short fiber. Certificate number CN-CQM11Q10017R1L dated January 6, 2011 and valid until January 5, 2014.

Site visit

On 8-9 October 2012, SGS conducted a site visit to the Freudenberg Far Eastern Spunweb Co., Ltd. in China.

During the visit, SGS was able to verify that part of recycled content in term of the amount of an item by mass that is sourced from post-consumer and/or post-industrial recycled material, the product has been implemented and operated as described in the relevant procedure and work instruction. Production form with instruction and formula were established and implemented to control manufacturing processes and product characteristics. The product composed of recycled PET staple fiber (White) 80%, recycled PET staple fiber (Black) 9% and virgin 11%. The process validation was result by inspection process; the result was recorded and maintained. In addition, process parameters such as mixing ratio, temperature, speed were also controlled and monitored; the record was maintained.

Raw material was recorded lot number for traceability purpose. Incoming material such as recycled PET staple fiber (White) and recycled PET staple fiber (Black) from Suzhou Xiangcheng District Jiangnan Fiber Group Co., Ltd. had been verified regarding the raw material is manufactured from post consumer recycled polyester bottle flake/chip and/or post production/industrial fibers and suppliers' COA, which had been verified and reviewed as sampled below and found compliance. Final inspection had been tested via organize criteria and also found compliance.

Sampling and verified from some record of manufacturing process control for some product such as LFH products the campaign number 20120712, roll 004, roll 017 and roll 025 dated July 13, 2012.

The verification of reported data was carried out by mean of :

- Confirmation of the correct aggregation of production record (values included in the raw materials were given as formula and prepared by stored, purchasing order were individually checked against the record listed above)
- Verifying the effectiveness of the data quality assurance and control.

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The manufacturing process for these products was identified as the basis for the audit trail and is detailed below in Diagram 1.

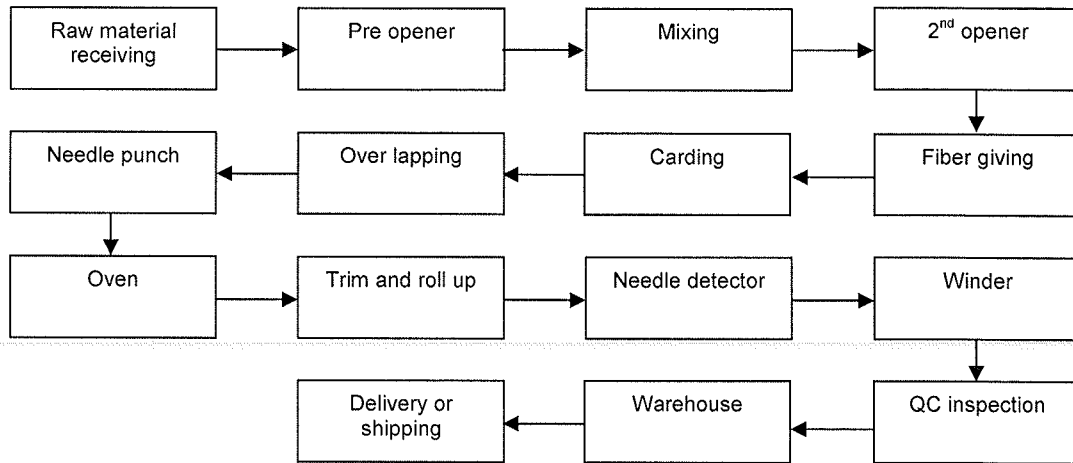


Diagram 1: The production process for LFH4280HSG used in the audit trail

Mat-2:1 Eco preferred content

LFH4280HSG

Component	Material	Total Product Mass	Eco preferred content	Eco preferred content mass
Non-woven fabric	Recycled PET staple fiber (White)	63.7 Tons	Yes	63.7 Tons
	Recycled PET staple fiber (Black)	10.2 Tons	Yes	10.2 Tons
	Virgin	9.9 Tons	No	
Total		83.8 Tons		73.9 Tons
Total percentage Eco Preferred Content 88%				

Inspection, sampling and verification was carried out on the campaign number 20120712, roll 004, roll 017 and roll 025 dated July 13, 2012

Mat-2:3 Environmental Management System (EMS)

FFEP's ISO14001-certified Environmental Management System (EMS) is a maturing, functional, and well-recognized system which has been integrated across the FFEP operation. The EMS is well-embedded, from the work-controlling document level to high-level strategy making. The system has been refined over a period of years, to reduce environmental risk and seek continual improvement. An EMS system was established May 15, 2007 with the manual containing the components as listed in GBCA Green Star™ Office Interiors Technical Manual v1.1. The environmental monitoring program is comprehensive, and FFEP has complied with all regulatory monitoring and sampling requirements.

The additional components; waste minimization, energy, emission and material minimizations were verified its objectives and target as well as means and effectiveness of implementation that covered:

- 0.3% yield improvement for waste minimization,
- Weight reduction of Y Bico & Underslating,
- LPG replace diesel,
- Power factor improvement,
- Tertiary air cooler improvement,
- 70% recycle content product,
- PT2 conical channel to save 450 kw/h,
- PT2 Calibration unit to increase FT output,

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- Customer cutting scrap recycling project,

The result was monitored on monthly basis and reported in management meeting. Overall result was satisfied. FFEP demonstrates a strong commitment to continuous improvement, setting objectives on a yearly basis using a mature aspects and impacts register. This enables the development of action plans that reduce the impacts of significant environmental aspects targeted for that year.

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