



# SUSTAINABILITY

REPORT 2014

## Contents

- 03 Message from Haworth Leadership
- 04 Who We Are
- 06 A Global Leader
- 08 Value Stream
- 10 People
- 16 Product
- 20 Knowledge
- 24 Accountability
- 30 GRI Considerations
-  Expandable Content

*(Viewable in PDF Readers for Windows and MacOS)*

As a product of Haworth's continuing pursuit of responsibility, our 2014 Sustainability Report is published in electronic format only. To delve further into some of the topics featured in this report, we invite you to click on the leaf icons and uncover extended content and links.



## Dear Stakeholders:

Haworth is a family-owned company with a solid foundation rooted in values that have long been vital to our success. Our values guide us to be a conscious business with a sense of purpose: to create inspiring spaces that enrich lives around the world. They also bring balance in all that we do, including our waste-not, want-not philosophy. In the 10 years we've been reporting our commitment to sustainability, our company has made important strides in our journey.

We have evolved to embrace sustainability more broadly for a positive impact in the communities where we do business. You can see evidence in our daily actions, through the hundreds of volunteer hours our members give to our global community. Or the ways they help our customers improve the sustainability of their businesses and care for our planet.

First launched in 2005, our annual Sustainability Report continues Haworth's commitment to report the progress of important global objectives—from Zero Waste to Landfill initiatives, to our design for environment strategy, and LEED® certifications for our facilities around the world.

We are dedicated to reducing the impact that our manufacturing and design process has on the environment. One of our most tangible goals in the past 10 years was to achieve Zero Waste to Landfill (ZWTL) status globally. This year we are encouraged by our progress to remove the 56 banned chemicals identified within our industry as adverse to human health and/or the environment.

We have also deepened our commitment to green building interior solutions by expanding the workplace experience from sustainability to wellbeing through the application of the WELL® Building Standard. Our new Los Angeles showroom and our Shanghai showroom are pilot projects for the standard, a performance-focused system for measuring, certifying, and monitoring features of the built environment to promote the health and wellness for people.

As always, our green building interior solutions are paired with our Organic Workspace® Strategy, which incorporates global leadership, workplace knowledge, and our ever-evolving design perspective to ensure integrated, adaptable, and more sustainable interiors for people.

A company cannot achieve success without the commitment and loyalty of its employees. We are thankful for the hard work, ingenuity, and dedication of our more than 6,500 global members.

There is more to do, yet we are pleased with our progress. Join us on our journey toward becoming a sustainable organization, focusing on creating positive, measurable change in the markets we serve and the communities in which we live—all around the world.

Matthew R. Haworth  
Chairman  
Haworth, Inc.

Franco Bianchi  
President & CEO  
Haworth, Inc.

John Mooney  
CFO & Executive Sustainability Sponsor  
Haworth, Inc.

## OUR SUSTAINABILITY VISION

Haworth will be a sustainable corporation. We engage our members 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.

## WHO WE ARE

At Haworth, we believe inspiring spaces can enrich lives and businesses around the world. We provide each of our customers with tailored spaces that enhance their business, stir their spirit, and sustain the planet.

We partner with our customers, our dealers, and industry influencers in redefining the way interiors are designed, built and maintained over time, resulting in more efficient real estate utilization and contributing to a more effective and innovative workforce.



### Our Beginnings

Three generations of the Haworth family have led our company. G.W. Haworth borrowed his parents' life savings to expand his woodworking operation in the family garage. The skilled craftsman's goal: Earn enough money to put his children through college.

Engineering-minded son, Dick Haworth, developed a way to pre-wire partitions from within. Driven by his foresight to gain a global perspective, Dick has seen the company through its largest years of growth to date.

Chairman Matthew Haworth has spent his entire career in the family business in a wide variety of roles—from marketing to manufacturing, sales, planning, and purchasing. He continues to lead with a focus on continuous improvement.

### Our Values

First drafted in 1975 by Dick Haworth and periodically revised to suit the changes of the world and our business, our values define our business behavior, inform our decisions, and communicate our brand. They have been and continue to be a foundation for our growth, and a code for our company. In our world of rapid change, our values are a guide for today's activities and tomorrow's growth.

We value our customers

We value members

We value integrity

We value continuous learning

We value results

We value our world

“Our values guide our business and demonstrate our beliefs.”

– Matthew R. Haworth, Chairman

### Our Leadership

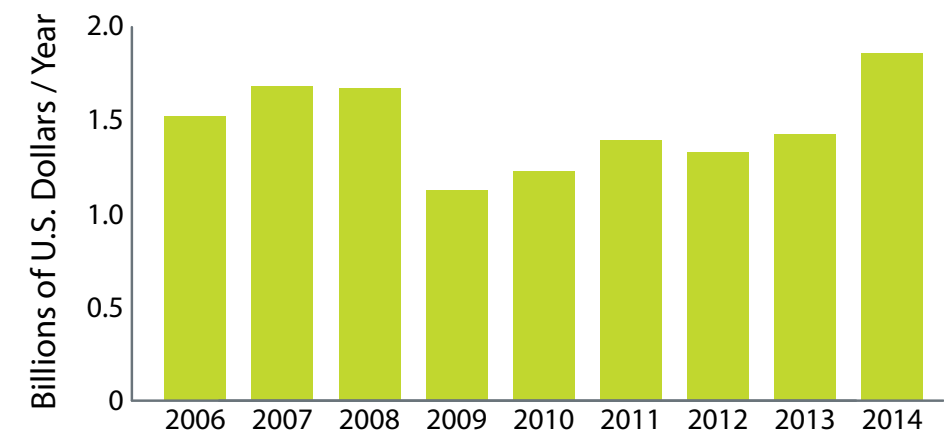
Our executive management team is held accountable for meeting our sustainability goals and objectives. A cross-functional steering committee of executive sponsors, a global sustainability manager, sustainability objective champions, and sector-based leaders sets company-wide goals and metrics based on our long-term strategy.

The steering committee drives the metrics and reports progress quarterly to the steering committee chairperson, our chief financial officer (CFO). The steering committee is chartered by our chief executive officer (CEO). Our CFO is responsible for the direction and pace of our sustainability plan reporting to the CEO. The CEO provides the CFO formal sustainability oversight twice a year through corporate global sector reviews.

Champions 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.

### Our Financial Performance

Haworth's 2014 global sales totaled \$1.8 billion—an increase of 27 percent from 2013. The sales increase is evidence of the effectiveness of Haworth's strategy and continued market share growth around the world.



