## HAWORTH

# Corporate Social Responsibility Report

2022

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Cardigan is fully recyclable and is made with a digital knit from 100% post-consumer recycled plastic bottles. The seat foam material in Cardigan is a Biomass-balance (BMB) foam, which requires no fossil fuels for production, and it was designed to be particularly lightweight, with optimized packaging to reduce the environmental impact of transportation.

#### **Biophillic Design**

The Haworth Singapore showroom brings natural biophillic elements indoors to create healthy, inspiring, and productive interior work environments.



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Michael Warsaw Vice President of Global Design, Innovation & Sustainability

## Pushing the Boundaries of What's Possible

Haworth helps create inspirational spaces for everywhere people work. In addition to being a familyowned company guided by values, our design-forward approach and multicultural expertise have built our foundation as a global furniture maker. This year we celebrate our 75th anniversary, an opportunity to pause and reflect on a significant milestone for a leader in design and innovation—with a focus on people, communities, and our planet.

When it comes to people, diversity, equity, inclusion, and belonging are ingrained in our values. Our company enjoys the richness that diversity brings to our workforce it makes our company better and the communities we serve stronger. Diversity, equity, and inclusion are essential components in creating an environment where we all feel we belong. Our goal is to create a sense of belonging where everyone brings their full self to work.

Working to make the world better has always been one of our core values. In 2021, we committed to reducing our corporate carbon footprint in line with the Paris Climate Agreement. We globally committed toward carbon accountability through the Science Based Targets initiative (SBTi). This past year we partnered with a consultant to understand how we can make the biggest impact in our contribution to the goal. This data helped us establish our appropriate path to net zero emissions.

In the same vein, energy conservation and the war in Ukraine have affected many in our organization. We have taken efforts to support our members and those in our communities who have been negatively impacted. Energy consumption has been a top concern for many in Europe. Since 2021, we have seen an unprecedented price escalation in utility costs, which have been offset by our manufacturing sites in Italy through energy efficiency measures and renewable sources.

These are some of the efforts highlighted in 2022 that will continue into 2023. Our entrepreneurial spirit is still going strong after 75 years. Combined with our expertise in space design, it fuels our innovation. Through our design-forward approach, we bring the global perspectives of design partners into our solutions. The outcome balances performance and desire for all, shaping great spaces for people while honoring our communities and planet. (合)

# Who We Are

As a leading global furniture maker, we are steeped in workplace expertise that fuels innovative designs for optimal performance. Haworth is a values-driven, family company with an entrepreneurial spirit and a design-forward approach. As a multicultural organization, we embrace the strength that comes from diversity of thought. At Haworth, we believe great spaces empower people to thrive. Haworth is a company in the Haworth Group—a curated portfolio of the finest brands that furnish the most desirable spaces in the world. Each brand brings a unique perspective and expertise to create extraordinary experiences. The diversity of offering is rich in design heritage and craftsmanship, continuing to push the boundaries of what's possible.

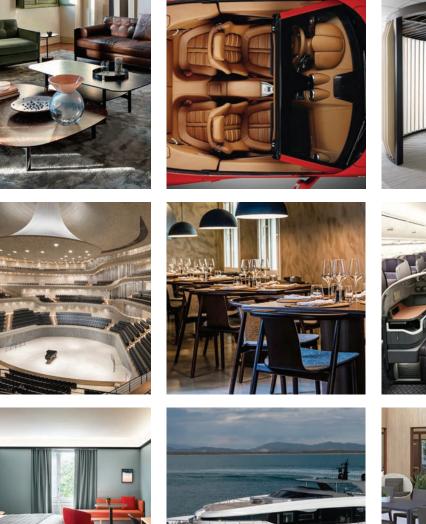
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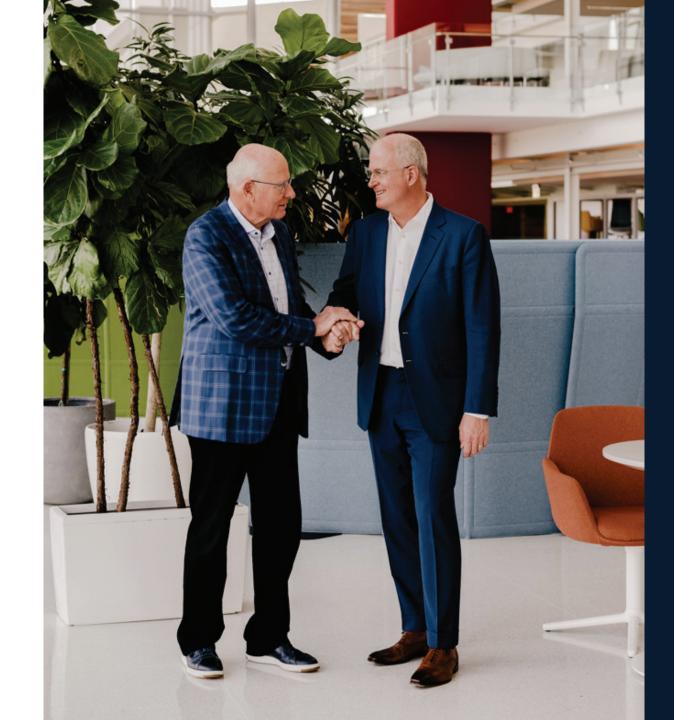


# Values-Driven Organization

Our values define our behavior and inform our decisions, guiding today's activities and tomorrow's growth—in the global markets we serve and the communities where we live. First drafted in 1975 by Chairman Emeritus Dick Haworth, our values have been modified several times to suit change happening in the world and our evolving business.

#### Our Values

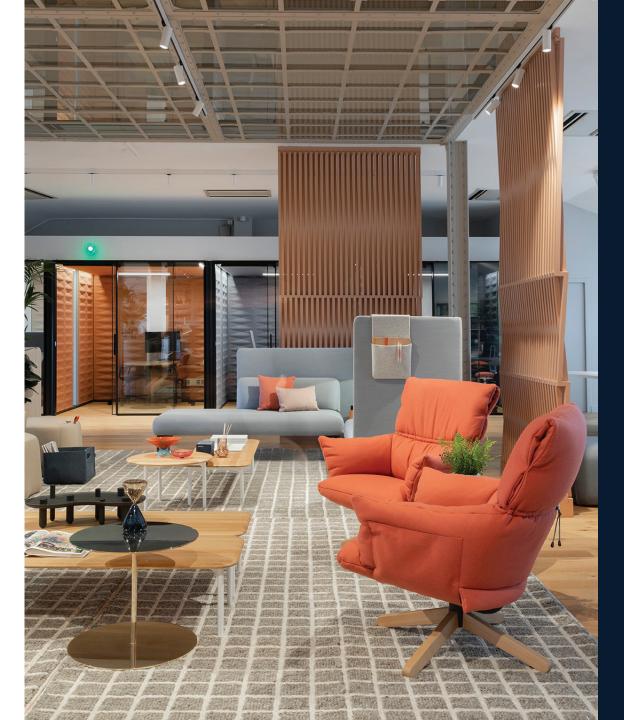
We listen to our Customers. We rely on our Members. We honor Integrity. We embrace Continuous Learning. We lead with Design. We create Value. We work to make the World better.



Three generations of leadership in one family have been at the helm of our company since it was founded by G.W. Haworth. Chairman Emeritus Dick Haworth and his son, Chairman Matthew Haworth, (shown at left) instilled the family values established by G.W. in 1948.  $\left( \widehat{L_{1}} \right)$ 



Haworth Group consists of three segments, Commercial Interiors (CI), Lifestyle Design (LD), and Performance Technology (PT); their stories and data are conveyed in this report.





\$2.5 billion in global sales



8,000+ members worldwide



Operating in 150+ countries



400 dealers worldwide



Global for 35+ years



100+ global design & research partners

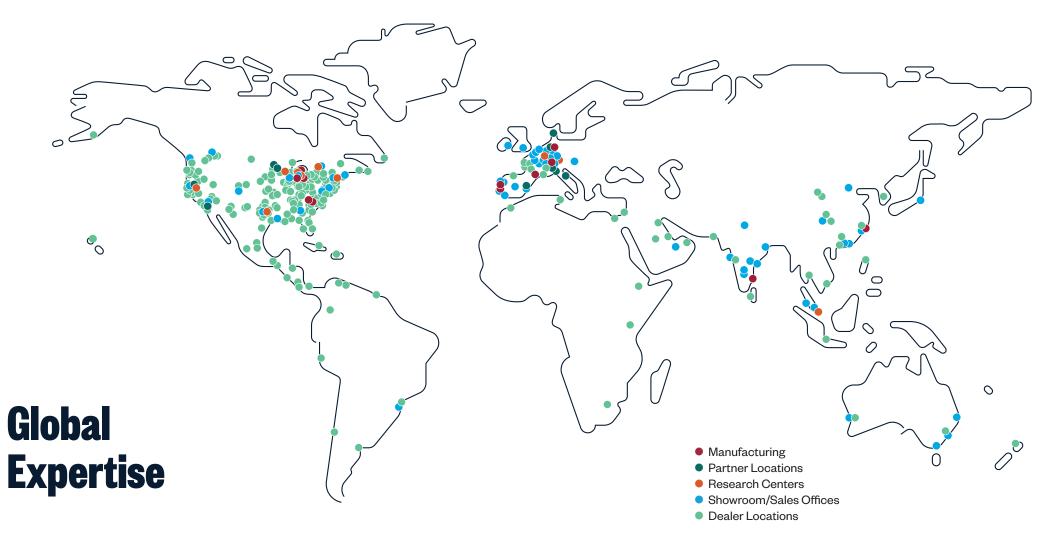


700+ patents



Zero waste to landfill since 2012 (Cl)

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Our global teams service stakeholders in all regions: The Americas, EMEA (Europe, Middle East, and Africa), and Asia-Pacific. About Us

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# Global Partnerships

We value the engagement of our internal and external stakeholders. Creating value for our customers inspires us to design, manufacture, and distribute products in the global communities where our customers operate. We listen and continuously learn from our members, customers, dealer partners, architect and design partners, industry influencers, research organizations, government agencies, nonprofit organizations, and others to collaborate on providing innovative solutions for the most pressing issues we face today. We are uniquely positioned worldwide to meet client preferences and needs based on local cultures, standards, and norms.



#### Sustainability Memberships & Organizations

#### Altagamma

Australian Packaging Covenant Organisation (APCO)

Business and Institutional Furniture Manufacturers Association (BIFMA)

**CDP** Worldwide

European Federation of Office Furniture (FEMB)

German Design Council

German Sustainable Building Council International Living Future Institute (ILFI)

IAO Fraunhofer Office 21

Indian Green Building Council (IGBC)

Michigan Recycling Coalition (MRC)

Science-Based Targets initiative (SBTi)

The German Environmental Management Association (B.A.U.M. e.V.)

United Nations Global Compact (UNGC)

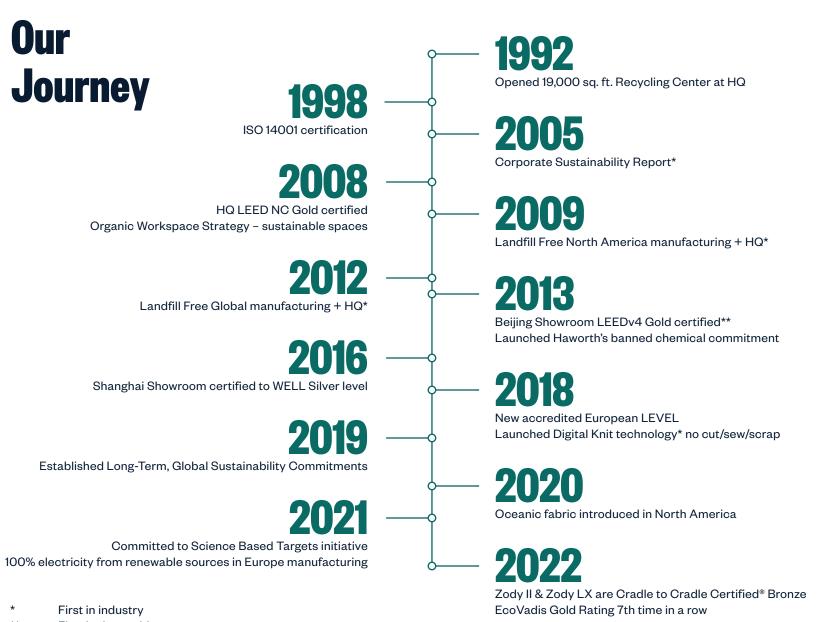
US Green Building Council (USGBC)

USGBC of West Michigan

West Michigan Sustainable Business Forum

West Michigan Environmental Action Council (WMEAC)

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\*\* First in the world



# **Awards & Rankings**

Fast Company Innovation by Design

Experience Design, Honorable Mention: Compose® Echo Hospitality Design, Honorable Mention: Haworth Hotel

