



Humanscale®

# Corporate Social Responsibility <sup>2018</sup>

MATERIALS REVOLUTION /

Sustainability  
as the Basis  
for Innovation

Humanscale Corporation  
ANNUAL CSR REPORT

JANUARY 1 – DECEMBER 31, 2018





## **Our Focus in 2018**

In 2018, we've continued on the path to becoming a Net Positive organization, using sustainability as an inspiration for our innovations, which went beyond product development to adding a new role to our executive leadership team – we were among the first in our industry to appoint a Chief Sustainability Officer. Our focus on sustainability also led us to examine ways we can design with materials that support either a circular economy, reclaim waste, or mimic nature's innate knack for problem-solving.

Looking to sustainability as a basis for inspiration has brought some bold ideas to life. This approach, we hope, will lay the foundation for years of innovation to come.

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# Going beyond sustainability — making tangible, positive impacts.

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# #DesignforHumans

### DESIGN

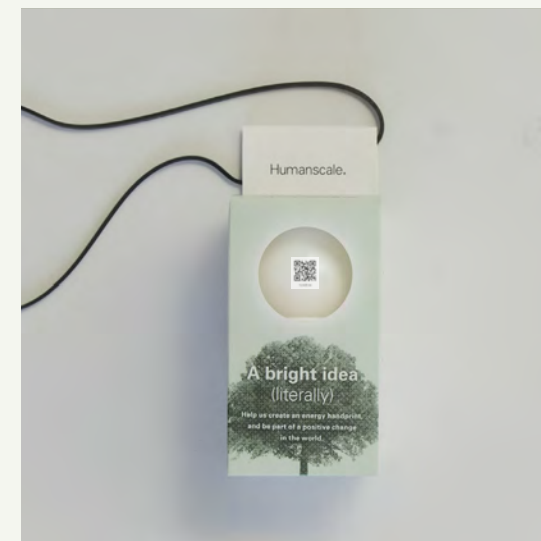
We challenged ourselves to use sustainability as the source of innovation.

### LEADERSHIP

Our appointment of a Chief Sustainability Officer sets a new industry standard.

### HANDPRINTING

We're going beyond measuring negative impacts by making tangible positive ones.



### SMART OCEAN

We're removing plastic from the ocean and putting it in our Diffrient Smart chair.

### HEALTHY MATERIALS

We've published 60% of all Declare Labels that exist in the entire contract furniture industry.

### BIFMA LEVEL®

Our entire product portfolio is now LEVEL 3 certified, the highest for this certification.





## A Message from Our CEO

A factory, or a company overall, for that matter, can be like a tree — self-sufficient and positively contributing to the overall environment.

It's incredible how much we as a people can learn from nature. Much like the way the tree benefits the world around it, I strongly believe all of us can do our part to ensure the long-term survival of our planet. I believe every organization needs to be self-sustaining, operating on its own water, power, and other resources, and ultimately make a positive contribution to the environment.

This report explores how as a team we've continued our work on the challenging, but impactful, path toward making the world better for all living beings.

As a company, we have a strong history of making people better off through both design and sustainability. From ensuring people stay healthy and active throughout the workday to making sure no toxins are used in our products, our collective goal is to have a net positive impact across our entire operations.

In 1999, our Freedom chair, designed by the legendary Niels Diffrient, revolutionized the seating industry as the first self-adjusting chair, which uses fewer parts and weighs less. Twenty years later, that same spirit of innovation remains embedded in the way we approach new products and sustainability. In setting aggressive standards of our own and partnering with global leaders and platforms, we're dedicated to pushing the boundaries of what it means to be sustainable.

All of the efforts and progress made this year, and in years past, would only be possible because of our dedicated team. I'm incredibly proud of the conscious culture we've cultivated throughout organization, and would like to thank Jane Abernethy and our support teams for helping chart a new path and set a higher standard for corporate social responsibility worldwide.



**Bob King**

Humanscale Founder and CEO





Beyond Sustainability

Less bad  
is not good  
enough.

We realize how much we impact the world: from our daily operations to our employees, our vendors, our customers and the local and global community. We see this as an exciting opportunity and a serious responsibility.

As we hear reports of social and environmental degradation - the extinction of wildlife and loss of wild spaces; the growing amount of ocean plastic; severe weather events and rising sea levels from climate change; and increasing health impacts as chemical of concern continue to be used in manufacturing - we realize that it's no longer sufficient for companies to reduce their harmful impacts.

We must be part of the solution, and give back more than we use – much like a tree. A tree aims to grow and expand as much as possible, but at the same time, it provides shade and oxygen, and its leaves become fertilizer for other plants. Trees use resources, but ultimately give back more. If we want to live at peace with the planet, then our factories must be like trees; our companies like a forest.



## A Message from Our CSO

Our core values of Function, Simplicity, Longevity, and Beyond Sustainability are the basis of any good design, but they're also the basis of design for the environment.

As an organization, Humanscale began to focus our efforts on environmental issues and accountability a few years ago. We began by carefully auditing and examining every aspect of business - our supply chain, partnerships, products, material ingredients and all the other aspects of our operations that ultimately create our environmental footprint. Over time we developed programs and refined our approaches with new goals in mind. We've accomplished a lot in a relatively short time and have transformed our products, partnerships and business.

This past year we added something entirely new. I challenged our new product development team and our sustainability team to push the boundaries of sustainable design beyond responsibly using material. Using ideas like biomimicry, biofabrication and circular economy as our starting point, our team succeeded in creating three product concepts that demonstrate the potential of using sustainability as a source of innovation. These concepts represent the potential that exists in our future – and the ability we have to make that potential become a reality.



**Jane Abernethy**

Humanscale Chief Sustainability Officer





Doing More Good than Harm

Net Positive

OUR PRODUCTS

OUR OPERATIONS

OUR COMPANY



HEALTHY MATERIALS



RESOURCE DEPLETION



CLIMATE



ENERGY



WATER



SOCIAL RESPONSIBILITY



WILDLIFE PRESERVATION

### What does this mean for us?

Becoming Net Positive means that our manufacturing is part of environmental and social solutions.

We evaluated our manufacturing and operational activities to understand our key impacts: energy, water, emissions, resource depletion, wildlife preservation, social responsibility and healthy materials. In each impact, we consider what it would take to go “beyond sustainability” to making a truly positive impact on the world around us.

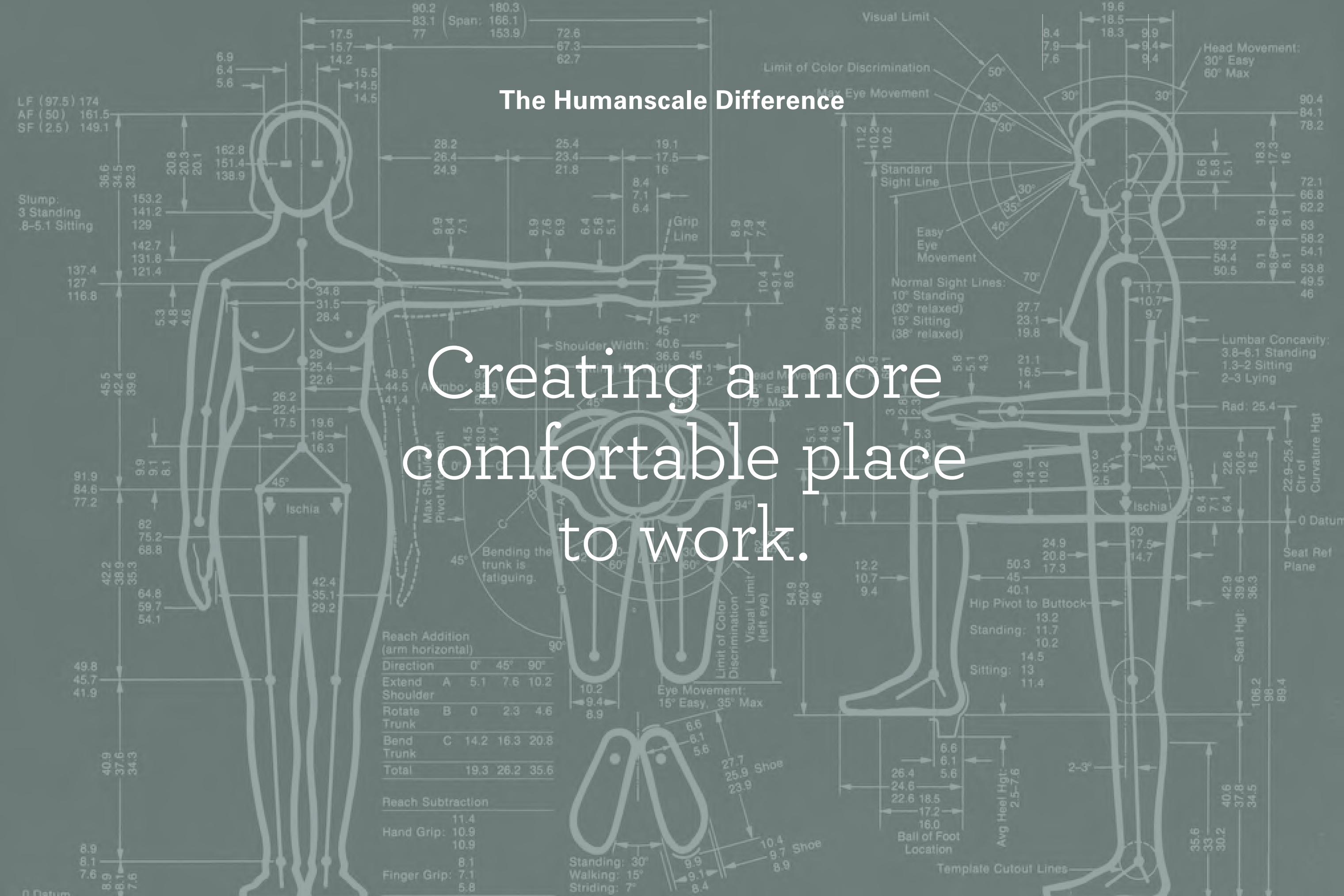
### How do we get there?

Net positive requires a balanced approach where we continuously examine impacts on both a local and global scale. For example, minimizing waste water at our facilities reduces the burden on local municipal water treatment systems. On the other hand, developing product life cycle assessments lets us examine water use across our global supply chain. We use the framework of the Living Product Challenge, dialogue from the Net Positive Project, and guidance from the SHINE program at MIT to calculate both our negative and positive impacts using robust methods. And we evaluate our ongoing progress toward the goal of doing more good than harm.

Achieving Living Product certification for our Float table and Diffrient Smart chair — a landmark achievement in any industry — gave us a tangible example of what being Net Positive looks like.

And we’re just getting started.





## Who We Are

Humanscale is the premier designer and manufacturer of ergonomic products that improve health and comfort in the workplace. Our functional, yet minimal designs and ergonomic consultation services help transform traditional offices into active, intelligent workspaces.

We have become an industry leader in sustainability, advocating for more rigorous standards and incorporating a Net Positive philosophy into every aspect of our business.

## Customer Health and Safety

Our team of full-time, professionally trained ergonomists ensures we adhere to the most up-to-date industry guidelines and research throughout the product development process and during the on-site evaluations we perform around the globe.

During product development, we ensure we systematically identify and meet health and safety requirements, relying on third party testing to confirm compliance whenever necessary. Our products are periodically included in academic studies that demonstrate their ergonomic benefit.

There were no incidences of our products not meeting health and safety compliance in 2018.





Everyone  
deserves a healthy  
workspace.

### Leading Sustainability Innovation

Humanscale is committed to having a positive effect on both people and our environment. From keeping people healthy throughout the workday to making sure we use no toxins in our products, we ultimately aim to have a net positive impact across our entire operations.

But that goal doesn't start and end with us. We continue to partner with like-minded organizations who share our commitment and vision for a more healthy world. In setting aggressive standards of our own and partnering with global leaders, we're

dedicated to charting new paths and setting a higher standard for corporate social responsibility worldwide.





## Sustainable Materials

### Materials and the Environment

We're keenly aware that the materials we use have an impact on the environment – their production relies on raw materials extracted from nature. So when we design a new product, we carefully weigh the impact it will have, starting with our supply chain and ending with the end of that product's useful life. We design to use less materials, choose carefully the ones we do, and make products that last a long time.

We regularly evaluate our material use through monthly product reports generated by four facilities and evaluated by our Sustainability Team. These reports help us complete life cycle assessments (LCAs) for our products and help guide product development, allowing us to regularly refine designs to use materials that have less of an environmental impact. Each year, we evaluate this process, ensuring it's still effective and determining whether we need to gather additional data.

#### TOTAL WEIGHT OF NON RENEWABLE MATERIALS USED IN PRODUCTION AND PACKAGING OF PRODUCT

|            |               |
|------------|---------------|
| PISCATAWAY | 9,867,434 kg  |
| FRESNO     | 1,739,480 kg  |
| NOGALES    | 854,102 kg    |
| DUBLIN*    | 10,295,232 kg |

\* Dublin production material supplies European and Asian markets.

|           |               |
|-----------|---------------|
| TOTAL     | 22,756,248 kg |
| RENEWABLE | 0 kg          |

#### RECYCLED INPUT MATERIALS

|            |        |                              |
|------------|--------|------------------------------|
| PISCATAWAY | 26.32% | 2,596,894 kg / 9,867,434 kg  |
| FRESNO     | 24.19% | 420,725 kg / 1,739,480 kg    |
| NOGALES    | 11.98% | 102,310 kg / 854,102 kg      |
| DUBLIN     | 21.73% | 2,237,318 kg / 10,295,232 kg |

This includes all of Asia as well as Europe. Without Asia, the number is 23.14%, 2,237,318 kg / 9,668,621 kg.



## Our Design Philosophy

# Function – Simplicity – Longevity – Beyond Sustainability



**Our guiding principles for good design also lead to the most sustainable products.**

### **FUNCTION**

The products we create solve a real need, and will continue to do so over time.

### **SIMPLICITY**

By consolidating features and removing unneeded parts, we use less material to make more robust products.

### **LONGEVITY**

Our products are durable and effective, but also have a timeless aesthetic, so people want to use them as long as possible.

### **BEYOND SUSTAINABILITY**

We go beyond reducing our negative impacts by making positive, regenerative ones.



# From Oceans to Office

**Smart Ocean is our inventive adaptation of the award-winning Diffrient Smart chair** and the first chair made with recycled fishing nets – the most harmful type of ocean plastic.

## **Design + Sustainability**

Smart Ocean is the embodiment of our commitment to sustainable manufacturing, and while it doesn't completely eradicate the problem of ocean pollution, the chair exemplifies our earnest efforts and a promising step forward.

In 2016, Humanscale began a partnership with Bureo, an emerging venture developing innovative solutions to prevent ocean plastic pollution.

Bureo founded Chile's first fishing net collection and recycling program, called Net+Positiva, which retrieves discarded nets from the ocean. Discarded nets are regarded as the most harmful type of fishing nets as they can "ghost fish"

for years, damaging delicate ecosystems and the marine animals that inhabit them. Through their program, Bureo works directly with coastal communities across Chile to clean, mechanically shred and pelletize discarded fishing nets. These resulting pellets, or Bureo's 'NetPlus' material, are then ready for manufacturing in products like Smart Ocean.

Recycling and repurposing plastic in this and other innovative ways keeps it out of the ocean and helps to mitigate many environmental issues. As the infrastructure for net recycling becomes more developed, we hope to expand our use of Bureo's net material and continue to make positive impacts on the world around us.





1

Smart Ocean Chair

=

2lb.

Recycled Fishing Nets

### Striving for Net Positive

Each Smart Ocean chair not only incorporates almost two pounds of recycled fishing net material, but is also Living Product certified — meeting the most rigorous sustainable manufacturing criteria to date.

In addition to partnering with Bureo to protect our oceans, Humanscale is a founding partner of the NextWave Initiative. Led by Lonely Whale, this consortium includes companies such as Dell and Interface and is focused on developing a distribution web that supports the reuse and repurposing of plastic before it ever reaches the ocean. As companies who already had programs in place prior to the Next Wave Initiative, our collective goal is promote our net positive philosophy and make it a shared global mission.

### STEP 1. FISHING NETS



### STEP 2. PELLETS



### STEP 3. CHAIR FRAMES



In partnership with Bureo





# Sustainability as the Basis for Innovation



Our Design for Environment philosophy informs the way we develop products — we want them to last, be functional, and look timeless. And with every new concept we consider the impact on our environment.



At Humanscale, we integrate sustainability into our design process, but I wanted to see what happens when sustainability is the starting point.

How much would it drive innovation and affect the final design?



**Jane Abernethy**  
Humanscale Chief Sustainability Officer

We know it's not enough to simply make a smaller impact — our Net Positive philosophy drives us to consider how we can have a positive impact through our products. In 2018, our CSO issued a challenge to designers: use sustainability as a source of innovation.

