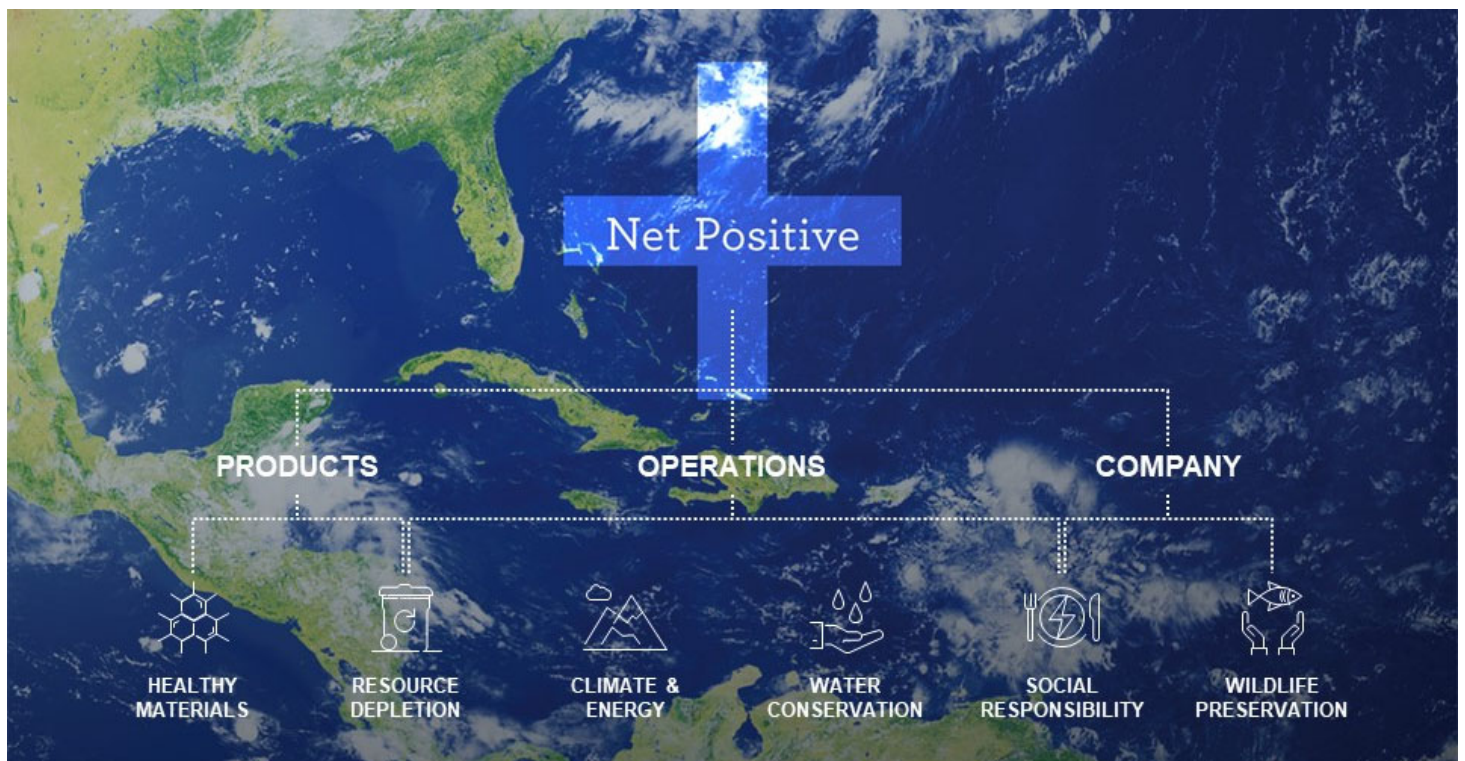


## LESS BAD IS NOT GOOD ENOUGH.

Since Humanscale was founded in 1983, we have launched several game-changing products that have set new standards in their categories. Our products have been very well received, which has allowed us to maintain continuous growth, and today we have offices worldwide. As Humanscale expands, we realize how much we can impact the world in which we operate: 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. Humanscale is committed to not only comply with all applicable legal requirements, but also participate in voluntary programs that have the ultimate goal of creating positive change - reversing the effects of climate change, preventing pollution, and restoration of wildlife. With significant challenges come great opportunities. Our Environmental Policy serves as a unifying vision of environmental principles that guides the actions of employees and management for all Humanscale entities globally.