Industrial Design Excellence Award (IDEA) Office and Accessories, Silver: Compose Echo

Metropolis Likes Award Task Seating: Zody® II and Zody LX Lounge Seating: Cardigan, a digital knit lounge chair

#### Best of NeoCon

Seating – Ergonomic and Task, Silver: Zody II and Zody LX Textiles & Upholstery, Sustainability Award: Sustainable Textiles (Novelty, Scapes, and Hobson) Seating/Sofas & Lounge, Business Innovation Award: Cardigan, a digital knit lounge chair Acoustics & Privacy, Silver: HushHybrid

#### Interior Design's HiP at NeoCon Award

Workplace Lounge Seating : Cardigan, a digital knit lounge chair Workplace Conference Seating, Honoree: Maari® with tablet and Poppy<sup>™</sup> with tablet

Workplace Lounge Seating, Honoree: Cappellini San Siro Workplace Lounge Seating, Honoree: Lud'ina, a digital knit lounge chair

#### JANUS et Cie

Good Design Award Matisse Teak Modular Seating Grande Arche Extendable Dining Tables Serengeti Sofa 2 Seat with Canopy Archiproducts Design Awards Serengeti Sofa 2 Seat with Canopy

Annual IIDA/HD Expo Product Design Award Kyoto Alu Sofa 2 Seat

**Metropolis Likes Award** Kyoto Alu Armchair

Poltrona Frau EDIDA Volare Due bed by Roberto Lazzeroni

NYC X Design & Archiproducts Design Awards Archibald Limited Edition by Felipe Pantone

Wallpaper Design Award Sparkler by Kensaku Oshiro

The Webby Awards Digital Innovation: Boundless Living Interactive website

**GEEA Bronze level** Tolentino manufacturing plant

#### Cassina

"100 Italian Circular Economy Stories" report

Cassina has been included in the report produced by the Symbola Foundation and Enel, in collaboration with the Sant'Anna Institute of Pisa. This document includes the 100 most significant and virtuous examples of circular economy in Italy.



# A Second Life for Products

A circular economy requires that products are designed so that all materials flow in closed loops where materials are reused, repaired or recycled. But what happens if a product outlives its original purpose? How can our products adapt if user needs change? Or if the way offices are used changes? Here lie some of the challenges of designing circular products that allow for reuse and recycling. It's a challenge Haworth embraces by innovating with circular economy methodologies.

#### Circular Economy Avoids Waste

From the inception of a product, we're building in ways to both reuse and repurpose materials. Through our Sustainable Product Criteria, we analyze the product starting at the end of its planned life and identify ways to optimize its resources.

Haworth products are designed for long life starting with high-quality materials. Plus, our products are built to be easily dismantled so worn parts can be replaced and materials can be recycled. For example, can a chair be refurbished by replacing high wear components like wheels and arm caps? Is the used upholstery recyclable or biodegradable? Where can we use reversible bonding mechanisms to facilitate reuse and repair?

Questions like these—addressed before a product makes it to the assembly line—ensure that we maintain materials in closed loops at the highest quality. But to advance further on our journey toward a circular economy business model means reimagining Haworth products, processes, and services. This includes, for example, building appropriate structures for reverse logistics.

## Circularity and Our Global 2025 Commitments

Our Core Commitments are ambitious targets that include a commitment to circular economy. In the shift from a traditional, linear economy (cradle to grave) to a more circular approach (cradle to cradle), we are dedicated to maintaining product value, keeping resources in use, designing waste and pollution out of the system.



Schneider Electric Partnership:

## 144,000 pounds of furniture diverted from landfill

### **1.1 million pounds** CO<sub>2</sub>eq emissions avoided

## 300,000 pounds

raw materials conserved We're developing and scaling up two key programs to help us advance our circular services.

First, the Haworth End of Life Program offers sustainable solutions for customers' used furniture, including reuse, repair, refurbish, recycle, and/or remanufacture.

Second, our Product as a Service Program allows customers to lease or pay-per-use. After use, the products are returned to us for refurbishment, then made available for another customer to use again.

#### Three Circular Economy Success Stories

One circular service success story is how we worked with Schneider Electric to reuse existing furniture and help them progress toward their net zero ambitions. In 2022, they reused Haworth furniture in seven projects, which prevented 144,000 pounds of furniture from going to landfill, avoided the release of 1.1 million pounds of  $CO_2$ eq emissions, and conserved almost 300,000 pounds of raw materials.

Another circular service success story is our partnership with Label Emmaus, a French cooperative that relies on e-commerce to give people a second chance for employment and to reuse products of all types. At their recently inaugurated warehouse, Label Plateforme 47, we provided workers with skills training so they can recondition used Haworth Zody chairs.

The results of our circular service partnership with Label Emmaus? Each reconditioned Zody reduces embodied carbon emissions by up to 80% compared to a new chair. Fifty reconditioned Zody chairs means one ton of waste is avoided. And the quality of the refurbished chairs is so high, Label Emmaus offers buyers a two-year warranty.

A third success story is the product of our collaboration with a large global client to provide comprehensive reuse and refurbishment services close to the client's locations to minimize environmental impacts and save on CO<sub>2</sub> emissions. To accomplish this, we worked with local circular service partners in the Netherlands and UK and did a large-scale carbon assessment. Our joint report provided carbon footprint data for all new furniture deliveries as well as impacts from cleaning and refurbishment efforts.

At the client's Scotland site, we looked at approximately 3,000

furniture products. From this group, 42% were identified as second life (with 17% cleaned and reused, and 25% refurbished). The remaining product share (58%) was new products provided by Haworth.

At their Netherlands location, with approximately 2,500 furniture products, 58% were candidates for second life (19% cleaned and reused, and 39% refurbished) even more than in Scotland. The share of new products was 42%. In both cases, reuse supports a circular economy and the client realized significant carbon savings by buying fewer new products.

## Continuing Environmental Stewardship

Our environmental stewardship is a labor of love—for both people and the planet. As we pursue truly circular service from cradle to cradle, we will advance with quality products that are suitable for recycling or allow the recovery of materials to serve as components in new products. We won't be satisfied until we reach our circular economy goals.  $(\widehat{1})$ 

# Making Products with the Circular Economy in Mind

Circular design is a design process that focuses on understanding end users and the systems they operate within, and defining the challenges facing the designer. One major way to achieve this is through repetitive ideation and prototyping, working to eliminate potential sources of waste each step of the way. Ultimately, the Ellen MacArthur Foundation one of the principal creators of the circular design process—says that following the methodology "creates loyalty in customers and deepens investment from stakeholders by telling a compelling story." The process is supposed to be somewhat open-ended. Although there is not one solution for all products,

at Haworth our new product development process adheres to a defined path with specific circular design criteria. It's about innovation and finding unique solutions for different products to make them and their parts more sustainable. We learn from our experience to guide us for future products.

For our most recent product development projects, Zody II and LX task chairs and Cardigan Lounge, circular design principles were foundational for our design teams. They constantly question the status quo and evaluate opportunities to improve the development process and sustainability of used materials.





Well-designed, circular products begin with user-focused research so that the resulting product serves its purpose well and for the foreseeable future—rather than being discarded. Careful selection of sustainable materials—highquality, long-lasting, and suitable for repeated cycling (reuse, repair, or recycling)—occurs for every part of our products to minimize waste.

For example, extensive research led to the development of Zody II and LX, always anchored around the end user experience. We integrated recycled materials into the metal and plastic components, and labeled large plastic components with recycling symbols to facilitate recycling after use, which is a standard practice across all our product lines. Zody II and LX are also the first furniture products certified to Cradle to Cradle Certified® Product Standard Version 4.0, one of the most ambitious and actionable global standard yet for developing products that are safe, circular, and responsibly made.

Cardigan Lounge is made with a digital knit from 100% postconsumer recycled plastic bottles and is fully recyclable itself, along with every other component of the chair—achieved through the avoidance of any non-reversible chemical bonding. The seat foam material is a Biomass-balance (BMB) foam, which is based on organic waste as feedstock and contributes to 100% of fossil resources savings. It's fully recyclable when a suitable recycling infrastructure is in place. We ensure our suppliers receive certification from independent third parties to guarantee the replacement of fossil fuels with biomass for production. Another way to improve products' circularity is by dematerializing them. For example, Zody II and LX were designed to be upholstered with a drawstring rather than staples to make it easier to replace with modern, sustainable parts. Cardigan Lounge was designed to be particularly lightweight, with optimized packaging to reduce the environmental impact of transportation.

"Through design, we can eliminate waste and pollution, circulate products and materials, and regenerate nature, creating an economy that benefits people, business and the natural world."  $(\Box)$ 

About Us

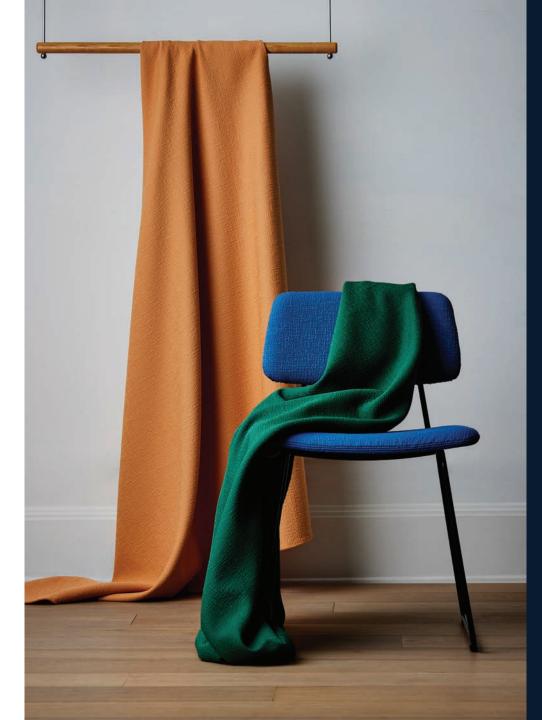
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In 2022, we introduced a version of our popular Maari<sup>®</sup> side chair for the European market that uses 100% pre-consumer recycled resin for the black seat shell, which significantly reduces the product's footprint. These innovations further demonstrate our commitment to sustainable, circular design. For all products and parts, Haworth aims to work closely with suppliers who are aligned with our goals for advancing sustainability.

With our North American textile partners we developed three awardwinning sustainable fabrics: Scapes, Novelty, and Hobson. Scapes is Haworth's first fully biodegradable fabric, designed to "leave no trace" in a manner that complements textile recycling. Novelty is a dualpurpose textile made from postconsumer recycled polyester. Each yard of Novelty diverts 17 plastic bottles from reaching landfills. Like Novelty, Hobson is a dual-purpose textile made from fiber and resin sourced from bottles at high risk of entering the ocean. The plastic that makes up Hobson is specifically taken from bottles sourced from within 50 km of waterways in developing countries, allowing us to contribute to solving the ocean plastic pollution problem. All three fabrics received the Best of NeoCon Sustainability award in 2022.

Creating quality products that align with a circular economy requires dedication and sometimes the courage to try something new. Zody II and LX, Cardigan Lounge, Maari, and our proprietary textiles are just the most recent examples of our commitment to circular design—an essential part of our sustainability strategy and how we work to make the world better.



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Haworth North America offers Scapes, part of the CLEAN IMPACT TEXTILES Biodegradable line revolutionary biodegradable textiles that have been redesigned from thrown-away materials into a proprietary, "leave-no-trace" solution.\*

\*91% biodegradation in 1,278 days under ASTM D5511 conditions. No evidence of further degradation.



# **Carbon** Accountability on the Path to Net Zero

We know that our success is intrinsically linked to the health and vitality of the communities where we live and work. The latest Intergovernmental Panel on Climate Change (IPCC) report has reemphasized that urgent action is needed to avoid a climate catastrophe that will impact billions of people's livelihoods and threaten global biodiversity. In our quest to address the environmental and social impact of our business, we kicked off the development of a comprehensive decarbonization strategy in 2022 that will outline our roadmap toward net zero emissions.

## Setting Science-Based Strategy and Goals

To hold ourselves accountable to our commitment to cut greenhouse gas emissions and achieve net zero emissions by 2050, we partnered with a consultant to establish Haworth's decarbonization strategy in line with the 1.5°C scenario of the Paris Climate Agreement.

Our first step was to establish a baseline from which to measure progress. We used data from 2021 to calculate the carbon footprint for our entire organization. According to the Greenhouse Gas Protocol, emissions were assessed and grouped into the relevant categories:

- Scope 1 and 2 emissions: from Haworth operations (11% combined)
- Scope 3 emissions: generated in our value chain (89%)
  - Major contributors: purchased goods & services, transportation & logistics, and end-of-life processing

**Carbon Accountability Goals:** 

## Renewable Energy

Create a roadmap for sourcing and implementation

## Energy Efficiency

Identify and implement energy conservation measures

## Scope 3 Emissions

Two-pronged strategy:

- 1. Screen suppliers and identify hot spots for target impact
- 2. Execute inventory and plan engagement

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The next step was to establish carbon accountability goals. **Our Decarbonization Commitment in Action** 

The use of renewable energy to fuel our progress toward net zero emissions is one important focus of Haworth's Scope 1 and 2 Decarbonization Strategy.