We asked the design team to design a new product — a stool — three times, using three different approaches to sustainability as their starting point. We held educational sessions with the design team, focused on each approach, then held day-long design charrettes where they came up with and refined a design concept using the sustainability approach.

During the following weeks, a single designer worked on each approach, refining the concept and testing whether our concepts were actually better. We then worked with MIT's SHINE program (Sustainability and Health Initiative for Net Positive Enterprise) to review the Life Cycle Assessment calculations of each concept, as well as an LCA of a standard stool, to find out if we'd achieved our goal.

What came out of our collaborative efforts were three wildly different, innovative, and sustainable designs.



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### THREE APPROACHES

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1.

#### **BIOMIMICRY**

We looked to nature, and its problem-solving ability, for inspiration with this design solution.



2.

#### **THE CIRCULAR ECONOMY**

The design team had to create a stool using only materials classified as "waste."



3.

#### **BIOFABRICATION**

This design team worked only with grown materials, rather than with traditional manufacturing techniques and materials.



# The Venuvian Stool

MADE FROM  
**Ocean-recaptured Nylon**

**LIFE CYCLE ANALYSIS**  
COMPARED WITH TRADITIONAL  
MANUFACTURING:

**24%**

LESS WATER



**99%**

LESS GHG EMISSIONS



**4.3 kg**

LESS WASTE



A deep-sea sponge, the Venus Flower Basket, inspired the design for this stool.

Our team worked with **Lindsay James**, professor in the Biomimicry Centre at Arizona State University, to learn how to use nature to solve design challenges. Thanks to 3D printing, we were able to produce a comfortable, light stool that uses minimal materials.



# Q&A



## Jacob Turetsky

Industrial Designer II, Humanscale Design Studio

### What was the greatest lesson learned from completing the challenge?

Evolution as a mechanism is not unlike our own design and development cycles. We call it natural selection. The resulting “products” – organisms and systems – rarely damage the larger ecosystem, and anything that did would effectively harm itself, fail over time and disappear.

We need to consider the artificial products of humankind similarly, or the result will lead to failure as well.

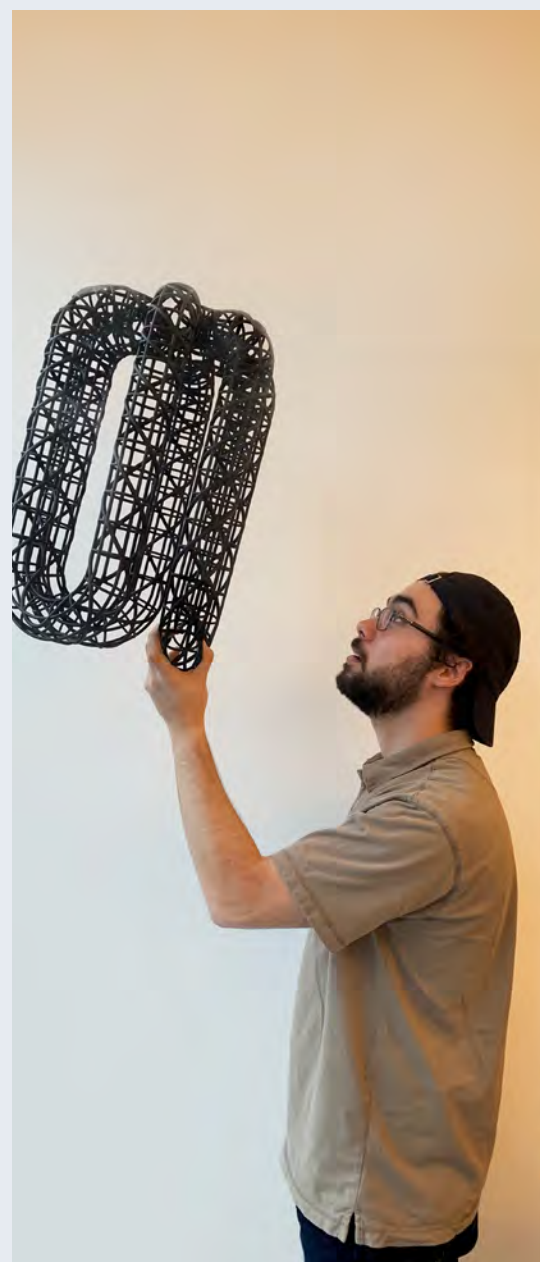
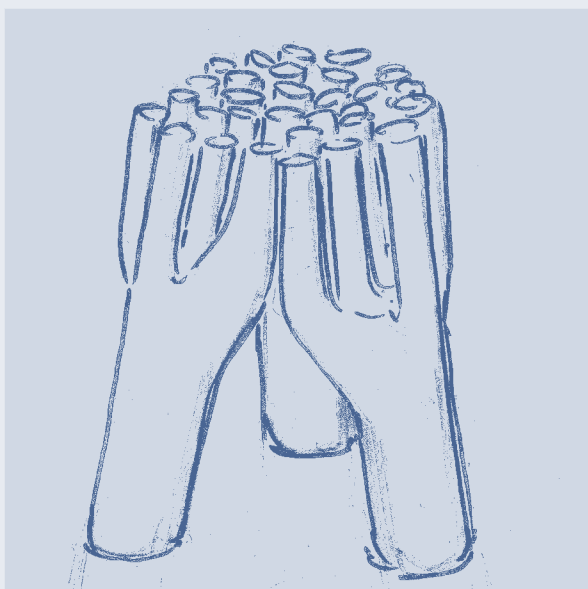
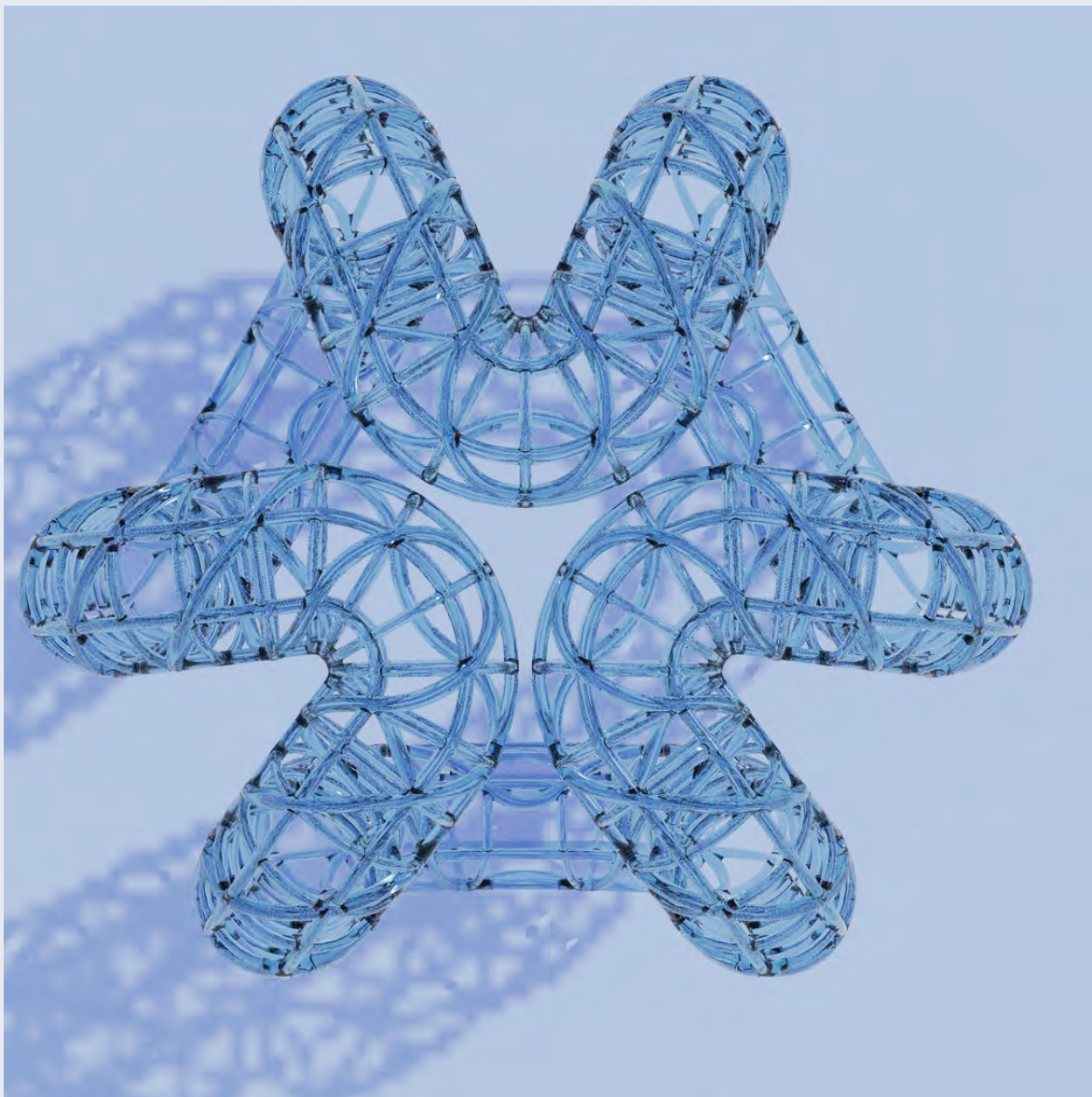
### How did you decide on the direction you eventually used?

While examining a specimen of the Venus Flower Basket, I was astonished by the regularity of its structure. I decided to abstract this into a single repeatable segment in CAD. Then I linked, bent, rotated and reflected this unit into various arrangements until I found one which stood out. The radially symmetric form is common in primitive undersea creatures, and so the result feels like something you might discover while scuba-diving.

### Has the challenge changed your overall design approach?

It’s another tool in my toolbox now. Being asked to look to nature for inspiration to solve a practical solution has shown me that biomimicry is an applicable approach.

This stool would not be possible without the advancements in additive manufacturing. The ability to create complex shapes, using only the material we need, based on lines of code we can download to anywhere in the world could be an interesting response to some of the wasteful practices we see today.





# The Ciclo Stool

MADE FROM

**UBQ™** Material,  
Felted Wool, Nylon  
Textile Scraps

LIFE CYCLE ANALYSIS  
COMPARED WITH TRADITIONAL  
MANUFACTURING:

**21%**

LESS WATER



**94%**

LESS GHG EMISSIONS



**4.65 kg**

LESS WASTE



The Ciclo stool was made entirely from materials that would normally be classified as “waste.”

Designer **Sergio Silva** used UBQ Material — upcycled, bio-based thermoplastic composites — for the molded stool bottom, and felted discarded textiles to make the seat cushion.

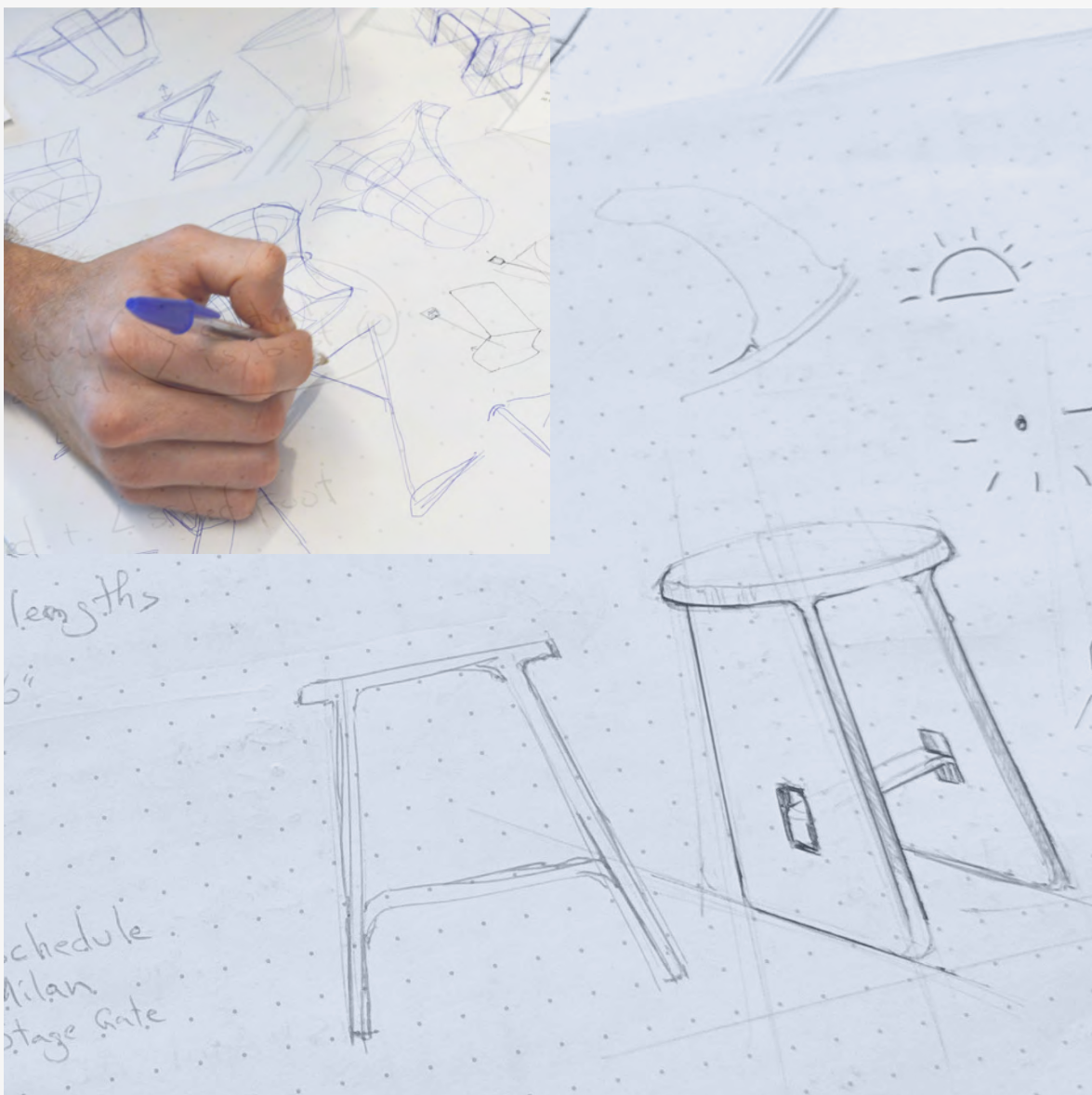


# Q&A



**Sergio Silva**

Industrial Design Consultant,  
Humanscale Design Studio



## **What was the greatest lesson learned from completing the challenge?**

I learned that the possibilities for making a real impact on our industry and our materials economy are pretty much endless when you set out from the start with the proper set of values.

## **How did you decide on the direction you eventually used?**

I wanted to focus on a production method that was readily accessible to highlight the fact that UBQ is a material that anyone can start using today. Given the urgency of the problem, I thought focusing on a simple form that can easily be compression molded might inspire others to take up the challenge and find other applications for UBQ.

## **Has the challenge changed your overall design approach?**

It has been a valuable reminder of the importance of starting any project with a “Design for Environment” lens, as well as a reminder of how many great resources are readily available to tap into for inspiration when thinking about sustainability.



MADE FROM  
**Mycelium,  
Waste Hemp Fibers**

# The Root Stool

LIFE CYCLE ANALYSIS  
COMPARED WITH TRADITIONAL  
MANUFACTURING:

**28%**

LESS WATER



**77%**

LESS GHG EMISSIONS



**100%**

COMPOSTABLE



Humanscale designer Paul Sukphisit collaborated with biofabrication experts Evocative to create a stool made of mycelium, the root structure of mushrooms. The mycelium grows between hemp fibers to create composite blocks, which are arranged in the shape of the stool. The mycelium continues to grow, bonding the blocks together to create sustainable fabrics, foams, and more.



# Q&A



**Paul Sukphisit**

Industrial Designer II,  
Humanscale Design Studio

## **What was the greatest lesson learned from completing the challenge?**

When designing a new product, designers need to consider mass quantity production, cost-effectiveness of materials and production schedule constraints. The typical manufacturing process is either injection molding, casting, or machine forming. Working on the mycelium stool project encouraged me to rethink natural material, and how to use natural growth properties as an advantage to the overall design.

## **How did you decide on the direction you eventually used?**

Like many materials and processes, mycelium has its own limitations and advantages. There is thickness and size limitation, and it also needs to be in a controlled environment to grow effectively. The design direction takes advantage of these properties by producing small parts of the stool first to maximize the growing time and structural integrity. Then, using its natural growing property, we bonded all the pieces together to become the final stool.

