

WEYCO GROUP, INC.
ENVIRONMENT/SUSTAINABILITY POLICY

Weyco Group Inc. is dedicated and committed to sustainability and to reducing the impact our business has on the environment. We will strive to conserve natural resources to the greatest extent possible and will reuse, recycle and reduce the waste that we produce. We will manage the consumption of energy used in our facilities. We will encourage responsible environmental policies for all our suppliers and business partners and will encourage all of our employees to be good stewards of the environment.

Energy

Energy conservation is one of the greatest ways to reduce our impact on our environment. The lighting system in our 800,000 square foot distribution center is equipped with energy efficient fixtures. In recent years, we completely eliminated the use of all metal halide and high pressure sodium lighting throughout our distribution center, replacing them with energy efficient lighting. We are currently re-lamping small pockets of our office complex with energy efficient lighting and expect our entire facility to be operating on energy efficient lighting within the next several months. We have also begun to study the potential use of LED lighting in some areas because of its profound effect on energy consumption and the environment.

We operate 12,000 feet of conveyor system within our distribution center. It is equipped with usage timeout devices which turn conveyors off if they are not being used. More than half of our conveyor system is now equipped with variable frequency drives (VFD's). VFD drives are proven to be much more energy efficient than conventional drives. Throughout our DC we have eliminated motorized declines choosing to use gravity declines, to eliminating energy consumption from these areas.

We have embraced and implemented the four day work week in our distribution center. The impact on internal energy usage from this change has been significant. In addition this change has also had a dramatic effect on our workforce who now consumes 20% less energy coming to work.

Equipment

Material handling equipment and general equipment used by a company can have a major bearing on the environment. At Weyco Group we prohibit the use of all gasoline and propane powered material handling devices within our DC. We allow only electrically powered equipment. All our equipment is fitted with sealed batteries eliminating battery maintenances and potentially harmful environmental effects. We believe the electric power and sealed battery technology are much friendlier to our environment.

Recently we introduced efficient semi-automatic box tapers. This change allowed us to eliminate one layer of tape from the bottom of all the cartons we seal in our DC. We estimate this change eliminated approximately 2,000,000 linear feet of plastic tape per year.

Whenever we contemplate changes in any equipment, whether it be conveyors or printers, we consider the energy efficiency of the equipment as one of the deciding factors.

Reuse

Weyco Group believes that reuse represents one of the best forms of recycling and provides significant benefits to the environment.

Through our carton reuse program at our Glendale facility, we estimate that we currently reuse 25% of the corrugate we ship from our facility. This equates to 225,000 shipping cartons per year.

All our internal use pallets are manufactured completely from recycled products. The life expectancy of the current fiber pallets is 8 times that of normal pallets. We are converting to plastic pallets which are also manufactured completely from recycled plastics. We believe that life expectancy of this new pallet is 25 times that of regular pallets. These new pallets are themselves 100% recyclable. This would provide the additional benefit that all pallets used internally would be completely removed from the waste stream.

Recycling

The list of recyclables is long and includes all waste paper, corrugated products, aluminum, plastic, scrap metals, batteries, light bulbs, and computer equipment. In 2008 we estimate that we recycled 1,500,000 pounds of material. We recognize that recycling is not always the most cost effective way to dispose of waste, but also understand it is the most

environmentally responsible way. We are committed to expanding our recycling efforts where possible.

Purchasing

We purchase items manufactured from recycled or partially recycled product. Examples include corrugated, paper, shoe boxes, toner cartridges, pallets. While this is not easily quantified, we feel that we are doing the right thing for the environment.

All the pallets used to ship our merchandise are lightweight wooden recyclable pallets. The pallet can be reused multiple times downstream. When it is finally requires disposal, it is recyclable.

The cartons we buy to ship goods are lightweight, highly recyclable corrugate, that are suitable for reuse in many cases.

The effect of our efforts may impact the environment much further down the supply chain, and we consider this carefully when purchasing our materials.

Human

A sustainable company must be look beyond the environment. We must support our employees and provide for a safe and comfortable work environment. We must support our partners and assist where possible to improve them. We must support and encourage our vendors to participate in the global effort.

We provide direct financial support for continuing education for all of our personnel and we accommodate schedules for those who wish to participate.

We provide wellness and fitness programs to all our employees and their families. Our facility includes a complete fitness center and basketball court available to our personnel. We encourage fitness as part of a healthy lifestyle at Weyco.

We provide summer employment for local students through community summer work programs. Students make up 10% of our workforce on an ongoing basis. Each year we actively recruit local students enabling us to provide employment for many while accommodating challenging college schedules.

We promote, encourage and support volunteerism within our community.

We provide education and training classes in areas such as financial planning and retirement planning to better equip our employees and their families for the future.

Weyco provides support for many local and national organizations through the Weyco Group, Inc. Charitable Foundation.