Actions we are taking:

- Pursue onsite renewable electricity where feasible
- Procure offsite renewable electricity through energy attribute certificates (EACs) and green tariffs
- Pursue opportunities to electrify thermal and fuel consumption and explore carbon reduced.

We will also reduce Scope 1 and 2 emissions through energy conservation measures with an emphasis on infrastructure, equipment, and logistics. In practice, this means we will analyze and optimize our heating, ventilation, and air conditioning (HVAC) systems, lighting, as well as our manufacturing related equipment like forklifts, wood dust collection, and compressed air systems. For our Scope 3 Decarbonization Strategy, we will focus on four areas.

1. Work with suppliers to help them set their own science-based targets for their operations and value chain.

2. Systematically prioritize sourcing materials with a lower carbon footprint as an organization-wide priority.

3. Achieve low and zero carbon logistics. We will be working with logistics providers to ship more efficiently and to shift to new technologies like electric vehicles for transport.

4. Focus on supporting circular services for products. In cooperation with customers, we're identifying solutions for extending product life through reuse, repair, and recycling to keep used products and materials out of landfills.

#### Transparency in Reporting

Part of our accountability in moving toward net zero emissions is to be transparent in our reporting. Progress toward achieving our targets is shared through this report.

# **Over 50% Reduction in Carbon Emissions by 2025** from our future direct operations through the extention of our scope of commitments

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#### Why SBTi?

Together we can achieve more to slow climate change than we can alone. SBTi, a global multi-agency, multi-corporation coalition, is the ideal partner because it:

- Defines and promotes best
  practices in emissions reductions
  and net-zero targets in line with
  climate science
- Provides technical assistance and expert resources to companies who set science-based targets in line with the latest climate science
- Brings together a team of experts to provide companies with independent assessment and validation of targets
- Is the lead partner of the Business Ambition for 1.5°C campaign– an urgent call to action from a global coalition of UN agencies, businesses, and industry leaders, mobilizing companies to set their own emissions reductions targets

#### We also report annually with CDP, the non-profit charity that runs a global disclosure system for managing environmental impacts. Through CDP, we allocate our GHG emissions to specific customers on demand, so they can assess their Scope 3 emissions.

Reports on our website and through CDP are designed to quantify our efforts and hold ourselves accountable–to our customers, suppliers, and employees, as well as the global and local communities.

#### Officially Committed to Global Effort to Slow Climate Change

As a signatory to the SBTi (Science-Based Targets initiative) Business Ambition for 1.5°C, Haworth's submitted decarbonization targets, both near-term (2030) and long-term (2050), are drafted to be in line with climate science and use SBTi climate models.

We will communicate these targets once each is validated by the SBTi, to ensure alignment with what the latest climate science deems necessary to limit global warming to 1.5°C above pre-industrial levels.

## Extending Our 2025 Commitment on Renewable Energy

Our current target is to source our operations' electricity from 100% renewable options, including on-site solar where feasible and energy attribute certificates or multi-year renewable power purchase agreements as needed. Plus, we've extended the scope of our commitments from manufacturing to all our operations, including warehouses and showrooms. This effort will reduce carbon emissions from our direct operations (Scope 1 and 2 emissions) by more than 50% until 2025.

This commitment has also been integrated in our drafted SBTi goals, to outline our decarbonization steps for the nearterm target achievement by 2030.  $(\Box)$ 



# The Building Blocks of Belonging

At Haworth, we value the richness that diversity brings to our workforce—it makes our company better and the communities we serve stronger. Our goal is to create a sense of belonging where everyone brings their authentic self to work. Diversity, Equity, and Inclusion are the building blocks we use to create an environment where we all feel we belong. Here's an overview of our Diversity, Equity, Inclusion, and Belonging (DEIB) progress in 2022, as well as what's in store for 2023 and beyond. A Segment-by-Segment Focus Our DEIB efforts are reflective of the segments we work in and with. Rather than a one-size-fits-all approach (that fits none well), we adjust our priorities according to the needs of communities we serve. For example, for 2023, we are focusing on a few dimensions that apply globally, such asenhancing Female Representation in leadership within all levels of the organization, and Cultural Diversity. Additionally, we enable each sector (CI Int'l, CI NA, and LD) to identify additional dimensions, such as Age and Nationality. At the same time, our CI North America segment is concentrating on Race/Ethnicity and Age.

A Country-by-Country Focus We continue to strengthen our DEIB program by working to understand the legalities unique to each country where we operate. While there is much overlap from country to country, DEIB requires us to seek out the nuances and local context for making our initiatives effective.

Our global DEIB efforts will incorporate input of our members in their respective countries and sites. DEIB programming, training, and other awareness efforts will fully consider local laws, cultures, traditions, and other norms to ensure alignment with regional and national considerations. It is our intent to ensure an equitable, inclusive, and customized approach in the design and delivery of member, market, and community DEIB engagement strategies.

All people. Everywhere.

"Together we grow our capabilities to satisfy our customers as we encourage all people to be successful, self-actualized people of character."

Dick Haworth Chairman Emeritus (合)

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#### **Global Member Engagement**

Efforts of the three segments are aligned through our DEIB Global Council. This body is comprised of:

- a minimum of two member representatives per segment
- at least one member of a non-HR function per segment
- members who are interested in advancing DEIB within the organization

At the Global Council's quarterly meetings, members serve as the primary voice for their respective segments. They also collaborate with Haworth Sustainability teams to support reporting requirements within their segments. Additionally, each segment has its own DEIB council.

The effectiveness of our council system is rooted in openness the way members talk freely and share best practices.

All councils seek to listen and engage with individuals who offer unique perspectives. Through varied thoughts and ideas, Haworth is better positioned to deliver more value to our customers. For example, our DEIB councils help inform what training we need for growth and development programs.

#### Measuring Progress

In 2022, we established a DEIB baseline. Moving forward, we've begun to identify metrics for measuring progress. For example, within our population of members, we will measure diversity by representation, equity by promoting from within, inclusion by member engagement, and belonging by retention.

Work is in progress to develop meaningful metrics for our marketplace (which includes dealers, designers, and suppliers), and the world community. Specifically, we are establishing metrics for each of the DEIB elements.

Currently, we are driving Female Representation to be 40% at three levels of leadership (Officer, Director/VP, and Manager/ Supervisor) by 2030. Also, we have goals that vary by country to achieve cultural representation within our member groups that reflects the composition of communities where we operate.

Looking to 2023 and Beyond What's in store for 2023 and beyond? "One thing that is exciting is the engagement and excitement from the organization to continue to support the journey!" said



#### Haworth's DEIB Metrics:

## Diversity

Measured by representation (female and cultural background)

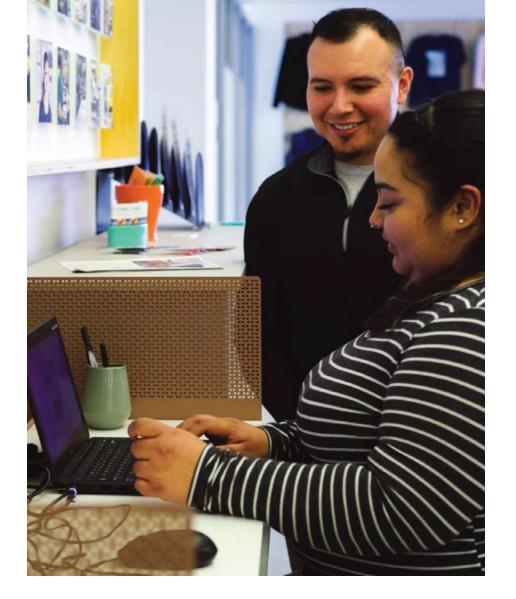
## Equity

Measured by opportunities for advancement (promotions, hires, development opportunities)

## Inclusion

Measured by member engagement and DEIB index





#### **Reaching Out**

As an example of efforts to drive diversity representative in our communities, we have successfully launched the Haworth Language Bridge, a program that recruits and supports employees who speak languages other than English. After a solid start with 28 Spanish-speaking members hired as assemblers, we're expanding the program with ongoing career support and by including more roles. Frances Hogsten, VP, Global Diversity, Equity, and Inclusion & North American Talent Attraction. "There are a lot of people raising their hands to be involved. [We also have] the commitment from Chairman Matthew Haworth, CEO Franco Bianchi, and our global Executive Leadership Team to continue to hold ourselves accountable."

Indeed, we have an organizationwide commitment for transparency and holding ourselves accountable for creating belonging for all through DEIB initiatives.

To ensure we continue to move toward our DEIB goals leaders now have metrics. For example, measurement of promotions from within will show us how well we are breaking down silos. In addition to creating an ecosystem that is diverse and inclusive, promoting from within leverages the strength of our organization and identifies how we can grow and improve our organization.

In 2023 we will also provide member training on a global scale to promote all aspects of DEIB.

#### **Our Biggest Challenge: Change**

The biggest challenge we face in creating belonging is change— fastpaced change that affects everything from external influences like the economy, geopolitics, and social movements, to internal influences like hybrid work. People's needs and expectations are changing. And so is the way we respond.

We are on a journey where some changes may not be immediate. The diversity we value means we work with many points of view and differing priorities. The challenge is balancing expectations of wanting to see immediate change in everything at once. We are making measurable DEIB advances, but progress isn't always readily evident to all.

"We're at a juncture as an organization where we need to be more outward, or verbal, in celebrating and sharing our wins," said Frances.

Culture is not a destination—it's a reflection of how we behave and demonstrate our company values. Organizations can convey their culture best when their people have a sense of belonging.

"We're seeking more opportunities to build even more awareness and participation in our DEIB initiatives, metrics, and successes"  $(\Box)$ 

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Strategy & Commitments

# Our Strategy & 2025 Commitments

In our ambitious goals to become a sustainable corporation, our three business segments work together, using our values as our guide to achieve aggressive targets that drive our mission forward. Our strategy is focused on three key areas that form a road map for continuous improvement: People, Circular Economy, and Operational Performance. Within each area of our strategy we have identified priorities.

Through the challenges we all faced during the span of the pandemic, the resilience of our members has demonstrated how to survive—and even thrive. We have shown that we are One Haworth across the globe, leveraging our resources and work from anywhere capabilities with our strategy and values as our north star.

Our work is informed by our commitment to the <u>United Nations</u> <u>Sustainable Development Goals</u> (<u>UN SDGs</u>) and the actions needed to address challenges facing our world. We're eager to continue this journey by promoting sustainability and delivering value to the people, communities, and planet that we serve.

#### **Our Sustainability Commitment**

We think beyond our business with a collective purpose to make the world better. As we strive to be a sustainable organization, Haworth empowers and engages its members in practices and processes that positively impact our global communities, economy, and environment. We've set ambitious targets in each of our key areas of focus, which are outlined at the end of each section throughout the document.

Sustainability is a companywide commitment informed by and integrated into our business strategy. Governance is led by the Haworth Board of Directors and Executive Leadership team.

## People

Focus on building strong relationships with and support for internal and external stakeholders

#### Members

Investing in member well-being, growth, and success

#### Marketplace

Engage and connect with all partner stakeholders (suppliers, designers, customers, dealers)

#### Community

Provide community engagement through education opportunities and volunteerism in communities where we operate

#### 2025 Commitments

## Circular Economy

Optimize resource utilization and closed loop material flows

#### Design for Sustainability

Design that considers environmental, social, and economic factors in support of a circular economy

#### **Circular Services**

Economic systems aimed at eliminating waste and the continual use of resources

2025 Commitments

## Operational Performance

Focus on improving our footprint

## Procurement, Manufacturing, and Logistics

Optimize resource use and minimize impact of buildings, packaging, manufacturing, and transportation

#### **Energy Usage**

Optimize direct and indirect use of non-renewable energy and source renewable energy

2025 Commitments

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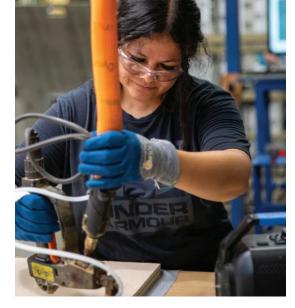
# People

As of December 31, 2022, Haworth employed more than 8,000 people, whom we call members. We value and rely on our members and collaborate on one key goal: to help people do great work—within our company, our community, and for our customers.

To deliver on our goal, we empower members through a vast array of purpose-driven experiences, continuous learning, and leadership development opportunities. Members around the world connect to bring a spirit of optimism, drive, inclusiveness, and an unwavering appreciation for service.