## **Has the challenge changed your overall design approach?**

Yes it has. This challenge exposed me to a whole other way of thinking about materials. I now think that materials don't need to be limited to synthetic materials, but can also include natural materials. We just need to understand its limitations and advantages and incorporate that into the design thinking process.





## Handprints over Footprints

“Reducing your footprints is a great place to start, but a tragic place to stop.”

– **Greg Norris**

Director, Sustainability & Health Initiative for  
NetPositive Enterprise (SHINE)  
Massachusetts Institute of Technology



In sustainability, footprints are a measure of the damage caused to the environment (carbon footprint, water footprint, chemical footprint, etc). Handprints, contrastingly, are a measure of the positive impact brought to the environment. When added together, they determine an organization’s net impact – they show us whether we’re doing more good than harm, and leaving the world better off. It is important to note that all three variables (footprints, handprints and net positive impact) are quantitatively calculated to ensure standardized rigor and accuracy.

### Calculating Impact

Measuring handprints, or positive impact, follows the same life cycle assessment (LCA) used to measure footprints. This assessment considers the entire life cycle of a product, from initially extracting raw material, through manufacturing and shipping, using the product, and finally disposal.

Both negative and positive impacts are measured in units such as kWh of energy or gallons of water. Once both are calculated, we add together all our footprints and handprints. When the total is positive, we know that we’ve made a net positive impact. This positive total indicates that we’re doing more good than harm and being part of the solution to environmental issues.

### A Bright Idea



In fall of 2018, Humanscale launched a handprinting campaign encouraging our customers to join us in creating positive impact. The campaign provides 1 LED light bulb with each Smart chair sold and encourages the end user to replace a less efficient bulb.

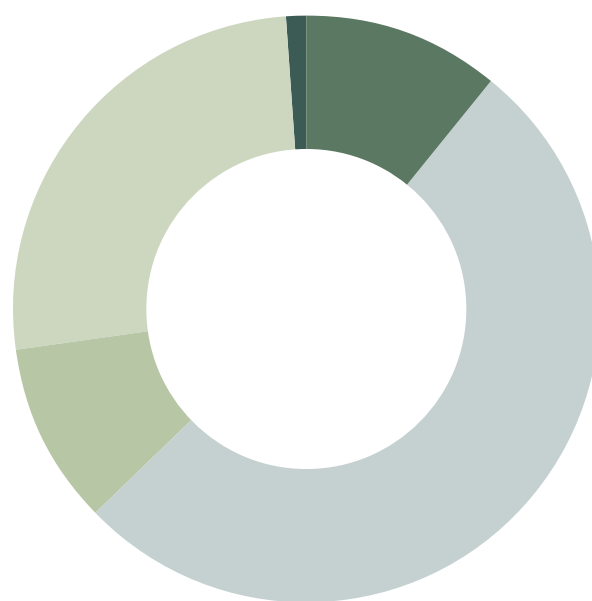
Over time, this will save significant energy and prevent greenhouse gas emissions.



## Sustainability Champions

In 2017, a group of 10 Humanscale employees became our first Sustainability Champions, working together to foster the sustainability culture at Humanscale through a program called HOME (Help Our Mother Earth). Their focus for 2018 has been on education, both for Humanscale employees and our customers. The team developed a presentation and learning campaign called “Sharing our Message: Setting the Bar for Sustainability,” designed to open dialogue and inform customers in key markets.

### Measuring our Growing Handprint



The WeSpire platform is designed to track our activities throughout the day, showing us the impact we make every day, and guiding us to make choices that go beyond merely reducing our footprint to creating handprints.

Since launching the initiative in 2017, 481 Humanscale employees have signed on to WeSpire to voluntarily track their activity at work and at home. Collectively, we’ve completed over 10,340 activities, saving energy, reducing water use, and cutting down on our emissions.

481 EMPLOYEES, 10,340 ACTIVITIES

- **EMISSIONS 151,962 lbs**  
As much CO<sub>2</sub> as taking 14 cars off the road for a year
- **ENERGY 139,570 kwh**  
Enough energy to power New York City for 80 seconds
- **WATER 281,670 gal**  
Enough water to fill 10,060 bathtubs
- **FUEL 2,194 gal**  
Enough to move 10,000 ton freight train 103 miles
- **WASTE 12,240 lbs**  
5 dumpsters worth of trash

### Climbing for Conservation



Image: wwfc-canada

In 2018, Sustainability Champion **Ashley Lang**, along with several clients, climbed the 1,776 steps of Toronto’s CN Tower in aid of the WWF.

The **CN Tower Climb for Nature** supports wildlife conservation around the globe -- our team’s support also helps to build healthy freshwater and marine ecosystems, a thriving and ecologically-sound future for the Arctic and resilient communities that enhance nature.






## Living Product Challenge

Humanscale is the first manufacturer in any industry to achieve the entire Living Product Challenge, with all 20 imperatives awarded for two products: the Diffrient Smart chair and the Float table.

The Living Product Challenge (LPC) is the highest standard and most rigorous test of sustainability for two main reasons: it requires that manufacturers are net positive (give back more than they use) and is based on performance, instead of design intent.


Brought about by the International Living Future Institute (ILFI), the standard was first published in the spring of 2015.





**Living Product LABEL**  
Humanscale  
Float™ Table



**Manufacturing Locations:**  
Piscataway, NJ, USA

|     |           |                                     |   |                                 |                                   |                                    |
|-----|-----------|-------------------------------------|---|---------------------------------|-----------------------------------|------------------------------------|
| 2/2 | Place     | <b>Life Expectancy:</b><br>15 Years | <b>End of Life Options:</b><br>Take Back Program;<br>Salvageable/Reusable;<br>Recyclable (95%); Landfill (5%) | <b>Recycled Content:</b><br>77% | <b>Bio-Based Material:</b><br>34% | <b>Functional Unit:</b><br>1 table |
| 1/1 | Water     |                                     |   |                                 |                                   |                                    |
| 1/1 | Energy    |                                     |   |                                 |                                   |                                    |
| 2/2 | Health    |                                     |   |                                 |                                   |                                    |
| 7/7 | Materials |                                     |   |                                 |                                   |                                    |
| 4/4 | Equity    |                                     |   |                                 |                                   |                                    |
| 3/3 | Beauty    |                                     |   |                                 |                                   |                                    |

**Fully Certified**  
  
**20/20**

|                             |  |                     |   |
|-----------------------------|--|---------------------|---|
| <b>Carbon Impact</b>        |  | <b>Water Impact</b> |  |
| 39.42 kg CO <sub>2</sub> Eq |  | 866.48 gal          |   |
| <b>Energy Impact</b>        |  | <b>Waste Impact</b> |  |
| 11.49 kg Oil Eq             |  | 98% Diversion Rate  |   |

**Declare.** **Just.**

Base: Steel, Aluminum (A380, EN\_AW-6063-T66), Polyacetal Copolymer, Zinc Alloy, Acrylonitrile Butadiene Styrene, Nylon 6, Proprietary Resin (15%), Polyethylenwax, TiO<sub>2</sub>, Na-Mg-Al-Silicate, Calcium Carbonate, Stainless Steel, Bronze, Thermoplastic Polyurethane, Additive, Octadecanoic Acid, Sodium Salt, Tetrakis Methane, Ethylene Bis-Steramide, 1,3,5 Triazine-2,4,6, Triamine; Top: High-Pressure Laminate: Cellulose, Phenolic Resin\*, Melamine Resin\*, NAF MDF Board; Wood Dust (And/Or Ligno-Cellulosic Fibers), Methylene Bisphenol Isocyanate (MDI), Polymeric MDI, 2,4'-Diphenyl Methane Diisocyanate, Proprietary (.44%)\*; Banding: Polypropylene, Antimony/Chromium II/Titanium Compound, Titanium Dioxide/Silica Compound; Glue: Vinyl Acetate Polymer

\*LBC Temp Exception I10-E4 Proprietary Ingredients <1%  
\*\*I10-E22 Formaldehyde in Systems Furniture Laminate

Declaration Status: Red List Compliant

HSC-LP002 EXP. 9/13/2018

MANUFACTURER RESPONSIBLE FOR LABEL ACCURACY  
INTERNATIONAL LIVING FUTURE INSTITUTE™ living-future.org/lpc





## Living Product Challenge



Our sustainability vision has long centered around making a net positive impact. When the LPC standard was published, it was exciting for us to see a framework for evaluating progress toward net positive. We were encouraged to see how many criteria we already met with the way we operated, and were happy to uncover areas where we could expand our sustainability program.

### What our existing operations entailed:

- The installation of a large-scale solar power system on our main manufacturing facility.
- The continual reuse of production water, with no waste-water discharge.
- Access to nature for workers in our manufacturing facility during the workday.
- The identification of all chemicals in our products, and the publication of a Declare label.
- A design process that ensures long-lasting products that can be repaired or upgraded, disassembled for recycling, and use as little material as possible.
- Since 2008, conservation work with the World Wildlife Fund to restore wildlife in critical parts of Eastern Cambodia.

### What we did to achieve the challenge:

- Installed a rainwater capture system that provides all production water.
- Improved our recycling rates, diverting 37%, with over 90% of waste from production being diverted.
- Commissioned a toxicologist to confirm no exposure to carcinogens, mutagens, or reproductive toxins.
- Published a JUST label to be more transparent about our social impact.
- Completed Life Cycle Assessments to calculate the carbon, energy and water footprints for each product.
- Made a commitment to be net positive for carbon, energy and water (including our supply chain) for LPC-certified products within three years.
- Implemented handprinting initiatives to create and measure positive impacts.
- Had three external auditors thoroughly examine every detail of our production site.



### LIVING PRODUCT CHALLENGE

The full challenge reviews across 20 different categories, officially referred to as “imperatives,” requires a toxicological assessment of every ingredient of the product, and accounts for the entire supply chain.

#### PLACE

01. RESPONSIBLE PLACE & HABITAT
02. HABITAT EXCHANGE

#### WATER

03. NET POSITIVE WATER

#### ENERGY

04. NET POSITIVE ENERGY

#### HEALTH & HAPPINESS

05. NET POSITIVE MATERIAL HEALTH
06. HUMAN THRIVING

#### MATERIALS

07. RED LIST
08. LIVING ECONOMY SOURCING
09. RESPONSIBLE INDUSTRY
10. NET POSITIVE CLIMATE
11. NET POSITIVE WASTE
12. PRODUCT FIT TO USE
13. USEFUL LIFE DISPOSAL

#### EQUITY

14. EQUITABLE PRODUCT ACCESS
15. RESPONSIBLE CO-PRODUCTS
16. EQUITABLE INVESTMENT
17. JUST ORGANIZATIONS

#### BEAUTY

18. POSITIVE HANDPRINTING
19. BEAUTY + SPIRIT
20. INSPIRATION & EDUCATION



## Material Transparency

# Transparency Transforms



Our Smart Chair is made up of 57 unique parts and has 157 textile options.  
In total, 214 chemical recipes needed to be gathered.

### Material Transparency

We strongly believe that furniture products should have ingredient labels — much like food — that clearly disclose what they're made of. Many of the products that exist in our world today use chemicals of concern. These chemicals can off-gas, or emit into the environment over time, and negatively impact the people and environment around it.

Material transparency labels, as they are called in our industry, call attention to these toxins and unhealthy materials. This transparency is important for a few reasons. It allows people to make educated purchasing decisions before introducing a potentially harmful chemical into their home or office. It inherently incentivizes manufacturers to improve their products by removing chemicals of concern. And with the growing adoption of such transparency, the industry and consumers advocate for further research around the impacts of specific chemicals — a win for us all.

### Our Commitment to Transparency

When we began exploring full material transparency reporting methods, we found that reporting on chemicals can be complex. For products with many components, such as furniture, displaying and communicating all the information can be quite tedious. And if each company did it differently, it would be impossible for anyone to make sense of it all.

We also discovered that some certifications review chemicals without requiring the manufacturer to publicly disclose them. Because these are not as effective at inspiring industry change, we opted for two voluntary labeling programs.

Declare labels and Health Product Declarations (HPDs) make reporting simple and are truly transparent. Both of these formats are self-declarations, meaning that manufacturers are required to gather the necessary information and publish it. Each format is standardized and streamlines the way the data is conveyed.



## Material Ingredients

**60%**

of all furniture **Declare** labels are published by Humanscale

**54%**

of all furniture **Health Product Declarations** are published by Humanscale

As of December 2018, we have published 13 Declare labels, and 21 Health Product Declarations.

This represents 60% of all Declare labels and 54% of HPDs that exist across the entire furniture industry.

### One new Declare label published in 2018

M2.1 Monitor Arm



### Three new HPDs published in 2018

M8.1 and M10 Monitor Arms, Nova Light



**Declare.**

Declare is a transparency platform and product database. The label effectively answers three key questions:

Where does a product come from?

What is it made of?

Where does it go at the end of its life?



The HPD Open Standard is a standard specification for the accurate, reliable and consistent reporting of product contents and associated health information.

The process of documenting the contents of our products has reinforced our resolve to ensure the well-being of our customers, employees and the planet.



## Material Ingredients

The process of documenting the contents of our products has reinforced our resolve to ensure the well-being of our customers, employees and the planet.

### PFC Free

None of the stain resistant coatings typically found in textiles are needed or used in our Pony Saddle.

### The Industry Hurdle

The furniture industry has fought against material transparency for years. Suppliers won't disclose materials not because it takes time, but because they don't want the public to know. Manufacturers often don't want to publish the ingredients since it will reveal chemicals of concern. In fact, one manufacturer has even stated that their supplier's secrecy is important and should be respected.

As our competitors continue to explain why material transparency is not possible, Humanscale is an example that it can be done. Full material transparency takes a lot of time, effort and cost, as it involves going deep into our supply chain, but the effort is worthwhile. We have spent years thoroughly researching all our materials. We have also hired a full-time material scientist to lead the effort, third-party auditors to ensure the accuracy and a toxicologist to review the results. As a result, our customers know that our products are free of Red List chemicals. Perhaps even more motivating, over 90% of our first-tier suppliers (by spending) have begun working with us to improve material transparency.

### Leading the Way

Our involvement in voluntary programs, like Declare and Health Product Declarations (HPDs), help ensure we give our customers as full a picture as possible of the makeup of Humanscale products, and allow us to go beyond expectations.

Humanscale is leading our industry in material transparency with more HPDs and Declare labels than any other furniture company. We are also the first in our industry to even have third-party-verified Declare labels and HPDs.

Our Chief Sustainability Officer, Jane Abernethy, serves on the Board of Directors for the HPD Collaborative, helping to push for material transparency across the industry.

We hope our commitment to material transparency will both encourage other industry players to remove chemicals of concern and educate end users around potential harms.



## Material Ingredients

### PVC Free

*Vinyl.* Typically found in cables or cords

Alternative: **Polyurethane**

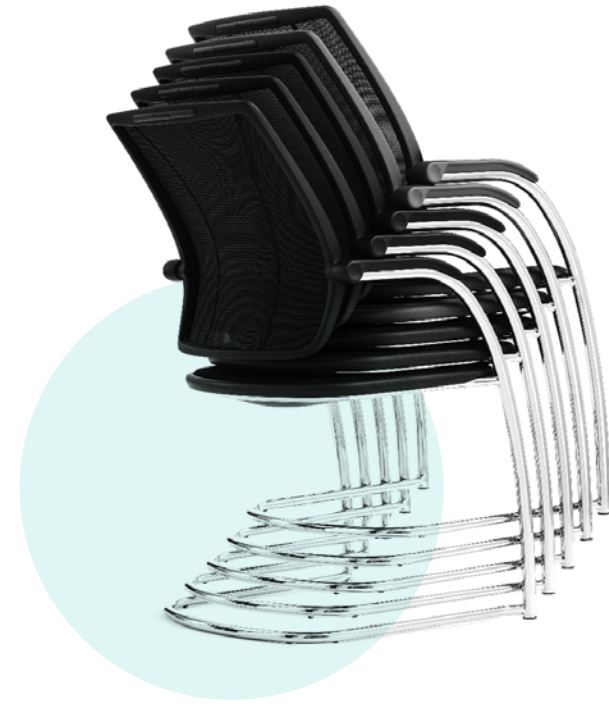


Nova LED Task Light

### Chrome 6 Free

Typically found in seat bases and monitor arms

Alternative: **Polished aluminum**



Diffrient Occasional Stacking Chairs

### HFR Free

*Halogenated Flame Retardants.* Typically found in foam and seating cushions

Alternative: **No HFRs needed**



Smart Ocean Chair

### No Added Formaldehyde\*

Typically found in composite woods and desk tops

Alternative: **Soy based glues**



Float tables

\* No added formaldehyde in the MDF or particle board core, paints, glues, edge banding or papers used to manufacture the product.



## Our Operations



Our manufacturing facilities in the United States, Mexico, and Ireland, are where our products become reality. Because manufacturing facilities can have such a significant impact on the area around them, we spend a lot of time making sure our operations run in a sustainable way.