# A GLOBAL LEADER

## Our Global Reach

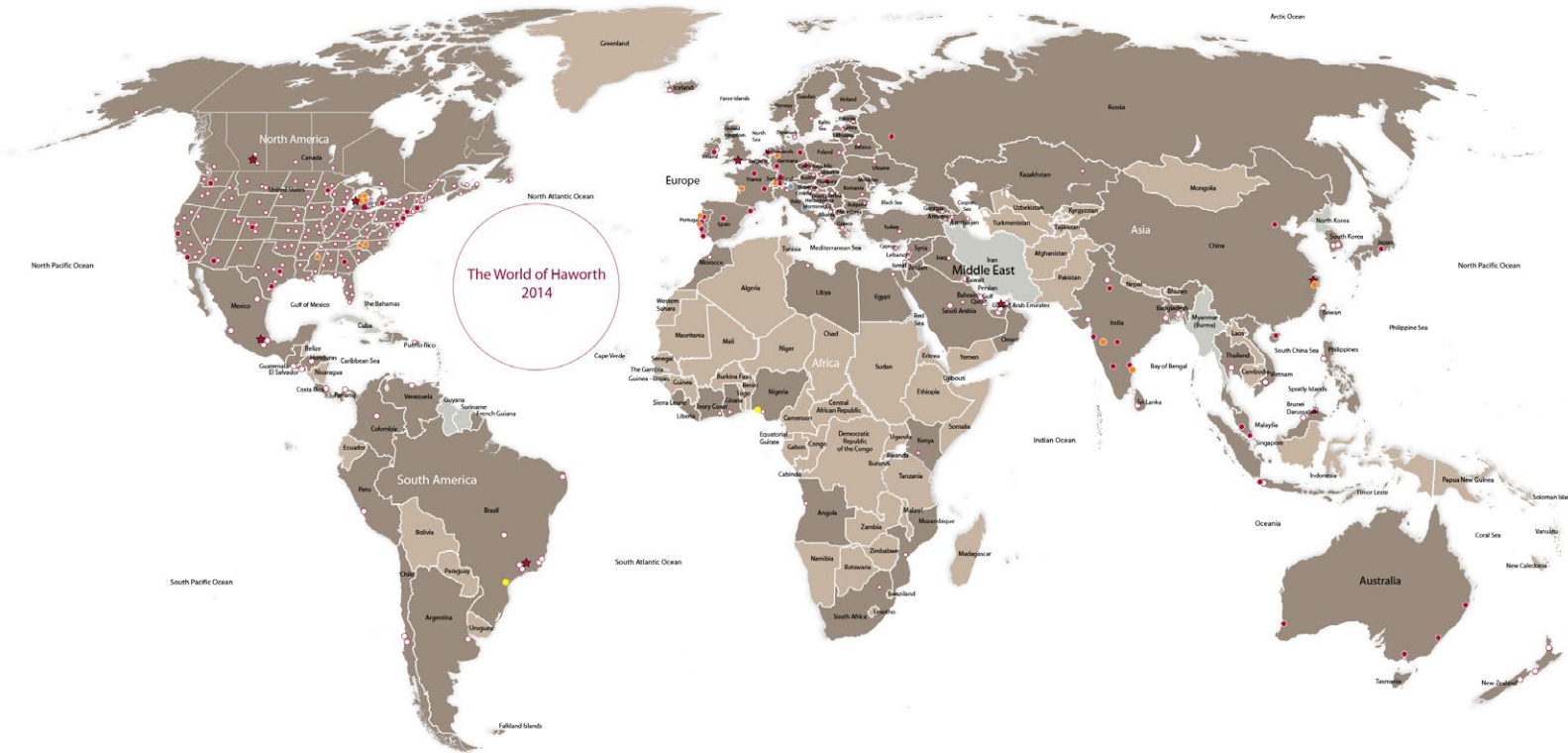
Haworth serves markets in more than 120 countries through a global network of sales members and more than 650 dealers—-independent businesses that provide sales and support to our contract market customers.

We divide our responsibilities into three business sectors:

- North America and Latin America (NA)
- Europe (EU)
- Asia Pacific and Middle East (AP)

## By the Numbers

- \$1.8 billion in global sales for 2014
- 6,500 members worldwide
- More than 650 dealers worldwide
- Presence in more than 120 countries
- 4 sustainability categories
- 1 vision



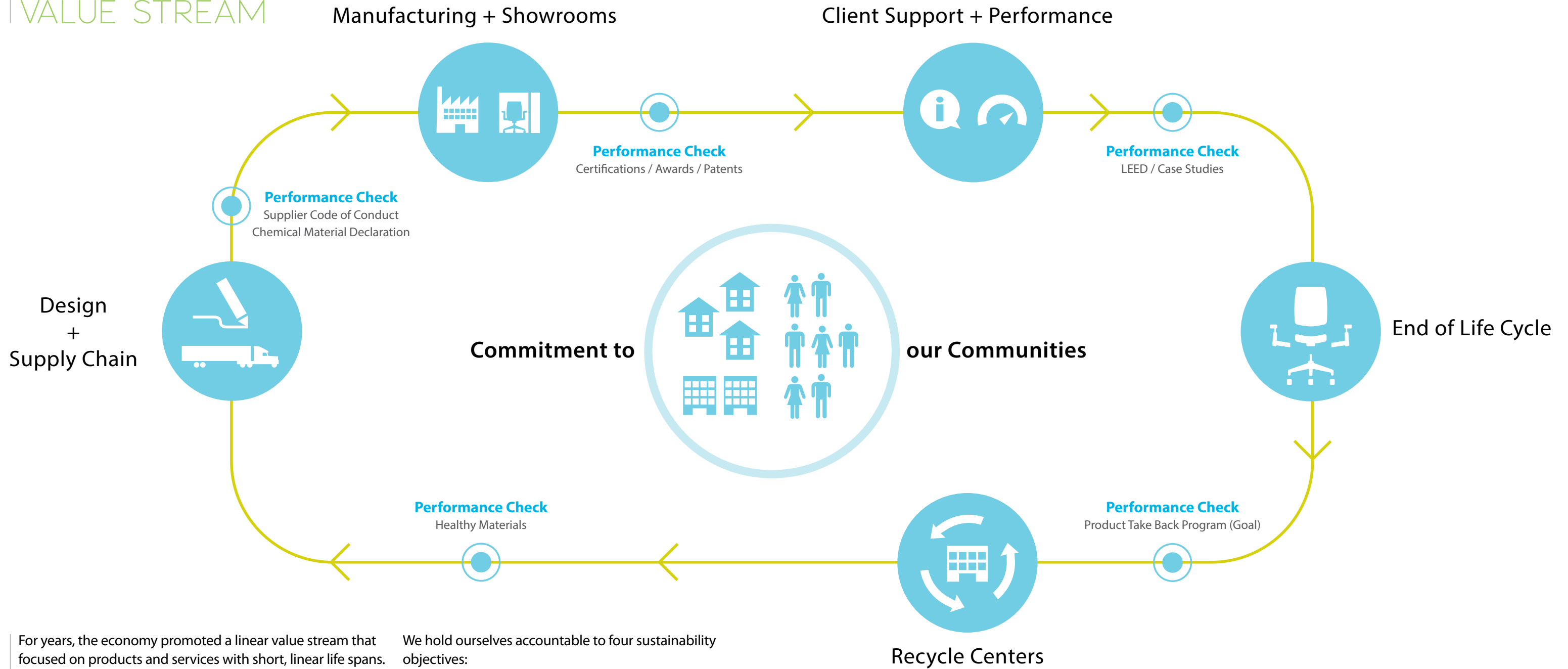
## Our Products

- Benching and desking systems
- Collaborative furniture
- Ergonomic work tools
- Freestanding filing and storage products
- Freestanding wood, laminate, and steel casegoods
- Healthcare solutions
- Lighting
- Moveable walls
- Raised Access Floors
- Seating
- Systems
- Tables and conference furniture
- Technology solutions
- Wood furniture

## Awards

- 2014 Best of NeoCon
  - » Best in Competition - Openest™ Collection
  - » Best of NeoCon Gold - Suite™ Casegoods
  - » Best of NeoCon Silver - Trivati® Walls
- 2014 ASID Design Award for Design and Innovation - bluescape™ Technology
- 2014 IDSA International Design Excellence Award - Gold for Office and Productivity - Windowseat® Lounge
- 2014 IDSA International Design Excellence Award - Silver for Office and Productivity - Harbor Work Lounge®
- Architizer A+ Award for Products+Work - Windowseat Lounge
- iF Product Design Award – MeetYou and YourPlace

# VALUE STREAM



For years, the economy promoted a linear value stream that focused on products and services with short, linear life spans. It is our goal to improve this paradigm into a circular value stream that includes products and services that are a part of a circular, sustainable economy.

Shifting to this holistic approach requires sustainable products and sourcing, the sharing of knowledge and services, continuous support and engagement of the community, and the accountability of our global operations.

We hold ourselves accountable to four sustainability objectives:

- *People: Conducting business with communities in mind*
- *Product: Driving more sustainable material and design choices*
- *Accountability: Taking responsibility for waste, energy, and water use*
- *Knowledge: Partnering with suppliers and clients to drive sustainable changes*



# PEOPLE

We believe in truly living the Haworth values. Our actions will reflect a global citizen that is a catalyst for positive social change within the communities in which we work and live.

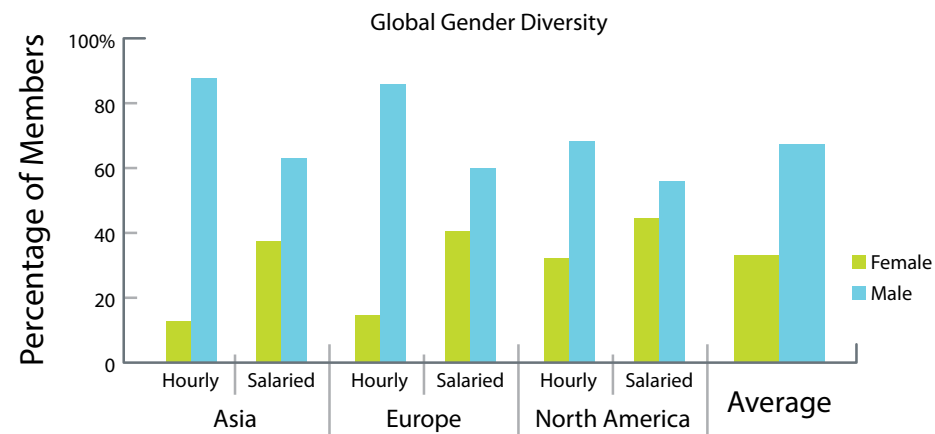
## Four Hours For Good (NA)

To help enrich the lives of our members and improve the quality of the communities in which we operate, we launched a North American program that provides members with up to four paid hours per year to volunteer at a local non-profit organization. Together, their collective time and talent will have a profound impact on our communities.