We pour our efforts into every customer experience. Our diverse team of members focuses on everything from workplace research, product design, material science, ergonomics, global sourcing and logistics, technology, and, of course, manufacturing products that form each Organic Workspace we deliver.

We recognize that our success is intrinsically linked to the health and vitality of the communities where we live and work. It is an honor and a privilege to apply the assets, capabilities, and resources that help make us successful to efforts that help communities prosper.



#### Rapid Entire Body Assessment

At our Holland, Michigan LPP plant, the team uses an assessment tool called REBA (Rapid Entire Body Assessment) to determine risk factors for the type of motion a member takes at their work center. This is a common tool for all sites to evaluate movement/ motion. In this case, the LPP team changed the load height to reduce the REBA risk factors and make it easier for members to lift parts by avoiding over-exertion/reach motion.



#### Family Day at Bad Muender

In Germany, 66 members came together for a joint volunteering activity. They split up in teams and either built "hotels" or housing for wild bees, or collected food and monetary donations for "Die Tafel," a non-profit aid organization that distributes food to people in need. More than 50% of German wild bee species are on the Red List of endangered species, and 7% are now lost and most likely extinct. Habitat loss and multiple pollutants are leading to ever further declines in populations. To raise awareness with our members and to promote biodiversity at our location in Bad Muender, half of our volunteers worked on building suitable homes and nesting opportunities as a partial substitute. The other half set out to collect in kind donations in front of supermarkets. Thanks to the generous community in the area, they were able to fill some donation cans as well as a small delivery van with various durable food. Among the recipients of the food were also refugees from Ukraine.

#### Education ("Knowledge is Power") and Health ("Health is Wealth")

In February, a medical center in Kiloy village near Chennai, India was inaugurated. This center was established with contributions from Haworth India and in partnership with Sevalaya, a renowned NGO. The building was provided by the local government in the same village where our Chennai plant is located. Our contributions helped refurbish the facility and also operate the medical center. A doctor and nurse will provide daily outpatient services to the people in four nearby villages who had no access to any medical facility until now. The nearest facility was 16 kilometers away.

With our previous contribution to education (also along with Sevalaya) toward building smart classrooms, plus this contribution towards healthcare, we are making a difference in these two very important areas in the community: education and health.



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About Us

## **Members**

From the members and supply teams who make our products to the thousands of Haworth members around the world, we believe in providing opportunity for all. Leveraging different perspectives leads to unique ideas and unlocks innovation.

#### 2022 Highlights

#### Engagement

#### Member Engagement

We've been conducting member engagement surveys for 11 years. This survey, which includes data from all segments except PT, enables members to confidentially share their perspective and experience. As our values affirm, we rely on our members to help prioritize change as we strive to be an employer of choice. In 2022, we decided not to administer Haworth's global member engagement survey. In the future we will conduct the global member engagement survey in May to better enable us to put survey results and action planning into the same calendar year. In our 2023 member engagement survey, we will also expand engagement related to Diversity, Equity, Inclusion, and Belonging to better understand those dimensions and efforts within our organization.

These are the results from our last member engagement survey for 2022 metrics. In 2021, members agreed that:



I understand how my work contributes to the overall success of this organization.

The people I work with treat me with respect.

I enjoy working with the people on my team.

Expected "how" behaviors have been communicated to me.

l clearly understand what my supervisor expects of me.



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#### Member Resource Groups

One way we engage our members is through Member Resource Groups. The purpose and mission of our Member Resource Groups is to listen to our members in helping to build an inclusive workplace and create a sense of belonging for all. We seek to leverage the diverse perspective offered by our members, especially those of traditionally underrepresented groups, to build awareness, respect, and inclusion within the workplace. We currently have five Member Resource Groups—and they are fully voluntary, member-initiated, and member-led groups: FUEGO (Friends United & Engaged to drive Growth & Opportunity on behalf of the Latin Community); FUEL (Female Uplift Empower Lead); PRISM (in support of our LGBTQAI+ members and allies); Veterans; and Young Professionals.

The resource groups foster a greater sense of community and connectivity while increasing member engagement, inclusiveness, and representation. Member Resource Groups support and lead a variety of on-site and off-site events in our communities across the organization. These have included, but are not limited to, the following: veterans employment awareness conferences; book clubs; annual armed forces Thanksgiving event; member mentoring; Christmas toy drives; lunch-and-learns; on-site guest speakers; community engagement; youth education initiatives; cultural awareness education and celebrations. North American manufacturing and office members wanting to advance their professional growth and broaden their networks can initiate or join Member Resource Groups.











DEIB Vision of Success Workshops to Embrace Understanding As part of the efforts to align as one global organization, we conducted several workshops throughout the year to share and communicate our corporate commitment and begin work on specific initiatives, by segment to promote the journey. These sessions allowed for leaders within our business segments to share their thoughts about DEIB; it refreshed their understanding about what diversity, equity, and inclusion are and—more importantly—how these are building blocks to fostering a culture of belonging. Different dimensions of diversity, benefits of embracing diversity, our current status, and future targets were also addressed. In total, 35 leaders from CI-International, 62 leaders from CI-North America, and 23 leaders from Lifestyle Design participated in separate sessions.

#### Haworth Language Bridge

The Haworth Language Bridge program was designed to help those with limited to no experience speaking English join our company, feel welcome, and thrive in their work. It's a conscious approach to creating a sense of belonging in our workplace, from the moment someone considers a job with us, to after they've long retired. Since Spanish is the second most spoken language in Holland, Michigan, where our headquarters is located, it was selected to be the first language supported by the program. Our HR team began by reviewing processes and policies, identifying each essential practice at Haworth needing translation or an interpreter. As a result, employment advertisements, applications, and interviews now offer options in Spanish.

As people join our company, paperwork for benefits and other resources have also been translated, allowing Haworth members who speak Spanish the opportunity to complete them independently. When help is needed, bilingual members in Human Resources are available to listen, translate, and explain health benefits, retirement programs, and other employment related information. Many Haworth team leaders and supervisors also speak fluent Spanish, promoting open communication among members and managers—something we believe is important when listening and supporting our teams. And, for anyone wanting to learn, we offer paid classes teaching English as a second language.





Dick Haworth Values Award The Dick Haworth Values Award is named for our company chairman emeritus who in 1976 formally documented our organization's guiding principles. Dick later established the peernominated award to recognize members who embody the values that influence behaviors that drive our business culture and success. In 2022, 20 Haworth members received the Dick Haworth Values Award.

#### Building Life Skills, Building Relationships

In alignment with Haworth's values—creating value and working to make the world better—AIS aimed to build community relationships that enhance access and inclusion for all. So far, they have established ties with three Boston-area organizations: Lunenburg Public Schools ACE Program, The Valley Collaborative, and Leominster Public Schools Advanced Life Skills Program. These three programs support our community pillar and commitment to diversity, equity, and inclusion. Plus, each supports young disabled students with life skills programs and workplace training, in a real work setting. In an average week, as many as 23-25 job coaches worked onsite with 45+ interns. AIS provided the site for training to develops job skills while coaches participated in daily discussions on strengthening individual educational plans for program participants.



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#### Volunteering in the Community

Members all over the world engage with their communities to support local nonprofit agencies. Activities include collecting donations to accomplishing tasks on-site, hosting events, and fundraising.

#### Systems Engineering Does Drywall

Driven by feedback from the engagement survey, the Work Systems Product Engineering team decided they needed more team building and wanted to do something that would help others. Eight volunteers helped install drywall at a Lakeshore Habitat for Humanity house in Holland, Michigan. According to team member Kevin Casey, "On the 80-degree day, we had the lovely task of hanging drywall in the upstairs of a powerless (read: no airflow) house. In our time there, we were able to put the finishing touches on one of their houses and start on one of their others. Overall, it was a great time and at the end of the day, all fingers and toes were still accounted for!"





#### **Compassionate Heart Ministries**

A team of West Michigan Haworth members spent the afternoon at Compassionate Heart Ministries, an organization in Zeeland, Michigan, that provides a safe place for people ages 14-45 with mild to moderate disabilities to hang out and make friends. Volunteers supported their new friends by playing games, doing crafts, and even dancing.



Taking Care of the Ocean Haworth Japanese members in Tokyo held a beach clean-up in cooperation with Mirai Sozo, which conducts volunteer activities and educational activities to protect the ocean in Atami City.

### Mission Statement

o provide child centered prevention, advocacy, and team intervention in investigation assessment, and treatment of child sexual abuse inclusive of all children amailies.

## Vision Statement 🦰 Core Value



#### Helping People Help Kids

Haworth's Dealer Development team volunteered at the Children's Advocacy Center in Holland, Michigan. The organization's mission is "to provide child centered prevention, advocacy, and team intervention in investigation, assessment, and treatment of child sexual abuse inclusive of all children and families." The team was very shocked to hear that one in 10 children in the US is sexually abused before their 18th birthday, including Ottawa County, Michigan. After learning about the center, the team got a tour of the facility and were able to receive more information about the programs and resources available. The team volunteered by helping assemble bags and binders for the organization. These will be used to distribute at events and to local schools and businesses for increased community awareness.



#### Caring for the Lake Michigan Shore

Haworth volunteers participate in the Ottawa County, Michigan, adopt-a-park program annually to remove invasive species from the dune and natural areas of Mt. Pisgah and Holland State Park. This year, a group of members from the Global Design, Innovation, and Sustainability teams removed honeysuckle.

#### Giving Blood - Saving Lives

Haworth has partnered with the American Red Cross since 2005 to host blood donations at our headquarters. In 2022, 119 appointments were scheduled and 104 units of blood were collected successfully. With each unit having the potential to save up to three lives, it's possible our members contributed to 312 lives saved—and countless others impacted when you think of all the people who didn't have to lose a loved one. Coincidentally since the start of the partnership, 2005 units have been collected at Haworth—that's 6,015 lives saved, thanks to Haworth members.





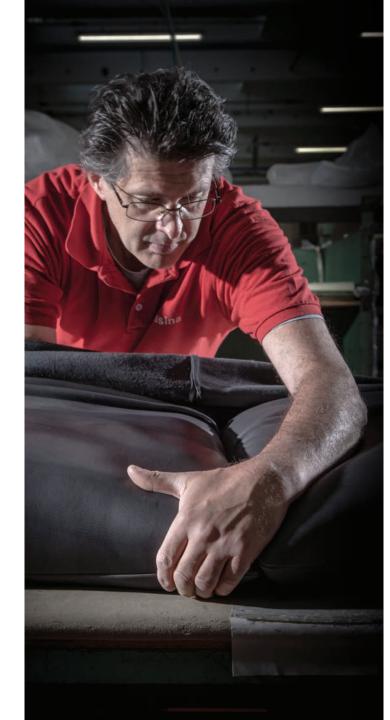
#### Helping Animals, Helping Staff

Erika Sensnovis of the NA Marketing team has been volunteering with the Anti-Cruelty Society in Chicago since 2010. From helping with events to mentoring others to fostering over 150 animals, she has been involved in a lot of support roles for the organization. Over the years her relationship with the organization has led to helping with input on their office space and assisting with replacing furniture in multiple spaces in each year since 2019. "It was a wonderful crossover from my passion around animal rescue leading to profits for Haworth as they improved their space." Erika shared.  $(\widehat{\Box})$ 

#### Well-Being, Health, and Safety

We view the work environment as a tool to promote well-being, an enduring state that encompasses cognitive performance, psychological comfort, and physical wellness. We apply this same philosophy to our organization, supporting members in living their best life. As an extension of our commitment to well-being, the personal safety of Haworth members and contract employees is of utmost importance.

Through our Haworth Management System (HMS), we continue to develop and implement strategies that enhance safety. Local teams define goals and metrics at all Haworth global facilities. Occupational health and safety performance are regularly tracked. Improvement measures and training are then implemented. Risk assessments are conducted on an ongoing basis to help keep members safe and reduce the overall incident rate. We maintained ISO 45001 certifications for plants in Germany, Switzerland, and China and extended it to France in 2022. Cassina and Poltrona Frau sites in Italy are also certified accordingly to ISO 45001. Throughout our global locations, our overall lost-time injury rate for our Commercial Interiors segment was 1.1 for calendar year 2022.



#### Ergonomic & Safety Updates in Chennai

Several innovative changes were made in our Chennai, India plant to help keep our members safe and healthy. These include ways to make loads lighter and safer, as well as higher visibility. For example, a new jib crane made of aluminum instead of steel now picks and holds worktop boards—a lighter solution for members to manage. In the dock and warehouse areas, heavy-duty rubber chocks with rope handles replaced wooden ones to hold truck wheels and prevent them from moving. Zebra marking in yellow and black was added to beams to reduce potential bump hazards. Standard solid wooden runners (with color code for exclusively storing raw boards) replaced damaged wood pallet pieces to reduce the safety risk. Packing activities were moved from the floor to a table so members no longer need to bend over, reducing safety and health hazards. Additionally, three modular fire extinguishers for the first-floor office area's switch gear room were installed to avoid human intervention and potential risks from a fire incident.