### OFFICES/SHOWROOMS

#### NORTH AMERICA

ATLANTA  
 BOSTON  
 BIRMINGHAM  
 CINCINNATI  
 CHICAGO  
 DALLAS  
 DENVER  
 GRAND RAPIDS  
 HOUSTON  
 KANSAS CITY  
 LOS ANGELES  
 MINNEAPOLIS

NEW YORK  
 OAK BROOK  
 ORANGE COUNTY  
 PARSIPPANY  
 PISCATAWAY  
 PHILADELPHIA  
 RED BANK  
 SAN FRANCISCO  
 SAN DIEGO  
 SEATTLE  
 TORONTO  
 WASHINGTON, DC

#### SOUTH AMERICA

BOGOTA  
 BUENOS AIRES  
 CARACAS  
 GUATEMALA CITY  
 LIMA  
 MEXICO CITY  
 MONTEVIDEO  
 PANAMA CITY  
 QUITO  
 SAN JOSE  
 SANTIAGO  
 SÃO PAULO

#### EUROPE

AMSTERDAM  
 BARCELONA  
 DUBLIN  
 LONDON  
 MANCHESTER  
 MILAN  
 PARIS  
 NUREMBERG  
 PRAGUE  
 STOCKHOLM  
 WARSAW

#### ASIA PACIFIC

BANGALORE  
 BEIJING  
 HONG KONG  
 MELBOURNE  
 PETALING JAYA  
 SINGAPORE  
 SHANGHAI  
 SYDNEY

#### MIDDLE EAST & AFRICA

CAPE TOWN  
 DUBAI  
 JOHANNESBURG  
 TEL AVIV





### NEW YORK, NY

In 2018, Humanscale moved into its new corporate headquarters on the 15th floor of the iconic, LEED Silver Grace building in New York. The space, which also operates as a working showroom, takes inspiration from nature and is the embodiment of our philosophy toward sustainability — it's close to transit, has ample views of tree-lined Bryant Park, and there's a living green wall in the kitchen (which is stocked with healthy snacks). A departure from our previous three-story headquarters, our new space puts everyone on a single level, with plenty of room for collaboration. The bright, airy space blends office and showroom, so customers can see our products in action and try them out for themselves. The open spaces also allow us to host larger events, like receptions and continuing education sessions — part of our commitment to community outreach.

**BUILT/OPENED:** 2018

**NUMBER OF EMPLOYEES:** 110

**DEPARTMENTS:**  
PRODUCT DEVELOPMENT,  
LEGAL, SALES, MARKETING,  
ERGONOMIC CONSULTING



### PISCATAWAY, NJ

Our facility in Piscataway produces the largest percentage of our products, and as a result, has been the testing ground for many of our Net Positive initiatives. Our two LPC-certified products, the Diffrient Smart chair and the Float table, are manufactured here, and many of the changes to production we first implemented here have been adopted in other facilities. The facility uses both rainwater capture and solar panels to reduce our impact on the environment, and uses an award-winning enhanced recycling program to track and reduce waste.

**BUILT/OPENED:** 2003

**EMPLOYEES:** 369

**DEPARTMENTS:** MANUFACTURING,  
HUMAN RESOURCES,  
INFORMATION TECHNOLOGY  
LEGAL, ACCOUNTING



### DUBLIN, IRELAND

The Humanscale facility in Dublin supplies our European customers. Here, we assemble our monitor arms and most of our chair lines. Many of our Dublin employees have been with Humanscale for years, and have established a tightly-knit community, growing a garden on-site together and celebrating its harvest with an annual barbecue.

**BUILT/OPENED:** 2000

**EMPLOYEES:** 117

**DEPARTMENTS:** MANUFACTURING,  
HUMAN RESOURCES, ACCOUNTING



### FRESNO, CA

Our Fresno facility has a smaller, but dedicated team. One-fifth of the employees have been with Humanscale for over ten years. The team has grown together and stays closely connected through regular group lunches and by taking on group initiatives.

**BUILT/OPENED:** 2013

**EMPLOYEES:** 25

**DEPARTMENTS:** MANUFACTURING



### NOGALES, MEXICO

Our Nogales location, which had its first year of production in 2017, focuses mainly on producing components and sub-assemblies for our Fresno and Piscataway facilities, who then make the finished goods.

**BUILT/OPENED:** 2016

**EMPLOYEES:** 101

**DEPARTMENTS:** MANUFACTURING



## ENERGY REDUCTIONS

On-site photovoltaic panels have provided over 3.87 GWh of electricity to date.

Energy consumption is a significant contributor to greenhouse gas (GHG) emissions, so we consider measuring and reducing ours a major indicator of our sustainability. We keep careful track of the energy we use during production and look for ways to use less.

### Energy: Use and Conservation

Our sustainability team tracks monthly energy use and matches it against our anticipated annual goal. We use cloud-based software that allows us to easily examine our energy use, intensity, and reductions based on data from previous years. Each year, our executive team reviews our annual total energy use and progress. We continually look for opportunities to reduce our usage.

### Beyond Humanscale

During 2018 Humanscale did not track energy used outside our facilities.

### Requirements for Production

We have made no changes to the energy requirements to sold products and services.

For the purposes of this report, we include data from our four manufacturing facilities.

In 2018, we continued to meet our annual goals. Our calculations are reviewed by a third party, so we have confidence our approach is working well.

We have made no changes to the energy requirements to sold products and services.

BASELINE YEAR 2011



# ENERGY REDUCTIONS

## ORGANIZATION AND FACILITY SPECIFIC VALUES 302

| 302-1 | ENERGY CONSUMPTION                               | UNIT | ORGANIZATION  | PISCATAWAY   | NOGALES  | FRESNO                  | DUBLIN  | OTHER*                      |
|-------|--|------|---------------|--|--|-------------------------|---|-----------------------------|
|       | <b>FUEL CONSUMPTION</b><br>NON-RENEWABLE SOURCES | MJ   | 12,672,444.13 | 6,821,178.46   | 3,581,020.33   | 48,452.58               | 1,470,085.00                                      | 703,436.05                  |
|       | <b>FUEL CONSUMPTION</b><br>RENEWABLE SOURCES     | MJ   | 8,820,000     |  |  |                         |   |                             |
|       | <b>ENERGY CONSUMPTION</b><br>ELECTRICITY         | MJ   | 10,549,492.66 | 4,029,182.40   | 3,448,288.80   | 666,269.40              | 1,622,011.47                                      | 783,912.75                  |
|       | <b>ENERGY SOLD</b><br>ELECTRICITY                | MJ   | 0             | 0  |  |                         |   |                             |
|       | <b>TOTAL CONSUMPTION</b>                         | MJ   | 23,222,108.93 | 10,850,360.86  | 7,029,309.13   | 714,721.98              | 3,092,096.59                                      | 1,487,348.78                |
| 302-3 | INTENSITY RATIO                                  |      |               |  |  |                         |   |                             |
|       | PRODUCTION VOLUME IN \$                          | J/\$ | 48.42         | 36.73  | 178.72   | 10.80                   | 34.41   | 3.14                        |
|       | TYPES OF ENERGY INCLUDED                         |      |               | ELECTRICITY,<br>NATURAL GAS<br>PROPANE, GASOLINE<br>MOBILE, DIESEL | ELECTRICITY,<br>NATURAL GAS,<br>PROPANE, STATIONARY,<br>DIESEL | ELECTRICITY,<br>PROPANE | ELECTRICITY,<br>NATURAL GAS,<br>MOBILE,<br>DIESEL | ELECTRICITY,<br>NATURAL GAS |
| 302-4 | CHANGE IN ENERGY CONSUMPTION                     |      |               |  |  |                         |   |                             |
|       | <b>ABSOLUTE</b>                                  | MJ   | 5,797,883.83  | -7,293.14  | 3,723,287.11   | 435,132.66              | 387,911.6   | 1,258,845.60                |
|       | <b>ABSOLUTE</b>                                  | %    | 30.95%        | -0.07%   | 112.62%  | 155.63%                 | 14.09%  | 551%                        |
|       | <b>INTENSITY</b>                                 | J/\$ | 0.74          | -37.37   | 90.27  | 0.93                    | -20.68  | 1.84                        |
|       | <b>INTENSITY</b>                                 | %    | 1.55%         | -50%   | 102.06%  | 9%                      | -37%  | 142%                        |
|       | <b>NORMALIZED</b><br>TO BASELINE                 | MJ   | 10,555,504.06 | 5,651,229.61   | 6,694,580.12   | 324,873.63              | 1,377,354.46                                      | 676,067.63                  |
|       | <b>NORMALIZED</b><br>TO BASELINE                 | %    | -41.55%       | -50.03%  | 102.50%  | 9.24%                   | -37.31  | 109.30%                     |
|       | <b>NORMALIZED</b><br>TO PREVIOUS YEAR            | MJ   | 19,514,377.25 | 8,860,288.69   | 6,694,580.12   | 649,747.25              | 2,730,754.94                                      | 1,249,872.92                |
|       | <b>NORMALIZED</b><br>TO PREVIOUS YEAR            | %    | 4.16%         | -18.28%  | 102.50%  | -17.26%                 | -9.89%  | 1,442,166.68                |

\*Includes offices and showrooms that qualify in accordance with the Financial Control method according to the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard



## EMISSIONS



Normalized greenhouse gas emissions have been reduced by 63% since 2011.

**Greenhouse gases (GHG) are a direct cause of climate change, and a critical part of our production that has an impact on the planet. To reduce our negative impact and make a positive one, we must look reduce our emissions.**

For the purposes of this report, we include the emissions from facilities under Humanscale's operational control, including production facilities, warehouses, offices and showrooms. We used the Control approach, using the operational control method, as per the World Resources Institute (WRI) GHG Protocol Corporate Accounting and Reporting Standard.

We continually look for ways to reduce emissions in our operations to exceed our goal of 12% normalized reduction over our baseline year.

Humanscale does not produce emissions from ozone depleting substances (ODS).



|       |   | UNIT  | ORGANIZATION | PISCATAWAY | NOGALES   | FRESNO    | DUBLIN    | OTHERS*   |           |
|-------|---|---|--------------|------------|-----------|-----------|-----------|-----------|-----------|
| 305-1 | A | <b>SCOPE 1</b> - 2018                       | MTCO2e       | 731.01     | 375.97    | 209.99    | 2.82      | 106.62    | 35.61     |
|       | C | BIOGENIC CO2 EMISSIONS                      | MTCO2e       | 0          |           |           |           |           |           |
|       | D | SCOPE 1 - BASELINE YEAR                     | MTCO2e       | 476.14     | 338.07    | 58.10     | 1.4       | 61.62     | 16.95     |
| 305-2 | A | <b>SCOPE 2</b> LOCATION BASED - 2018        | MTCO2e       | 1143.77    | 388.49    | 434.34    | 44.41     | 205.72    | 70.81     |
|       | B | SCOPE 2 MARKET BASED - 2018                 | MTCO2e       | 259.99     | 0         | 0         | 0         | 205.72    | 54.27     |
|       | D | SCOPE 2 LOCATION BASED - BASELINE YEAR      | MTCO2e       | 1129.53    | 543.67    | 294.09    | 19.751    | 211.24    | 60.78     |
|       | D | SCOPE 2 MARKET BASED - BASELINE YEAR        | MTCO2e       | 754.77     | 464.11    | 0         | 18.64     | 211.24    | 60.78     |
| TOTAL |   | (SCOPE 1+2) LOCATION BASED - 2018           | MTCO2e       | 1874.78    | 764.46    | 644.33    | 47.23     | 312.34    | 106.42    |
| TOTAL |   | (SCOPE 1+2) MARKET BASED - 2018             | MTCO2e       | 991.0      | 375.97    | 209.99    | 2.82      | 312.34    | 89.88     |
| TOTAL |   | (SCOPE 1+2) LOCATION BASED - BASELINE YEAR  | MTCO2e       | 1600.15    | 881.74    | 352.19    | 21.15     | 267.34    | 77.73     |
| TOTAL |   | (SCOPE 1+2) MARKET BASED - BASELINE YEAR    | MTCO2e       | 1225.39    | 802.18    | 58.1      | 20.04     | 267.34    | 77.73     |
| 305-4 | A | <b>GHG INTENSITY RATIO</b> - LOCATION BASED |              |            |           |           |           |           |           |
|       | B | GHG INTENSITY RATIO - MARKET BASED          | MTCO2e/\$    | 3.91E-06   | 2.588E-06 | 1.638E-05 | 8.6E-07   | 3.475E-06 | 1.874E-07 |
| 305-5 | A | <b>CHANGE IN GHG EMISSION</b>               | MTCO2e/\$    | 2.07E-06   | 1.273E-06 | 5.34E-06  | 5.135E-08 | 3.475E-06 | 1.132E-07 |
|       | A | ABSOLUTE - LOCATION BASED                   | MTCO2e       | 274.63     | -117.28   | 292.14    | 26.08     | 45        | 28.69     |
|       | A | ABSOLUTE PERCENTAGE - LOCATION BASED        | %            | 17.16%     | -13.30%   | 82.95%    | 123.3%    | 16.83%    | 36.91%    |
|       | A | ABSOLUTE - MARKET BASED                     | MTCO2e       | -234.39    | -426.21   | 151.89    | -17.22    | 45        | 12.15     |
|       | A | ABSOLUTE PERCENTAGE - MARKET BASED          | %            | -19.13%    | -53.12%   | 261.43    | -85.93%   | 16.83%    | 15.63%    |
|       | A | NORMALIZED TO BASELINE - LOCATION BASED     | MTCO2e       | 852.17     | 398.16    | 613.65    | 21.47     | 136.99    | 48.37     |
|       | A | NORMALIZED TO BASELINE % - LOCATION         | %            | -46.74%    | -54.65%   | 74.24%    | 1.51%     | -48.76%   | -37.77%   |
|       | A | NORMALIZED TO BASELINE - MARKET BASED       | MTCO2e       | 450.45     | 195.82    | 199.99    | 1.28      | 136.99    | 40.85     |
|       | C | NORMALIZED TO BASELINE % - MARKET           | %            | -63.24%    | -75.59%   | 244.22%   | -93.61%   | -48.76%   | -47.45%   |
|       |   | BASE YEAR                                   | n/a          | 2011       | 2011      | 2017      | 2011      | 2013      | 2011      |

\* Includes offices and showrooms that qualify in accordance with the Financial Control method according to the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Stand

FOOTNOTES FOR TABLES:

305-1 and 305-2 - **SCOPE 1 AND SCOPE 2 GHG EMISSIONS**

Gases included in calculations: carbon dioxide, methane, and nitrous oxide.

Base year for organizational data: 2011.

Base years for Piscataway and Fresno, 2011; Dublin, 2013; Nogales, 2017.

Our emission factors and GWP rates are selected in the Scope5 resource library.

The data comes from EPA Hub Tables 1-9 and the WRI Emission Factor Library.

Consolidation approach: operational control.

305-4 - **GHG EMISSIONS INTENSITY RATIO**

Denominator metric in intensity ratio: Annual production volume in \$.

Types of GHG emissions included: Scopes 1 and 2  
Gases included in the calculation: carbon dioxide, methane, and nitrous oxide

305-5 - **GHG EMISSIONS REDUCED**

Gases included in calculations: carbon dioxide, methane, and nitrous oxide.

Base years for Piscataway and Fresno, 2011; Dublin, 2013; Nogales, 2017.

Scopes in which reductions took place: 1 and 2.

305-7 - **SIGNIFICANT AIR EMISSIONS**

VOC and HAP emission factors come from Material Safety Data Sheets, communication with chemical suppliers, legal regulations for chemical categories, and Hazardous Air Pollutant registries.

Values are calculated using commonly accepted conversion rates and available information.

Humanscale's operations do not release significant air emissions and do not qualify for an emission permit.



## WATER

Rainwater is used for  
100% of production water  
in the USA.

Water is our most critical natural resource, vital to life. And without care and attention, our operations could consume a significant amount of water. With that in mind, we're always seeking ways to reduce our consumption.

Our Sustainability team reviews our water bills from local municipalities and water companies and tracks our usage over course of a year. Our approach is iterative in nature – we regularly look for ways to reduce consumption and use natural rain harvesting where feasible.

Humanscale reviews our management approach annually and has a goal to transition all production water to 100% captured rainwater within five years.

