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## **Our Sustainability Vision:**

Haworth will be a sustainable corporation. We engage our employees in more sustainable practices; we initiate and use processes that are neutral or improve our environment; and we utilize our resources in ways that create adaptable and sustainable workspace solutions for our customers. We do all of this globally to protect and restore our environment, create economic value, and support and strengthen our communities.



## **Dear Stakeholders**

Through our broad global reach, LEED® certified facilities and sustainable manufacturing processes, we minimize our environmental footprint. Haworth's green building interior solutions paired with our wide range of products, experience and knowledge help our clients—in any type of industry—create more sustainable spaces globally. We continue on our journey toward becoming a sustainable global organization, and we focus on creating positive, measurable change in the markets we serve and the communities in which we live.

This fifth annual sustainability report is a straightforward look at how we're doing. We hope it inspires others to join us on our journey. We continue to hold ourselves accountable to seven long-term sustainability objectives that guide our priorities and actions. We take on ambitious commitments and are proud of the progress we've made.

This year we are particularly proud of our zero waste to landfill achievement. We are the first in the industry—and one of the first in any industry—to gain this status for our U.S. manufacturing facilities and global headquarters, joining our Shanghai, China and Pune, India manufacturing facilities, where this goal was achieved in 2008. This achievement is a milestone to celebrate and we are grateful to everyone who helped us reach it.

Yet there is more to do; and we're moving forward toward our global goal of zero waste across the entire organization. Our members are empowered to make positive changes to further the effort; and they take this responsibility to heart. From zero waste, to product and operational process advancements, to hundreds of volunteer hours, to thousands of dollars saved and raised, Haworth teams are mindful of what ultimately matters most: helping our customers improve their sustainable businesses, enhancing lives and caring for our planet.

Our members, dealers, suppliers and customers work together to continuously improve our sustainable practices. The synergy of these efforts will advance the benefits of sustainability for an increasing number of people and places across the globe. At Haworth, we believe we control our own destiny. We are committed to doing our part. To make a better life, we continue to lead by example.

Matthew R. Haworth

Chairman Haworth, Inc. Franco Bianchi President & CEO Haworth, Inc.

## Who We Are

Haworth International, Inc. is a privately held global corporation, headquartered in Holland, Michigan, USA, serving the contract and midmarket with furniture and workspace interiors.

## **Humble Beginnings**

Our story begins in a garage in 1948. It was there G.W. Haworth built wooden display units to earn money for his children's education. His pioneering spirit, coupled with a desire to take his future in his own hands, has been instilled not only in third-generation Haworth leadership, but lives on through everyone who is part of the Haworth global family.

## **How it Works**

The Haworth family includes Haworth dealers—independent businesses—who provide sales and support to our customers. We work with our dealers to help architects, designers and facility managers in the often complex process of selecting, specifying, planning and purchasing furniture and workspace interiors.

Haworth products are sold via our dealer/sales network to contract furniture customers and to mid-market customers.

## **Across the Globe**

We divide our responsibilities within three global sectors:

- North America
- Europe
- Asia Pacific, Middle East and Latin America



#### **Our Numbers**

- More than 6,000 members worldwide
- More than 600 dealers worldwide
- Networks in more than 120 countries
- \$1.11 billion in global sales for 2009
- 7 sustainability objectives
- 1 vision: create beautiful, effective and adaptable workspaces

#### **Our Brands**

- Haworth
- comforto
- · Castelli for Haworth
- Lacasse<sup>®</sup>
- United Chair®

#### **Our Products**

- Access flooring
- Conference room solutions
- · Desking systems
- · Educational furniture
- Ergonomic worktools
- Electrical and cabling support systems
- Executive wood casegoods
- Freestanding filing and storage products
- Freestanding wood, laminate and steel casegoods
- Health care solutions
- Integrated modular systems furniture
- Lighting
- Lounge and office seating
- Moveable walls

## **What Drives Us**

## **Our Sustainability Policy**

Our policy serves as our framework, a rallying point, for all of our members, all over the globe.

#### We will:

- Use education and innovation to promote environmental stewardship and enable the design and construction of more sustainable buildings and workspaces.
- Continuously improve operational performance, not only internally, but also throughout our supply chain, with a focus on preventing pollution, eliminating waste and eliminating consumption of non-renewable resources.
- Use benchmarked performance targets, conduct audits, track metrics and annually report on our corporation's environmental performance.
- Be proactive, continually adapting our practices and behaviors to new developments in technology, health and environmental science.
- Meet or exceed applicable legal requirements and other requirements related to the environmental aspects of the organization.

We recognize our responsibility as a global corporation, and we will work in harmony with the communities in which we operate and the markets we serve.

Haworth leaders and members adopt and support the Haworth Policy for Sustainability. We communicate and promote acceptance of this policy to everyone working for or on behalf of the organization.

This policy forms a framework for activities, product design, services and decision-making and promotes engagement of the entire organization.

We are dedicated to sustainability leadership and will continually evolve this policy to ensure our commitment.

