

## Projected Year 21 Performance

Performance projections generated upon the first decision save.

### Corporate Social Responsibility and Citizenship

Use of "Green" Footwear Materials	Yes <input type="button" value="▼"/>	Involves using environmentally friendly or "green" materials in manufacturing athletic footwear at all plants. Raises the cost of standard materials by \$0.50 and superior materials by \$1.00.
Use of Recycled Boxing / Packaging	Yes <input type="button" value="▼"/>	Involves the use of recycled packaging materials to box each pair of athletic footwear at company distribution centers. Raises shoe packaging costs by \$0.20 per pair.
Energy Efficiency Initiatives	\$ <input type="button" value="600 ▼"/> per distribution center and million pairs of plant capacity	Involves investments to improve energy efficiency and using renewable energy sources. Treated as capital investment depreciated at 5% per year.
Charitable Contributions	\$ <input type="button" value="9000 ▼"/> or <input type="button" value="0.0 % ▼"/> of operating profit	Involves making pre-tax donations to charities / charitable causes. Treated on the Income Statement as "Other Expense" (reduces pre-tax profits).
Ethics Training / Enforcement	Managers Only <input type="button" value="▼"/>	Involves training for and development / enforcement of a code of ethics. Increases administrative expenses by \$250k (Managers Only option) plus \$150k per plant (All Employees option).
Workforce Diversity Program	Yes <input type="button" value="▼"/>	Involves initiatives to achieve and maintain workforce diversity concerning age, sex, ethnicity, and other factors. Entails additional administrative expense of \$500k for testing, screening, and hiring.

Projected Expenditures for Social Responsibility and Citizenship in Year 21	Total Expenditures (\$000s) \$20,767	Annual Operating Cost Per Pair Sold \$4.17
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A Company CSRC Efforts					
	Y16	Y17	Y18	Y19	Y20
Use of "Green" Footwear Materials	Yes	Yes	Yes	No	Yes
Use of Recycled Boxing / Packaging	Yes	Yes	Yes	No	Yes
Energy Efficiency Initiatives (\$000s)	300	300	300	300	600
Charitable Contributions (\$000s)	4,000	4,000	9,000	9,000	9,000
Ethics Training — Managers Only and Enforcement — All Employees	No Yes	No Yes	No Yes	No Yes	Yes No
Workforce Diversity Program	Yes	Yes	Yes	Yes	Yes
Overall Expenditures	Thousands of \$ 13,063	Thousands of \$ 13,063	Thousands of \$ 18,061	Thousands of \$ 13,050	Thousands of \$ 20,761
	\$ Per Pair Sold 2.63	\$ Per Pair Sold 2.63	\$ Per Pair Sold 3.64	\$ Per Pair Sold 2.63	\$ Per Pair Sold 4.19

Corporate Social Responsibility Award for Year 20			
B Company			
2nd Place = A Company			
Industry 59 CSRC Expenditures			
Thousands of \$	Year 19	Year 20	
High	13,050	20,761	
Average	5,441	5,982	
Low	0	0	
\$ Per Pair Sold	High	2.63	21.11
	Average	1.32	6.41
	Low	0.00	0.00