### OPERATIONAL DATA 303-1

| WATER USE       | ORGANIZATION                                    | PISCATAWAY             | NOGALES             | FRESNO                  | DUBLIN       |
|-----------------|---|------------------------|---------------------|-------------------------|--------------|
| MUNICIPAL WATER | 1,840 m <sup>3</sup>                            | 5,501.5 m <sup>3</sup> | 3019 m <sup>3</sup> | 5,385.44 m <sup>3</sup> | NOT REPORTED |
| RAINWATER       | 7.51 m <sup>3</sup>                             | 7.51 m <sup>3</sup>    |                     |                         |              |
| SURFACE WATER   | NO SURFACE WATER WAS USED IN THE REPORTING YEAR |                        |                     |                         |              |
| GROUND WATER    | NO GROUND WATER WAS USED IN THE REPORTING YEAR  |                        |                     |                         |              |



## WASTE

Our goal is to divert  
90% of our waste  
from landfill.

We see waste as a physical indicator of our impact on the planet, and we've made it a goal to reduce that as much as possible.

We track material waste by type across all our production facilities. Our waste diversion program began at our Piscataway facility in 2016, and has since been implemented across the organization.

The program is a coordinated effort between several teams. Site managers gather data, which our Sustainability team compiles in order to spot areas for improvement. Our Sustainability team is responsible for monitoring

our diversion system and finding ways to improve diversion rates. Our Operations team implements actions to separate waste and maximize diversion.

Every quarter, our operations and sustainability teams gather to review diversion figures. They discuss current issues and propose ways to correct them, reviewing or adapting processes as necessary. This approach has led to a steady increase in diversion rates over the past two years.

### Our Recycling Partner

Our "Close the Loop" program with ANEW aims to divert as much from the landfill as possible, encouraging donation, recycling and refurbishment.

ANEW helps businesses repurpose and responsibly recycle or dispose of surplus office furniture, fixtures and equipment to local organizations and public service agencies. In 2018, 0.0037% of material by weight was reused or recycled throughout our reclamation program.

Total Humanscale material diverted by ANEW was divided by total material used in production of all products globally; data collected by ANEW.



### OPERATIONAL DATA 306-2

| HAZARDOUS WASTE       | ORGANIZATION | PISCATAWAY   | NOGALES      | FRESNO       | DUBLIN       |
|-----------------------|--------------|--------------|--------------|--------------|--------------|
| RECYCLING             | 2,196.42 kg  | 94 kg        | 1,441.42 kg  | 0            | 661 kg       |
| RECOVERY              | 4,941.37 kg  | 0            | 4941.37 kg   | 0            | 0            |
| LANDFILL              | 5,402 kg     | 0            | 5,402 kg     | 0            | 0            |
| NON-HAZARDOUS WASTE   |              |              |              |              |              |
| REUSE                 | 1,189.39 mT  | 801.05 mT    | 269.39 mT    | 116.64 mT    | 2.31 mT      |
| RECYCLING             | 1,092.06 mT  | 572.74 mT    | 220.43 mT    | 105.46 mT    | 193.43 mT    |
| LANDFILL              | 447.03 mT    | 282.48 mT    | 54.95 mT     | 29.96 mT     | 79.64 mT     |
| <b>DIVERSION RATE</b> | <b>85.3%</b> | <b>84.9%</b> | <b>89.9%</b> | <b>88.1%</b> | <b>78.2%</b> |

Three of our facilities (Piscataway, Fresno, and Dublin) have no wastewater discharge from production.

We comply with all local and national laws with regards to waste.

Humanscale did not experience significant spills in 2018.



# BIODIVERSITY

Our operations have the potential to disturb wildlife and wild spaces so we review our impact on biodiversity each year according to the International Union of the Conservation of Nature (IUCN) Red List Species.

Our evaluations focuses on our four production facilities. We do not evaluate our offices and showrooms, as they are all in urban areas. Humanscale does not locate our factories in protected areas or areas of high impact on biodiversity.

## Operational Effects on Biodiversity 304-2

In 2018, our evaluation of our facilities revealed that Humanscale’s operations are not located on or near any protected areas. The evaluation, which was reviewed by an independent third-party, also showed that manufacturing activities, transportation, and infrastructure related to our facilities do not cause any significant impact to endangered species.



# Protecting Wildlife and Wild Spaces

## Biodiversity - WWF Cambodia

Part of our commitment to becoming Net Positive is examining the impact we can have on biodiversity, both close to our facilities and in the larger world.

**Bob King**, our CEO, has long been an advocate of the World Wildlife Fund’s conservation efforts.

In 2008 we began to work closely with WWF on a community and wildlife program that aims to restore and protect the Phnom Prich Wildlife Sanctuary and the Mondulkiri Protected Forest in the Eastern Plains of Cambodia, a 1.5 million acre area home to endangered and indigenous species such as sarus cranes, crocodiles, baboons, elephants, leopards, Eld’s deer, sun bears, and tigers.

Eventually, the program hopes to reintroduce tigers to the area, a goal that requires conquering the many hurdles that come with restoring a landscape and keeping the area secure. The plan awaits final approval from the Ministry of Environment following peer-review by global experts.

We joined the project to help protect wild space, and provided financial and other support to the community rangers who would help protect the area from poachers.

## IUCN Red List Species



IUCN Red List of Threatened Species  
[www.iucnredlist.org](http://www.iucnredlist.org)

## PISCATAWAY

- Bog Turtle
- Schmoll’s Milkvetch
- Tall Milkvetch
- Winged Milkvetch
- Gray Milkvetch
- S. Plains Bumblebee
- Bird of Paradise, Dwarf Poinciana, S. Texas Rushpea
- Spotted Turtle
- Wood Turtle
- Yellow Lampmussel
- Winter Skate
- Nuttall’s Lotus
- Smooth Skate
- Scalloped Hammerhead
- Devil’s Shoestring



# BIODIVERSITY

In 2018, the project continued to secure the sanctuary, adding eight new ranger outposts. As part of the plan to double the number of rangers from 35 to 70, WWF recruited 10 new rangers and 28 community rangers.

This program saw progress and challenges in 2018, including:



72%

reduction in the number of illegal camps compared to 2017.



23

live animals were rescued and released. Unfortunately, rangers confiscated 28 horns and heads.



54%

reduction in snares.



...

The population of critically endangered white-shoulder ibis has stabilized, but is still much lower than it should be.

184%

increase in logs confiscated due to illegal logging, as well as an increase in people hunting with guns, emphasize the need for more rangers and patrols.

CAMBODIA

33%

Between June 2016 and December 2017, bush meat sales dropped from 76% to 33%, the result of an educational campaign urging against bush meat consumption.



TBD

The tiger reintroduction plan awaits final approval from the Ministry of Environment following peer-review by global experts.

WWF has built stronger relationships with government officials, which has led to greater cooperation and support from police and soldiers for the efforts of rangers on patrols.



## Humanscale and the United Nations Sustainable Development Goals

Our vision for Net Positive guides the way we do business every day. We built our sustainability program to focus on our largest impacts, many of which are included in the UN SDGs.

We support the effort for sustainable development, and have initiatives to further the following UN SDGs:

1 NO POVERTY

2 ZERO HUNGER

3 GOOD HEALTH AND WELL-BEING

Our products are developed to use healthy materials and keep people in healthy body postures.

4 QUALITY EDUCATION

5 GENDER EQUALITY

We strive for gender equality in our workforce and governance.

6 CLEAN WATER AND SANITATION

Our factories use minimal water for production. Our main factory uses only captured rainwater for production.

7

AFFORDABLE AND CLEAN ENERGY

A system of solar panels provides over 80% of electricity to our main production factory.

8

DECENT WORK AND ECONOMIC GROWTH

We make sure the people who work for us and as part of our supply chain work in safe, healthy environments, are paid fairly, and treated with respect.

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

10

REDUCED INEQUALITY

11

SUSTAINABLE CITIES AND COMMUNITIES

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

We manufacture goods responsibly, with great attention to the environmental impacts of our factories.



# Humanscale and the United Nations Sustainable Development Goals

13

## CLIMATE ACTION

As a manufacturer, we operate our factories, ship our goods, and choose our supply chain to have a minimal, or even positive, impact on the environment.

14

## LIFE BELOW WATER

We're capturing ocean plastic to manufacture new products.

15

## LIFE ON LAND

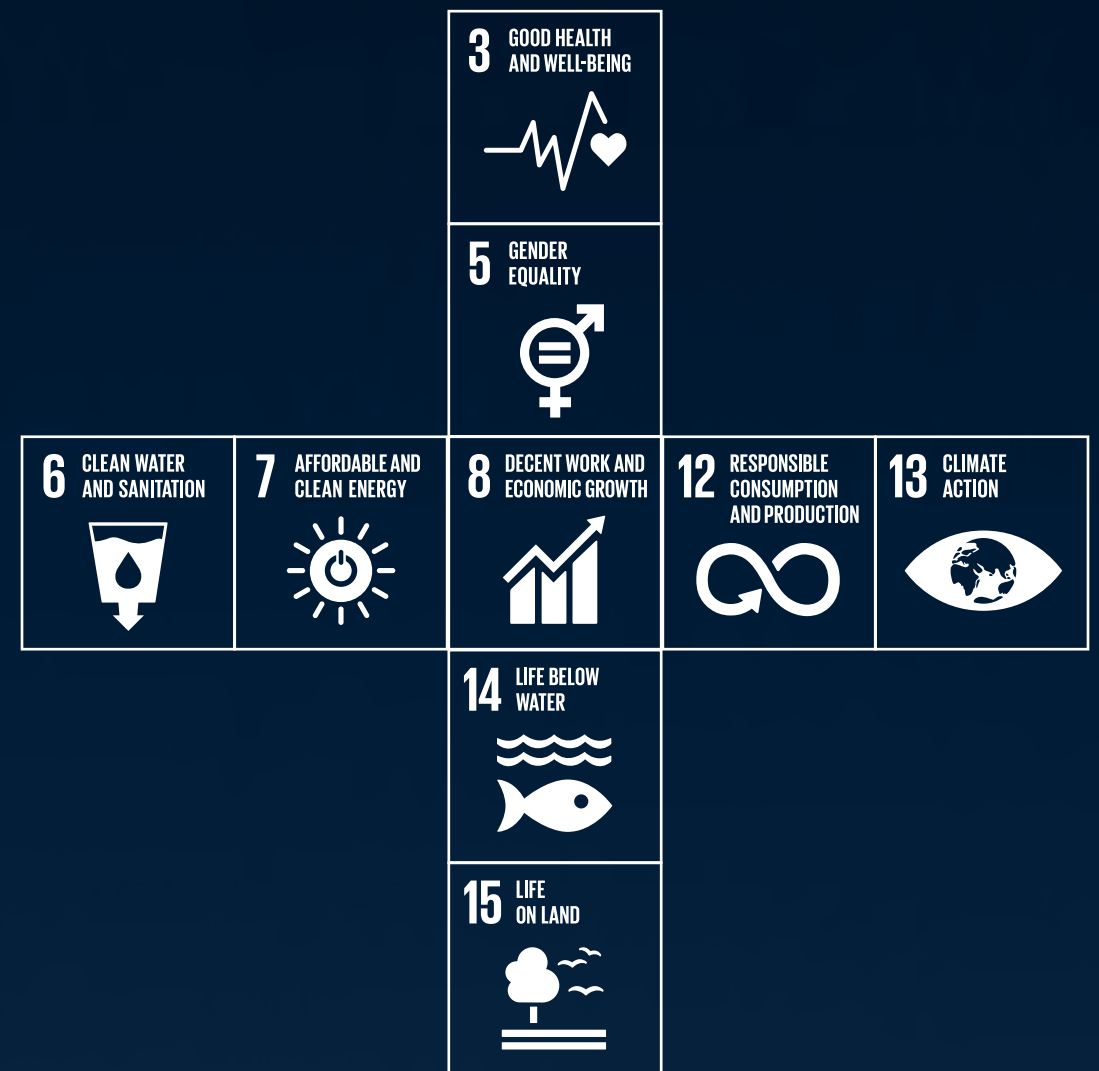
Our project with WWF in Cambodia focuses on conservation that also supports the local economy.

16

## PEACE AND JUSTICE STRONG INSTITUTIONS

17

## PARTNERSHIPS TO ACHIEVE THE GOAL



### The United Nations Sustainable

**Development Goals** (UN SDGs) are a collection of 17 global goals set by the UN General Assembly in 2015, with a target date of 2030. The 17 goals include 169 targets, which indicate social, economic and environmental progress as well as education, gender equality and technology.



## Our Supply Chain

### **Humanscale is a global company, as is our supply**

**chain.** Our own manufacturing facilities source many components and some fully assembled product from our first-tier suppliers, who may then source materials from their suppliers (second-tier suppliers to Humanscale). Our supply chain often goes beyond two tiers -- at times up to five tiers deep. When we measure our influence on our suppliers, we only include our direct (first-tier) suppliers.

Most of the impact in manufacturing a product occurs throughout the supply chain, so we require suppliers to operate according to the environmental and social requirements outlined in our Code of Conduct, which facilitates dialogue with suppliers and communicates Humanscale's expectations. Beginning in 2012, Humanscale administered the Code of Conduct to legacy suppliers for signature. All new suppliers must sign the Code of Conduct prior to start of work. Every year, we review our suppliers to ensure that over 75%, measured by inventory spend, have confirmed they will comply. Last year, we screened six suppliers (representing 54% by spending) using environmental criteria (approximately 32% by inventory spend). Local suppliers make up 30.96% of our inventory spend. As of 2018, almost 74% of suppliers by spending have signed the supplier agreement with Humanscale. We conduct an annual environmental and social assessment of our top first-tier suppliers, based on the BIFMA Level certification framework. Wherever possible, we choose local/domestic suppliers (we define "local" as "domestic" by country).

We have made no changes to our capital structure since our last reporting period. Our current scope of management and disclosure includes suppliers Humanscale contracts to make Humanscale products on an ongoing basis. It does not include service suppliers or those who supply products to Humanscale in a single instance.

### **Corruption**

We recognize that the risk of corruption is higher in some areas of the world than others, and we guard against it by choosing our suppliers carefully and operating in countries where it is less likely to happen. Our four facilities have been evaluated for risk of corruption, and so far we've had no incidences within our own operations.

### **Child Labor**

As part of our commitment to supporting safe, ethical employment, we examine every supplier for a risk of child labor. As of 2018, none of our first-tier suppliers were considered at significant risk for incidents of child labor or young workers exposed to hazardous work.

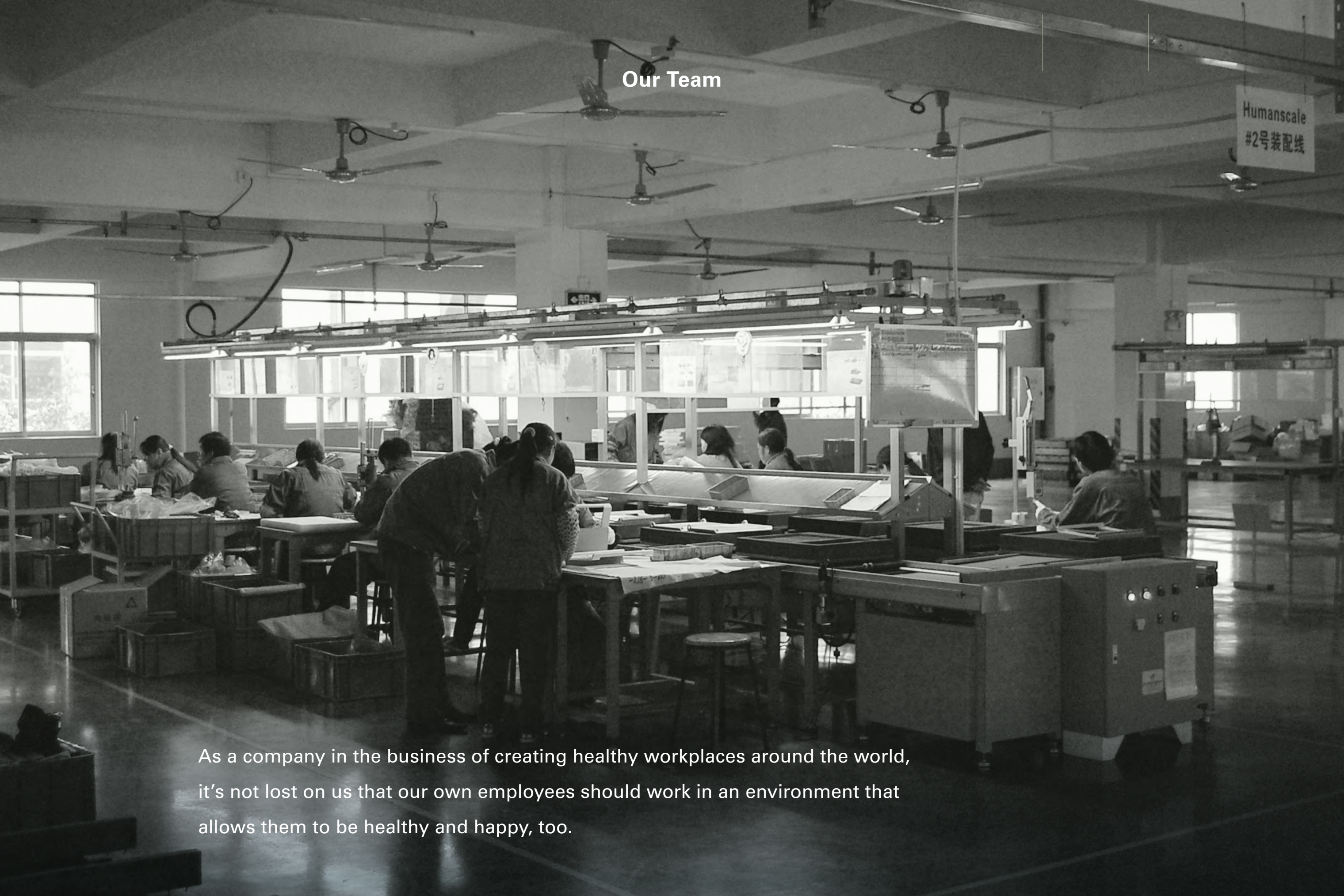
### **Forced Labor**

As a global company, we recognize that our suppliers may operate in areas that put people at risk for forced labor. We want to support individual freedom through fair and equitable employment (including freedom of association and collective bargaining), and choose first-tier suppliers who follow ethical labor practices. Abolition of forced labor is part of our supplier Code of Conduct and supplier agreement.