## **Our Strategy**

We are driven to create great places to work. What sets us apart is our ability to provide customers with unique solutions that match their needs, backed by research, knowledge, global perspectives and products.

We call our approach the Organic Workspace. Translation: an integrated, sustainable workspace that responds to the changing business needs of clients. Workspaces are designed to improve effectiveness, help achieve sustainability goals, increase life cycle value and virtually eliminate waste.

Moveable walls, access floors, modular furniture systems and an integrated utility platform blend seamlessly into integrated workspace interiors. We use Design for Environment (DfE) strategies including:

- Common planning logic
- · Design sensibility
- Flexible connections
- · Integrated aesthetic
- · Life cycle assessments

The result: Haworth products are great on their own, but even better together.

# **Our Objectives**

- 1. Sustainable Product and Workspace Design
- 2. Energy Management
- 3. Green Transportation
- 4. Zero Waste and Emissions
- 5. Green Building and Sustainable Site Management
- 6. Social Responsibility
- 7. Stakeholder Engagement

## **Our Leadership**

Our executive management is ultimately held accountable to meeting our sustainability goals and objectives.

A cross-functional steering committee of executive sponsors, champions and region-based functional leaders sets company-wide goals and metrics based on our objectives. The steering committee drives the metrics and reports its progress quarterly to the steering committee chairperson.

The steering committee is chaired by our chief financial officer (CFO) and is chartered by our chief executive officer (CEO). Our CFO is responsible to the CEO for the direction and pace of our sustainability plan. The CEO and chairman of the board provide CFO sustainability oversight formally twice a year in corporate global sector reviews.

Champions for each sustainability objective are experts in the areas they oversee. They help drive improvements as well as make progress toward sustainability objectives. Through our champions' involvement, priorities are based on the strategic objectives of the whole company.

Region-based functional leaders are the core members of our local sustainability committees. They represent and provide the conduit for regional issues and priorities.

## **How The Economy Affected Us**

#### **Financial Performance**

Our 2009 global sales were \$1.11 billion, down from \$1.65 billion a year ago. Despite lower sales, we remain a financially sound organization with a strong balance sheet.

While our results reflect the economic crisis experienced by the entire industry, we improved our market share in North America and launched several new products around the world.

We anticipate to grow in the coming year, which is a reflection of the positive response to our organic workspace solutions from our clients worldwide.

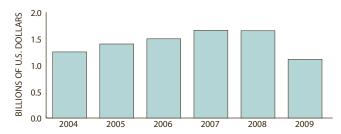
## **Acquisition and Realignment**

Last year, we acquired minority ownership in Tuohy, a Minnesota-based, U.S. manufacturer of executive casegoods, conference tables, seating and lounge furniture.

Also, the downturn in the world economy adversely impacted global industry sales. To ensure ongoing financial strength, actions were taken to drive efficiencies and recognize changes in capacity needs through reduction in the workforce around the world. This effected our Allegan, Michigan, USA and Imola, Italy facilities. Production has been consolidated to other Haworth facilities. While this will be a difficult time for those impacted, we are working hard to support our members during this transition.

We are steadfast in our commitment to economic improvement, recognizing the strong connection to our people and the planet. Our prudent use of resources and strategic growth keep us competitive and well positioned for the future.

## **Global Net Sales**





LEED-CI Gold Certified Showroom in New York, New York, USA

## Memberships

- · Australia Green Building Council
- B.A.U.M. Haworth Germany
- Business and Institutional Furniture Manufacturer's Association (BIFMA)
- · Canada Green Building Council
- Climate Leaders Program
- U.S. Environmental Protection Agency SmartWay<sup>SM</sup> **Transport Partner**
- U.S. Green Building Council
- United Nations Global Compact Haworth France

## **Certifications**

- Blue Angel Haworth Germany
- Forest Stewardship Council Certified Facility (see page 8)
- Good Environmental Choice Label Australia (AllWays, Very and Zody)
- GREENGUARD® Certified Products
- GREENGUARD for Children & Schools<sup>SM</sup>
- ISO 14001 Certified Facilities (see page 17)
- ISO 9001 Certified Facilities
- LEED Certified Facilities (see page 16)
- MBDC Cradle to Cradle<sup>CM</sup> Gold Certifications Very seating and Zody seating
- MBDC Cradle to Cradle<sup>CM</sup> Silver Certification Planes Table Collection and Very seating
- Programme for the Endorsement of Forest Certification<sup>™</sup> (PEFC) Chain-of-Custody Certification – Haworth Italy, Spain and France
- SCS Indoor Advantage<sup>™</sup> and Indoor Advantage Gold



LIM™ Y Light

## 2009 Awards

#### **One Haworth Center**

- World Architecture Forum Building Award, Completed Buildings
- International Design Excellence Awards (IDEA), Environments
- Sparks Awards, Architecture & Interiors, Offices, Working Spaces
- The Green Design 100, Time Magazine, Architecture

#### **Products**

- NeoCon, Best of NeoCon Gold, Height-Adjustable Worksurfaces – Planes®
- NeoCon, Best of NeoCon Silver,
  - <sup>−</sup> Task Lighting LIM<sup>™</sup>
  - Desking/Benching Enhancements for Furniture Systems – Compose®
  - Raised Flooring TecCrete®