## NET POSITIVE

Net Positive manufacturing does *more good than harm*, so it is part of *solution* to our global environmental and social challenges. We start by evaluating our manufacturing and operational activities to understand our key impacts. In each, we consider what it would take to go beyond sustainability, to making a truly positive impact on the world around us. Though this goal is ambitious, we believe it is possible if we stay focused, understand that it is a journey, and commit to continual improvement.



## TRANSPARENCY

We understand that progress cannot be made without a good understanding of the current situation. Humanscale documents and transparently shares the information needed to help our customers make more informed purchasing decisions, and to help us make effective improvements.

- Each year we provide thorough reporting on our activities through two annual reports: the UN Global Compact's annual Communication on Progress, and Humanscale's annual Corporate Social Responsibility report.
- Materials Ingredients for each product is shared by publishing both Declare labels and Health Product Declarations (HPDs). Each new product has an ingredients label published at launch. Products that are already in production are researched for their material ingredients and are systematically published until all products have a materials ingredients label published. (See Healthy Materials)
- Social Responsibility such as impacts on employees, local communities where we operate, and suppliers are publicly shared by publishing JUST labels. (See Social Responsibility)
- Product footprints are shared publicly by publishing 3<sup>rd</sup> party verified Life Cycle Assessment reports.

We aim to lead the industry forward toward greater transparency overall and a better understanding of the health and social impacts of material ingredients.

## HEALTHY MATERIALS

At Humanscale, we believe in using healthy materials. We also believe that all products, including furniture, should have ingredients labels that clearly disclose what they're made of.

Chemical Policy - Humanscale aims to manufacture without the use of chemicals of concern in our products, packaging, through the supply chain, in manufacturing and other facilities. In each area, we inventory the chemical ingredients, reduce chemicals of high concern, and give preference for safer alternatives.

We work hard to remove chemicals of concern, or "red list" ingredients from our products, above and beyond legal requirements. It is a collaborative effort of our sustainability, product development, production engineers, sourcing, quality and legal teams. Requirements defined for new products include that they must not contain any red list ingredients, ensuring that our designers and engineers are working toward this goal at the onset. Products material, packaging, and manufacturing chemical ingredients are reviewed by the sustainability team at each phase of development to prevent red list ingredients from being used. Avoiding chemicals of concern is communicated by the sourcing team to potential suppliers, and then codified in the contractual supplier agreement for suppliers who we are working with. In this way, we ensure that compliance is streamlined throughout our operations and avoidance of chemicals of concern becomes our standard business practice.

## RESOURCE DEPLETION / CIRCULAR ECONOMY

As a manufacturer, we know that we need to use material to make our products. The most responsible way to do this is to use the least amount of material for the longest time possible – ideally sourcing our inputs from previously used materials.

Design for Environment Policy - At Humanscale, we believe good design achieves more with less. Performance and sustainability are not mutually exclusive, but rather complementary outcomes of good design. By striving for simpler,

more elegant design solutions, we minimize the materials and energy required. Our Design Studio uses a “Life Cycle” thinking approach. We use Life Cycle Assessments (LCA) to measure a product’s impact, starting from the extraction of raw materials, through manufacturing, use and disposal. This lets us identify key areas to reduce impact on the planet. Whenever possible, we use materials that have recycled and recyclable content. We always try to incorporate rapidly renewable and biodegradable materials. We aim for high efficiency in materials and energy, choose efficient manufacturing processes and consider the ease of disassembly of our products to facilitate recycling at the end of the products’ lifespan.

Humanscale’s Design Studio uses a stage-gate system in the design process. Sustainability is incorporated into each phase, with a systematic check at each gate.