#### Italian Welfare Program Benefits

Cassina's welfare plan provides for a series of goods and services that can be used through an ad hoc platform that allows conversion of the performance bonus without any contribution and taxation. The gross amount of the bonus converted into flexible benefits coincides with the net amount that members can spend on the platform, increasing their purchase power for things like reimbursement of children's education expenses; assistance for parents; public transportation costs; health expenses; additional payments to the supplementary pension; shopping vouchers for groceries, petrol, or online purchases; gym memberships, wellness centers, or language courses. The plan also provided an additional bonus of 10%, given by Cassina to members who decided to convert 100% of the bonus.

#### Better Equipment for Member Health & Safety

To improve health and safety for members, our teams globally implemented initiatives on a continuous basis. They upgraded machine enclosures, renewed and extended markings of potential safety hazards and developed or adjusted processes to remove injury risks from our plants and improve ergonomics of tasks and processes. They maintained infrastructure like flooring to avoid trip hazards and checked and upgraded equipment and PPE to improve wellbeing and reduce safety risks.

#### Keeping Backs & Eyes Safe

In our Bruce, Mississippi plant, members identified a safety issue in the task chair plant: Members had to bend over to pick up parts from a box, causing muscle strain. Now the part boxes are placed on lift pallet jacks, so the box comes to a height that is comfortable for members to retrieve a part without straining their back. And, at our Holland, Michigan LPP plant, the team identified higher risk of eye injury when members cleaned at the end of the shift, so they implemented additional personal protective equipment (PPE). Instead of wearing just safety glasses, members are wearing Spoggles brand eye protection or goggles or a face shield to help protect eyes. Spoggles have foam pads that seal around the eyes to better protect them from debris. The team also removed fans to reduce debris in the air; they are also working on other dust collection enhancements.

#### **Digital Tracking & Tackling Occupational Hazards**

In our Shanghai plant, team members changed their method for tracking occupational health data and occupational hazards through a new digital platform. In the past, the team manually input members' occupational health records, which didn't allow for timely updates or for members to access the database. Now, the total number of point location and hazard factors for evaluation has expanded from 49 to 73, covering 70+ members' occupational health records (compared to 33 previously).

#### Focus Week for Health & Well-Being

Safety at work affects everyone as well as safety at home. Our team in Menziken, Switzerland organized a workshop for members to raise awareness on the topic of stress and nonoccupational accidents.



Masterclasses Members around the world get creative by offering masterclasses in their areas of expertise to support overall well-being. Member Masterclasses were launched in 2020. Since then, members have delivered 24 masterclasses. Topics include songwriting, watercolor painting and illustrating, fitness, yoga, eye care, running, and cultivating an attitude of gratitude-even decorating aprons by using vegetableand fruit-based stamps. Member Masterclasses offer unique ways for members to demonstrate their talent and inspire others through sharing their skills—a unique member-to-member initiative that aims to engage and empower each other.



#### **Development & Training**

Continuous learning remains one of our core values as it's critical to both personal achievement and business success. We continue to build a creative and inclusive culture, where all voices are welcome, heard, and provided with opportunities to learn and grow. We offer a breadth of learning and development opportunities—from online courses to in-person training.

#### Member Development & Training

Member engagement begins with onboarding new talent. In addition to in-person training, our online training offers more than 800 digital courses where members learn standards pertaining to safety, ethics, values, diversity and inclusion, Haworth Management System (continuous improvement), and environmental practices. In 2022, Haworth recorded more than 48,900 hours of training globally on orientation, professional development, business systems, product training and first aid and safety training. Still, these numbers do not reflect all courses offered yet or the countless hours of trainings provided on the job. All our members are offered a mid-year and annual performance and career development review. During these reviews, members and supervisors set individual development and career plans including required training.

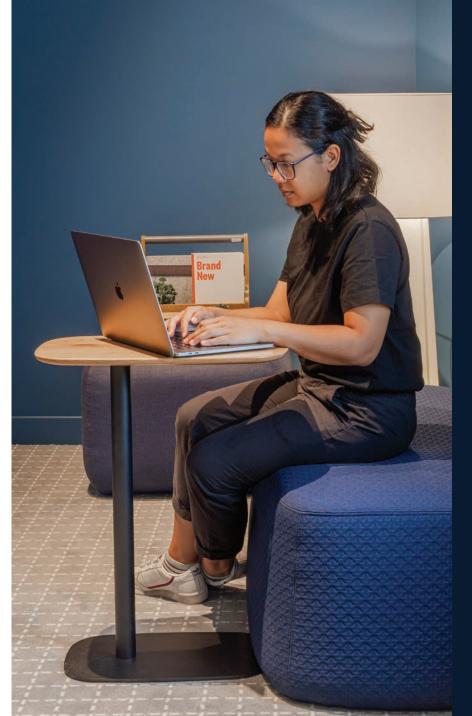
Through our partnerships with ThinkWise and Skillshare, members can customize their development by selecting courses and tracking their progress. Additional educational support is available via the Tuition Assistance Program, offering funding for members pursuing degree programs.

#### Haworth Global Learning & Haworth University

Haworth Learning & Development Teams across the globe brought curated training content to our members and family of businesses. Each week they published new training articles, techniques, tips, and digital tools on an important topic.

#### **Compliance Training**

Each member is assigned required global compliance training modules. This curriculum applies to all members, across all business units, with the goal of equipping everyone with knowledge to ensure they uphold legal compliance regulations. Available in eight languages, over 6,200 members completed the training in 2021 (more than 29,100 hours) and all brand segments are compliant. All members globally will be prompted to do a mandatory refresher in 2023. For 2022, compliance trainings focused on new members joining. They spent more than 3,900 hours on required training in 2022.



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## 48,900 Hours of training provided

to members globally

## 3,900

Hours spent on new member compliance training

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#### **Continuous Learning/Students**

#### Haworth Scholarships

Since 1990, Haworth has been investing in education and encouraging higher learning to help members, their children, and the community. The Haworth Scholarship Program has impacted over 400 students and families throughout Michigan and the US. It is one way we cultivate hope for our future, invest in our communities, and live out our values. Twenty-two children of Haworth members, along with six students from the community, were named to receive scholarships through Haworth's Scholarship Program in 2022. Awards totaled \$55,000 and exemplify Haworth's commitment to our value of continuous learning, an integral part of our company's heritage. Applicants to the program are evaluated on their grade point average and extramural activities, including volunteer work and part-time employment. Each student also writes and submits a personal essay. Scholarship winners are chosen by an independent panel of judges, respected leaders from various organizations throughout the community. Six students received Haworth's Diversity Scholarship and two students received Haworth's Skilled Trades Scholarship (supporting students pursuing a certification, associate degree, or skilled trade/ vocational program).

#### Creating a Brighter Future in Shanghai

In 2022, Haworth sponsored nine students—three in high school and six in university—as part of the Shanghai Sunrise program, which creates access to education and mentorship through scholarships for underprivileged Shanghai youth. Haworth members pair up with the students to help them become a positive force in the community and realize fulfilling careers.



**\$55,000** Awarded in scholarships

# Marketplace

We continue to engage and connect with all partner stakeholders, including suppliers, designers, customers, and dealers. The work we accomplished in 2022 was focused on organizing and structuring our approach around these areas.

#### 2022 Highlights

#### **Recycled Textiles for High-Fashion Garments**

The Haworth sales team in Denver, Colorado and our dealer Pear partnered up with Elsy Studios for the IIDA Rocky Mountain Chapter Prêt-à-Porter—or, "where finish meets fashion." Prêt-à-Porter is Colorado's main stage event for the culmination of architecture, design, and inspiring haute couture. The Haworth and dealer team provided Elsy with materials to create custom haute couture. Out of roughly 15-20 garments that made their way down the runway, the team's entry won Most Wearable.









# Community

We recognize that our success is intrinsically linked to the vitality of the communities where we live and work. Our goal is to contribute to community prosperity by leveraging our resources and expertise to partner with community leaders who are evolving the economic and social systems in our own backyard.

In addition to offering our time, Haworth and our members contribute financial resources to support community initiatives.

#### 2022 Highlights

#### Native Grasses Restoration Project

Haworth's global headquarters in Holland, Michigan features a prairie-like mix of wild grasses, field flowers, and other vegetation on its campus. These areas have been left to thrive in their natural state as part of the company's commitment to green building and sustainable site management. Over time, several invasive plants (thistle, teasel, and autumn olive) have been spreading.

Haworth coordinated with the Outdoor Discover Conservation services on a multi-phase project to convert overgrown turfgrass into native prairie species. Our corporate ground crew has completed the first phase of activities, cutting back vegetation and administering herbicide. In August and September, rye and oats were seeded as a cover crop. In late Fall, native prairie grasses and wildflowers were seeded. All the treated areas will be reviewed in 2023.

#### Haworth Matching Gift Program

In North America, Haworth matches donations (up to \$500) made by Haworth members, retirees, and members of the Board of Directors to eligible institutions of higher learning and 501(c)3 organizations that alleviate victims' loss from natural disasters.

#### Haworth Helps: Donations for Ukraine

In 2022, Haworth members all over the world have expressed their concern and compassion for the people in Ukraine who were forced to flee the country, leave their families, and spend days in bunkers with uncertainty about the future. Haworth offered all members the opportunity to support this humanitarian crisis with a gift or a donation that would be matched up to \$500. A total of \$13,417 in matching gifts was sent to various agencies in 2022 to provide relief to the Ukraine war victims from Haworth Helps.



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### \$13,417

In matching gifts to provide relief for Ukraine war victims

#### Stuff the Bus for Students' Futures

Education is fundamental to a better life. The United Way across the US invited businesses and other organizations to collect classroom essentials to help kids prepare for the coming school year and brighter futures. Members at our global headquarters in Holland, Michigan, partnered with the Greater Ottawa County United Way to "Stuff the Bus" with backpacks and school supplies for elementary, middle, and high school students of low-income families.

#### Sharing Knowledge & Expertise

Poltrona Frau joined the Adopt-a-School initiative for the Altagamma Foundation, which includes high-end Italian cultural and creative companies that are recognized globally as authentic ambassadors of Italian style. The initiative helps preserve artisan expertise and pass it on to new generations, enhancing manual skills with new technologies—such as the digital machine that automatically scans leather and defines cutting templates, to work with more precision and minimize waste.

#### **Toys for Tots**

For 19 years, US Haworth members have supported the Marine Corps Reserve Lakeshore Toys for Tots organization, which services an area of approximately 5,500 square miles in West Michigan. Its mission is to distribute toys to children whose parents cannot afford to buy them gifts for Christmas. This year, Haworth members donated 460+ toys to the Lakeshore Toys for Tots group in Michigan. JANUS et Cie also supports Toys for Tots and did their own drive out of their locations to help support local families.

#### United Way Support

For 56 years, members in North America have had the opportunity to contribute to the United Way, which helps to provide programs and services that improve people's lives in four areas: basic needs, health, education, and financial stability. Many members across our US manufacturing sites stepped up during an incredibly challenging year to support their communities, including through Haworth's 2022-2023 United Way fundraising campaign. As a result of member pledges, fundraising events, and the Haworth company match program, the United Way was gifted with \$209,000 to help strengthen our communities.

#### Familia Day

Poltrona Frau celebrated the "100+10" years since its foundation and it opened its doors in Tolentino for a day dedicated to all employees and their families. Poltrona Frau Familia Day was indeed a celebration for an important anniversary, but—above all—it was an opportunity to communicate the values of excellence that have made Poltrona Frau so well known around the world, sharing them with family members.

During the day, the Poltrona Frau Museum, where the Archibald Anniversary Limited Edition armchair is exhibited, was open to attendees, where they could discover best sellers and novelties inside the showroom and view how these timeless creations were born. Many activities were offered for children, including a circus, a hot air balloon, workshops, and treats.

#### For the Holidays - Poltrona Frau + Cartiera

Poltrona Frau provided excess leather to Cartiera, a social organization that produces small accessories from leather and fabric leftovers donated by numerous Italian companies. Cartiera supports economic integration of migrants and asylum seekers; rediscovery of qualified artisanship; recovery of primary materials otherwise destined for disposal; and production with minimal environmental impact. The partnership resulted in the production of merchandising products for gifts during the holiday season, such as 1,000 of these small handbags that were available in three colors.





#### **Kids Food Basket Donations**

Kids Food Basket is a West Michigan-based organization with the mission to end childhood hunger and fosters a lifetime of health and limitless potential. The Product Line Management team and friends in Holland, Michigan banded together to decorate paper bags for the Kids Food Basket to help them reach their goal of 200,000 decorated bags in one week. The Audit team donated their time by helping to pack sack suppers, and the Panels Plant team members raised \$425 for the non-profit.