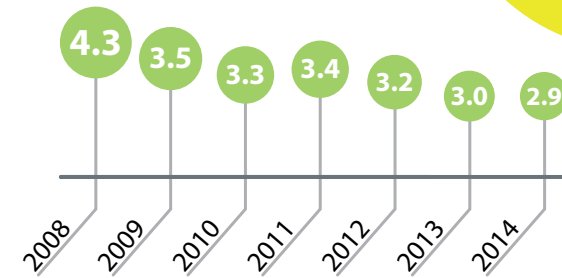
## Diversity (Global)

Diversity is a critical part of doing business. We continue to support diversity by utilizing different perspectives, as well as a global framework of knowledge and skills to facilitate innovation and collaboration. One component of diversity shared among our global regions is gender, which is reported by sector in the chart below.



## Safety (Global)

Actual Recordable Accidents  
Per 100 Members Globally



## Improving Safety in Switzerland (EU)

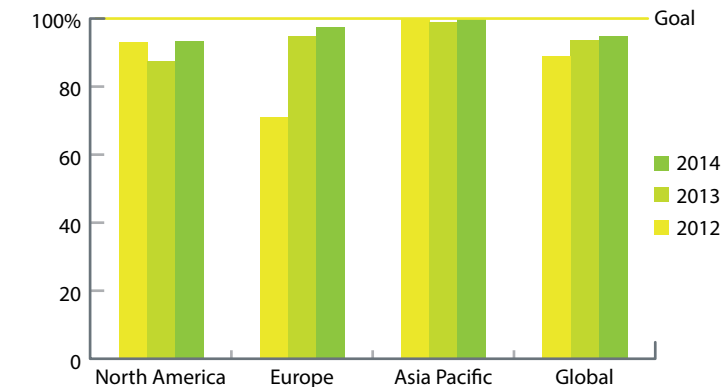
## Staying Safe in Shanghai (AP)

## Improving Safety Through Cultural Changes (NA)

## Global Supplier Code

We rely on our supply chain to provide the "ingredients" for our products. Our vast network of suppliers includes small local businesses and large international organizations. Since it is important that the companies we partner with align with our values, we lead by example and proactively encourage our suppliers to incorporate sustainability and social responsibility into their daily operations.

Global Supplier Signed Code of Conduct



[Download the Code of Conduct](#)



## OBJECTIVE:

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



# PEOPLE

## Wellness Principles (AP)

We focus on four key areas of wellness:

1. Physical Wellness – We ensure that work settings are designed to allow for standing and sitting, as well as promote movement and changing of postures throughout the workday.
2. Social Wellness – We ensure every office is peppered with a variety of settings that allow members to connect with each other in meaningful ways.
3. Career/Financial Wellness – We create positive experiences for our members and support various activities to help them achieve career growth.
4. Community Wellness – In spaces such as the Porter in Sydney, we create and support co-working communities, across a variety of companies and functions.

## Teach. Grow. Share. (NA)

Located at Haworth's global headquarters, the Member Garden provides member volunteers with a chance to teach each other new gardening techniques, grow relationships, and give back to the community. Throughout its fourth growing season, the Member Garden yielded more than 300 pounds of organic vegetables. The abundance was shared among volunteers, Haworth's resident chef, and a local nonprofit, the Center for Women in Transition.



## Recycling Benefits Local Organizations (NA)

While recycling used beverage containers is good for the environment, in the state of Michigan it also generates revenue. Anyone who recycles a used carbonated beverage container in Michigan earns 10 cents. In 2014, Haworth headquarters members donated more than 8,500 used bottles and cans, which yielded more than \$850 for three West Michigan nonprofit organizations:

- Big Brothers Big Sisters of the Lakeshore – Provides mentoring for local children
- Lakeshore Ethnic Diversity Alliance – Ensures all ethnic backgrounds are provided with equal access and opportunity
- The People Center – Provides shelter, food, and clothing to those in need

## Eliminating Autumn Olive (NA)

Fourteen members from across corporate headquarters teamed up for the Greater Ottawa County United Way 14th annual Day of Caring. Led by a local natural resources management supervisor, members helped eliminate Autumn Olive, an invasive plant species that dominates habitats, from a local park.

## Relief for Jammu and Kashmir (AP)

After a disastrous flood hit the states of Jammu and Kashmir, India, more than 72 members raised over 14,000 rupees (\$238 USD) for families in need.

## Gathering Strength From Deep Roots (AP)

To benefit local village communities and fellow members in Chennai, India, member volunteers developed a plan to plant 260 trees in the areas surrounding the Chennai factory. More than 180 trees were planted during the fourth quarter of 2014.



## Haworth Kids Can Make A Difference (Global)

To celebrate Earth Week, Haworth members around the world invited their children or grandchildren to participate in the Haworth Kids Coloring Page Contest. Each child who submitted an entry was entered into a drawing to win a gift card.



HAWORTH KIDS CAN  
MAKE A DIFFERENCE

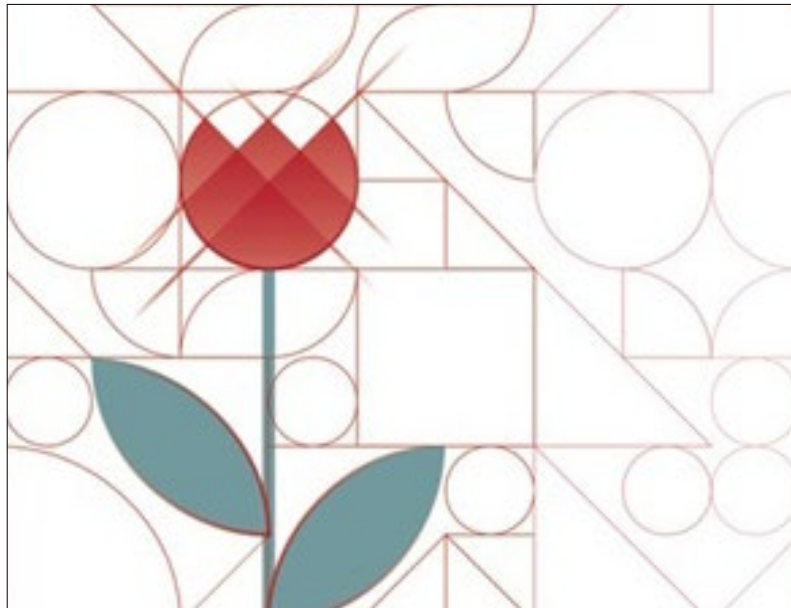
NAME \_\_\_\_\_ AGE \_\_\_\_\_ HOMETOWN \_\_\_\_\_



# PEOPLE

## ONE Haworth (EU)

Haworth Europe incorporates multiple countries, languages, and cultural backgrounds. To leverage this diversity and ensure each of our European members shares a mutual, customer-centered vision, we created ONE Haworth. This member-inclusive program serves as a roadmap that unites our multi-faceted strengths, enhancing our effectiveness and synergies throughout Europe.



In May 2014, nearly 1,000 European members simultaneously engaged in the ONE Haworth spring event, which included a live presentation by Henning Figge, Vice President of Haworth Europe. The speech, along with the accompanying video and workshops, addressed Haworth Europe's current position, cultural changes, joint goals, and its plan for the future.

This candid member inclusion has ignited our European team's spirit and will inspire our stakeholders around the world.

Moving forward, we plan to leverage ONE Haworth throughout our Asia Pacific and North American sectors to collaboratively and seamlessly serve our clients on a global scale.



## Ethical Business (Global)

In 2014, all global Haworth members completed business ethics modules. The compliance modules reinforce the importance of conducting business in an ethical manner and the impact of adhering to the Haworth values, regardless of where we do business.