#### Stage 0—Research and Development

This stage defines the subject and scope of the project. Exploration is done to generate loosely defined concepts and confirm a business case for the project. Here we do thorough research to be sure we understand the users and all stakeholders who might be affected by our products. This is an opportunity to find simple, elegant solutions, reduce or consolidate features and pursue development only of products that show significant value for the user. By the end of this stage, expectations of the product are set, including the sustainability goals.

#### Stage 1—Design

In this stage, exploration is done to generate well-defined concepts. Innovative solutions are explored using prototypes and mock-ups. Concepts are refined to consolidate parts and features, to optimize material and energy used, and to meet the product’s functional requirements efficiently. The entire life cycle is considered (from material extraction to end of product lifespan). The final concept is chosen and given form. Preliminary material, process and assembly choices are made. The process of disassembly for recycling is suggested. By the end of this stage, an initial, simplified Life Cycle Assessment is done to identify where the impact is most significant.

#### Stage 2—Engineering

This stage prepares the product for mass production. Material, process and assembly choices for the entire product are made. Disassembly method and recyclability is confirmed. By the end of this stage, a more accurate Life Cycle Assessment is done to identify where the impact is most significant, and the project is evaluated against the sustainability goals set in Stage 0.

#### Stage 3—Pre-production

This stage works through the production phases to make a consistently acceptable product that meets all functional requirements. Final material, process and assembly choices for the product are confirmed. Packaging is specified and transportation methods chosen. It is confirmed that the product meets any applicable standards and durability requirements. A final, simplified Life Cycle Assessment is done to identify where the impact is most significant. The project is evaluated against the sustainability goals set in Stage 0.

#### Stage 4—Mass Production

This stage is ongoing mass production. We have chosen to evaluate the product within the first year of production. If we find that a new material or vendor has been beneficial, we capture their information in a centralized library, so that it can be useful in other projects. All the documentation is reviewed to show which aspects were more effective and which were less successful. This leads to continual improvement for sustainability in future projects.

Design for Durability Policy - During our design process, we plan how the products can be upgraded, refurbished and/or serviced in the field (with minimal effort). In addition, these products have robust standardized parts and components,

which helps facilitate repeated service, repair, and handling. All high-wear components such as textiles, cushions and arm pads can be easily exchanged, leading to a simple refurbish program that also extends the life of the products. We design in options for upgrades and field replacements to keep our timeless products useful through years of use.

All Humanscale's products are engineered to extend well beyond the life of our standard warranty. After the design is complete, our engineering team thoroughly analyzes each product to predict how it might wear or potentially break over time, and then refine the design accordingly. Prior to going into production, our products go through extensive physical testing and simulations. We work closely with our manufacturers to ensure that all of our products are made according to our exact specifications, and as a result, we are confident in the quality we expect. Through our approach, all of Humanscale's products have industry-leading warranties and meet or exceed all ANSI/BIFMA standards. We work hard to design, engineer, and manufacture all our products so they will last.

Waste Policy – At Humanscale, we understand the value of materials. For a manufacturer, Humanscale's facilities produce very little waste. Most of our waste is nonhazardous and recyclable, so we recycle everything we can and landfill only when we must. When we do produce some waste that must be disposed of in a controlled way, we follow all the EPA guidelines and applicable local and state laws for disposal. Our goal is to divert 100% of waste generated at our factories away from landfills, the environment and incineration, with an improvement of at least 1% per year until this goal is achieved. We achieve this by finding new ways to reuse material, recycling hard to recycle materials, working with our suppliers to proactively prevent waste, and developing a culture of responsible materials management within all our factories.

## **CLIMATE + ENERGY**

We are committed to responsible energy management and practice energy efficiency throughout our organization, including offices, manufacturing facilities and equipment usage. We continually monitor the energy use of our sales offices and our manufacturing facilities and evaluate improvement against a historical baseline. Humanscale will focus on energy reduction through implementation of energy management projects that minimize the economic burden through the adoption of efficient environmental and financial management strategies while complying with relevant local, state and federal regulations.

