



SUSTAINABILITY REPORT  
2011

HAWORTH®

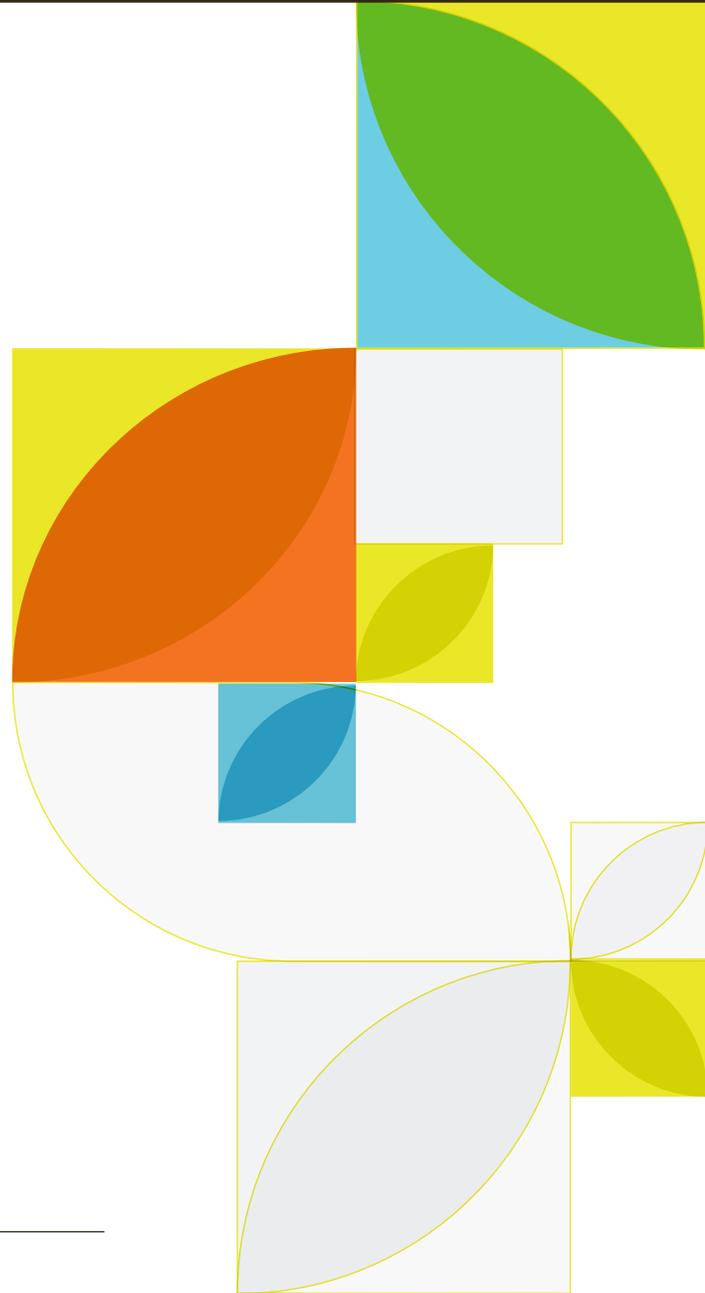
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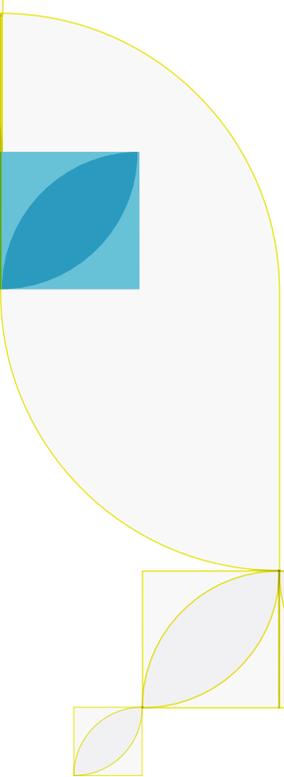
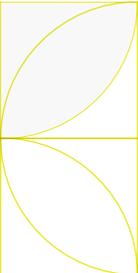
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### Our Sustainability Vision

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





## Dear Stakeholders



Our sustainability journey continues here at Haworth. We are encouraged by our progress through our global knowledge and research. This seventh annual sustainability report is a snapshot of our 2011 performance measured against our seven long-term objectives.