We conduct an annual risk assessment to determine if any suppliers are a concern, and, if we identify any high-risk operations, target our efforts to resolve issues. In 2018, we screened 81% of suppliers by spending to ensure they comply with local laws for forced labor and that their procedures are also compliant. We identified one supplier, an electronics supplier based in China and Malaysia, who may be a risk for forced labor, and we are investigating their manufacturing practices.



## Our Team



As a company in the business of creating healthy workplaces around the world, it's not lost on us that our own employees should work in an environment that allows them to be healthy and happy, too.

# Just.

**Organization Name:** Humanscale Corporation  
**Organization Type:** Manufacturer  
**Headquarters:** Dublin, Republic of Ireland  
**Satellite Facilities:** 9 Locations  
**Number of Employees:** 202

### Social Justice and Equity Indicators:

#### Diversity

- Non-Discrimination
- Gender Diversity
- Ethnic Diversity

#### Worker Benefit

- Worker Happiness
- Employee Benefit
- Continuing Education

#### Equity

- Full Time Employment
- Pay-Scale Equity
- Union Friendly
- Living Wage
- Gender Pay Equity
- Family Friendly

#### Local Benefit

- Local Control
- Local Sourcing

#### Stewardship

- Responsible Investing
- Community Volunteering
- Positive Products
- Charitable Giving
- Animal Welfare
- Transparency

#### Safety

- Occupational Safety
- Hazardous Chemicals

THE SOCIAL JUSTICE LABEL

HUM-003

EXP. 01/30/2021

INTERNATIONAL LIVING FUTURE INSTITUTE™

# Just.

**Organization Name:** Humanscale Corporation  
**Organization Type:** Manufacturer  
**Headquarters:** Hong Kong, China  
**Satellite Facilities:** 6 Locations  
**Number of Employees:** 59

### Social Justice and Equity Indicators:

#### Diversity

- Non-Discrimination
- Gender Diversity
- Ethnic Diversity

#### Worker Benefit

- Worker Happiness
- Employee Benefit
- Continuing Education

#### Equity

- Full Time Employment
- Pay-Scale Equity
- Union Friendly
- Living Wage
- Gender Pay Equity
- Family Friendly

#### Local Benefit

- Local Control
- Local Sourcing

#### Stewardship

- Responsible Investing
- Community Volunteering
- Positive Products
- Charitable Giving
- Animal Welfare
- Transparency

#### Safety

- Occupational Safety
- Hazardous Chemicals

THE SOCIAL JUSTICE LABEL

HUM-002

EXP. 01/30/2021

INTERNATIONAL LIVING FUTURE INSTITUTE™

# Just.

**Organization Name:** Humanscale Corporation  
**Organization Type:** Manufacturer  
**Headquarters:** New York, NY  
**Satellite Facilities:** 13 Locations  
**Number of Employees:** 901

### Social Justice and Equity Indicators:

#### Diversity

- Non-Discrimination
- Gender Diversity
- Ethnic Diversity

#### Worker Benefit

- Worker Happiness
- Employee Benefit
- Continuing Education

#### Equity

- Full Time Employment
- Pay-Scale Equity
- Union Friendly
- Living Wage
- Gender Pay Equity
- Family Friendly

#### Local Benefit

- Local Control
- Local Sourcing

#### Stewardship

- Responsible Investing
- Community Volunteering
- Positive Products
- Charitable Giving
- Animal Welfare
- Transparency

#### Safety

- Occupational Safety
- Hazardous Chemicals

THE SOCIAL JUSTICE LABEL

HUM-001

EXP. 01/30/2021

INTERNATIONAL LIVING FUTURE INSTITUTE™



## Our Team

We see the way we treat our employees and the way we choose vendors as ways to make a positive impact in the world. That positive change starts here, at Humanscale. We embrace diversity in our workforce and have adopted the JUST Program as a guideline for our hiring practices. The program, started by ILFI, challenges organizations to examine their hiring and management practices with a view to addressing social justice. The JUST label addresses 22 specific social and security indicators within six categories: diversity, equity, safety, worker benefit, local benefit, and stewardship.

We consider every office with 5 or more employees significant enough to evaluate. In this report, our workforce was broadly grouped into worldwide geographic region. The metrics attached to each category help us evaluate our current practices and determine how we can do better.

Our Human Resources (HR) departments manage all employee relations, regardless of location. To make sure we're staying in tune with their needs, we have three departments based in the United States, Ireland, and China. A Humanscale executive reviews the HR department each year to ensure effectiveness. For the purposes of this report, Humanscale does not include temporary workers or consultants in our definition of "employee."

### Employee Benefits

We offer our benefits to our employees all over the world; the benefits available vary by region:

#### EMPLOYEE BENEFITS BY REGION 401-2

---

##### NORTH AMERICA

- Health Care
  - Short-Term Disability
  - Long-Term Disability
  - Critical Illness/Cancer Insurance
  - Accident Insurance
  - Whole Life Insurance
  - Parental Leave per the Family and Medical Leave Act (FMLA)
  - Tax-Free Commuter Options
  - Pet Insurance
- 

##### DUBLIN

- Pension
  - Health insurance
  - Employee assistance program
  - Paid vacation
  - Year-end bonus
  - Worldwide travel insurance
- 

##### ASIA

- Medical insurance
- Year-end bonus/performance bonus

### Parental Leave

We comply with legal requirements for parental leave based on the location of our offices. We currently do not track parental leave data, but are working to include it in future reports.



## Our Team

### Occupational Health and Safety

We make our products in four factories, and by their very nature, factories can be high-risk locations for injury. It's important for us to understand where injuries may occur and ensure we have policies in place to mitigate those, as well as provide employees with the proper protective equipment.

Each of our four factories has a Health and Safety Committee in place to ensure employees have an active role in their safety. The committees are all responsible for implementing safety policies, which are created as a result of regular safety assessments. HR reviews injury data quarterly and conducts a large review annually, and goals are set based on the results of that review, with a goal of reducing injury rates.

#### PISCATAWAY / FRESNO / NOGALES

The Joint Management/Worker Safety Committees at these facilities represent every employee who works there.

Members meet monthly, where they:

- Discuss safety concerns at these three facilities
- Receive safety training that addresses any issues
- Learn safety standards related to the workplace, including OSHA and NFPA
- Receive assignments to be completed by the next meeting
- Learn how to encourage everyone in their workplace to participate in and enforce a workplace safety culture

The group is also committed to creating a safe workplace every day, conducting daily safety checks (outlined in their job requirements) and looking beyond their own work areas to the entire factory and office. We also encourage members to come up with innovative solutions to safety concerns.

#### DUBLIN

The Health and Safety Committee in Dublin represents every employee who works at the facility (both in the factory and external warehouse facilities).

This committee aims to give all employees and management a forum to communicate their concerns about or solutions to health and safety issues.

No Humanscale facility is at a high risk for disease.

None of the Humanscale facilities have formal agreements with trade unions that cover health and safety. Piscataway and Fresno both exceed the national average Standard Industrial Classification (SIC) and North American Industrial Classification System (NAICS) code (3) with an average of 2.59.

### ORGANIZATIONAL DATA

#### INJURY RATES

##### Total Injury Rates for 2018, Reported by Region:

##### PISCATAWAY

- TCIR (Total Count Injury Rate) = 2.59
- ODR (Occupational Disease Rate) = 0
- LDR (Lost Day Rate) = 20.99
- Fatalities = 0

##### FRESNO / NOGALES / DUBLIN

- TCIR = 0
- ODR = 0
- LDR = 0
- Fatalities = 0

##### Injuries Reported by Type:

##### PISCATAWAY / FRESNO / NOGALES

Reports are broken down by region. They cannot be broken down by gender.

##### TYPES OF INJURY:

- Struck by = 56 %
- Ergonomic = 19 %
- Slip, trip, fall = 19 %
- Burn = 3 %

##### DUBLIN

- Cut = 25%
- Muscle Injury = 50 %
- Slip, trip, fall = 25 %
- Burn = 0 %

Method used to record and report accident statistics:

PISCATAWAY / FRESNO / DUBLIN: OSHA

NOGALES: Instituto Mexicano del Seguro Social



**Diversity and Equal Opportunity**

Humanscale is an equal-opportunity employer, which means we welcome employees from all backgrounds. We collect and manage this information to ensure employment is indeed equal and fair. We review new hires and terminations annually to ensure the procedures have been fair and equal to all those involved.

**Non-Discrimination**

We capture and evaluate all incidences of discrimination as they occur, and evaluate these events yearly to determine trends and discover better ways to avoid problems in the future. Humanscale has had three incidents of discrimination reported in the past year (all in North America). Two of these incidents are no longer subject to action, and we are implementing remediation plans for one.

**Child Labor**

We take care to ensure the hiring of every employee at Humanscale is legal and according to local child labor laws, as well as to ensure the employees are safe in their occupation. None of our operations facilities or sales offices are at risk for incidents of child labor.

**Indigenous Peoples**

Humanscale’s operations do not have significant impact on the rights of indigenous peoples.

**Human Rights Assessments and Training**

Humanscale employees did not participate in human rights training in 2018. Once we implement a program, we will track this data and include it in future reports.

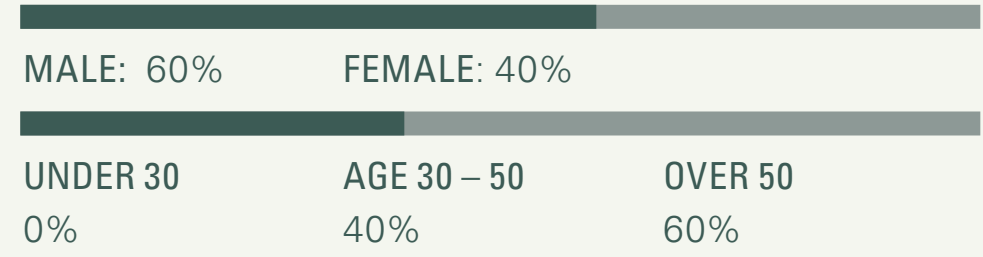
**Employee Satisfaction**

Each year we conduct an employee satisfaction survey. We use the feedback and findings to directly inform policies, processes, and major decisions.

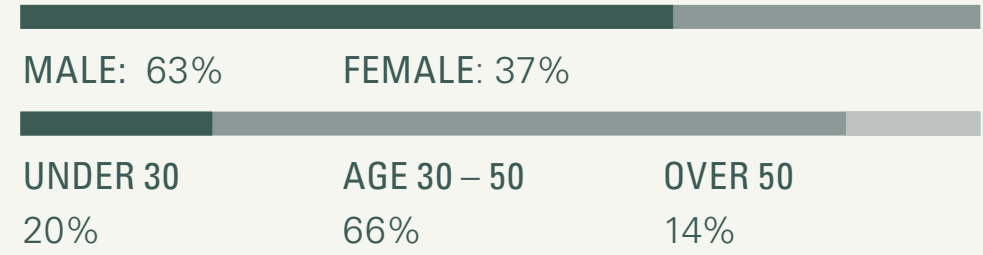
DIVERSITY 405-1 A

**DIVERSITY IN HUMANSCALE GOVERNANCE BODIES**

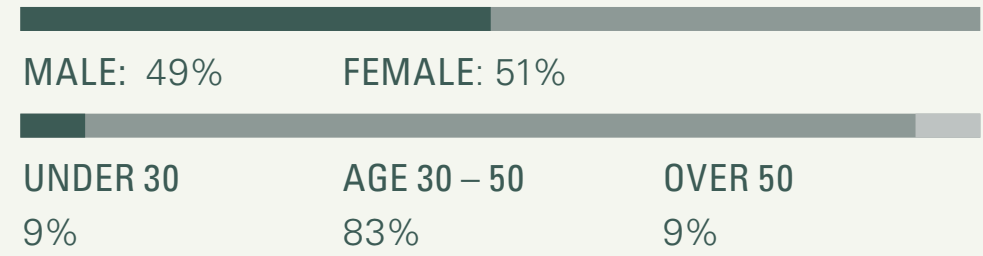
NORTH AMERICA



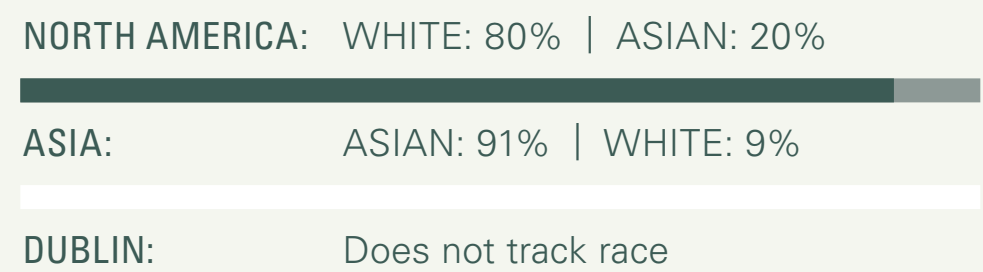
DUBLIN



ASIA



**RACE**





## Our Team

### DIVERSITY 405-1 B

|  | NORTH AMERICA | DUBLIN         | ASIA  |
|--|---------------|----------------|-------|
| <b>GENDER</b>                              |               |                |       |
| <b>Corporate Support</b>                   |               |                |       |
| FEMALE:                                    | 56%           | 67%            | 44%   |
| MALE:                                      | 44%           | 33%            | 56%   |
| <b>Intern</b>                              |               |                |       |
| FEMALE:                                    | 27%           | 0%             | 0%    |
| MALE:                                      | 73%           | 100%           | 0%    |
| <b>Operations</b>                          |               |                |       |
| FEMALE:                                    | 38%           | 25%            | 62%   |
| MALE:                                      | 62%           | 75%            | 38%   |
| <b>Sales</b>                               |               |                |       |
| FEMALE:                                    | 40%           | 27%            | 44%   |
| MALE:                                      | 60%           | 73%            | 56%   |
| <b>AGE</b>                                 |               |                |       |
| <b>Corporate Support</b>                   |               |                |       |
| UNDER 30:                                  | 22%           | 27%            | 6%    |
| AGE 30-50:                                 | 59%           | 58%            | 83%   |
| OVER 50:                                   | 19%           | 15%            | 11%   |
| <b>Intern</b>                              |               |                |       |
| UNDER 30:                                  | 100%          | 100%           | 0%    |
| <b>Operations</b>                          |               |                |       |
| UNDER 30:                                  | 16%           | 11%            | 8%    |
| AGE 30-50:                                 | 47%           | 68%            | 92%   |
| OVER 50:                                   | 37%           | 21%            | 0%    |
| <b>Sales</b>                               |               |                |       |
| UNDER 30:                                  | 15%           | 11%            | 16%   |
| AGE 30-50:                                 | 75%           | 83%            | 68%   |
| OVER 50:                                   | 10%           | 6%             | 16%   |
| <b>OTHER INDICATORS - DIVERSITY INDEX*</b> |               |                |       |
| <b>Corporate Support</b>                   | 67.8%         | Does not track | 19.6% |
| <b>Intern</b>                              | 59.5%         | Does not track | 0%    |
| <b>Operations</b>                          | 41%           | Does not track | 0%    |
| <b>Sales</b>                               | 30.2%         | Does not track | 26.9% |

\* The Diversity Indicator expresses the probability that any two people chosen at random will identify with different racial or ethnic backgrounds.