## **WATER CONSERVATION**

Water scarcity is increasing a concern globally with impacts that felt regionally. Humanscale aims to understand watersheds local to our factories and near our suppliers, prioritize water conservation in relation to the risk of drought, and create community-based solutions in areas of highest risk.

## **SOCIAL RESPONSIBILITY**

Our Employees - Our culture and core values embody a commitment to treating all team members, contractors and suppliers with dignity and respect, and promote a safe, healthy, and supportive work environment. We proactively take measures to ensure that the working environment is safe, that employees are aware of and implementing safety procedures and that proper safety equipment is available. We promote diversity through our fair hiring practices, and we are committed to treating all team members fairly throughout their relationship with us. Humanscale does not

discriminate against any team member or applicant for employment because of race, color, religion, ethnic or national origin, gender, sexual preference, age, disability, or veteran status during recruitment, hiring, training, promotion, and disciplinary practices. Full details of our policies are communicated to employees through our *Business Conduct Policy*.

Our Vendors (Sustainable Sourcing Policy) - Humanscale operates within an international network of suppliers and vendors. While we can directly control our own operations, the influence we have in our supply chain extends much further. Using our purchasing power, we stimulate local economic development, create local employment, redistribute wealth and to build thriving communities. To that end, we source materials from suppliers who understand and actively support our commitment to creating a net positive environmental and social impact. For this reason, we consider the performance, commitment, and continuous improvement of our suppliers in these areas when selecting and developing them.

Our suppliers must ensure sustainable and ethical business practices through policies, targets, management systems and processes that reflect the impacts and opportunities of the organization. In addition, they must strive for continuous improvement of their sustainability performance. Our suppliers must comply with applicable laws, rules, and regulations as well as the standards relevant for their business. This requires systematic documentation and records. Non-conformities must be identified and addressed through appropriate controls. We then use this information in our purchasing decisions to support environmentally responsible vendors.

Our Customers - We see the opportunity to help our customers in their environmental efforts. We start with supporting our customer's health and safety through a healthy workplace. Then, by clearly disclosing information about the sustainability of our products, we're able to help our customers make informed choices when they source green products. We benchmark the sustainability of our products using industry-recognized standards, making it easy for customers to compare their options in a meaningful way. We aim to inform our customers on environmental issues in general and in specific initiatives we undertake, to increase overall understanding and awareness. We work closely with our customers during the process of specifying product, through to the end-of-life disposal to support our customers in their efforts toward sustainability.

Local Communities – Humanscale is located throughout the world. We have offices, showrooms and manufacturing facilities in many countries. This provides us with an opportunity to positively impact many communities worldwide. Humanscale believes that community members and stakeholders should be involved in decision making about projects and programs that will affect their lives. It is our goal to engage local stakeholders to not only ensure that local communities benefit from decisions and investments, but also because local communities can contribute invaluable knowledge and unique perspectives that can help our organization minimize risks and generate goodwill. We aim to have a net positive impact on the world as we operate, including positive social impacts in the communities where we have a meaningful presence.

The Global Community - As an international organization, we understand that our actions have far-reaching effects. We work closely with governmental agencies, trade associations, community groups and others to develop and implement effective environmental laws and regulations. We enable and support not-for-profit organizations that are dedicated to environmental causes, research, and education.

Stakeholder Engagement – Our stakeholders are all the people, or groups of people who are directly or indirectly affected by our activities, such as employees, manufacturing partners, customers and product users, local communities, and others. We want to understand and address stakeholder perspectives. Our aim is to confirm who our key stakeholders are annually, seek their input about our sustainability program and reporting, and use their feedback to inform future decisions such as goals, programs, reporting and communication methods.

## **WILDLIFE PRESERVATION**

Animal Welfare Policy - Humanscale believes that we have an intrinsic duty to prevent the harm, abuse, and torture of animals and to protect wildlife and wild spaces. As a company with a global physical presence and who offers products made with leather and wool, we have an opportunity and large responsibility to put that belief into practice.