New LEED® certifications for our facilities around the world demonstrate our commitment to green building, as well as ensure integrated, adaptable, more sustainable interiors for ourselves. In fact, we received our first LEED-CI Platinum rating for our showroom in Atlanta, Georgia, USA, using the award-winning mindshift<sup>SM</sup> concept focusing on Integrated Project Delivery. In addition, our Singapore showroom received LEED-CI Gold and our Paris showroom was built using LEED standards. Our green building interior solutions paired with our Integrated Palette™ of products, experience and knowledge continue to help our clients create more sustainable spaces.

We are proud of our commitment to designing for the environment. We are intensifying our focus on driving expectations throughout our value chain with more stringent environmental requirements of our suppliers. Our efforts have helped us certify 63 products to a BIFMA level® 1 or 2 rating.

While we have achieved zero waste to landfill, global progress continues toward zero waste to energy with 58 percent of our manufacturing facilities hitting an aggressive goal of 15 percent reduction in 2011. We've also significantly reduced energy consumption through our worldwide efforts. For instance, our Menziken, Switzerland facility is closing the loop on wood waste by recycling wood chips to heat the production plant.

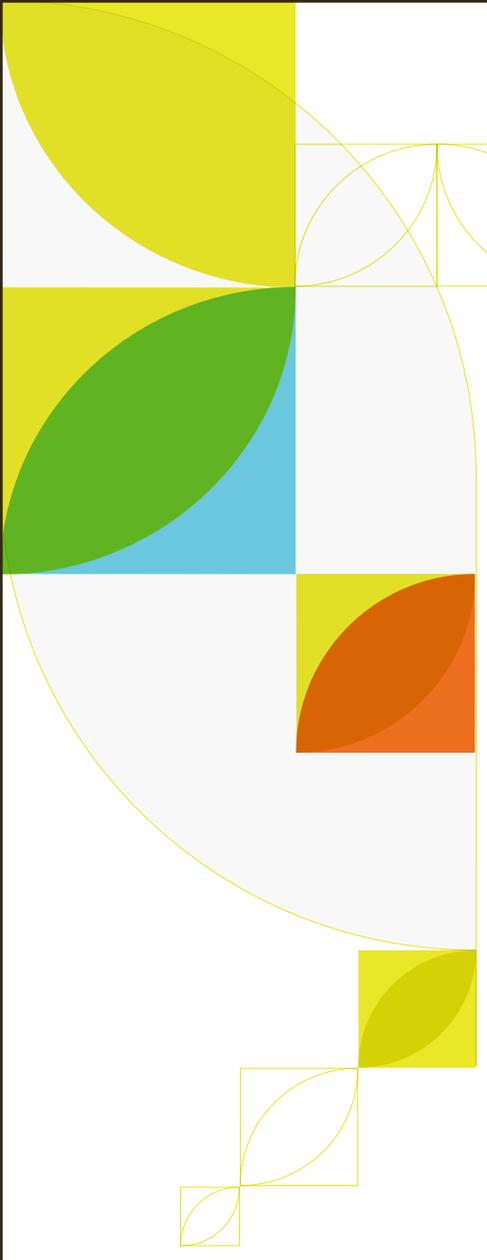
As always, there is more to do, yet we are pleased with our progress. While we continue on our journey toward becoming a sustainable global organization, we are focusing on creating positive, measurable change in the markets we serve and the communities in which we live through long-term employment and by giving back. Haworth, Inc. is leading the way, demonstrating our community commitment through contributions that reflect what we value to organizations such as Helen DeVos Children's Hospital, Hope College and the United Way.

We thank our members who inspire us daily—they are empowered to make positive changes to further the effort. Member initiative is very much a part of our culture, and a responsibility they take to heart. From zero waste, to product and operational process advancements, to hundreds of volunteer hours, to millions of dollars saved and raised, Haworth teams are mindful of helping our customers improve their sustainable businesses, enhancing lives and caring for our planet.

Matthew R. Haworth  
Chairman  
Haworth, Inc.

Franco Bianchi  
President & CEO  
Haworth, Inc.

John Mooney  
Vice President of Global Finance &  
Executive Sustainability Sponsor  
Haworth, Inc.



## Who We Are

Haworth International, Inc. is a privately held global corporation, headquartered in Holland, Michigan, USA, serving the contract market with furniture, wall partitions and raised access flooring systems.