## Our Team

### NEW HIRES 401-1

#### NORTH AMERICA

MALE: 167 (52%)      FEMALE: 153 (48%)

| UNDER 30  | 30 – 50   | OVER 50  |
|-----------|-----------|----------|
| 130 (41%) | 148 (46%) | 42 (13%) |

#### DUBLIN

MALE: 63 (72%)      FEMALE: 25 (28%)

| UNDER 30 | 30 – 50  | OVER 50 |
|----------|----------|---------|
| 32 (36%) | 54 (61%) | 2 (2%)  |

#### ASIA

MALE: 11 (50%)      FEMALE: 1 (50%)

| UNDER 30 | 30 – 50  | OVER 50 |
|----------|----------|---------|
| 2 (9%)   | 18 (82%) | 2 (9%)  |



### Local Communities

Our operations have an impact on the communities in which we operate, and we want those impacts to be as positive as possible. While we do not currently have a formal community consultation process, we are committed to establishing one. In 2018, we engaged with stakeholders and created stakeholder maps. Each year, we conduct an assessment to ensure we are not affecting the community in any negative way, and to look for opportunities for community outreach.

In August 2018, we hosted an open house at our Piscataway facility for 20 students from Montclair State University's PSEG Institute of Sustainability Studies. The students toured the facility, and learned about responsible manufacturing, including Humanscale's commitment to creating positive handprints. They also participated in a design challenge, where they brainstormed ways to create new handprints in Humanscale's products.

We have also started a program, ScaleX, which invites design students to a one-day symposium that shares ideas from leading professionals in the design industry. The event includes a keynote, several lectures or discussions, a student lunch and product fair, and a portfolio review, where 10-15 professional designers give students feedback about their work. ScaleX is a way to help prepare design students for the professional world, covering topics — like sustainability, workplace ergonomics, and presentation — they may not have the opportunity to dive into as part of their regular classes.

Many of the negative impacts we may have on our local communities are by-products of the manufacturing process. In our commitment to sustainable manufacturing, we hope to avoid those impacts.

Humanscale has no formalized community grievance process, but aims to be a good member of the communities in which we operate.

### TERMINATIONS 401-2

#### NORTH AMERICA

MALE: 127 (52%)      FEMALE: 113 (47%)

| UNDER 30 | 30 – 50   | OVER 50  |
|----------|-----------|----------|
| 76 (32%) | 128 (53%) | 36 (15%) |

#### DUBLIN

MALE: 63 (72%)      FEMALE: 25 (28%)

| UNDER 30 | 30 – 50  | OVER 50 |
|----------|----------|---------|
| 32 (36%) | 54 (61%) | 2 (2%)  |

#### ASIA

MALE: 11 (50%)      FEMALE: 1 (50%)

| UNDER 30 | 30 – 50  | OVER 50 |
|----------|----------|---------|
| 2 (9%)   | 18 (82%) | 2 (9%)  |



## Certificates & Memberships

While our commitment to sustainability is clear, accreditation from third-party organizations and memberships in professional associations helps to keep us accountable and focused.



### **FSC** (Forest Stewardship Council)

The Forest Stewardship Council certifies that products come from responsibly managed forests that provide environmental, social and economic benefits. All our wood tables are certified by the Forest Stewardship Council.



### **SCS** Indoor Air Quality Gold

Created to demonstrate the health and safety of an indoor environment, SCS Indoor Air Quality Gold requires products to meet strict indoor air quality chemical emission limits. Humanscale tests all our major product lines to confirm they do not off-gas and meet SCS IAQ Gold.



### **GREENGUARD**

Similar to SCS Indoor Air Quality Gold, GREENGUARD certification provides assurance that products designed for use in indoor spaces meet strict chemical emission limits, contributing to the creation of healthier interiors. Humanscale seating is all certified GREENGUARD Gold.



### **LEED** offices/showrooms

Many of our locations are LEED certified, which reflects the best-in-class building strategies and practices that went into creating the space.



### **Level**®

Communicating the impacts of furniture products, level is a multi-attribute sustainability standard and third-party certification program.



### **Living Product Challenge**

The Living Product Challenge encourages participating companies to manufacture products using processes powered only by renewable energy and within the water balance of the places they are made.



### **Taking Things to a New LEVEL**®

Developed by the Business and International Furniture Manufacturers Association (BIFMA), LEVEL is the sustainability certification for contract furniture.

In 2018, Humanscale was the only company to have achieved level 3, the highest LEVEL certification possible) for all our products. This certification examines multiple attributes of each product, including water use, energy use, emissions, chemicals, waste, and design for environment. LEVEL is audited by a third party, and reviews the product itself, the manufacturing facility, and the company as a whole.



## Certificates & Memberships



### **BCPE** (Board of Certified Professional Ergonomists)

BCPE sets a rigorous professional standard for practitioners of human factors/ ergonomics (HFE). Humanscale is home to several board-certified ergonomists, who stay actively involved in BCPE and ensure we continue to create healthy workplaces.



### **BIFMA** (Business and Institutional Furniture Manufacturers Association)

BIFMA is a not-for-profit trade association for business and institutional furniture manufacturers. Staying engaged with our industry trade association helps us advance the conversation about sustainability for our entire industry.



### **CDP** (Carbon Disclosure Project)

The Carbon Disclosure Project is the only global system for companies and cities to measure, disclose, manage and share vital environmental information, with the goal of helping them take action to reduce their impacts.

Humanscale publicly discloses our greenhouse gas emissions through the CDP every year, and has since 2012.



### **HPDC** (Health Product Declaration Collaborative)

This not-for-profit, member organization is committed to the continuous improvement of performance in the building industry, through transparency, openness and innovation in business practices.

We take a strong stance on using healthy materials in our own products, and supporting the entire industry to push for healthier chemistry. Our Chief Sustainability Officer is a member of the HPDC board of directors.



### **IFMA** (International Facilities Management Association)

IFMA is the world's largest and most widely recognized international association for facility management professionals. While Humanscale is not a national member, many Humanscale employees are actively involved in the organization – employees hold positions such as chapter president (San Francisco) and board member (Houston).



### **ILFI** (International Living Future Institute)

This not-for-profit organization is the originator of the Living Building and Living Product Challenges, and aims to facilitate the creation of socially just, culturally rich and ecologically restorative communities.



### **NextWave Ocean-Bound Plastic Working Group**

NextWave intercepts ocean-bound plastics from waterways in priority areas for environmental and social benefit. The group works with scientists, corporations, and others to create an open-source supply chain that reduces ocean-bound plastic and complies with global environmental and social standards.

In 2017, Humanscale was a founding member of NextWave.



### **NPP** (Net Positive Project)

NPP includes organizations — including businesses, NGOs, and academics — committed to becoming net positive.

The project aims establish itself as the global authority on net positive, creating a standard by which companies can quantify, assess and enhance their positive impact on the world.

Humanscale is a founding member of NPP and is actively working to help resolve the technical challenges in defining Net Positive.



### **UNGC** (United Nations Global Compact)

As a member of the U.N. Global Compact, we align our operations and strategies with the 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption, including a precautionary approach to environmental challenges.



### **USGBC** (United States Green Building Council)

The U.S. Green Building Council works with individuals and companies to create healthy, efficient buildings. It is the administrator of LEED certification.

As a member of USGBC, we keep up-to-date with requirements and ensure our products contribute to LEED certification.



### **WWF** (World Wildlife Fund)

The world's leading conservation organization, World Wildlife Fund combines global reach with a foundation in science, and action at every level from local to global, to deliver innovative solutions to both people and nature.

Our CEO sits on the WWF board of directors, and Humanscale sponsors a significant wildlife restoration initiative in Cambodia.



## Corporate Structure and Governance

Humanscale's executive management and governance is overseen by Founder and CEO, Robert King. The company is a privately held S-Corporation organized under the laws of the state of New York pursuant to its company bylaws. As a privately owned and managed company, all decisions and evaluations of governance are performed internally after consulting with the relevant business and legal executives. Humanscale maintains an in-house legal department to advise the company on lawful behavior.

In 2018, Humanscale became the first in the industry to appoint a Chief Sustainability Officer, Jane Abernethy. Humanscale's CSO reports directly to the Founder and CEO, and works directly with the executive team to define corporate goals and ensure their implementation.

Humanscale's progress and performance is shared with all stakeholders through this annual Corporate Social Responsibility report.

### **Governance over Corporate Social Responsibility**

Our CSO, in conjunction with the appropriate executives, develops and updates purpose, value, and mission statements, strategies, policies and goals relating to environmental and social topics, which are then approved by the CEO.

The executive reviews our progress toward social, environmental, and economic goals at quarterly meetings; we also have our progress evaluated every 18 months through a third-party audit required to maintain certifications.

### **Risk Management**

Our CSO is responsible for environmental and social impacts, risks, and opportunities. Our Chief Financial Officer holds responsibility for economic impacts, risks and opportunities. Stakeholder consultation informs the identification and management of risks and opportunities. Our executive team reviews risks and risk management annually, as part of our goal-setting progress, as well as at quarterly meetings, though our CSO and CEO meet frequently and informally throughout the year to discuss any issues or concerns that may arise.

The CSO ensures all material topics are covered in this report; the CEO has final approval.

### **Remuneration**

Humanscale has an internal policy that guides our executive and all employee remuneration. As a privately held company, we understand remuneration ratios are an issue but manage those policies internally. Performance related to environmental topics is not currently a criteria in remuneration of the executive team.



## About this Report

The data included in this report dates from January 1-December 31, 2018. Our previous reporting period covered January 1-December 31, 2017; the previous report was published June 2018. No information has been directly restated from previous reports, though some topics, such as our brand statement, products and services offered, and our position on environmental topics do not change significantly each year. They have been reviewed and confirmed, and will be similar to previous years' reports. Humanscale is not a publicly-traded company, so we do not publish financial statements. This report does not disclose Humanscale's net sales or total capitalization, though we will endeavor to include this information in future reports.

### Topics Covered

Topics covered were reviewed by our representatives of our executive team, our marketing team, and through the stakeholder engagement process to ensure that all topics were relevant, and no relevant topics were missed. Our reporting principle was to include all material topics where Humanscale activities make a significant impact on current social, economic and environmental issues. Evaluating each of the GRI topics for its relevance to Humanscale ensures that key topics aren't overlooked, and that relevant topics can be added as our business changes or our stakeholders' concerns evolve. We use this process to ensure our reporting aligns with our corporate sustainability goals, with the social responsibility standards administered by the United Nations, and with industry-leading voluntary sustainability certification programs. All information is to be disclosed to the highest accuracy possible, with any limitations to information included to provide full transparency.

### Boundaries

Unless otherwise indicated, the material topics in this report include the manufacturing operations at our four production facilities: Piscataway, Fresno, Dublin and Nogales. We have focused our analysis on production facilities rather than the corporate boundary as these operations consume the most and have the highest potential for impact.

### Review process

Our CSO and CEO frequently and informally discuss any concerns or issues that arise. This report has been reviewed by a panel of stakeholders as well as the CEO, whose final approval was required for its production. Our stakeholders each completed a survey, giving us feedback about our choice of material topics, comprehensiveness of information, and ease of understanding. Their feedback helped guide the direction of this report and will inform future reports

### Stakeholder Engagement

We identified our stakeholders based on the potential audience for this report and who may be most directly affected by the information contained within. With the exception of employee surveys, engagement was not undertaken specifically as part of the report preparation process.

| EXECUTIVE MANAGEMENT   |  |  |
|--|--|--|
| CHANNELS   | TOPICS   | RESPONSE   |
| <ul style="list-style-type: none"> <li>Individual interviews</li> <li>Quarterly update during business review</li> <li>Ongoing communication</li> </ul>  | <ul style="list-style-type: none"> <li>Confirmation of key impacts, and relevant goals</li> <li>Transparency and sustainability reporting</li> <li>Increasing urgency of climate impacts.</li> </ul>   | <ul style="list-style-type: none"> <li>Relevant sustainability goals integrated into operational strategy</li> <li>Scope 3 calculations completed company wide</li> <li>CSR report GHG section 3rd party verified</li> </ul>               |
| EMPLOYEES  |  |  |
| <ul style="list-style-type: none"> <li>Team discussions</li> <li>Survey responses to solicit opinions on previous CSR report and overall program</li> <li>Responses to sustainability related queries</li> </ul>                                 | <ul style="list-style-type: none"> <li>Humanscale's CSR vision and implementation</li> <li>Employee engagement and satisfaction</li> <li>Communication</li> </ul>  | <ul style="list-style-type: none"> <li>Program developed to increase communication and training.</li> <li>Additional GRI topics reported per employee request</li> <li>Increased and formalized employee sustainability program</li> </ul> |
| MANUFACTURING PARTNERS   |  |  |
| <ul style="list-style-type: none"> <li>RFP, RFQ, and supplier evaluation process</li> </ul>  | <ul style="list-style-type: none"> <li>Social responsibility in supply chain</li> <li>Regulatory</li> </ul>  | <ul style="list-style-type: none"> <li>Integrated sustainability metrics into existing supplier quality evaluation</li> <li>Decision to standardized supplier evaluation to a global framework, such as SA 8000</li> </ul>                 |
| CUSTOMERS AND PRODUCT USERS  |  |  |
| <ul style="list-style-type: none"> <li>Sustainability-related queries</li> <li>RFPs, RFQs, Purchasing contract requirements</li> <li>Ongoing monitoring of and response to social media</li> <li>News releases</li> <li>Market survey</li> </ul> | <ul style="list-style-type: none"> <li>Product sustainability claims</li> <li>Product contributions to green building certification</li> <li>Transparency of material ingredients</li> <li>Humanscale's CSR vision and implementation</li> </ul> | <ul style="list-style-type: none"> <li>Additional transparency labels published</li> <li>Renewal of existing sustainability certifications</li> <li>Publish CSR report</li> </ul>  |
| LOCAL COMMUNITIES NEAR OUR FACILITIES  |  |  |
| <ul style="list-style-type: none"> <li>Annual open door event at our factory</li> <li>Design student events</li> <li>Ongoing communication</li> </ul>  | <ul style="list-style-type: none"> <li>Design for sustainability</li> <li>Creating handprints</li> </ul>   | <ul style="list-style-type: none"> <li>Decision to grow community engagement program in 2019</li> </ul>  |



**The Global Reporting Initiative (GRI) Standard**

The GRI Standard is used as a method for accounting and transparent disclosure of our impact on the environment, economy and society. For more information, please see the content index. This report used the GRI Sustainability Reporting Standards effective July 1, 2018. This reporting process highlighted areas for continuous improvement and Humanscale shall strive to address omissions in future versions of the report.