## Sustainability Heroes (Global)

In 2014, our Environmental Hero award evolved into the Haworth Sustainability Heroes awards. The following members were recognized for demonstrating corporate citizenship in the areas of People, Product, Knowledge, and Accountability.

### 2014 Haworth Sustainability Heroes Award Recipients

- **People:** Amy McCarty, Organizational Performance Analyst in Holland, Michigan
- **Knowledge:** Stephen Brown, Senior Global Account Manager in Hong Kong, China
- **Product:** Sophie Flohic, Quality Manager in St. Hilaire de Loulay, France
- **Accountability:** Kris Pierce, Development Engineer in Holland, Michigan



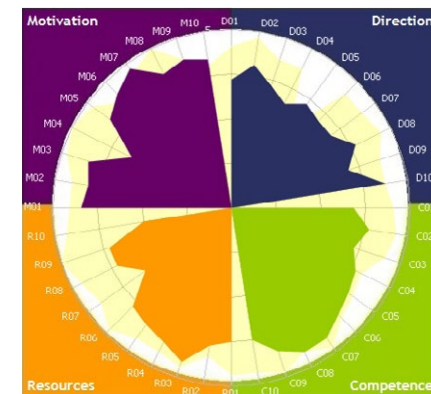
## Supporting Education (AP)

Engineers in Shanghai partnered with Henkel (supplier) to modify used worktops into children's desks. To complete the project, volunteers developed a unique design to optimize the use of the existing worksurface and minimize the use of metal. The furniture was donated to schools in small towns outside Shanghai.

## Clothing Drive in Shanghai (AP)

Each June, World Environment Day (WED) raises global awareness to take positive environmental action to protect nature and the planet. To celebrate WED 2014, eight members in Shanghai organized a clothing drive that yielded 10 boxes of clothing for the local Civil Affairs Bureau's Charity Store. WED is organized by the United Nations Environment Programme (UNEP).

## Engagement (Global)



Extensive research demonstrates that positive employee engagement drives positive behaviors for businesses. At Haworth, we are fundamentally committed to creating an environment—both physical and cultural—that sustains high levels of engagement and performance. We conduct extensive training to ensure our teams gain the direction, competence, resources, and motivation they need to engage in patterns of behavior that help us meet our common goals. We survey our global members annually to assess these conditions and practices, and use the results to conduct formal, facilitated team discussions aimed at eliminating barriers to success.

## By The Numbers

**7,500** The number of dollars that Haworth North America contributed to the Muskegon River "KEEP IT COOL" Initiative, which includes restoration, protection, and education programs for the Muskegon River in Michigan, USA.

**490** The number of kilometers run by Haworth members during the Run for Fun, Fitness, Spirit, and Charity event (Soeltjerlauf) in Bad Munder. During the four-hour event, 1 Euro was raised for each completed round.

**11** The number of young apprentices who explored product design with designer Stefan Barac during Heritage, our cross-generational learning project in Bad Munder. Each of the participants leveraged individual strengths and talents to develop a product—from the initial idea to production-ready prototype.




**19** The number of deserving students that received Haworth scholarships. The students were honored during the annual Haworth Scholarship Awards Banquet at global headquarters.

**58** The number of students that visited Haworth headquarters for the STREAM program, an educational program for youths about water quality.

**25** The number of architecture and design firms that participated in our "Geared for Kids" build-a-bike event in Los Angeles. More than two dozen bicycles were donated to the Boys and Girls Club of Santa Monica as 25 kids helped volunteers from Haworth and the LA design firms to build bikes.

**5** The number of high school students that worked together for two weeks to create a viable solution to a Haworth business problem. The students presented their solution to a panel of judges as they competed against their peers in the Ottawa Area Intermediate School District's iChallengeU event.

**19** The number of members presented with the **Dick Haworth Values Award**, which recognizes members who exemplify the principles of valuing customers, members, integrity, continuous learning, results, and our world.

View the 2014 Recipients 



# PRODUCT

As we continue our sustainable journey, we are committed to reducing the impact that our design and manufacture process has on the environment and human health.



## Timeline of Product Sustainability

### 2000

- Haworth expands its offering of adaptable workspaces by acquiring moveable wall manufacturer SMED. The addition of the product line enhances Haworth's ability to offer sustainable commercial spaces.

### 2003

- Haworth acquires raised access floor company Interface AR. The addition of Interphase AR strengthens Haworth's ability to provide customers with a complete commercial office space that is flexible and reduces waste.

### 2002

- Haworth pilots a low-VOC, water-borne veneer staining process in its Big Rapids, Michigan wood plant.

### 2005

- McDonough Braungart Design Chemistry awards Haworth's Zody Task chair with the contract furniture industry's first gold cradle-to-cradle certification.

### 2006

- Through a redesign of fluorescent task lights, Haworth saves customers 30 percent in energy cost. Design changes include a reduction of steel, by 65 percent, and packaging material, by 50 percent.
- Two European products are certified to the NF Environment standard.

### 2007

- Haworth's Asia Pacific sector launches the Always desking system. In addition to being available in a strawboard option, Always contains no PVC, chrome or PBDEs and is the first desking system to earn the Good Environmental Choice Australia certification.
- Haworth Italy receives PEFC certification
- The EcoShield, a water-based finish is applied to the Planes conference product line in Europe and North America.

### 2008

- Haworth completes 28 product life cycle assessments to identify activities or materials that impact the environment.
- Always and Zody are certified as Climate Positive in the Asia Pacific markets. The Haworth desking system and task chair are the first two office furniture products in Asia to completely offset their carbon footprint.

### 2009

- Four plants in North America attain the Forest Stewardship Council® (FSC) Chain of Custody certification while operations in Spain secure the Programme for the Endorsement of Forest Certification (PEFC) certification for its wood products.
- In a continuing effort to remove PVC from its product offering, Haworth's North American Compose electrical systems becomes PVC free.

### 2010

- Haworth France becomes PEFC Chain of Custody certified.
- 75 North American/Asia Pacific products are certified as BIFMA level 1 or 2 certifications.

### 2011

- Haworth completes 93 product life cycle assessments, which identify processes and materials that contribute most to the environment impact of the product.
- Haworth launches an extensive chemistry review with its suppliers. Each supplier receives a list of more than 800 rated chemicals in addition to Haworth's restricted materials list to ensure a clean chemistry process for product development.

### 2012

- 81 North American/Asia Pacific products are BIFMA level 1 or 2 certified
- 3 Products are BIFMA level 3 certified
- 5 European products are certified to the NF Environment standard
- 4 Products are certified as Climate Positive in Asia Pacific
- Haworth sources 80 percent of its wood from FSC or PEFC certified sources.
- Haworth partners with Philips to provide customers with sustainable, inspiring and innovative lighting solutions throughout its spaces.
- Reviewed 210 materials and finishes for more than 870 chemicals of concern. Identified areas of opportunity to create cleaner products.

### 2013

- Haworth launches the 56 by 2015 campaign, a public effort to identify and eliminate 56 chemicals of concern from major product lines, globally, by the end of 2015.
- Haworth announces its goal to source 100 percent of the wood used in its casegoods, systems, tables and storage products, globally, from sustainably managed forests by the end of 2015. Haworth sources 88 percent of its wood from FSC and PEFC certified sources.
- 11 Products earn BIFMA level 3 certifications
- Europe has 16 GREENGUARD® GOLD and GREENGUARD certified products.
- 9 European products certified to the NF Environment standard

### 2014

- Haworth sources 92 percent of its wood from FSC or PEFC certified sources.
- 17 Products earn BIFMA level 3 certifications.
- Comforto 89 task chair and Vados storage are used in the pilot phase of testing of the European Office Furniture Federation (FEMB) new sustainability standard, level. Both products achieved threshold 3, the best possible rating.
- 10 products are certified to the NF Environment and European standard.