## Our Beginnings

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

## How it Works

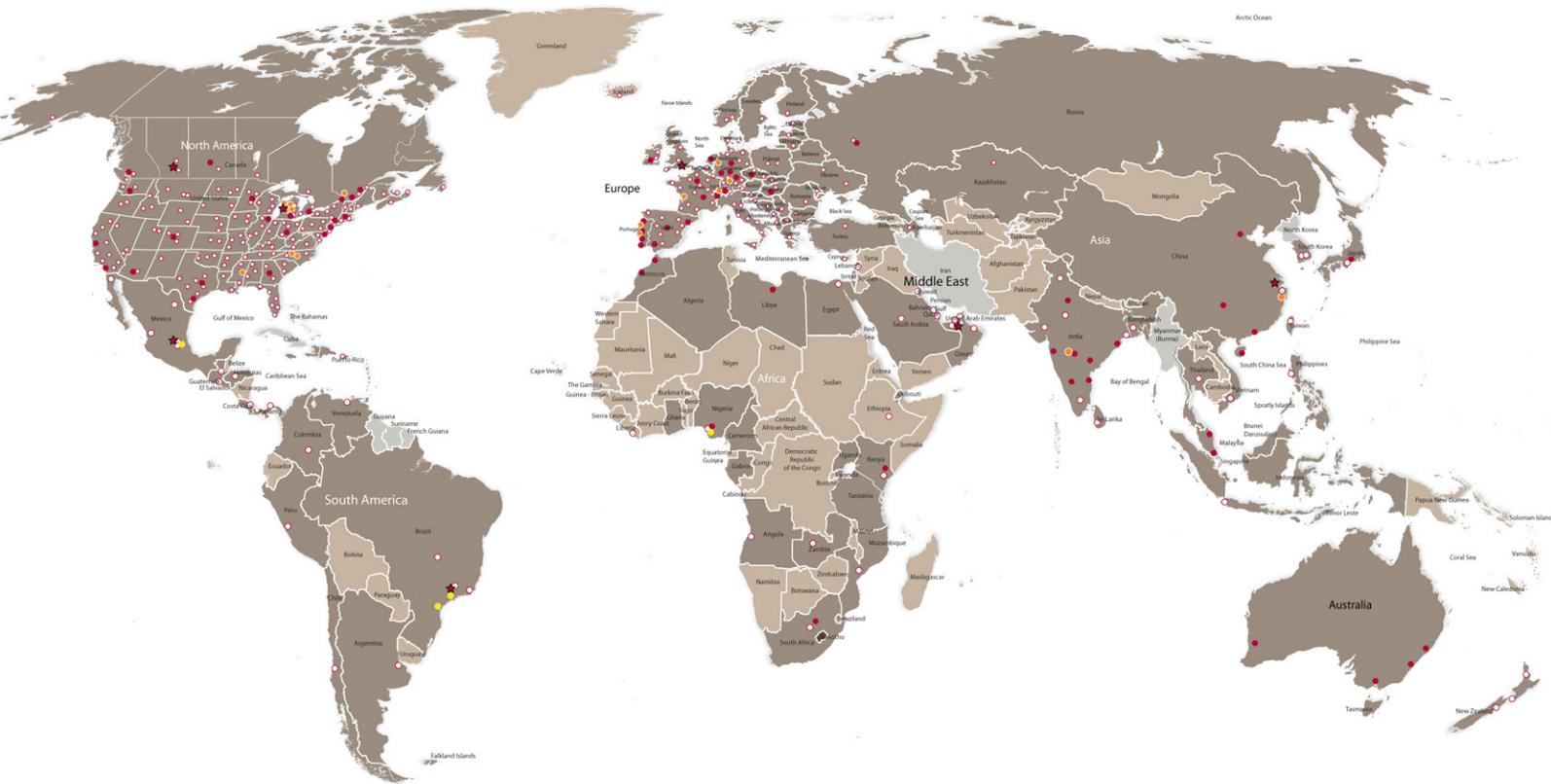
The Haworth family includes Haworth dealers—independent businesses—who provide sales and support to our customers. We work with our dealers to help architects, designers and facility managers in the often complex process of selecting, specifying, planning and purchasing furniture and workspace interiors.

Haworth products are sold via our dealer/sales network to contract market customers.