- International Design Forum, iF Gold Award, 50 Best in Competition, Hannover, Germany – LIM
- IIDEX/NeoCon Canada, Gold Innovation, Interior Lighting – LIM

## Other

- IIDEX/NeoCon Canada, Bronze Innovation Award Haworth booth
- Michigan Minority Business Development Council, Corporate One Award
- CoreNet Global, Innovator's Award Mindshift,
   Haworth's corporate real estate industry consortium
- American Society of Interior Designers, Patron's Prize
- International Interior Design Association, Titan Award Haworth service

# Sustainable Product and Workspace Design

Understand, reduce and eliminate the negative environmental impacts from the manufacture, use and end-of-life management of Haworth products and workspaces.

## **Manufacturing and Sourcing Sustainable Products**

We believe in life cycle thinking—creating products that embrace Design for the Environment (DfE) strategies. Our products interface and integrate for more sustainable workspaces. The result is interiors that flex and change with an organization and extend the life cycle of work environments.

#### **Content Selection**

Materials are selected based on recycled content and/or recyclability at the end of useful product life. Materials with an existing infrastructure for recycling and products designed for easy disassembly are more likely to be recycled.

We communicate and request our suppliers' acknowledgement and support of our prioritized list of restricted materials, i.e., materials we want to eliminate over the next five years. Suppliers also receive our rated list of 800+ chemicals. The red/yellow/green rating identifies green (eco-friendly) choices.

#### **Wood Certification**

The Forest Stewardship Council (FSC) Chain of Custody (CoC) certification allows products to be segregated and identified as having come from FSC-certified forests and other controlled sources. Our participation as a CoC holder allows us to offer products made of wood that come from responsibly managed forests.

Haworth issued a wood policy in 2008, demonstrating our commitment to eliminate the sourcing of unwanted wood sources. Our current strategy is to develop a supply chain for FSC and FSC controlled wood and increase the number FSC CoC certified manufacturing facilities.

Our facilities in Spain, Italy and France carry PEFC certification for wood products.



#### **Product Documentation**

- · 76 certified as low-emitting
- 28 calculated for carbon footprint
- 2 third-party certified as climate positive<sup>1</sup>
- 51 environmental data sheets
- 42 listed for potential LEED point contributions

All major product lines for Haworth North America, Asia Pacific and Groupe Lacasse are air-quality certified by GREENGUARD or SCS Indoor Advantage Gold.

## **FSC Certification**

- · 4 facilities (In North America)
- 88% of our total systems sales are available as FSC (Compose®, Places®, Premise®, Race®, UniGroup® and UniGroup Too®)
- 100% of our wood seating sales are available as FSC (Candor<sup>®</sup>, Composites<sup>TM</sup>, Forenza<sup>TM</sup>, Hello<sup>®</sup>)<sup>2</sup>
- 78% of our wood casegoods sales are available as FSC (Masters®, Tripoli™, Vancouver™, Orlando™)

<sup>&</sup>lt;sup>1</sup> Zody and AllWays products sold in the Asia Pacific market are certified as "climate positive" due to the elimination of life cycle greenhouse gas emissions through the purchase of carbon offsets.

<sup>&</sup>lt;sup>2</sup> Limited options within these product lines are FSC-certified.







Three years ago we became first in the industry to remove PVC edge banding from our products. In 2009, we continued our goal to eliminate all PVC. All our systems-based electrical distribution products (Power Base) are now PVC free. This includes Compose, N-vision, Places, Premise, UniGroup and UniGroup Too systems.

#### $LIM^{TM}$

LIM (Light In Motion) is a minimally designed, multi-task LED lighting family. Available throughout North America and Europe, LIM's minimal design uses materials that have 29 percent recycled content. The aluminum arm light and several attachment options are up to 98 percent recyclable. The universal strip uses LED lights with a lifespan of up to 50,000 hours that are 85 percent more efficient than incandescent lights. For a list of awards earned by LIM, see page 7.

# **Haworth Europe 2009**

#### **BRAZO**®

BRAZO was launched at NeoCon 2007 and was the first lighting product to win the NeoCon Best of Competition. It was launched in Haworth Europe in 2009. BRAZO's aluminum body is 98.5 percent recyclable. Like LIM, the LED lights are 85 percent more efficient than incandescent lights and have a lifespan of up to 50,000 hours.



#### E-Leather

Haworth Europe uses E-Leather, an eco-leather upholstery engineered from recycled leather fiber. The raw material is derived from tannery waste. Processed leather fibers are linked without adhesives. Eco-manufacturing includes thermal oxidation for heat and energy recycling, and water treatment systems, which close-loop 95 percent of process water.

## **Kiron Desk System**

Exclusive to Haworth Europe, Kiron desk system offers the option of a particleboard top with a sustainable finish that is 100 percent PU-bonding with no formaldehyde. In fact, it complies with voluntary LGA certification for natural, untreated wood that is Programme for the Endorsement of Forest Certification (PEFC) certified wood chip surplus (100 percent pinewood).