#### Holiday Outreach in LA

JANUS et Cie members in Los Angeles supported A Child's Dream, an LA charity that collects and distributes donated toys to underprivileged children who live in Los Angeles County.  $(\Box)$ 

### \$209,000

Gifted to the United Way by Haworth member donors

### People 2025 Commitments

Commitment	Progress Report
Education & Training: Personal Sustainability Impact 100% participation in member development programs to advance individual and	Haworth demonstrates our commitment to our customers, members, and continuous learning by investing in in-house professional learning and development of professional teams to grow and develop our members, supporting a culture of engagement—ultimately resulting in value and satisfaction for our customers. We continued sustainability trainings for members as refreshers and during onboarding.
organizational sustainability goals.	Moreover, we provided trainings to key functions (e.g., Purchasing, Product Design, Sales, Customer Operations) to provide members with the knowledge or relevant sustainability aspects related to their work. Besides specific training sessions, information was continuously shared on the job as part of projects and during routine meetings with different functions.
	As a next step, our Human Resources and Global Sustainability teams will work to establish sustainability curricula for Haworth members and partners to advance individual and organizational sustainability goals. In 2022, this collaboration resulted in five training modules for members of the International segment. Topics included our sustainability strategy, product sustainability, operational performance, people and community and circular services.
<b>Diversity, Equity, Inclusion, &amp; Belonging</b> Foster and sustain diversity, equity, inclusion, and belonging of stakeholders (members, suppliers, designers, and dealers).	Haworth is committed to creating and sustaining a workforce that represents many backgrounds and cultures. In 2021, we launched a new Diversity, Equity, Inclusion, and Belonging (DEIB) required training module to raise awareness and enhance understanding among our global members on principles necessary to uphold DEIB practices. This global learning effort applies to all Haworth members and addresses the roles of leaders and employees regarding their organization's inclusion and belonging efforts. The course offers practical guidelines for creating an inclusive, respectful workplace, and addresses some of the biggest diversity and inclusion challenges, such as unconscious bias and micro-inequities. In line with our inclusive efforts, in addition to English, the course is available in the following languages: Spanish, French, Italian, German, Portuguese, Simplified Chinese, Polish, and Dutch.
	We have established a framework to measure the progress of our journey. We have established specific metrics around Diversity, Equity, Inclusion, and Belonging. We also realized there is much to learn in some areas and are working to identify other metrics as well.
	Moreover, we refined our understanding of what DEIB encompasses in different areas of the globe and identified segment specific improvement opportunities. For example, the International segment set the goal to increase female share across all leadership levels. An additional goal addresses the fair representation of nationalities in our highest International leadership team, which proportionally represents the top five markets in International. Also, we further improved our comprehensive KPI reporting, e.g., for training provided, DEIB figures, and volunteering activities and status. We will continue this process during 2023.
Community Outreach: Volunteering Promote community engagement through	More than 300 Haworth members from 13 different countries engaged with their communities in 2022, as is depicted in this section of the report. To support this, we continued raising awareness for our commitment during training opportunities. In North America, our members participated in numerous volunteer

Promote community engagement through educational opportunities and volunteerism in the communities where we operate.

upport this, we continued raising awareness for our commitment during training opportunities. In North America, our members participated in numerous volunteer events, such as supporting the United Way Day of Caring and Kids Food Basket. And Haworth International members contributed 1,000+ volunteer hours with organizations like Ronald McDonald Foundation, OzHarvest in Australia, and the YMCA of Hong Kong. Activities included bringing food to residents (e.g., in Malaysia), partnering with local chefs to learn and practice "zero waste" food preparation methods (Australia), beach clean-ups and education on protecting biodiversity (India). For 2023, we will continue offering volunteering events.

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## Circular Economy

Haworth's design philosophy has resulted in numerous innovations that have transformed millions of people's work experience. Design thinking permeates everything we do from products to spaces. We incorporate two key elements: performance and desire. This combination, along with four design characteristics—open, informed, experiential, applied—complement our pursuit to create Organic Workspace environments that align people and space for optimal performance.

All Haworth members are part of creating something—from presentations to new products, process improvement, and our customers' collective experiences. Design thinking is ingrained in our culture—it speaks to who we are, what we care about, and why our company exists.

As part of our commitment to design with people in mind and make the best use of the Earth's resources, we are focused on two priority areas: Design for Sustainability and Circular Services. A circular economy is one of the biggest opportunities to design a sustainable future and is an essential part of our strategy.



Material Innovation – Making the Best of Challenging Circumstances Our Resonate<sup>™</sup> lounge recycled content was increased to 91% based on a change initiated by the war in Ukraine. After the war started, the supply of Baltic birch became extremely tight, and the price increased by approximately 60%. In addition, Baltic birch was designated a conflict timber. Innovative Resin Technologies (IRT) was identified as a possible replacement. IRT is a process that utilizes a patented melting process and uses 100% polyolefin-based industrial waste, as well as #1 through #7 post-consumer plastic. The engineering team successfully replaced the plywood with the IRT recycled plastic, which increased the recycled content significantly—and made it even lighter in weight.



#### Exploring Modularity in Contemporary Interior Design Modular Imagination, a collection of ottomans, benches, and coffee tables, was designed by the visionary of contemporary culture, Virgil Abloh. It is composed of two differentsized, matte-black building blocks that can be combined to create, adapt, and rebuild space while questioning and developing the design implications of modularity. Thanks to the work carried out by Cassina LAB, its components can be easily separated at the end of the product's life cycle. A dashed line, situated under its feet, indicates where the soft polyurethane upholstery, with a percentage of polyols deriving from biological sources, can be cut away from its recycled wooden core to facilitate the recovery and recycling of its elements at the end of the life cycle of the product.



#### Joining the EVERGREEN Concept

In 2022, Haworth supported Smart Village Munich with the creation of an agile workspace that consists of 100% recyclable products and is intended to be a German lighthouse project in terms of circularity in the meeting place. All products and materials of the EVERGREEN Concept are either reused, fully recyclable, remanufactured, or digital.

## **Designing for Sustainability**

Through our design-led approach, we're committed to addressing the environmental impacts of our business. Our design teams consider the environmental, social, and economic impact through sustainable material choices, waste-reducing engineering processes, avoidance of Haworth banned chemicals and chemical compounds of concern, and alignment with leading certifications. Considerations for the use of safer materials continue to drive us to evaluate more sustainable solutions as alternatives become commercially available. We continue to offer products free of problematic chemicals such as non-stick additives derived from per- and polyfluorinated compounds, antimicrobials, PVC, and associated phthalates, flame retardants, and heavy metals. The drive toward sustainable, healthier solutions also support our clients in achieving their sustainable goals.

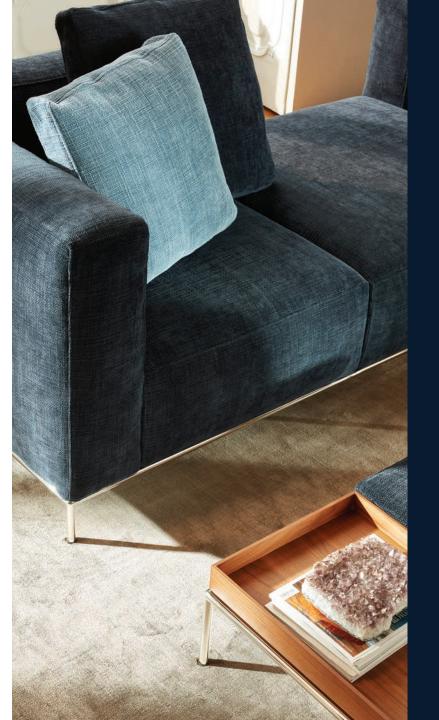
### 2022 Highlights

#### Cassina - A Model for Circular Economy

Cassina has been selected for the "100 Italian Circular Economy Stories" report. Produced by the Symbola Foundation and Enel. in collaboration with the Sant'Anna Institute of Pisa, this document includes the 100 most significant and virtuous examples of circular economy in Italy. This marks an important achievement for Cassina, which, for several years, has been engaged in researching and developing projects characterized by circular innovation. Thanks to the work carried out by Cassina LAB, the collaboration between the Cassina Research and Development Centre and Poli.design at the Milan Polytechnic, Cassina has been committed to addressing the issue of sustainability through a conscious approach to design, always guaranteeing the quality and excellence that best distinguish the company. This challenge today has become an important promise for the future of design.

#### **Declare Labels**

Declare is like a nutrition label for building products. This transparency is conveyed through an easy-to-read label highlighting the material chemistry of the given product, allowing users to make informed decisions about the products they are specifying and installing in their building. A label answers three questions: (1) Where does the product come from? (2) What is it made of? (3) Where does it go at the end of its life? Declare labels also contribute to the Living Building Challenge green building standard. They are available on three of our architectural products: Enclose<sup>®</sup>, Pergola™, and Trivati<sup>®</sup>.



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#### Mex-Hi - Cassina LAB Innovation

The sofa is made with a 100% recycled fiber, deriving from PET mainly recovered from the sea, introduced into the cushion padding. The frame is in tubular steel with elastic belts; the upholstery is removable. A freestanding side table and a pouf/table complete the collection.

#### **Healthy Materials**

An important aspect of a circular economy is healthy materials to ensure human and ecosystem health. If we continue down the historically "traditional" path without evaluating the material chemistry of our products, future generations will be left with "legacy contaminants" in recycled materials. Back in 2013, Haworth specifically targeted 55 "banned chemicals" to either remove from our products or avoid as we source new materials. These chemicals (e.g., PVC, heavy metals, ozone depletors, halogenated flame retardants) are identified in our industry as having adverse impacts on human health and the environment.

#### Advancing Our Journey

In 2022, Haworth successfully recertified 97% of North American sales to the new, more rigorous 2019 version of the ANSI/BIFMA e3 Furniture Sustainability Standard, via the LEVEL® evaluation and certification program. Efforts led to the addition or advancement of 14 product lines to the highest achievable LEVEL 3 certification. We jumped from 74% of North America sales certified to LEVEL 3 in 2021 to over 90% of North America sales certified as LEVEL 3 in 2022, demonstrating our strong commitment to advancing our sustainability journey. In addition, we improved the conformance level of all of Asia-Pacific products in scope of the certification to Level 2.

#### Product Certifications

Circular design principles are helping us reimagine the way products are designed, packaged, manufactured, and shipped. We continue to be an industry leader in achieving global accredited certifications, providing customers the ability to make informed choices. Certifications offer a common methodology to present the environmental and social characteristics of products.

With 96 certified products certified under the ANSI/BIFMA e3 Furniture Sustainability Standard, LEVEL, and 35 products certified under the European LEVEL Certification, Haworth has a variety of options to meet customer requirements.

#### North America

- BIFMA LEVEL 2 20 products
- BIFMA LEVEL 3 48 products
- 9 products
- 70 products
- 10 products Cradle to Cradle
- 2 products

#### Asia-Pacific

- BIFMA LEVEL 2 30 products
- 37 products
- GREENGUARD Gold 27 products
- China Type I Environmental Label (Certificate by Category)
- Steel & wood based desking Upholstered chairs

#### Europe

- GREENGUARD
- GREENGUARD Gold
- Declare
- Certified<sup>®</sup> Bronze

- GREENGUARD
- GECA
- 23 products
- Steel & plastic based chairs

 GREENGUARD 16 products GREENGUARD Gold 16 products SCS Indoor Advantage

EUROPEAN LEVEL 3

35 products

Gold 32 products

#### For BIFMA LEVEL

Recertification, Haworth used a combination of the following two methodologies for product credits in Section 6 (Environmental Impacts): The combination of base product and options with the highest volume of sales or anticipated highest volume for a new product within the product category/ subcategories; and worstcase sample selection.



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About Us

#### Good for People & the Planet

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Zody II, launched in 2022, brings science-based well-being together with a dimensionally more accommodating design to provide enhanced ergonomic comfort for more people. With its innovative dual posture feature, Zody II provides ergonomic support for seated and perching postures. The patented back support system allows users to adjust support on each side of the back. In addition, Zody Il is built with sustainability in mind. It meets the demands of a circular environment by incorporating recycled content, healthy materials, attributes, and programs that extend useful product life, as well as material recovery capabilities afterward.



#### **Celebrating History & Pushing Innovation**

As part of its 110th anniversary celebrations, Poltrona Frau invited artist Felipe Pantone to reinterpret Jean-Marie Massaud's Archibald chair, offering a fresh take on what has become a design icon in just over a decade. This limited edition (110 pieces) highlighted the company's important anniversary, demonstrating Poltrona Frau's ability to move from the traditional and project itself toward unexplored design horizons. But that was not the only innovation. The limited edition was upholstered with the new Pelle Frau® Impact Less leather, which is tanned with natural components and without the use of chromium, reducing environmental impact. In line with its sustainability strategy, Poltrona Frau is committed to replacing its Pelle Frau® ColorSphere® (SC) collection with this innovative leather.