## OBJECTIVE:

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

## BIFMA level® 3 Certified Products

- |                          |                        |
|--------------------------|------------------------|
| Beside® Storage          | UniGroup Too® System   |
| Compose® System          | Very® Conference Chair |
| Compose Storage          | Very Seminar Chair     |
| Planes® Carts            | Very Side Chair        |
| Planes Credenzas         | Very Stacking Chair    |
| Planes Tables            | Very Task Chair        |
| PREMISE® System          | V Series® Storage      |
| Reside® Desking/Benching | X Series® Storage      |
|                          | Zody® Task Chair       |

## Product Stats (Global)

- 133 product environmental data sheets completed
- 99 with Carbon Footprint calculations (Lifecycle assessments)
- 58 are BIFMA level 1 or level 2 certified
- 17 are BIFMA level 3 certified
- 107 are GREENGUARD certified
- 17 are Good Environments Choice Australia certified
- 9 are Norme Francaise Environment Certified (French Standard)
- 2 have preliminary FEMB European sustainability certifications

# PRODUCT

## UL GREENGUARD (Global)

Our global sustainability teams participate in quarterly and annual Underwriters Laboratories (UL) tests to ensure our products continue to meet the standards required by the GREENGUARD certification program. Our 2014 annual assessment featured Tibas and Intuity™ desking, which successfully passed all TVOC, Formaldehyde, and Total Aldehydes criteria. UL is the exclusive provider of the GREENGUARD certification.

## A New European Standard (EU)

The European Office Furniture Federation (FEMB) launched its new sustainability standard, level, at Orgatec 2014, Europe's largest contract furniture tradeshow. The



new European sustainability certification considers the entire product lifecycle and is a reliable tool for customers who want to make informed purchase decisions based on the environmental and social impacts of certified furniture, from any country. The new standard also serves as an umbrella for the various European countries' systems.

Since the early phases of development, our European sustainability team has been actively involved in the creation of the standard. Our products, Comforto 89 task chair and Vados storage, were used in the pilot phase of testing. Both products achieved threshold 3, the best possible rating. FEMB plans to have the infrastructure necessary for the first official certifications by the end of 2015.

[Read More](#)

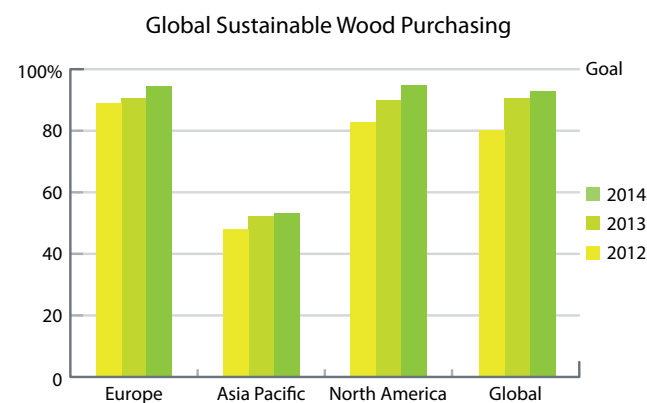
## Update: 100 Percent Sustainable Wood (Global)

In 2013, we announced our goal to source 100 percent of the wood used in Haworth casegoods, systems, tables, and storage products, globally, from sustainably managed forests by the end of 2015.

Throughout 2014, we diligently continued to increase the amount of wood purchased from sustainable sources that have been verified by third-party certifications, including nonprofit organizations such as the Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC). We also continued to proactively engage our supply chain and urge them to become certified or expand their sustainable wood offering. Our Asia Pacific sector now offers HPL worktops as FSC certified (standard) to a global customer base, which has led to an increase in its sustainable wood share.

[Read More](#)

Our commitment to sustainable procurement has led to an increase of our sustainable wood purchasing in all three sectors.



## Update: 56 by 2014 (Global)

In 2014, we announced our goal to remove 56 chemicals of concern from our products, globally, by the end of 2015. The 56 chemicals were selected based on a review of common materials identified by customers, governments, or nongovernment organizations as potentially harmful to users' health or the environment.

After reviewing 98 percent of our supply chain, the North American sustainability team identified 74 projects containing a chemical of concern (e.g., PVC, hexavalent chrome, HCFCs, and polychloroprene). By the end of 2014, we successfully found new, healthier substitute materials for 11 projects, developed a plan of action for an additional 31 projects, and phased out four product variations. The remaining 28 projects will be addressed in 2015.

Our European team also worked with suppliers to identify and, if necessary, substitute chemicals of concern. To increase transparency, the team submitted requests for chemical declarations to hundreds of suppliers. The responses included statements regarding our chemicals of concern and the European Union's comprehensive REACH regulations for transparency on chemicals of concern.

[Read More](#)

In Asia Pacific, our team identified 55 projects that contained chemicals of concern. Throughout 2014, one material was replaced while 16 parts were moved from Hexavalent to Trivalent chrome, and three parts were moved from Hexavalent chrome to high polishing. The remaining 35 projects will be addressed in 2015.

As of December 2014, approximately 33 percent (target: 40 percent) of our global elimination projects have been either phased out product options or substituted with a cleaner material. We are pleased to have publicly declared our plan to remove these 56 chemicals of concern and lead the industry towards healthier products.



## Say Goodbye to Peanuts (NA)

In Bruce, Mississippi, our manufacturing facility switched from the traditional packing peanut method and piloted the ExpandOS system for its loose-fill packing and cushioning material. The new, paper-based system is comprised of a machine that rapidly cuts and folds sheets of paperboard materials into three-dimensional triangular structures. Not only is the ExpandOS system a more environmentally friendly option, it also saves nearly 75 cents per cubic foot. A full production switch is scheduled for 2015.

# KNOWLEDGE

*As we lead by example and share our approach and data, we develop relationships with our customers, non-governmental organizations, and suppliers. Our goal is to provide transparency while continuing to be a trusted advisor.*

## Globally Addressing Wellness (Global)

In 2014, our commitment to wellness was exemplified by our ongoing global effort to remove 56 chemicals of concern from our products. In addition to this audacious goal, we remain globally dedicated to researching health and ergonomics within the workplace as well as earning top product certifications (e.g., GREENGUARD, level, etc.) and building standards.

Our Shanghai team, in cooperation with DELOS, is diligently pursuing the WELL Building Standard®—a unique certification that focuses on human wellness within the built environment—for our new showroom. Once certified, our Shanghai showroom will be the first office space in Asia to achieve the WELL standard. We are also planning to pursue the standard for our new Los Angeles showroom in 2015.

Physical wellness is a vital part of our holistic approach to wellness. In Shanghai, we've teamed with Touchmedia, a leading Chinese media company, to host Wellness on Wheels (WOW). Each one-hour WOW session allows our clients and members to come together in a Haworth showroom, or in their own office, for light physical exercise, even in the middle of the workday. In addition to having positive effects on participants' minds and bodies, WOW sessions demonstrate how exercise can be easily integrated into the workplace.



## Supplier Training (Global)

Originally piloted in Asia Pacific in 2012, our supplier training increases transparency and supports our supply chain's sustainability performance. Since 2012, the training has evolved to include a scorecard and education of chemical and material safety, social responsibility, and environment requirements. In addition to learning about the Haworth supplier scorecard items, the training helps our supply chain identify and establish sustainability goals. In 2013, the supplier training was incorporated into our North American supply chain operations.

In 2013, our North American sustainability team hosted monthly supplier training sessions. Topics included environmental management systems, chemical elimination, sustainable wood, recycled and recyclable content, LEED specifications, and Zero Waste initiatives. Richwood was also presented with the first-ever Haworth Supplier Sustainability Award. In 2014, Heritage Hardwoods won the Supplier Sustainability award.



## Meeting of the Minds (NA and AP)

Many of the world's leading sustainability thought leaders gather in our showrooms to create sustainability initiatives and policies or participate in knowledge series and CEUs.

In 2014, our Shanghai showroom hosted Green Initiative and Greenpeace's "The Direction of China's Environmental Policy," a conversation about how China is using policy to address environmental challenges. The Shanghai team also hosted the AWB Health's Workplace Wellness Trend Setter Talk, a networking platform for professionals in the workplace wellness industry.

In North America, we hosted a series of CEU courses on topics ranging from sustainable materials and tropical forests to level, BIFMA's sustainability certification program for furniture.

Sustainable Materials	Tropical Forests	BIFMA level Certification
Los Angeles	Detroit	Philadelphia
Orange County	Philadelphia	Austin
San Diego	Austin	
Philadelphia	Dallas	
Austin		
Dallas		
Houston		

## Haworth Academy (EU)

Each year, our European sustainability team conducts in-depth sustainability training, embedded in our Haworth Academy program for more than 100 dealer members.

## A Sustainable Conversation (EU)

Our European sales team continues to participate in quarterly web meetings with our sustainability team to discuss the latest sustainability news, industry changes, and sustainability-related sales projects. Originally established in 2013, the initiative continues to evolve—engaging sales members from several countries throughout Europe.