## **Very**®

Very seating was launched in the U.S. in 2008 and introduced in Europe in 2009. It earned the Good Environmental Choice Label – Australia in 2009. Very is MBDC Cradle to Cradle Gold, Silver and GREENGUARD certified. The material content is up to 71 percent recycled and up to 98 percent recyclable at the end of product life. Very has been life cycle analyzed to optimize the carbon footprint.

# **Energy Management**

Increase energy efficiency and utilize renewable energy alternatives to become climate neutral, with the long-term objective of utilizing 100 percent renewable energy.

# **Reducing Energy and Our Greenhouse Gas Emissions**

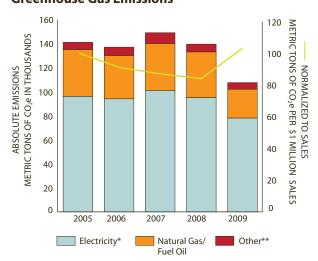
## Pledge is a Target

We are proud to be the first company in our industry to publicly commit to reduce the impact of our operations on climate change. We joined the EPA Climate Leaders program in 2005 and pledged to reduce U.S. Greenhouse Gas (GHG) emissions by 20 percent per dollar sales by 2009.

We continued to reduce energy through production efficiencies, plant consolidations and capital investment. Our 2009 absolute emissions were 20 percent less than our 2005 baseline. We did not meet our normalized goal due to the dramatic industry downturn. We are working with the U.S. EPA to address our goal.

While our GHG emissions are relatively low compared to other industries, we recognize we have much to do in order to meet our long-term objective of climate neutrality. We have fully complied with all environmental laws and regulations to ensure we are moving in the right direction.

## **Greenhouse Gas Emissions**



<sup>\*</sup> Shanghai, China operations consumed an average of 800 tons of steam not included



<sup>\*\*</sup> Includes member air travel, Haworth-owned transportation, minor emission sources



Global Headquarters, Holland, Michigan, USA

## More Space, Less Energy Global Headquarters, Holland, Michigan, USA

Major renovation of global headquarters was completed in 2008. The living laboratory of innovative, organic workspace solutions added 20 percent more space, while using 10 percent less energy than our previous building.

## **Reducing Electricity** St. Hilaire, France

Our manufacturing facility reduced electricity by 10 percent last year, normalized to production levels. Contributions to the decrease included new software to manage electrical consumption, new door equipment to reduce drafts and close matching of compressed air to production levels.

## **Reducing Electricity and Gas Consumption** Groupe Lacasse, St.-Pie, Quebec, Canada

In 2009, Groupe Lacasse reduced its total energy consumption by 10 percent. Contributing to electricity reduction: new capacitors to correct power factors and new occupancy sensors for lighting. Contributing to gas reduction: improvements to the air return for dust collection and additional insulation in the buildings.

## **Extra Credit**

#### Haworth LEED manufacturing facilities and showrooms

All of our LEED®-certified showrooms offset 100 percent of their energy requirements through Green-e certified renewable energy credits. That's twice the level required by LEED (50 percent offset).

Our global headquarters is the first LEED-NC<sup>1</sup> building to achieve points using carbon credits from a renewable energy source. We calculated the carbon footprint of electricity consumed at headquarters and purchased carbon offsets from renewable energy sources to offset 70 percent (4,156 metric tons) of the GHG emissions.

## **New Washline Saves Resources Comforto Seating Facility, Ahlen, Germany**

After 20 years of use, the washline (used to prepare steel and aluminum parts for powder coating) was replaced. A new stainless steel washline in one section, a mere 17 meters long, reduces the water needed for the wash process by half. Plus, 30 percent less natural gas is consumed.

# **Green Transportation**

Eliminate harmful emissions associated with the distribution of Haworth products and services and member business travel.

# **Moving Goods While Reducing Fuel and Emissions Tracking Our Progress**

In 2008, we were one of the first in the industry to join the U.S. Environmental Protection Agency's (EPA) SmartWay<sup>SM</sup> Transport Partnership program. Since joining the nationwide initiative to promote cleaner, more fuel-efficient transportation options, we have logged significant increases.

2008	2009
50 percent of our shipments (by weight) carried by SmartWay partners	60 percent of our shipments (by weight) carried by SmartWay partners
45 percent of our carriers SmartWay certified	58 percent of our carriers SmartWay certified
48 percent of total miles traveled by SmartWay certified carriers	68 percent of total miles traveled by SmartWay certified carriers
226 bimodal (truck and rail) shipments for long-distance deliveries	429 bimodal shipments (90 percent increase) for long-distance deliveries

EPA forecasts annual savings in the U.S. of at least 3.3 billion gallons of diesel fuel and up to 150 million barrels of oil through SmartWay. That's equal to taking 12 million cars off the road and saving \$10 billion in operating costs for program partners.