#### Expanding Our Offering of Sustainable Fabrics

In North America we add three new textile collections with enhanced sustainability characteristics: Scapes, Hobson, and Novelty. All three collections are made from recycled sources and contribute to addressing different environmental impacts, such as the recycling of ocean bound plastic.

In fact, Haworth has been recognized as a REPREVE Champion of Sustainability for its continued commitment to environmental excellence in diverting 16 million plastic bottles from our lands and oceans. This equates to 151 homes powered for one year, 414 tonnes of CO<sub>2</sub> emissions avoided, or 360,000 gallons of water saved.



Scapes is a first-of-its kind fabric from the CLEAN IMPACT TEXTILES<sup>™</sup> line, providing a new way to think about textiles for their entire life cycle. As the industry's first 100% post-consumer recycled biodegradable polyester, it offers a way to promote environmental sustainability by reusing existing waste and reduce landfill mass in the future. This proprietary surface material starts with chips made from water and soda bottles that are processed and extruded into yarn. Then, a proprietary biocatalyst is infused in the woven product. When the product is subjected to anaerobic landfill conditions, 91% of it breaks down into elements found in nature—in about 1,278 days.



Hobson is a proprietary, dualpurpose textile produced with 80% recycled polyester. In the recycled portion, yarns are made from 50% REPREVE® Our Ocean®, a premium collection of fiber and resin sourced from ocean bound plastic. Hobson diverts 33 plastic bottles from landfill per yard.



## Circular Services

Finding new ways to support a more circular business model is an essential part of our strategy and commitment. We aim to make it easier for customers to utilize alternatives to the landfill when disposing of workplace products no longer needed. We continue to explore environmentally preferred solutions that drive environmental stewardship, economic growth, and community prosperity.

### 2022 Highlights

#### Diverting from Landfill – Green Standards x Haworth

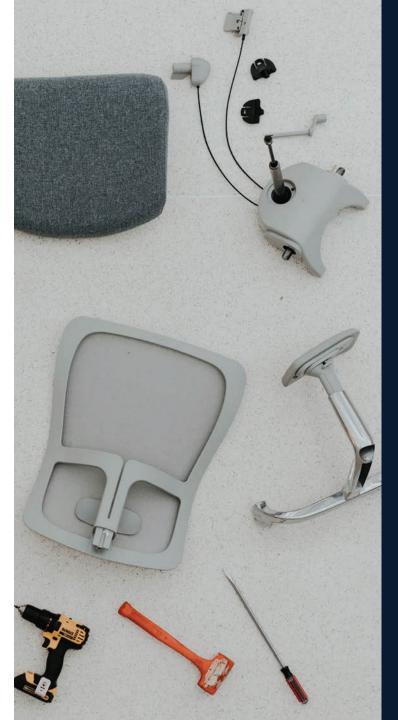
One significant example of our circular services commitment involved key partners like Green Standards, which shares our mindset. Green Standards sustainably manages the resale, recycling, and donation of used office furniture and equipment. Through our partnership, 1.7 million sq. ft. were transformed in 2022, diverting 1,365 tons (96%) of material from the landfill, reducing environmental impact (e.g., 6,160 tonnes of  $CO_2$ eq emissions reduced based on reduction of energy required to create new furniture, plus the corresponding decrease in landfill emissions), and positively contributing to the community. A total of 157 nonprofit organizations benefited from the partnership, with a \$267,500 fair market value of in-kind donations. The projects took place in 17 cities across US, UK, and Canada, and included all products—not just Haworth's—because we have a passion to help the industry solve the used furniture problem.

#### Qualcomm Furniture Avoids Landfill

Qualcomm, an American company that creates semiconductors, software, and services related to wireless technology, worked closely with Haworth and Green Standards to divert all furniture they no longer needed from landfill. In 2022, they decommissioned 298.5 tons of furniture. Of that, 20% was recycled, 74% resold, and the remaining donated or reused. Twenty-three local non-profit organizations benefited from the office furniture. The carbon impact of the project was 1,376 tonnes of CO<sub>2</sub> emissions saved from recycling or reuse instead of landfill.

#### Schneider Electric Furniture Reuse

Schneider Electric, a global specialist in energy management and automation, focuses heavily on furniture reuse as part of their net zero ambitions. They reused Haworth furniture in seven different projects, which prevented 144,000 lbs. of furniture from going to landfill, avoided the release of 498 tonnes of  $CO_{2^1}$  and conserved almost 300,000 lbs. of raw materials.



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**1,365 tons** Material diverted from landfill

**\$267,500** Fair market value of in-kind donations

**8,000 tonnes CO<sub>2</sub>eq** Emmissions avoided

# **Circular Economy**

### 2025 Commitments

Commitment	Progress Report
<b>Circular Design</b> 100% of new products designed using circular design principles.	In 2022, Haworth Commercial Interiors applied an extended set of sustainable product criteria, which include circular design principles. New product developments undergo multiple reviews along the design and development process to ensure these principles are incorporated. For the EMEA markets, we launched the Maari seat shell made from 100% post-industrial recycled plastic, which also has a positive impact on the product carbon footprint (e.g., 30% CO <sub>2</sub> eq reduction for Maari with wood dowel base). And a new product development project, Cardigan, was acknowledged for its sustainable design features. In addition, we further increased the number of life cycle assessments (LCAs) available for products; for North America, we also generated environmental product declaration (EPDs) and Declare labels for select products. We successfully launched the first furniture products certified to the new Gradle to Gradle v4 certification—Zody II and Zody LX—and we recertified and improved conformance of products from North America and Asia-Pacific according to the more rigorous BIFMA e3-2019 level standard.
End of Life Program Offer sustainable solutions for customers' used furniture, including repair, refurbish, reuse, recycle and/or manufacture.	In 2022, Haworth Commercial Interiors continued expanding its network of partners for circular services and educating internal and external stakeholders. Haworth managed large-scale client projects in Europe together with new circular service partners like OpNieuw! in the Netherlands and Rype Office in the UK. Also, we extended our collaboration with Label Emmaüs in France, a cooperative for eco-responsible e-commerce. Beside partner networks, another strong suit is our in-house capabilities, which we leverage to refurbish used furniture.
	To find the best solutions, our teams engage in client conversations and develop customized solutions for continued use and second-life options for our clients' used furniture products. Our Circular Services brief provides guidance on potential end-of-life options and how we can support our clients.
<b>Product as a Service</b> Program(s) for Product as a Service in place including leasing and pay-per-use.	In the past few years, Haworth Commercial Interiors implemented some pilots with product rental and lease projects in partnership with customers. We also closed service agreements with clients as add-ons to traditional purchase contracts, which cover product continued use and end of life support.
	Collective knowledge and best practice sharing across regions and business units feed into and support our service offering. Haworth's International

Collective knowledge and best practice sharing across regions and business units feed into and support our service offering. Haworth's International Circular Services brief serves as a conversation starter around product and workplace as a service business models with clients.

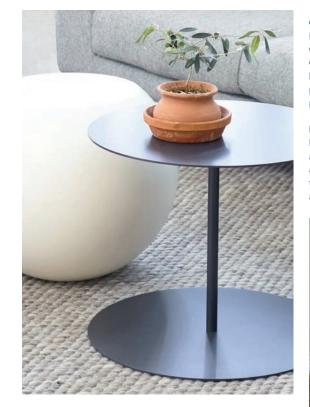


## Operational Performance

Manufacturing and environmental responsibility is not a trade-off; neither are profit and people. We continue to seek opportunities to address the environmental impact of our business in all facets of our operations. We believe operating a sustainable corporation will allow us to help people do great things for generations to come.

Our customers care about the quality of the products they buy. They also care about the work that goes into those products. Within our own facilities, and in collaboration with our suppliers, we strive for healthy social and environmental working conditions. Using our Supplier Code of Conduct, we work together to increase the transparency of sustainability standards addressing worker safety, labor compensation, anti-discrimination, anticorruption, worker respect, working conditions, animal welfare, and environmental compliance.

Progress in operational performance involves commitment and effort in partnership with our suppliers and within our own facilities. We focus on continuous improvement in the procurement, manufacturing, and logistics of all products and aim to operate efficient facilities that are designed with our long-term impact on the environment in mind.



Clever Packaging Packaging for two of Cappellini's main products, Gong and Bong, has been redefined, replacing polystyrene with embossed paper and cardboard.

Reuse Rather Than Scrap Haworth Shanghai members avoided scrapping table accessories and discarding table tops through polishing and repainting the products.





Emission Reduction

Tips and training on energy reduction empowered International members to save energy and reduce emissions at work and at home.

## Procurement, Manufacturing, & Logistics

We optimize resource use and minimize the impact of buildings, packaging, manufacturing, and transportation. Through the Haworth Management System (HMS), we ensure the principles of continuous improvement are applied. Our global HMS team inspires all members to support, facilitate, and lead initiatives that drive results and eliminate waste, advancing our strategy to create sustainable value for customers, members, and the communities we serve.

#### 2022 Highlights

#### Fit for Purpose

Sustainable packaging is fit for purpose: resource efficient, made from low-impact materials, and reusable or recyclable at the end of its useful life. Our packaging teams are consistently working on creating more sustainable packaging with goals to reach 100% (by spend) renewable, reusable, easily recyclable, or compostable by 2025. In 2022, we accomplished more than 95% of packaging spend on sustainable characteristics in packaging globally.

#### Single-Use Plastic Reduction

Reducing the use of single-use plastic from nonrenewable and non-recycled sources is one of our priorities to make packaging more sustainable. To do so, we revisited existing packaging solution for our Drift screen produced in Europe. We found that we hadn't considered potential efficiency gains for packaging when shipped in larger quantities. Instead, each screen was packaged individually. We have made up for it and added a standard packaging solution for larger quantities, which reduces the bubble wrap used per screen by 80%.

#### New Life for Repurposed Materials

Team members in our Holland, Michigan, manufacturing plant were able to repurpose 18 rolls of leftover insulation that had been sitting around for months. Rather than disposing of them, the team donated the rolls to the Lakeshore Habitat for Humanity ReStore, which sells new and gently-use home improvement items and building materials for the benefit of Habitat for Humanity homes.



### 95% Packaging spend on sustainable

on sustainable characteristics in packaging globally

Over 80% of JANUS et Cie teak products were sustainably sourced through Sistem Verifikasi Legalitas Kayu (SLVK) or Forest Stawardshin Council (ESC)

Sustainable Wood Sourcing

Stewardship Council (FSC). Teak wood from Indonesia was responsibly sourced in accordance with Indonesia's sustainable forest management system, SLVK. JANUS et Cie verifies with all its teak suppliers in Indonesia that they use this certification and have update-todate certificates.

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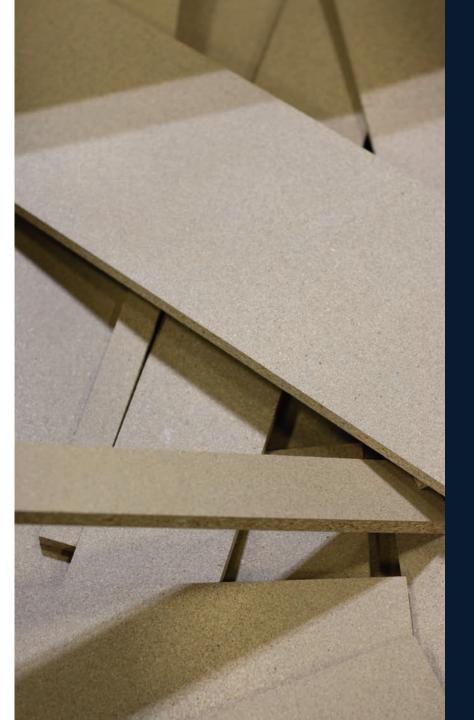
#### Sustainable Paper Use

Minimizing unnecessary paper use and waste is another small contribution to reduce our footprint and support sustainable forestry. In 2022, the Chennai plant switched its internal production ordering system from a hardcopybased, manually maintained one to an onlinebased platform featuring stronger information trackability, auto-checking function, and a smooth approval process. This action was estimated to be capable of reducing paper use by 20 kg per year, which equals about 10% of paper used. Where paper is still being used, we apply sustainable sourcing criteria. For example, all commercial documentation produced for Cappellini in 2022 was made from recycled paper.

#### Packaging Shortage Presents Redesign Opportunity

During the summer of 2022, we experienced a shortage of expanded polystyrene (EPS) resin, which would only allow us to ship 75% of our normal parts. Our Packaging Engineering team in Holland, Michigan had just finished categorizing all EPS parts by weight, which allowed the team to use this shortage as an opportunity. The team reviewed all the parts and found they could solve the shortage issue and reduce the pounds of EPS going to landfill at the same time. The solution was a combination of maximizing the use of recycled EPS resin and redesigning the parts that required virgin EPS to reduce density and volume. This entire process resulted in 100% shipment of Haworth packaging parts and an elimination of 7.1 % of EPS weight, or 9,993 lbs. of EPS in 2022.