## Earning Gold in Europe (EU)

EcoVadis, a French organization that helps companies monitor the sustainability performance of its suppliers, recognized Haworth with gold status for excellence in its global corporate social responsibility initiatives. To earn the recognition, EcoVadis evaluated our environmental, labor and human rights, fair business, and sustainable procurement practices.

## OBJECTIVE:

Engage all Haworth stakeholders in our path toward sustainability through leveraging a network of partners that provide our customers with sustainable business models and environments that promote employee wellness.

## Our Global Network (Global)

We continue to partner with companies and institutes that share our commitment to sustainability. Our 2014 business partners include:

- ege (carpets)
- Ecophon (sound absorbing boards)
- Ginco Resource (room booking system)
- Philips (lighting)
- Luceplan (lighting)
- Royal College of Art (space studies)
- IAO Fraunhofer Office 21 (research institute and network of partners)
- New Ways of Working California (research)
- Smofy (blinds and shades)
- University of British Columbia CIRS building (research)
- GIGA (Sustainable materials network)
- China Greentech Initiative (research)
- Practice Green Health's Healthy Hospital Initiatives/Healthy Interiors in Health Care Roundtable (thought leadership)
- Sustainability Leadership Forum (thought leadership)





# KNOWLEDGE



## UN Global Compact (Global)

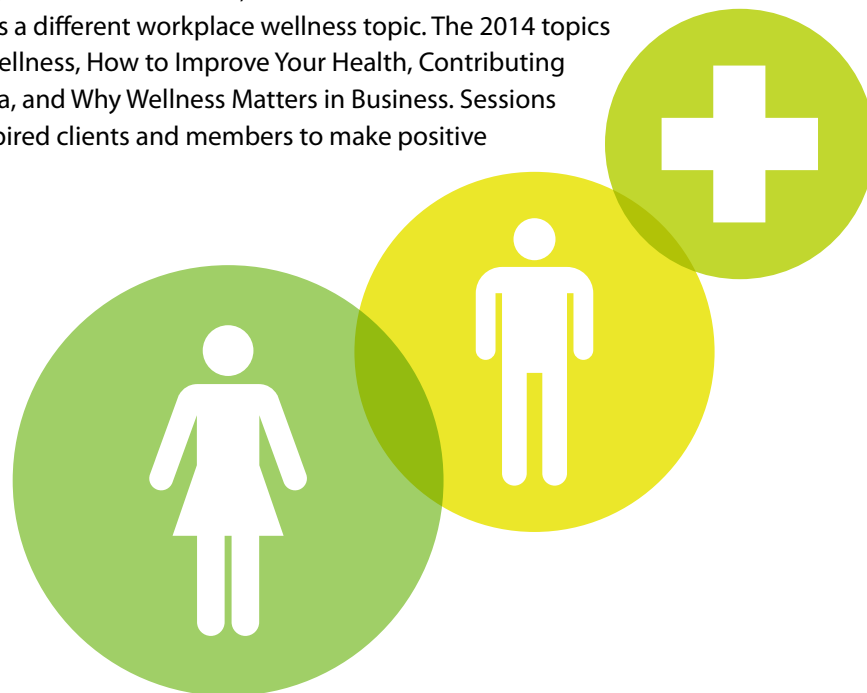
For the fourth consecutive year, we have participated in the UN Global Compact, which supports human rights, labor rights, and environmental protection. Each year, we provide the UN with an annual report that summarizes our activities in support of the Compact. Ten principles, which address unethical business practices such as forced labor, bribery, and other human rights violations, align well with Haworth's values.

## Beyond Business As Usual (AP)

Our teams in Singapore, Hong Kong, and Shanghai sponsor and participate in "Beyond Business as Usual," a quarterly knowledge series that highlights important sustainability issues. Each session, featuring a global sustainability leader, entrepreneur, or policy maker, covers topics ranging from philanthropy and efficiency to value chains and risk.

## Wellness Series (AP)

Our people-centered, holistic approach to wellness has led our Asia Pacific sector to organize a wellness knowledge series. Each session, which is held in a Haworth showroom or client space, covers a different workplace wellness topic. The 2014 topics included: Trends in Workplace Wellness, How to Improve Your Health, Contributing Factors to Health Statistics in Asia, and Why Wellness Matters in Business. Sessions were well received and have inspired clients and members to make positive lifestyle changes.



## Experts in Sustainability (Global)

Each year, our global sustainability leadership shares their knowledge with captivated audiences around the world. Highlights from 2014 include:



**Green Building Summit:** European sustainability manager Bianca Doenicke shared her knowledge of sustainable workspaces at the 2014 Green Building Summit in Istanbul. The presentation accompanied a feature story in Box In A Box Idea Magazine, which successfully positioned Haworth as a sustainability leader in new markets.

**OFFICE NEXT MOSCOW:** Haworth sales member Claudia Michalke shared a presentation about sustainable workspaces at OFFICE NEXT MOSCOW, an international forum for office design, technology, and real estate.

**Tri-State Sustainability Symposium:** Global sustainability manager Steve Kooy moderated a panel discussion that highlighted industry trends toward creating healthy, beautiful, and sustainable commercial spaces.

**NeoCon:** At the contract furniture industry's largest conference, global sustainability manager Steve Kooy joined an esteemed panel of experts to discuss the environmental and public health impacts of flame retardant chemicals and future regulatory changes affecting the furniture industry.



**Orgatec:** At Europe's largest office furniture fair, European sustainability manager Bianca Doenicke shared our involvement in the development of the newly launched European sustainability standard for office furniture. We also hosted a book launch for the Royal College of Art as well as presentations from sustainable business partners, including ege carpets and Philips Lighting.

**CoreNet Singapore and Shanghai Chapters:** Director of strategic services, Iolanda Meehan, shared her knowledge about wellness trends in the workplace during a CoreNet Singapore Chapter event. She also discussed how to ensure sustainability remains relevant in evolving workspaces during a Chapter event in Shanghai.

**CoreNet Global Summit Singapore:** During the 2014 CoreNet Global Summit in Singapore, director of strategic services, Iolanda Meehan, earned the Luminary Award for her presentation about embedding sustainability in organic spaces.

# ACCOUNTABILITY

As a leading global manufacturer, Haworth is committed to following a path of sustainable energy management, green transportation, green building, and sustainable site management. Our initial, actionable goals also include maintaining Zero Waste to Landfill status in all of our sectors worldwide and continuously reducing harmful emissions.

## Haworth Green Manufacturing Time Line

### 1986

- Haworth installs a solvent recovery system in its Holland, Michigan panels plant to capture VOC air emissions. Over the next three decades, Haworth successfully prevents more than 100 tons of solvent from entering the atmosphere.

### 1988

- Haworth becomes a charter member of the U.S. Environmental Protection Agency's 33/50 program. Throughout the lifetime of the program ('88 to '95), Haworth achieves a 71 percent reduction in the release of toxic compounds (EPA goal: 50 percent).

### 1997

- Haworth joins the Michigan Business Pollution Prevention Program and agrees to annually report progress on specific waste reduction goals.
- Haworth opens its Shanghai manufacturing facility, which includes a wastewater treatment plant that cleanses wash line wastewater according to Chinese and U.S. standards.

### 1992

- The Haworth Recycling Center is created to manage solid production waste at global HQ.

### 1993

- Haworth is awarded with the Michigan Chamber of Commerce's Environmental Quality Award.

### 1994

- Haworth becomes a charter member of the U.S. Environmental Protection Agency's waste reduction program: Waste Wise.

### 1999

- Haworth's Ahlen, Germany plant is one of the first in the industry to achieve ISO 14001 certification. Plants in Douglas, Michigan and Ludington, Michigan earn the certification as well.
- Haworth is awarded with the GSA Evergreen Award for excellence in recycling, affirmative procurement and waste prevention/reduction.
- Haworth is awarded with the Michigan Recycling Coalition's Recycler of the Year award.



### 2002

- Haworth pilots EcoShield, a low-VOC, water-borne veneer staining process at its Big Rapids, Michigan wood plant.

### 2004

- As part of the U.S. Environmental Protection Agency's Waste Wise program, Haworth earns the Sustained Achievement Award for annually exceeding waste reduction goals.
- The Michigan Department of Environmental Quality recognizes three Haworth plants in Michigan with the Clean Corporate Citizen status for regulatory compliance and pollution prevention: Douglas, Allegan, and Ludington.