## Fleet Geared for Efficiency Global Headquarters, Holland, Michigan, USA

Haworth's Freightliner semis log nearly 10,000 miles every week, picking up raw materials from suppliers as well as shuttling parts and products between Haworth's North American manufacturing facilities.

## Features of the Fleet

- Aerodynamically designed using lighter-weight parts, reconditioned engines and transmissions built with recycled parts
- Engines meet California's 2014 emission standards.
   Michigan's standards are not yet as stringent as
   California's, so we are ahead of the curve.
- Super-single tires filled with nitrogen reduce friction and help maintain inflation for fewer replacements
- Fuel efficiency increased by 40 percent. Fuel usage has been reduced by 20,000 gallons per year.

# Wrapping up Savings and Reducing Impact North American Chairs

More chairs (typically 10 to 15 percent) fit on a trailer when they are shipped using blanket wrapping instead of boxes. This reduces the number of trips our trucks make—reducing fuel consumption and emissions. Blankets are reused, reducing waste. In 2009, we shipped over 30 percent of our North American seating products wrapped in blankets, resulting in cost savings.

## Smaller Boxes, Big Gains Pune, India, Manufacturing Facility

In 2009, Haworth Pune teams switched to a new method for packaging seating products. Instead of putting a fully assembled chair into a box, seating products are disassembled for shipment. Fewer parts in a box translate to smaller boxes that require less packing materials. Plus, more boxes fit in a shipping container. Fewer shipping containers reduce the number of transport vehicles, which in turn consumes less fuel.

Pune Packaging Options	Number of Chairs per Container	
Fully assembled chair	152	
Partially disassembled chair	212	
More fully disassembled chair	252	

## Hitting the Skids in 2009 West Michigan, USA

Between 28 and 35 air bags were used daily between skids to keep storage pedestals steady during shuttle transport. Air bags were effective, but not sustainable. The non-recyclable bags consumed electricity and people power. After a one-time use, bags were sent to a waste-to-energy facility.

By resizing the shipping skids, the loads were balanced, eliminating the need for bags. Maximized trailer space created room for 10 more skids. With more skids on board, fewer shuttle runs were needed, saving time and money.

# Zero Waste and Emissions

Eliminate waste and emissions associated with corporate operations and the production of products and services. This includes elimination of all greenhouse gases.

## **Meeting Our Zero Waste to Landfill Goal**

We achieved our goal of zero waste to landfill status for our global headquarters and manufacturing facilities in the United States in 2009. Our Shanghai, China and Pune, India facilities met our zero waste goal in 2008.

Four years ago, our U.S. factories were generating 10 million pounds of landfill waste annually. The total dropped by half in 2007 and again in 2008. By the end of 2009, we achieved our zero landfill objective; and less than three percent of our unused materials were sent to waste-to-energy facilities.

We consider it a last resort to repurpose unused materials as fuel to be converted into energy for community use. The process of burning unused materials to generate steam or electricity is our most expensive and least preferred method of waste management. We are working toward the goal of zero waste to energy.

## **How Did We Lose It?**

- Dumpster Dives. Before putting anything in the dumpster, we stopped to consider whether it belonged there and found more to recycle.
- More Drops. By setting up more convenient recycling station locations within factory work centers and the "front office," we gathered more recyclables than ever before.
- Talk About Trash. Meeting with our members to provide education and motivation gave them impetus to meet our goal.
- Team Competition. Friendly team competition among members, departments and sectors turned the initiative into a contest.
- Product Focus. We found new recycling options for waste generated from manufacturing our products and minimized waste scrap.
- Changing Our Ways. We chose more sustainable solutions whenever possible, including reusable packaging, minimal materials and recycled content.



"Zero waste to landfill is a bold step globally toward protecting our environment, creating economic value and supporting our communities."

John Mooney Haworth Chief Financial Officer & Executive Sustainability Sponsor

#### What Makes Us Different?

These are the areas that set Haworth apart:

- We send waste to incinerator facilities that meet all current regulations.
- We maintain a relatively vertically integrated manufacturing process, rather than export the "problem" to local or international suppliers.
- We don't require suppliers to take back their materials unrelated to products, unless materials are part of the supplier's standard returnable packaging program.

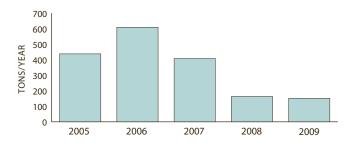
## The Road Ahead

We are working to zero out the .93 million pounds of waste-to-energy. Our remaining global facilities that are not yet at zero waste to landfill status will do so by 2011.

We continue to promote cleaner chemistry and processes as a longtime leader in eliminating volatile organic compounds (VOCs) in our products and manufacturing operations.

In 2008, we converted our wood finishing process to a water-based system at our Big Rapids, MIchigan, USA and Calgary, Alberta, Canada facilities. Additional steps were completed in 2009 to phase out VOC-based adhesives and replace with water-based and hot-melt alternatives.