This material references GRI Standards 2018 for:

- 204 Procurement Practices,
- 205 Anti-Corruption, 301 Materials,
- 302 Energy, 303 Water, 304 Biodiversity,
- 305 Emissions, 306 Effluents and Waste,
- 307 Environmental Compliance,
- 308 Supplier Environmental Assessment,
- 401 Employment, 403 Occupational Health and Safety,
- 405 Diversity and Equal Opportunity,
- 406 Non- Discrimination, 407 Freedom of Association and Collective Bargaining,
- 408 Child Labor, 409 Forced or Compulsory Labor,
- 411 Indigenous Peoples,
- 419 Socioeconomic Compliance, 412 Human Rights Assessment,
- 413 Local Communities,
- 414 Supplier Social Assessment,
- 416 Customer Health and Safety,
- 417 Marketing and Labeling,
- 419 Socioeconomic compliance

This report has been prepared in accordance with the GRI Standards: Comprehensive option. It has not gone through an external assurance process.

| GRI    | SUBJECT / TOPIC   | REPORT SECTION                     | PAGE |
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| 102    | <b>GENERAL DISCLOSURES 2016</b>   |                                    |      |
| 102-1  | Name of the organization  | COVER                              |      |
| 102-2  | Activities, brands, products, and services                                    | THE HUMANSCALE DIFFERENCE          |      |
| 102-3  | Location of headquarters  | FACTORIES AND HEADQUARTERS         |      |
| 102-4  | Location of operations  | FACTORIES AND HEADQUARTERS         |      |
| 102-5  | Ownership and legal form  | CORPORATE STRUCTURE AND GOVERNANCE |      |
| 102-6  | Markets served  | FACTORIES AND HEADQUARTERS         |      |
| 102-7  | Scale of the organization   | OMISSION: CONFIDENTIALITY          |      |
| 102-8  | Information on employees and other workers                                    | OUR TEAM                           |      |
| 102-9  | Supply chain  | OUR SUPPLY CHAIN                   |      |
| 102-10 | Significant changes to the organization and its supply chain                  | OUR SUPPLY CHAIN                   |      |
| 102-11 | Precautionary Principle or approach   | BEYOND SUSTAINABILITY              |      |
| 102-12 | External initiatives  | CERTIFICATES AND MEMBERSHIPS       |      |
| 102-13 | Membership of associations  | CERTIFICATES AND MEMBERSHIPS       |      |
| 102-14 | Statement from senior decision-maker  | MESSAGE FROM CSO                   |      |
| 102-15 | Key Impacts, Risks and Opportunities  | BEYOND SUSTAINABILITY              |      |
| 102-16 | Values, Principles, Standards, and Norms of behaviour                         | CORPORATE STRUCTURE AND GOVERNANCE |      |
| 102-17 | Mechanism for advice and concern about ethics                                 | CORPORATE STRUCTURE AND GOVERNANCE |      |
| 102-18 | Governance structure  | CORPORATE STRUCTURE AND GOVERNANCE |      |
| 102-19 | Delegating authority  | CORPORATE STRUCTURE AND GOVERNANCE |      |
| 102-20 | Executive-level responsibility for economic, environmental, and social topics | CORPORATE STRUCTURE AND GOVERNANCE |      |



| <b>GRI</b> | <b>SUBJECT / TOPIC</b>   | <b>REPORT SECTION</b>              | <b>PAGE</b> | <b>GRI</b> | <b>SUBJECT / TOPIC</b>                                     | <b>REPORT SECTION</b>                               | <b>PAGE</b> |
|------------|--|------------------------------------|-------------|------------|--|---|-------------|
| 102-21     | Consulting stakeholders on economic, environmental, and social topics    | ABOUT THIS REPORT                  |             | 102-38     | Annual total compensation ratio                            | OMISSION: CONFIDENTIALITY                           |             |
| 102-22     | Composition of the highest governance body and its committees            | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-39     | Percentage increase in annual total compensation ratio     | OMISSION: CONFIDENTIALITY                           |             |
| 102-23     | Chair of the highest governance body                                     | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-40     | List of stakeholder groups                                 | ABOUT THIS REPORT                                   |             |
| 102-24     | Nominating and selecting the highest governance body                     | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-41     | Collective bargaining agreements                           | OUR TEAM  |             |
| 102-25     | Conflicts of interest  | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-42     | Identifying and selecting stakeholders                     | ABOUT THIS REPORT                                   |             |
| 102-26     | Role of highest governance body in setting purpose, values, and strategy | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-43     | Approach to stakeholder engagement                         | ABOUT THIS REPORT                                   |             |
| 102-27     | Collective knowledge of highest governance body                          | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-44     | Key topics and concerns raised                             | ABOUT THIS REPORT                                   |             |
| 102-28     | Evaluating the highest governance body's performance                     | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-45     | Entities included in the consolidated financial statements | OMISSION: CONFIDENTIALITY                           |             |
| 102-29     | Identifying and managing economic, environmental, and social impacts     | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-46     | Defining report content and topic boundaries               | ABOUT THIS REPORT                                   |             |
| 102-30     | Effectiveness of risk management processes                               | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-47     | List of material topics                                    | ABOUT THIS REPORT                                   |             |
| 102-31     | Review of economic, environmental, and social topics                     | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-48     | Restatements of information                                | ABOUT THIS REPORT                                   |             |
| 102-32     | Highest governance body's role in sustainability reporting               | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-49     | Changes in reporting                                       | ABOUT THIS REPORT                                   |             |
| 102-33     | Communicating critical concerns  | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-50     | Reporting period   | ABOUT THIS REPORT                                   |             |
| 102-34     | Nature and total number of critical concerns                             | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-51     | Date of most recent report                                 | ABOUT THIS REPORT                                   |             |
| 102-35     | Remuneration policies  | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-52     | Reporting cycle  | ABOUT THIS REPORT                                   |             |
| 102-36     | Process for determining remuneration                                     | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-53     | Contact point for questions regarding the report           | ABOUT THIS REPORT                                   |             |
| 102-37     | Stakeholders' involvement in remuneration                                | CORPORATE STRUCTURE AND GOVERNANCE |             | 102-54     | Claims of reporting in accordance with the GRI Standards   | ABOUT THIS REPORT                                   |             |
|            |  |                                    |             | 102-55     | GRI content index  | ABOUT THIS REPORT                                   |             |
|            |  |                                    |             | 102-56     | External assurance   | ABOUT THIS REPORT                                   |             |
|            |  |                                    |             | <b>103</b> | <b>MANAGEMENT APPROACH 2016</b>                            |   |             |
|            |  |                                    |             | 103-1      | Explanation of the material topic and its boundary         | 103 DISCLOSURES ARE INCLUDED WITHIN MATERIAL TOPICS |             |
|            |  |                                    |             | 103-2      | The management approach and its components                 | INCLUDED WITHIN MATERIAL TOPICS                     |             |



| GRI                  | SUBJECT / TOPIC  | REPORT SECTION                  | PAGE |
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| 103-3                | Evaluation of the management approach                                    | INCLUDED WITHIN MATERIAL TOPICS |      |
| <b>Economic</b>      |  |                                 |      |
| 204                  | <b>PROCUREMENT PRACTICES 2016</b>  | OUR SUPPLY CHAIN                |      |
| 204-1                | Proportion of spending on local suppliers                                | OUR SUPPLY CHAIN                |      |
| 205                  | <b>ANTI- CORRUPTION 2016</b>   | OUR SUPPLY CHAIN                |      |
| 205-1                | Operations assessed for risks related to corruption                      | OUR SUPPLY CHAIN                |      |
| 205-2                | Communication and training about anti-corruption policies and procedures | OMISSION: UNAVAILABLE           |      |
| 205-3                | Confirmed incidents of corruption and actions take                       | OUR SUPPLY CHAIN                |      |
| <b>Environmental</b> |  |                                 |      |
| 301                  | <b>MATERIAL 2016</b>   |                                 |      |
| 301-1                | Materials used by weight or volume                                       | SUSTAINABLE MATERIALS           |      |
| 301-2                | Recycled input materials used  | SUSTAINABLE MATERIALS           |      |
| 301-3                | Reclaimed products and their packaging materials                         | WASTE                           |      |
| 302                  | <b>ENERGY 2016</b>   |                                 |      |
| 302-1                | Energy consumption within the organization                               | ENERGY                          |      |
| 302-2                | Energy consumption outside of the organization                           | ENERGY                          |      |
| 302-3                | Energy intensity   | ENERGY                          |      |
| 302-4                | Reduction of energy consumption  | ENERGY                          |      |
| 302-5                | Reductions in energy requirements of products and services               | ENERGY                          |      |
| 303                  | <b>WATER AND EFFLUENTS 2018</b>  |                                 |      |
| 303-1                | Interactions with water as a shared resource                             | WATER                           |      |

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| 303-2  | Management of water discharge-related impacts   | WATER   |      |
| 303-3  | Water withdrawal  | WATER   |      |
| 303-4  | Water discharge   | OMISSION: INFORMATION UNAVAILABLE FOR NOGALES |      |
| 303-5  | Water consumption   | WATER   |      |
| 304    | <b>BIODIVERSITY 2016</b>  |   |      |
| 304-1  | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | BIODIVERSITY                                  |      |
| 304-2  | Significant impacts of activities, products, and services on biodiversity   | BIODIVERSITY                                  |      |
| 304-3  | Habitats protected or restored  | BIODIVERSITY                                  |      |
| 304-4  | IUCN Red List species and national conservation list species with habitats in areas affected by operations                                | BIODIVERSITY                                  |      |
| 305    | <b>EMISSIONS 2016</b>   |   |      |
| 305-1  | Direct (Scope 1) GHG emissions  | EMISSIONS                                     |      |
| 305-2  | Energy indirect (Scope 2) GHG emissions   | EMISSIONS                                     |      |
| 305-3  | Other indirect (Scope 3) GHG emissions  | OMISSION: UNAVAILABLE                         |      |
| 305-4  | GHG emissions intensity   | EMISSIONS                                     |      |
| 305-5  | Reduction of GHG emissions  | EMISSIONS                                     |      |
| 305-6  | Emissions of ozone-depleting substances (ODS)   | EMISSIONS                                     |      |
| 305-7  | Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions   | EMISSIONS                                     |      |
| 306    | <b>EFFLUENTS AND WASTE 2016</b>   |   |      |
| 306 -1 | Water discharge by quality and destination  | SEE 303-4                                     |      |
| 306-2  | Waste by type and disposal method   | WASTE   |      |
| 306-3  | Significant spills  | WASTE   |      |



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| 306-4 | Transport of hazardous waste   | WASTE   |      |
| 306-5 | Water bodies affected by water discharges and/or runoff  | SEE 303-4                                       |      |
| 307   | <b>ENVIRONMENTAL COMPLIANCE 2016</b>   |   |      |
| 307-1 | Non-compliance with environmental laws and regulations   | GOVERNANCE OVER CORPORATE SOCIAL RESPONSIBILITY |      |
| 308   | <b>SUPPLIER ENVIRONMENTAL ASSESSMENT 2016</b>  |   |      |
| 308-1 | New suppliers that were screened using environmental criteria                                      | OUR SUPPLY CHAIN                                |      |
| 308-2 | Negative environmental impacts in the supply chain and actions taken                               | OUR SUPPLY CHAIN                                |      |
|       | <b>Social</b>  |   |      |
| 401   | <b>EMPLOYMENT 2016</b>   |   |      |
| 401-1 | New employee hires and employee turnover   | OUR TEAM  |      |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | EMPLOYEE BENEFITS                               |      |
| 401-3 | Parental leave   | OMISSION: UNAVAILABLE                           |      |
| 403   | <b>OCCUPATIONAL HEALTH AND SAFETY 2018</b>   |   |      |
| 403-1 | Occupational health and safety management system   | OCCUPATIONAL HEALTH AND SAFETY                  |      |
| 403-2 | Hazard identification, risk assessment, and incident investigation                                 | OCCUPATIONAL HEALTH AND SAFETY                  |      |
| 403-3 | Occupational health services   | OCCUPATIONAL HEALTH AND SAFETY                  |      |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety            | OCCUPATIONAL HEALTH AND SAFETY                  |      |
| 403-5 | Worker training on occupational health and safety  | OCCUPATIONAL HEALTH AND SAFETY                  |      |

| GRI    | SUBJECT / TOPIC  | REPORT SECTION                 | PAGE |
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| 403-6  | Promotion of worker health   | OCCUPATIONAL HEALTH AND SAFETY |      |
| 403-7  | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships  | OCCUPATIONAL HEALTH AND SAFETY |      |
| 403-8  | Workers covered by occupational health and safety management system  | OCCUPATIONAL HEALTH AND SAFETY |      |
| 403-9  | Work-related injuries  | OCCUPATIONAL HEALTH AND SAFETY |      |
| 403-10 | Work-related ill health  | OCCUPATIONAL HEALTH AND SAFETY |      |
| 405    | <b>DIVERSITY AND EQUAL OPPORTUNITY 2016</b>  |                                |      |
| 405-1  | Diversity of governance bodies and employees   | OUR TEAM                       |      |
| 405-2  | Ratio of basic salary and remuneration of women  | OUR TEAM                       |      |
| 406    | <b>NON-DISCRIMINATION 2016</b>   |                                |      |
| 406-1  | Incidents of discrimination and corrective action  | NON-DISCRIMINATION             |      |
| 407    | <b>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016</b>   |                                |      |
| 407-1  | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | OUR TEAM<br>OUR SUPPLY CHAIN   |      |
| 408    | <b>CHILD LABOR 2016</b>  |                                |      |
| 408-1  | Operations and suppliers at significant risk for incidents of child labour                                     | OUR TEAM<br>OUR SUPPLY CHAIN   |      |
| 409    | <b>FORCED OR COMPULSORY LABOR 2016</b>   |                                |      |
| 409-1  | Operations and suppliers at significant risk for incidents of forced or compulsory labor                       | OUR TEAM<br>OUR SUPPLY CHAIN   |      |



| <b>GRI</b> | <b>SUBJECT / TOPIC</b>   | <b>REPORT SECTION</b>        | <b>PAGE</b> |
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| <b>411</b> | <b>INDIGENOUS PEOPLES 2016</b>   |                              |             |
| 411-1      | Incidents of violation involving rights of indigenous peoples  | OUR TEAM                     |             |
| <b>412</b> | <b>HUMAN RIGHTS ASSESSMENT 2016</b>  |                              |             |
| 412-1      | Operations that have been subject to human rights reviews or impact assessments  | OUR TEAM                     |             |
| 412-2      | Employee training on human rights policies or procedures   | OMISSION:<br>UNAVAILABLE     |             |
| 412-3      | Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening | OUR SUPPLY CHAIN             |             |
| <b>413</b> | <b>LOCAL COMMUNITIES 2016</b>  |                              |             |
| 413-1      | Operations with local community engagement, impact assessments, and development programs                                   | LOCAL<br>COMMUNITIES         |             |
| 413-2      | Operations with significant actual and potential negative impacts on local communities                                     | LOCAL<br>COMMUNITIES         |             |
| <b>414</b> | <b>SUPPLIER SOCIAL ASSESSMENT 2016</b>   |                              |             |
| 414-1      | New suppliers that were screened using social criteria   | OUR SUPPLY CHAIN             |             |
| 414-2      | Negative social impacts in the supply chain and actions take   | OUR SUPPLY CHAIN             |             |
| <b>416</b> | <b>CUSTOMER HEALTH AND SAFETY 2016</b>   |                              |             |
| 416-1      | Assessment of the health and safety impacts of product and service categories  | THE HUMANSCALE<br>DIFFERENCE |             |
| 416-2      | Incidents of non-compliance concerning the health and safety impacts of products and service category                      | THE HUMANSCALE<br>DIFFERENCE |             |
| <b>417</b> | <b>MARKETING AND LABELING 2016</b>   |                              |             |
| 417-1      | Requirements for product and service information and labeling  | MATERIAL<br>TRANSPARENCY     |             |

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| 417-2      | Incidents of non-compliance concerning product and service information and labeling | MATERIAL<br>TRANSPARENCY                              |             |
| 417-3      | Incidents of non-compliance concerning marketing communications                     | MATERIAL<br>TRANSPARENCY                              |             |
| <b>419</b> | <b>SOCIOECONOMIC COMPLIANCE 2016</b>  |   |             |
| 419-1      | Non-compliance with laws and/or regulations in the social and economic area         | GOVERNANCE OVER<br>CORPORATE SOCIAL<br>RESPONSIBILITY |             |



**ISO 26000**

ISO 26000 is not a certification program. The document provides guidance on how to develop, evaluate, and communicate a company’s social responsibility program. For more information about how our program addresses the recommendations or clauses in the ISO standard, please see content index.

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| <b>4</b> | <b>PRINCIPLES OF SOCIAL RESPONSIBILITY</b>                         |                             |      |
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| 4.2      | Accountability   | ABOUT THIS REPORT           |      |
| 4.3      | Transparency   | ABOUT THIS REPORT           |      |
| 4.4      | Ethical Behavior   | OUR WORKFORCE               |      |
| 4.5      | Respect for stakeholder interests                                  | ABOUT THIS REPORT           |      |
| 4.6      | Respect for the rule of law  | CORPORATE GOVERNANCE        |      |
| 4.7      | Respect for international norms of behavior                        | SUPPLY CHAIN, OUR WORKFORCE |      |
| 4.8      | Respect for human rights   | SUPPLY CHAIN, OUR WORKFORCE |      |
| <b>5</b> | <b>RECOGNIZING SOCIAL RESPONSIBILITY AND ENGAGING STAKEHOLDERS</b> |                             |      |
| 5.1      | General  |                             |      |
| 5.2      | Recognizing social responsibility                                  | ABOUT THIS REPORT           |      |
| 5.3      | Stakeholder identification and engagement                          | ABOUT THIS REPORT           |      |

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| <b>6</b>   | <b>GUIDANCE ON SOCIAL RESPONSIBILITY CORE SUBJECTS</b>            |  |      |
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| 6.2        | Organizational Governance   | CORPORATE GOVERNANCE, ENVIRONMENTAL PRINCIPLES |      |
| <b>6.3</b> | <b>HUMAN RIGHTS</b>   |  |      |
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| 6.3.2      | Principles and considerations                                     |  |      |
| 6.3.3      | Human rights issue 1: Due diligence                               | SUPPLY CHAIN, OUR WORKFORCE                    |      |
| 6.3.4      | Human rights issue 2: Human rights risk situations                | SUPPLY CHAIN                                   |      |
| 6.3.5      | Human rights issue 3: Avoidance of complicity                     | SUPPLY CHAIN                                   |      |
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| 6.4.2      | Principles and considerations                                     |  |      |
| 6.4.3      | Labor practices issue 1: Employment and employment relationships  | OUR WORKFORCE                                  |      |
| 6.4.4      | Labor practices issue 2: Conditions of work and social protection | OUR WORKFORCE                                  |      |
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