### 2007

- Haworth manufacturing facilities in Shanghai, China and Pune, India, and Haworth's sales subsidiary in Spain achieve ISO 14001 certification. Haworth's TecCrete® flooring plant in Kentwood, Michigan achieves Zero Waste to Landfill status.
- Haworth manufacturing plants in Shanghai, China; Ludington, Michigan; and Allegan, Michigan implement a phosphate-free wash line process, which reduces heating costs and water consumption while eliminating phosphate discharges.

### 2005

- Haworth voluntarily joins the U.S. Environmental Protection Agency's Climate Leaders program and pledges to reduce greenhouse gas emission rates by 20 percent (per dollar sales) by 2009.

### 2006

- Two out of Haworth's three adhesive lines in the Holland, Michigan panels plant are converted to a non-VOC hot melt process.

### 2008

- Haworth manufacturing plants in Shanghai, China and Pune, India achieve Zero Waste to Landfill status. Haworth's Menziken, Switzerland facility becomes ISO 14001 certified.
- With development of non-VOC sealer/topcoat materials, Haworth completes the implementation of its EcoShield finishing process (piloted in 2002) at the Big Rapids Wood plant.

### 2009

- A water-borne wood finishing process is used in the laminate plant in Holland, Michigan.
- Haworth reduces Greenhouse Gas (GHG) emissions (20 percent beyond its 2005 baseline).
- All North American Haworth plants including its corporate headquarters achieve Zero Waste to Landfill status.

### 2010

- All Haworth manufacturing facilities, globally, are now ISO 14001 certified (operations in Bad Muender, Germany; Águeda and Queluz, Portugal; and St. Hilaire de Loulay, France become certified). Haworth's Swiss and French plants also achieve Zero Waste to Landfill status.
- Haworth France signs a contract on renewable electricity production for 100 percent of consumed electricity at the St. Hilaire de Loulay manufacturing facility.
- By replacing skylights with solar tubes (262 lights), Haworth's Shanghai plant increases natural light and saves 205,000 kWh annually.

### 2011

- Haworth Germany (Bad Munder) achieves Zero Waste to Landfill status. Operations in Switzerland and Germany accomplish heat generation using fuel created from excess wood chips used in their production process.

### 2012

- 26 years after the solvent recovery system was installed in the Holland, Michigan panels plant, the final solvent-based adhesive line is replaced with an improved hot-melt adhesive process (reducing VOC air emission rates and hazardous waste generation). The solvent recovery system that was installed in 1986 is permanently de-commissioned.
- Manufacturing sites in Queluz and Águeda Portugal achieve Zero Waste to Landfill. Portugal's achievement completes Haworth Europe's Zero Waste to Landfill initiative making all three global Haworth sectors (North America and Asia Pacific, 2009; Europe, 2012) waste-to-landfill free.
- Haworth's Shanghai plant is certified as a "Cleaner Production" facility by the Shanghai Academy of Environmental Science.
- Haworth's UK sales subsidiary achieves ISO 14001.
- Haworth's French plant in St. Hilaire switches from oil to natural gas heating, which significantly reduces greenhouse gas emissions.

### 2013

- The Holland, Michigan components plant completes the installation of a powder coating system that permanently replaces a wet-spray paint process. The change reduces levels of VOCs and hazardous waste that accompany paint line flushes and color changes.
- Updating light fixtures in Haworth panels plant in France allows the site to reduce power consumption by 25 percent.

### 2014

- Haworth plants in North America reduce waste-to-energy (non-recyclables) rates by nearly 40 percent since 2010 while phosphorus discharge (wastewater) decrease by nearly 40 percent from 2012.
- The Holland, Michigan laminate plant completes an investment in nested router equipment and a plant redesign. The investment is expected to increase wood material efficiency to 80 percent by the end of 2015.



## OBJECTIVE:

Measuring the effectiveness of our sustainability practices and continually working to improve.



# ACCOUNTABILITY

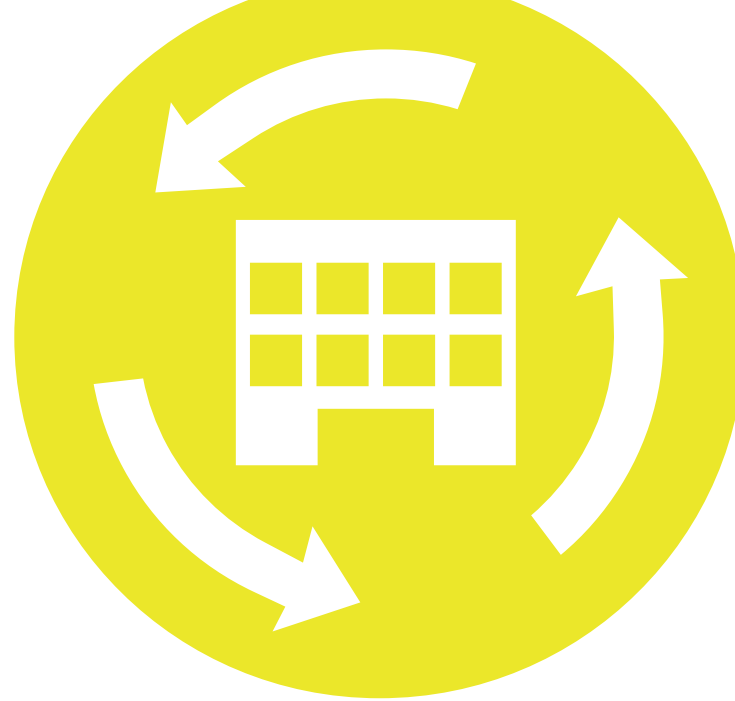
## Zero Waste to Landfill

We remain steadfast in our commitment to uphold and continuously improve our Zero Waste to Landfill (ZWTL) process. Immediately after achieving Zero Waste to Landfill status, the second stage of our zero-waste journey began. Waste-to-energy reduction goals were created and our global teams continue to work diligently to increase recycling rates, eliminate unnecessary materials, and source more recyclable resources.

At Haworth's global headquarters in Holland, Michigan, front office leadership and teams of volunteers drive the preservation of our ZWTL status while regular waste-to-energy audits provide data that helps us identify potential areas of improvement. Since 2010, our U.S. plants have reduced waste-to-energy quantities by nearly 40 percent.

In Europe, our team collects monthly and quarterly data to monitor the disposal routes of production waste. Since 2011, our sites in Germany and Switzerland have been leveraging wood chip waste as a renewable energy alternative for heating the plants. In 2014, our team in Switzerland reduced their wood waste-to-energy quantities by nearly 18 percent by replacing single-use wooden pallets with reusable EURO-pallets.

Our 19,000-square-meter steel and wood factory in Shanghai produces 11,000 parts every day; yet the plant maintains ZWTL status by recycling waste materials and practicing effective industrial symbiosis with suppliers. In Shanghai, member education is a vital aspect of sustaining ZWTL status. Team leaders continue to ensure all members understand the benefits of ZWTL through training courses, informational videos, and factory tours. The team also performs regular audits to gauge waste-to-energy reduction.



## Project Clarity

Haworth Chairman Emeritus Dick Haworth and the Haworth family donated 70.6 acres of farmland to the greater Holland and Zeeland, Michigan, communities. The contribution is a part of Project Clarity, a five-year, \$12-million community endeavor to reduce the phosphorus load to the Lake Macatawa Watershed by 70 percent.

The donated property, which is located directly south of our global headquarters, will be restored and converted into wetland. The plants native to wetland ecosystems help filter excess sediment, fertilizers, bacteria, and other pollutants, which reduce the flow of farmland and urban water run-off while still allowing agriculture businesses to be productive.

"Project Clarity has pulled a great team together, enabling us to identify the root causes of what it will take to create a healthier watershed for our community," said Dick Haworth.

The Haworth family joins the Outdoor Discovery Center Macatawa Greenway and more than 30 West Michigan organizations, businesses, and government agencies in this extraordinary effort to restore 700 miles of rivers, streams, and ditches that drain into Lake Macatawa.