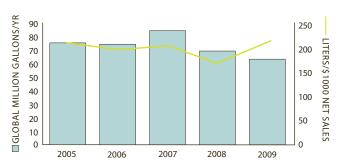
#### **Haworth Global VOC Emissions**



## Zero Wastewater Ahlen, Germany Facility

Thanks to the purchase of a new phosphating system for our manufacturing facility in Ahlen, Germany, there is no more wastewater. Resource consumption is optimized through recycling baths and an insulated system. Residues are properly and safely disposed of as waste. Chemicals are used very efficiently—and pose no danger to the environment. Water consumption plunged from approximately 4.5 m³ to 1 m³ per day—a level that is attributed to evaporation. That means 820,000 liters of water is saved every year—a reduction of 80 percent.

#### **Global Water Use**



## Waste Reduced in Canada Groupe Lacasse, St.-Pie, Quebec, Canada

The cardboard boxes used to package furniture at the St.-Pie, Quebec, Canada manufacturing facility are made to fit. That means "filler" plastic film and foam are kept to a minimum. The shrink-wrap packaging used to keep furniture together within the box is recyclable. The extra protection provided by particleboard was substituted with cardboard in 2009. The cardboard is made from recycled fiber; it's lightweight, recyclable and formaldehyde free.

Another significant achievement: zero hazardous waste in 2009. With the help of an external company to remove old products on-site and stringent control of products purchased, hazardous waste was completely eliminated in our Canadian manufacturing facility.

# Green Building and Sustainable Site Management

Use green building design and practices to construct new buildings and interior renovations for all Haworth facilities worldwide and ensure sites in use are managed for sustainability.

# **Building Green for Ourselves and Our Customers**

## **Our LEED® Projects**

We build our own facilities to meet criteria for the U.S. Green Building Council LEED® (Leadership in Energy and Environmental Design) Green Building Rating System. Our buildings serve as living laboratories for ideas, products and hands-on examples for customer collaboration.

#### LEED-CI<sup>1</sup> Gold Certified Showrooms

- · Merchandise Mart, Chicago, Illinois, USA
- Dallas, Texas, USA
- · Los Angeles, California, USA
- · New York, New York, USA
- · Pune, India
- · San Francisco, California, USA
- · Washington, D.C., USA
- · Shanghai, China

## LEED-NC<sup>2</sup> Gold Certified Project

· Headquarters, Holland, Michigan, USA

LEED-CI<sup>1</sup> Gold Registered Showroom

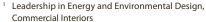
Singapore

LEED-CI<sup>1</sup> Silver Registered Showroom

· Toronto, Ontario, Canada

LEED-CI<sup>1</sup> Showrooms built to LEED standards

- · Zurich, Switzerland
- Calgary, Alberta, Canada



Leadership in Energy and Environmental Design, New Construction



The overall green building market (both non-residential and residential) is likely to more than double from today's \$36-49 billion to \$96-140 billion by 2013 according to the U.S.

Green Building Council.



Toronto, Ontario, Canada LEED-CI Silver Registered Showroom

## **Our Client's Unique LEED Project**

In 2009, our products helped Thornburg Investment Management be the first to earn a LEED Innovation in Design Credit for its solution to reduce the environmental impact of churn.

Thornburg wanted to create a sustainable work environment that would inspire employees to do great work while efficiently adapting to frequent moves within the building—nearly 36 percent of team members change workspaces each year.

Referencing a study<sup>1</sup> of the environmental impact of employee moves (churn), Thornburg projected 21 percent of employee moves requiring construction<sup>2</sup> would generate 4,500 pounds of waste. When they compared the numbers to reconfiguring moveable walls and underfloor air for 100 percent of moves, waste was reduced by 97 percent.

The data convinced Thornburg to choose our Organic Workspace<sup>™</sup> solutions for seamless functional aesthetic integration of walls, systems, floors and furniture. Not to mention built-in adaptability for reallocating and reconfiguring space with minimal waste and downtime.

Building System	Conventional walls and overhead air	Moveable walls and underfloor air
Waste Per Move	904.4 lbs.	4.7 lbs.
Waste Per Year	4,493 lbs.	116.7 lbs.

LEED, BREEAM in the U.K., Green Star in Australia, and the HQE in France continue to transform the construction industry with a focus on high-performance buildings that reduce the life cycle impact on operating cost, the environment and health.

## ISO 14001 EMS Certified

We monitor the progress of our ISO 14001 Environmental Management System (EMS) certified manufacturing facilities as part of our commitment to sustainable sites.

One of the first ISO 14001 facilities in our industry was our Ahlen, Germany plant, certified in 1999. In 2009, our manufacturing site in Holland, Michigan, USA was certified to complete all North American plant certifications, joining our certified plants in Asia Pacific and Group Lacasse. All European facilities will be certified in 2010 to meet our goal of certification for all factories worldwide.

<sup>&</sup>lt;sup>1</sup> Study conducted by project collaborating architect Dekker/Perich/Sabatini.

According to IFMA (International Facility Management Association) Space and Project Management Benchmarks Report.



Support the communities in which we conduct business and operate as an ethical organization.

Our strategy for social responsibility is to focus on the continuous improvement of these three areas: members, their families and their communities.