## Across the Globe

We divide our responsibilities within four business areas:

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



### Our Numbers

- 1 vision: create beautiful, effective and adaptable workspaces
- 7 sustainability objectives
- Presence in more than 120 countries
- More than 600 dealers worldwide
- More than 6,000 members worldwide
- \$1.38 billion in global sales for 2011

### Our Brands

- Castelli®
- comforto®
- Haworth
- Haworth Collection™
- Easy by Haworth™
- Lacasse®
- United Chair®

### Our Products

- Access floors
- Benching and desking systems
- Collaborative furniture
- Conference room solutions
- Educational furniture
- Electrical and cabling support systems
- Ergonomic worktools
- Executive wood furniture
- Freestanding filing and storage products
- Freestanding wood, laminate and steel casegoods
- Healthcare solutions
- Lighting
- Moveable walls
- Seating – office and lounge
- Systems furniture

## What Drives Us

### Our Sustainability Policy

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

We will:

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

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

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

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

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

### Our Strategy

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

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

Moveable walls, raised access floors, modular furniture systems and an integrated utility platform blend seamlessly into integrated workspace interiors solution. We use Design for the Environment (DfE) strategies in addition to these:

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

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

### Our Objectives

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

## Our Leadership

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

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

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

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

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

## Our Financial Performance

Our 2011 global sales were \$1.38 billion up from \$1.21 billion the previous year, an increase of 15 percent. The growth was boosted by strong results in every part of the world, with sales growing at a rate higher than the industry in all sectors. Our integrated workspace design and global perspective continue to resonate with customers around the world. Our second year of industry-leading growth is a testament to the impact of our value proposition to customers and their businesses.

During 2011, Haworth invested in additional avenues of growth with the acquisition of Legacy Furniture Group in the healthcare market, expansion of retail partnerships such as Crate and Barrel, and launch

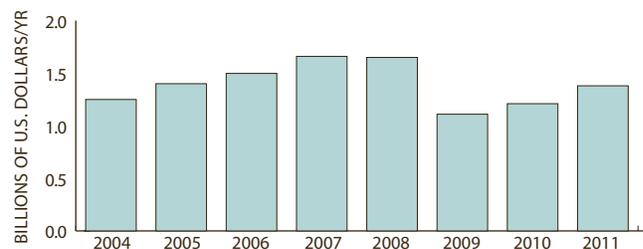
of Haworth Collection, which includes Castelli branded products and a distribution agreement for the North America contract office market with Poltrona Frau® Group.

We anticipate continued growth in 2012 based on our Organic Workspace strategy—a powerful tool that helps the customer understand a path toward investing in interiors that can positively affect their company's business performance. As part of that strategy, the company launched the Integrated Palette, a grouping of products that create integrated, adaptable and more sustainable workspaces.

In Asia Pacific and growth markets, Haworth continues to make significant progress with new showrooms in Hong Kong, Shanghai and Beijing. In India, the company is adding workstations to manufacturing capabilities for the first time. In Europe, Haworth's new products—such as T\_up, LTB™ and Very® Task—have significant presence in the market and strong export sales growth. A new Paris showroom debuted in April and the company redesigned showrooms in Zurich and Bad Münders.

These actions were taken to help ensure ongoing financial strength and drive efficiencies to meet capacity needs around the world. We remain focused on our commitment to economic improvement while balancing a strong commitment to our people and the planet. Through the strategic positioning of the business and the efficient use of the resources, we remain globally competitive and properly structured for the future.

### Global Net Sales





Showroom built to LEED-CI standards in Paris, France

## Memberships and Alliances

- B.A.U.M. (The German Environmental Management Association) – Haworth Germany
- Business and Institutional Furniture Manufacturer's Association (BIFMA)
- CoreNet – Global Member
- GIGABase Foundation – Asia Pacific Board Member
- Green Building Council member globally – Australia, Canada, China, Germany, India, Italy, Malaysia, Singapore, Spain and United States of America
- The China Greentech Initiative
- United Nations Global Compact – Global Member
- U.S. Environmental Agency Green Power Partnership
- U.S. Environmental Agency Energy Star Partner
- U.S. Environmental Protection Agency SmartWay<sup>SM</sup> Transport Partner
- U. S. Environmental Protection Agency WasteWise Partner
- Valorisation des déchets – Haworth France