## VOC and Hazardous Waste Reductions (Global)

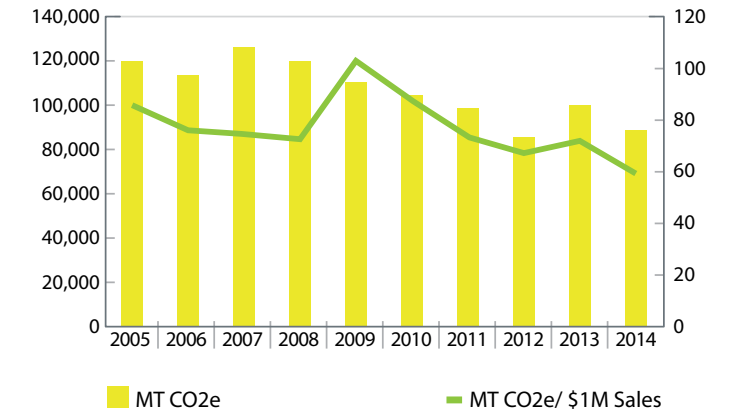
By eliminating our solvent-based manufacturing processes, we have simultaneously reduced VOC air emission rates by 90 percent since 2005 and hazardous waste generation by 80 percent since 2007. Key steps in reduction include replacing the solvent-based adhesive line with a hot-melt adhesive system in our Holland, Michigan, panels plant (2012) and replacing the solvent-based spray paint system with a powder-coating process in our Holland, Michigan, steel plant (2013).

## Green Transportation (Global)

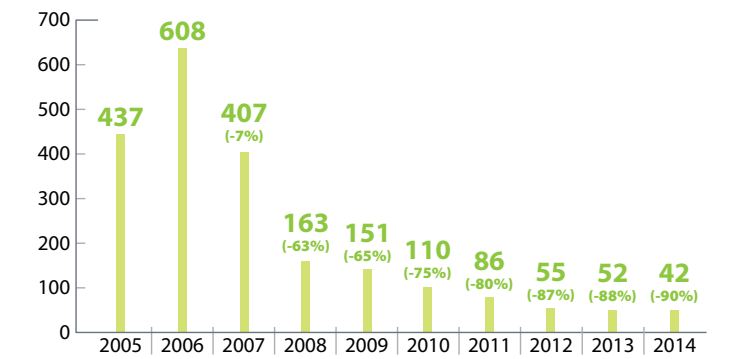
We are committed to increasing the efficiency of our global ground shipping. Through a 2014 North American business partnership with Zip Xpress, we have optimized 756 shipments, which saved more than 150,000 gallons of fuel and more than three million pounds of CO2. Additionally, sustainable packing materials such as recycled plastic bags and cardboard, as well as blankets, help reduce the global impact that our ground shipping process has on the environment.



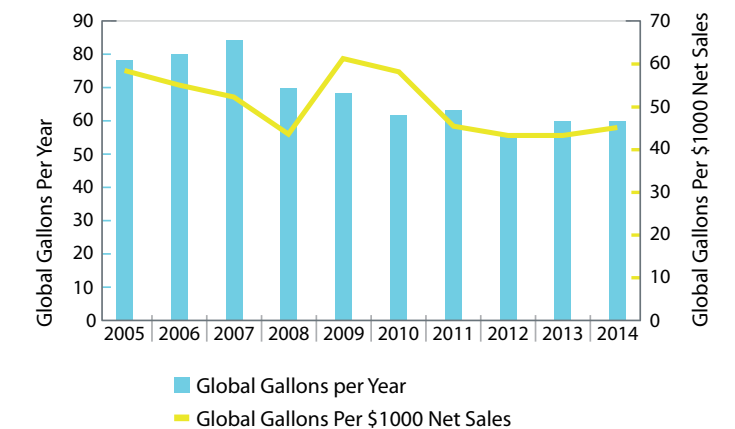
Global Greenhouse Gas Emissions



Global VOC Tons



Global Water Usage





# ACCOUNTABILITY



## A Culture of Accountability (Global)

All facilities owned and operated by Haworth continue to be Zero Waste to Landfill and ISO 14001 certified. Throughout 2014, all global Haworth manufacturing facilities, including sales subsidiaries in the United Kingdom and Spain, renewed ISO 14001 certifications. Manufacturing facilities in Germany, Switzerland, and China have also renewed OHSAS 18001 certifications (occupational health and safety management systems).

[Read More](#) 

## Swiss Efficiency (EU)

Our plant in Menziken, Switzerland, engaged local experts to analyze the current environmental performance of our Swiss manufacturing operation. The process yielded a three-year plan to optimize energy usage and reduce waste-to-energy quantities. The team also increased the efficiency of its energy-intensive air-compressor by installing lock valves, sealing leaks, and creating a process to dismount unused compressed-air pipes.

## Painting With Fire (EU)

To increase natural gas efficiencies, we replaced four indirect-fired gas burners with two direct-fired burners on our painting line in Águeda, Portugal. The modification will yield an estimated 25 percent improvement in natural gas consumption.



## Wood Efficiencies (Global)

Our Big Rapids, Michigan, wood plant is saving 262 tons of wood per year by leveraging CutRite, a software program that calculates the most efficient way to configure sheets of wood based on the desired output.

By leveraging optimization wood cutting software from Schelling and 3TEC, our manufacturing plant in Bad Műnder, Germany, used 1,000 fewer sheets of particleboard in 2014. Since 2012, wood scrap material efficiency has increased by more than 11 percent.

Through implementing a nest cutting process and increasing booking effectiveness, our team in Shanghai lowered its scrap wood ratio to 22 percent (27 in 2013). Additionally, more than three-quarters of any scrap wood that is produced is recycled and used to make wood pallettes and other packing materials.

## Reducing Phosphates (NA)

Phosphorus water contamination is a growing concern in Holland, Michigan. While our North American plants have consistently complied with phosphorus permit limits and offset the cost of water treatment, we chose to proactively reduce our phosphorus output by updating our powder paint system and removing the use of iron phosphates. Since 2012, we have reduced our phosphorus discharges by nearly 40 percent.



## Climate Positive (AP)

Our Climate Positive program counterbalances the carbon emissions associated with the product lifecycle of our furniture. When clients purchase our products, they are able to choose which carbon offset project we invest in based on their business and sustainability goals. In 2014, our Climate Positive program offset more than 3,500 tons of carbon emission.

We currently invest in five projects throughout our Asia Pacific sector:

**China:** Renewable energy is produced by installing micro-hydro plants

**Honduras:** Micro-hydro plants provide clean energy to villages while allowing the natural environment to recover

**South India:** Wind farms meet the energy needs of the local community

**India, Maharashtra State:** Wind turbines provide sustainable power for the area

**Thailand:** Sustainable energy is generated through wastewater treatment in a starch plant



## A 10-YEAR COMMITMENT TO LEED (Global)

Globally, we have 18 LEED-certified spaces, including, among others, our headquarters in Holland, Michigan; and showrooms in Zurich, Switzerland; and Beijing, China. While Chicago, Illinois received the first Haworth LEED certification in 2005, the hub in Beijing was the first LEED v4-certified project in the world (2013).



## Haworth publishes an annual sustainability report.

This report includes data from fiscal year Jan. 1, 2014 to Dec. 31, 2014 unless otherwise noted for all regions: Asia Pacific, Europe, Latin America, Middle East, and North America (excluding 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 (unless otherwise noted). Measures are metric. Questions regarding content should be directed to Steven Kooy, Global Sustainability Manager, One Haworth Center, Holland, Michigan, 49423 USA or Steven.Kooy@Haworth.com.

### GRI Content Index

#### Strategy and Analysis

1.1	Chief Executive Statement	3
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#### Organizational Profile

2.1-2.8	Organizational Profile	4-7
2.10	Awards	7

#### Report Parameters

3.1-3.4	Report Profile	30
3.6-3.11	Report Scope	30
3.12	GRI Content Index	30

#### Governance, Commitments and Engagement

4.1, 4.2, 4.7	Governance Structure	15, 30
4.4	Mechanisms for Employees to Make Recommendations	30
4.8	Sustainability Vision and Strategy	2, 8-9
4.9-4.10	Executives Review of Performance	5
4.13	External Initiatives	7,10,13,15,18-23, 26
4.14	List of Stakeholders	3,5,18-19

#### Economic

EC1	Net Sales	5
EC5	Market Presence	6

#### Environmental

EN3, EN5, EN6	Energy	24-25, 27-29
EN8	Water	24-29
EN16-EN18, EN22, EN28	Emissions, Effluents and Waste	24-29

#### Labor Practices and Decent Work/Human Rights/Society

LA1, LA3	Employment and Benefits	10-15
LA6, LA8	Health and Safety	11, 28
LA11, LA12	Training and Education	11,15, 26
LA13, SO3	Diversity and Anticorruption	10,14, 22

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