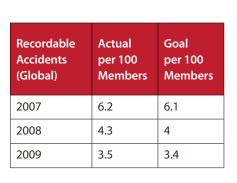
## Health

Whether it's preparing for the worst or addressing the everyday work environment, the health and safety of our members is our top priority. These are examples of our progress in 2009.

- Pulled together a cross-functional team to prepare for a potential swine flu epidemic. Haworth India members added the precautionary measure of wearing safety masks in the plant to avoid infection.
- Administered 500 seasonal influenza vaccines to members by our trained staff in our corporate wellness center at our global headquarters.
- Offered free-of-charge resources to North American members kicking a tobacco habit through Clear Free & Clear®, online learning supported by phone-based cognitive behavioral coaching and products.
- Instituted member incentives on their health insurance premiums for those who completed an online health risk assessment and demonstrated healthy behaviors.
- Offered enhanced education and coaching programs through our health care providers in North America.

## **Safety**

- Observed safety behavior daily to assess issues, make corrections and reinforce good decisions. One out of 10 members is on a safety team.
- Cross-functional team (safety, security, productivity and quality)
  revamped stretching exercise regimen to start each production shift at our
  manufacturing facility in Calgary, Alberta, Canada. Severity rate for lost time
  claims was 50 percent lower than the industry average.
- Shared safety training, policies forms and procedures with all members through the Safety Management System on our intranet.
- Identified and prevented potential safety problems by sharing information about safety incidents in other facilities.



8	200

## **Diversity**

Differing cultures and experiences enrich our global company. Our Inclusion Steering Committee is charged with diversity support and impetus worldwide.

#### **Members**

We track our progress on corporate diversity using a scorecard for hiring, promotion, and education and training. Creating and maintaining a diverse workforce is key and varies by region. A component of diversity shared among regions is gender, compared by sector in the chart below. From training to member-driven Diversity and Women's Councils, members hear from guest speakers, share ideas and embrace diversity.

## **Global Member Diversity**



#### **Suppliers**

Of our Level 1 suppliers, 10 percent are minority/ women/veteran-owned enterprises. Our team of buyers is charged with accelerating our expenditures among these enterprises. During 2009, we increased our spending by 60 percent. Our goal increases every year.

We participate with the Project One local supplier diversity organization at the state level with the Michigan Minority Supplier Diversity Council (MMSDC) and at the national level with the National Minority Supplier Diversity Council (NMSDC) and Woman Business Enterprise National Council.

#### **Dealers**

The majority of our sales are generated through our Preferred Dealer network, which represents the vast majority of North American sales and 50 percent of total global sales. We're proud of the fact that 20 percent of our Preferred Dealerships in North America are minority- or women-owned businesses.

## Responsibility

Providing a socially responsible work environment is the right thing to do, so we support the rights of our workers in a number of ways.

- In all regions, we exceed the minimum standards and are competitive with local marketplace wages.
- Haworth policy requires all Haworth salaried exempt and non-exempt members in North America receive an annual performance review.
- Full-time members and their eligible families have access to a wide variety of benefits and programs including healthcare, wellness, professional counseling, flexible spending accounts, adoption assistance and paidtime off. To help them protect their finances, we offer a pension plan, 401k and disability pay among other benefits. We recognize and encourage longevity through service awards.
- Part-time members are eligible for 401k, flexible spending accounts, vision benefits, legal services and on-site fitness center access (where available).
- Haworth policy requires all significant suppliers and contractors undergo screening on human rights issues and take appropriate actions.
- 100 percent of global members are trained in anti-corruption policies and procedures.

## **Learning Opportunities**

By offering opportunities for career development and learning, we not only help retain our members and increase their satisfaction, but also positively impact families and our communities. These are some of our accomplishments from 2009.

- Launched "The Center," an online learning resource to support learning for global field sales members.
- Supported educational programs for underprivileged children.
- Reimbursed over \$255,000 for college tuition or special classes in the U.S. At any given time, more than 100 members take advantage of an investment in their careers. Tuition reimbursement is available for members who wish to pursue training, classes or degrees that help them maintain work qualifications or qualify for advanced positions.
- Awarded more than \$30,000 in scholarships for education to members, spouses and their dependents.
- Featured an expert in emotional intelligence (as part of Our Distinguished Speaker Series) to help members achieve goals.

# **Philanthropy**

Corporate philanthropy gives us the opportunity to give back to the communities and people we serve. Our corporate focus is on education. We also benefit communities and organizations that represent the sciences, arts, medicine and environmental preservation.

Our support of important causes takes various forms: corporate dollars, product donations as well as our members' monetary gifts and time spent volunteering for charities.

#### **Dublin, Ireland**

Raised money for the Irish Hospice Foundation by hosting a Coffee Morning, an Irish tradition since 1993. The event was held in the showroom. Area folks gathered to enjoy a cup of coffee together, while supporting hospice care.

American Heart Association Heart-to-Heart Walk, San Francisco, California, USA.

Ashley Bareham and Jesse Duncan of North Ottawa Recreation Program (NORP) in Grand Haven, Michigan, USA, pictured with Anthony Hitsman and Jamie List of Two Men & A Truck of Holland, Michigan, USA.