**Compensating Impacts from Transportation** For our outbound logistics, we can optimize fuel use through optimized packaging and knock-down solutions to reduce transportation volume. We also optimize route planning using tour planning software. Moreover, we monitor energy consumption of the trucks we own, and we partner with service providers that have implemented efficiency measures for their own fleets. However, for the time being, transportation is a substantial part of our supply chain emissions. Therefore, as an interim step to mitigate greenhouse gas emissions, Haworth Group companies are evaluating possible solutions of compensation and offsetting. For example, JANUS et Cie began participating in programs with logistic partners to offset carbon emissions of its inbound ocean freight and package delivery services. Received certificates from the carbon offset program totaled 603 tonnes of CO, eq, which account for approximately 75% of our inbound ocean freight. Default selection for package delivery services was "carbon neutral."



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### **9,993 lbs.** EPS eliminated from packaging

**Ripple Effects of Circular Economy Thinking** According to circular economy frameworks, recycling should be the stage of last resort, because it usually captures less value of materials and products. Instead, materials and products need to be broken down and remade. Circular economy requires prioritizing waste avoidance, reusing, and refurbishing. At Haworth St. Hilaire in France, projects exploring our in-house capabilities to refurbish furniture had a ripple effect on awareness for material efficiency. Members revisited the material used for partitions and identified an opportunity to reuse cutoffs. With more than 1,000 partitions produced every month, they avoid about 35m<sup>3</sup> wood waste and reduce the raw material use by more than 800m<sup>2</sup> each month.

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## Energy Usage

Through ambitious energy programs and partnerships, we are advancing our strategy to improve our carbon footprint and align with science-based reduction targets for emissions. Since 2005, through our ISO 14001 certified Environmental Management System, Haworth has improved carbon accounting, increased energy efficiency and reduced greenhouse gas emissions. We report our progress annually within our Corporate Social Responsibility Reports and for the Carbon Disclosure Project (CDP). In 2021, Haworth committed to the Science Based Targets initiative with the collective goal of limiting global warming to 1.5°C and to achieve net zero by 2050. In 2022, we established our baseline through our first global corporate footprint assessment of the Haworth Group. We also identified focus areas to reduce energy intensity of our operations to decarbonize in line with our commitment.

### 2022 Highlights

#### Progress on Sourcing Renewable Energy

Haworth Group continues making progress on sourcing renewable energy. In parallel to our global assessment of our carbon footprint and developing a strategy to source 100% renewable energy by 2025, major companies of our Lifestyle Design division changed their supply contracts in 2022. From 2023 onwards, the combination of on-site solar panels, sourcing renewable energy from the public grid and/or sourcing Energy Attribute Certificates (EACs) is projected to increase the share of carbon neutral electricity used to approximately 90% for the Lifestyle Design division.

#### LED Lighting Implementation

In 2022, we continued our efforts to switch our current lighting fixtures to more energy efficient LEDs in our manufacturing sites. We replaced a total of seven high pressure sodium lights of a parking lot and 79 fluorescent fixtures in production areas with 65 LEDs. LED lights reduce long-term care and the safety issue of light level drop-offs. Previously, we had to re-lamp these areas every four years; now this timeframe is extended to every 10-15 years, which also reduces waste produced. Overall, this project saved about 69,000 kWh or 49 tonnes of  $CO_{2}$ eq avoided.

#### New Corporate Jet

In 2022, we purchased a new Gulfstream G500 corporate jet, which is 18% more energy efficient than our previous G450. Based on 2022 consumption, this would equal a reduction of about 480 tonnes CO eq. This efficiency is achieved through more effective jet engines and other redesigned elements. Also, it results in the jet making less noise. The G500 can also fly higher, which in turn means greater fuel efficiency, for a maximum altitude of 51,000 ft. We are also focused on maximizing trip occupants, which includes efforts to combine trips whenever possible and adjust trip days and total plans to fill the jet with more people both ways. Our new jet also can use Sustainable Aviation Fuel (SAF), even in parallel to traditional jet fuel (kerosene). Currently, SAF is only available at a limited number of airports, so our team is developing a strategy for how to take advantage of this opportunity moving forward to reduce our impact.

#### New Roofing Project

In 2022, we replaced the roof on one of our production plants in Holland, Michigan. The new roof assembly includes additional layers of new insulation covered with ethylene propylene diene terpolymer (EPDM), a rubber roofing material. This project encompassed 384,000 sq. ft. The total projected energy savings was more than 801,000 kWh or 560 tonnes of  $CO_2eq$  avoided. The team recycled the old ballast rocks off the roof for use in landscaping around campus.

#### Upgrading Building Management System

In 2022, we upgraded the Building Management System (BMS) for one of our production plants in Holland, Michigan to the latest technology. This new system provides better optimization and visualization of heating, cooling, and lighting. The new BMS was implemented for the warehouse and attached offices for a total of 442,349 sq. ft. of affected area. The total projected energy savings for natural gas and electricity combined was 747,269 kWh or 530 tonnes of  $CO_{o}$ eq avoided.

69,000 kWh Saved through LED lighting installation



Projected energy savings through roof replacement

747,269 kWh

Projected energy savings with upgraded Building Management System



# **Operational Performance**

### 2025 Commitments

remaining material. Increase share of recycling

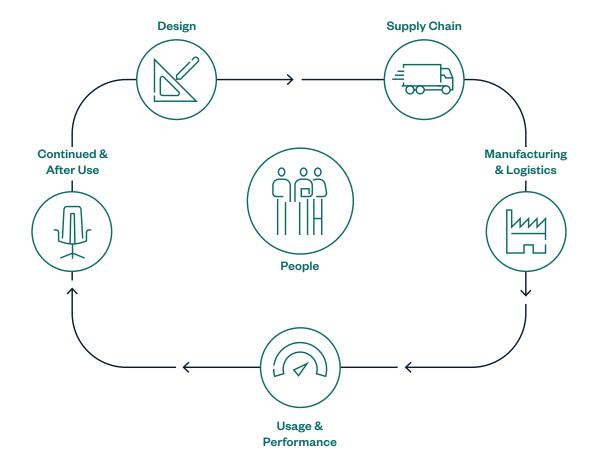
for remaining waste.

Commitment	Progress Report
Sustainable Wood Source 100% of wood from sustainable sources.	Of the wood sourced by Haworth Commercial Interiors in 2022, 86% (by spend) was third-party verified as sustainably sourced. We continue to engage our supply chain to achieve our goal of 100% wood verified from sustainable sources. We continue to maintain chain of custody certifications according to FSC and/or PEFC, depending on the market and extend scope of existing certifications to put even more emphasis on our commitment to help work against deforestation and towards protecting biodiversity.
<b>Responsible Sourcing</b> 100% tier one suppliers are screened according to responsible sourcing criteria. 100% of tier one suppliers sign Haworth Code of Conduct.	In 2022, over 97% of Haworth Commercial Interiors tier one suppliers (by spend) signed the Supplier Code of Conduct. We continue to engage our supply chain to achieve our goal of 100%. We also implemented an Animal Welfare Policy to ensure the humane treatment of animals for textiles like wool and leather.
<b>Sustainable Packaging</b> 100% renewable, reusable, recyclable, or compostable packaging.	In 2022, more than 95% of current packaging materials (by spend) comprise sustainable characteristics, such as renewable material. Next steps include evaluating alternative solutions for packaging items, including higher recycled content materials, and the elimination of single use plastic packaging from non-renewable sources and/or no recycled content.
<b>Renewable Energy Sourcing</b> 100% renewable energy sourcing for electricity for manufacturing facilities.	In 2022, we used 21% of electricity from renewable or carbon neutral set sources for Haworth Commercial Interiors manufacturing sites globally. Significant improvements were achieved for Haworth plants in Europe. All four manufacturing sites use 100% electricity from renewable sources. Also, the Lifestyle Design segment paved the way to move forward on our commitment in 2023 by extending on-site and off-site sourcing of renewable energy.
	Moreover, we assessed our energy consumption and greenhouse gas emissions for all Haworth Group companies to define a baseline and targets for SBTi. The process included developing a global strategy to address emissions from electricity consumed. This analysis had several impacts and consequences. First, we have once again strengthened our commitment to source 100% electricity from renewable or carbon neutral sources within Haworth Group to take all stakeholders—existing and new—onto this journey. Second, we will extend our existing commitment to source renewable energy to all sites, globally. Third, we defined the current gap and developed a strategy to achieve our goal by 2025 for Haworth Group. The strategy combines opportunities for on-site sourcing of renewable energy with sourcing through green tariffs and rates from public grids. In addition, we will continue our efforts to reduce energy intensity.
Zero Waste Zero Waste to Landfill for manufacturing sites and world headquarters. Maximize material efficiency and ensure highest value use for	We maintained the Zero Waste to Landfill status for Haworth plants in 2022. We also revisited our waste categorization to align with reporting guidelines provided by GRI. According to the adjusted guidelines, our recycling share was 47.8% for Haworth Commercial Interiors globally in 2022. The majority of waste not recycled was wood waste from production, which is mainly used to generate energy.

To advance our efforts, we will focus on identifying potential opportunities for waste reduction and increasing recycling rates. Furthermore, we will implement a robust reporting structure to track material efficiency.

# Value Cycle

Becoming a sustainable corporation involves commitment by all our members, suppliers, and partners. To help translate our strategy, we use a value cycle that serves as a framework to guide our actions.



### Design

Designing with people and the environment in mind through sustainable material choices and the avoidance of harmful chemicals.

#### Supply Chain

Engaging with supplier partners in continuous dialogue to ensure responsible sourcing and carbon reductions.

#### Manufacturing & Logistics

Continue managing quality, environment, health and safety, and maintain ISO certifications. Optimizing global resource use, including energy, water, waste, and carbon reductions.

#### **Usage & Performance**

Earning top certifications, promoting healthy spaces, and fostering well-being.

#### **Continued & After Use**

Providing life cycle assessments and maximizing product life spans. Supporting customers by educating on landfill alternatives and offering tailored circular service solutions.

#### People

Strengthening Members, Marketplace, and Communities by helping to restore the environment and protect ecosystems; supporting people through volunteerism, health and safety protocols, and continuing education. (1)

## Governance

Haworth is dedicated to reducing our corporate carbon footprint in line with the Paris Climate Agreement. Endorsed by our CEO, we committed to the business ambition for limiting global warming to 1.5°C of the Science Based Targets initiative (SBTi) in 2021. We are excited to be among this ambitious group of organizations and businesses committed to slowing climate change for the benefit of human society and nature. In 2022, Haworth Group embarked on this journey and did a first comprehensive assessment of our corporate carbon footprint, and our progress has been acknowledged. In the spirit of our values of continuous improvement we continued to focus on making progress, which was reflected in the upgrade of our CDP score as well as in obtaining Gold status with EcoVadis for our seventh year in a row.

Haworth also supports the Sustainable Development Goals (SDGs) and the 10 principles of the UN Global Compact with respect to Human Rights, Labor Rights, Anti-Corruption, and Environmental Protection. Further, Haworth's approach to human rights protections and social fairness are guided by the Eight Fundamental Conventions of the International Labor Organization and the United Nations Guiding Principles on Business and Human Rights, and the International Bill of Human Rights. As a private company, we take great pride in our corporate values that include valuing people and the world we live in. We continue our commitment to our business strategy, culture, and operating processes. We work with our supply chain to advance these principles beyond the walls of our facilities and into the communities in which we operate. Through the Haworth Management System, we ensure the principles of continuous improvement are applied.

Our executive team is accountable for meeting sustainability goals and objectives. The executive sponsors, in partnership with our global sustainability team, set company-wide goals and metrics based on the company's long-term strategy. The global sustainability team drives the metrics and reports progress regularly to our Vice President of Global Design, Innovation & Sustainability, who is responsible for the direction and pace of our sustainability plan, reporting to the CEO. The CEO provides formal sustainability oversight through corporate segment reviews. Region-specific functional leaders help direct local sustainability efforts. They represent and provide the conduit for regional efforts and priorities.

#### **Sustainability Team**

Our global sustainability team informs strategic direction and policy, ensures the company and its leadership are kept abreast of current concerns, and shares industry best practices across all regions. They are supported by an interdisciplinary group of Haworth members across the globe who play a crucial role in promoting and maintaining the strategic direction, exemplified by the addition of new team members for 2022.



Reta Yan

China



England





Lifestyle Designs



Jessica Germa





Katie Chap

elby Haneline



Jim







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About Us

## Sustainability Briefs

A number of sustainability topics are important to our customers. During engagements, in presentations, and in project bids, we share overviews that highlight our 2025 Commitments and points of view on carbon accountability, sustainable wood, material chemistry, diversity/equity/ inclusion, and other relevant issues.

Click on the images to learn more about each topic.



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