## Certifications

- BIFMA level 1 and 2 Certified Products (see page 11)
- Forest Stewardship Council Certified Facility (see page 11)
- Good Environmental Choice Label – Australia (AllWays, Very and Zody)
- GREENGUARD<sup>®</sup> Certified Products
- GREENGUARD for Children & Schools<sup>SM</sup> Products
- ISO 14001 Certified Facilities (see page 20)
- ISO 9001 Certified Facilities
- LEED Certified Facilities (see page 19)
- NF Environnement Certification – Haworth France
- OHSAS 18001:2007 Certification – Ahlen, Germany; Bad Munder, Germany; Menziken, Switzerland and Shanghai, China
- Programme for the Endorsement of Forest Certification<sup>™</sup> (PEFC) – Haworth France
- Quality Office Certification – Germany
- SCS Indoor Advantage<sup>™</sup> and Indoor Advantage Gold
- U.S. Environmental Protection Agency ENERGY STAR Certification



Integrated Palette platform of products, Chicago, Illinois, USA

## 2011 Awards

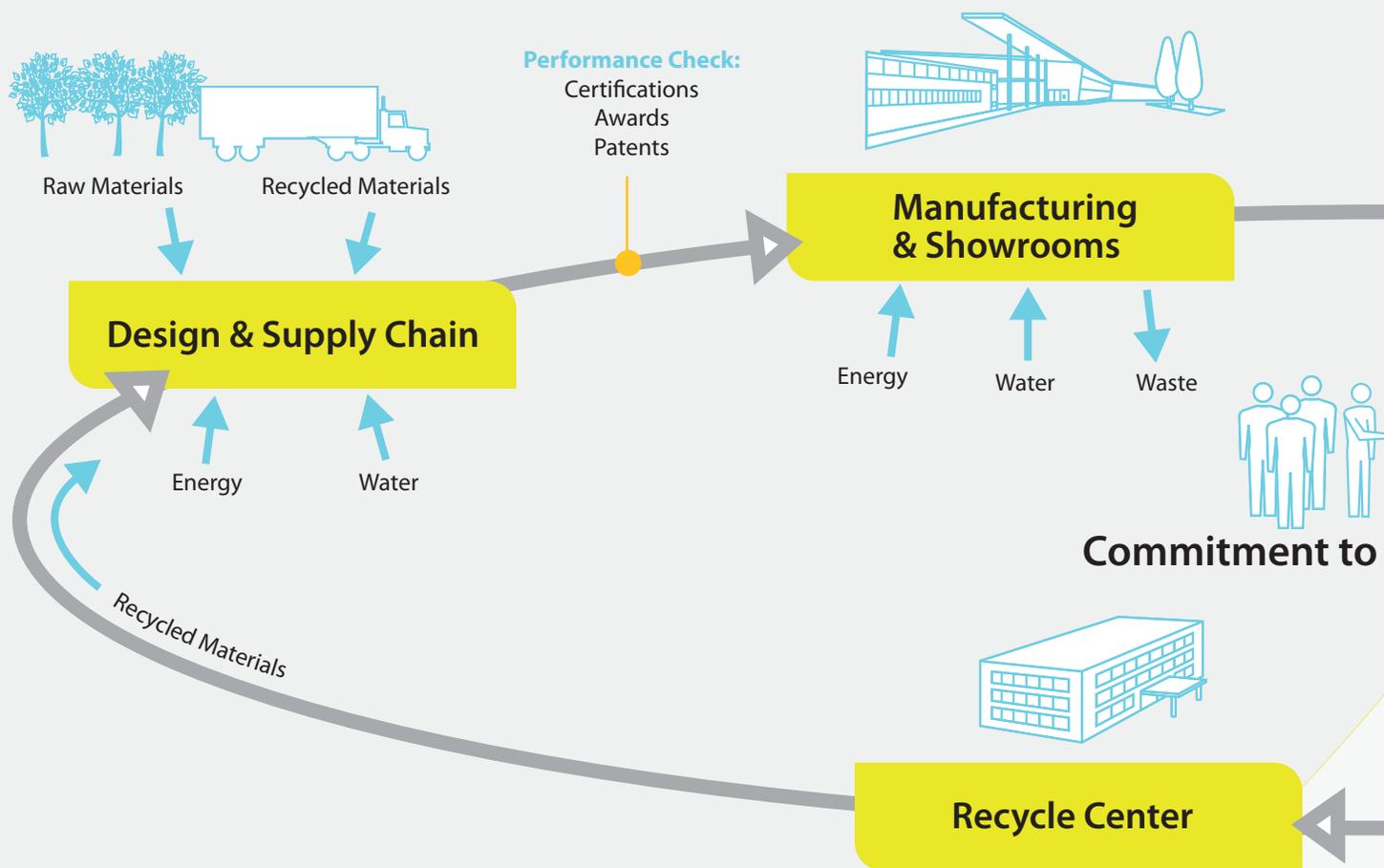
### Design and Innovation Awards: NeoCon