Willie Vance, Haworth Ireland, presents check to Suzanne Johnston, Our Lady's Hospice Harold's Cross, for Irish Hospice Foundation











Haworth members gather at SHARE's Pink & Teal lunch

seminar program.

New York members and race participants at New York's Susan G. Komen Race for the Cure

Calgary Run for the Cure team: Kim Jager, Craig Robinson and Amy Wist

#### New York, New York, USA

Raised money to benefit cancer health education programs. The first annual Design/Construction/Real Estate Leadership committee reception was held in the showroom. The event benefited the lunchtime health education programs sponsored by cancer support group, SHARE.

## San Francisco, California, USA

Joined 9,000 walkers to raise awareness of the battle against heart disease. Haworth San Francisco showroom members and clients showed they have heart, coming together outside of work to demonstrate their support.

#### Calgary, Alberta, Canada & New York, New York, USA

Teams participated in their respective hometown's Race for the Cure during national breast cancer awareness month. Despite blinding snowfall and frigid temperatures, Haworth members, dealers, friends and family walked and ran to support the cause.

## Global Headquarters, Holland, Michigan, USA

Adopted four local families during the Christmas season for the past three years, providing them with food and gifts. Contributions took many forms: monetary donations, baking or buying cookies, participating in potlucks, purchasing supplies for wrapping and delivering gifts—many hands and hearts touched local families.

#### **United States**

Benefited United Way with donations of \$216,523 representing pledges from 60 percent of our members. For the past six years, members at global headquarters in Holland, Michigan, have participated in a simple and effective give-back program. Beverage containers are collected every two months, and the money from the returnable deposits is directed to a local United Way nonprofit organization.

#### Shanghai, China

Partnered with Roots and Shoots, a program of the Jane Goodall Institute. With the support of Haworth Asia Pacific, young people identified problems in their communities and took action through service projects, youth-led campaigns and the interactive website. Also donated work stations to Habitat for Humanity operations.

# Stakeholder Engagement

Engage all Haworth stakeholders in our path toward sustainability.

## **Actively Supporting Global Sustainability Initiatives**

#### **Stakeholders**

Our stakeholders include members, customers, dealers, suppliers, field sales force, the media, trade associations, certifying organizations and all communities in which we operate.

As a member of our stakeholders' extended circle of influence, we do our part to conduct day-to-day business through practices that result in the least harm to our environment. We also encourage our stakeholders to choose sustainable solutions.

#### **Communications**

We engage our stakeholders to share best practices and knowledge of sustainability. We communicate via e-mails and e-newsletters; global and regional websites; continuing education curricula; seminar presentations and speaking engagements; membership in trade and sustainability-focused organizations; community forums and through this report.

By asking how we are doing, our stakeholders give us valuable feedback and input to impact our sustainability objectives. Opportunities for engagement include annual member surveys, executive blogs, focus groups, community panels, corporate advisory panels, dealer council meetings and board meetings.

#### **Green Guardians**

Haworth Green Guardians is a global team created to encourage members to think more responsibly about our environmental impact—as a corporation and as individuals. Volunteers from Asia Pacific, Middle East, Latin America and North America meet to share ideas, encourage participation in and execute local green initiatives.





Ecommitment rewards members for avoiding driving alone to work.

#### **Ecommitment**

Ecommitment, an internal grassroots team at our global headquarters, created the Eco Trails Challenge in 2007. An annual competition rewards members for walking, biking, carpooling or otherwise avoiding driving alone to work.

In 2009, a "Zero Landfill Dynamic Zone Challenge" was held at global headquarters in Holland, Michigan, USA. Members were divided into zones, and bins within each zone were audited for percentage of waste-to-energy versus recycled content. Audits were conducted for seven consecutive weeks. The friendly competition earned the top team a prize and, more importantly, increased everyone's awareness and inclination to do what's right within their own work environment.

## **Sustainability Training and Research**

We offer a web-based sustainability awareness program to our members, dealers and suppliers. By informing and inspiring others, we hope to share common environmental goals.

## **Continuing Education Units**

We proactively support Continuing Education Units (CEUs) for architects, designers, specifiers, facility managers and students. During 2009, 237 educational events were held in architecture and design venues, showrooms, and at tradeshows. We also certified eight additional speakers and two courses.

## **GRI Content Index**

Haworth publishes an annual sustainability report. This report includes data from fiscal year Jan. 1, 2009 to Dec. 31, 2009 unless otherwise noted for all regions: Europe, Asia Pacific, Middle East, Latin America; North America; and Groupe Lacasse (excludes independently owned Haworth dealerships).

This report was prepared with consideration for the Global Reporting Initiatives (GRI) Sustainability Reporting Guidelines version G3.

All financial information is reported in U.S. dollars. Measures are metric. Questions regarding content should be directed to Steven Kooy, Sustainability Team Leader and Senior Environmental Engineer, One Haworth Center, Holland, Michigan, 49423 USA or steven.kooy@haworth.com

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