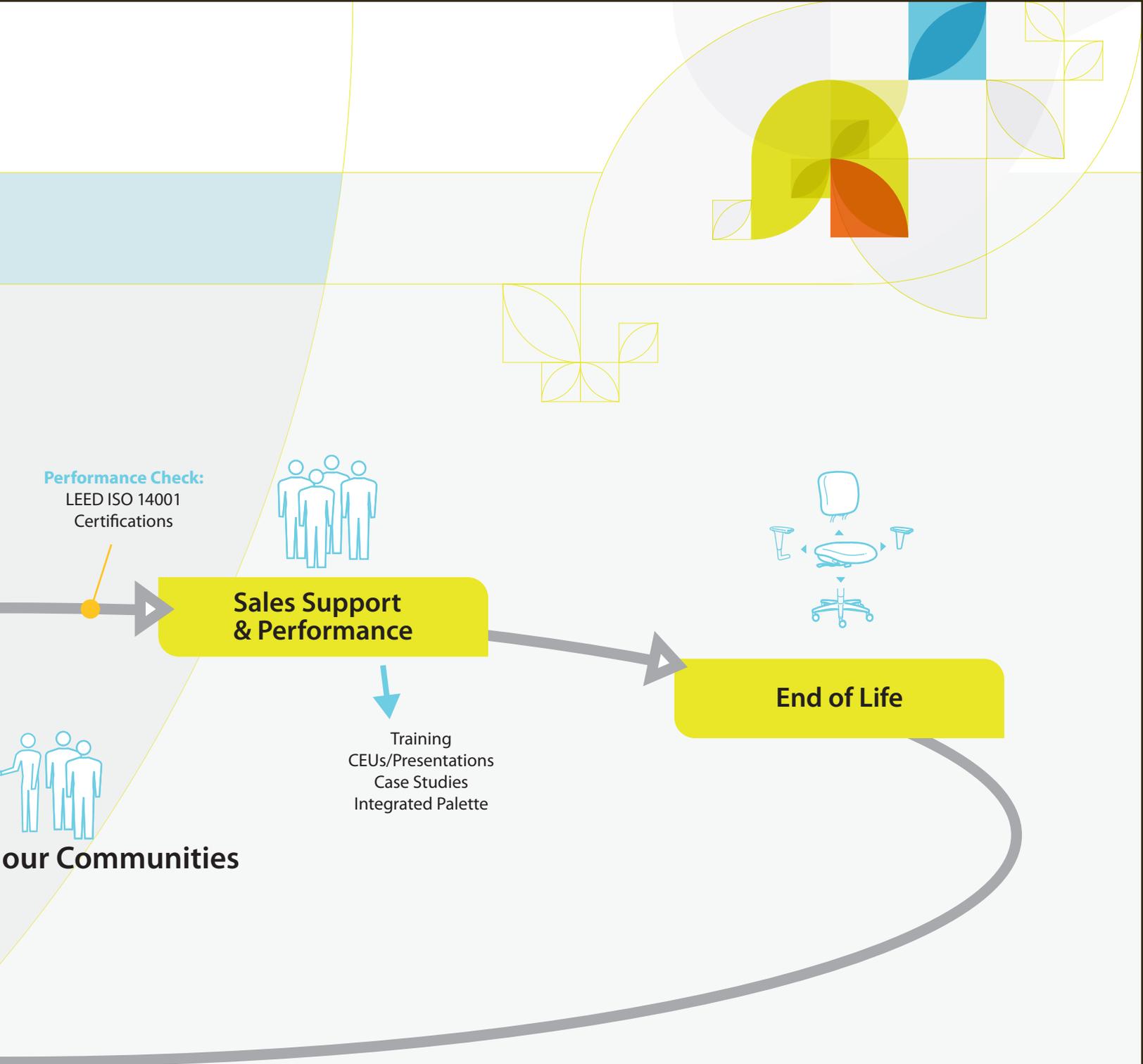
- Best of NeoCon Gold
  - Furniture Systems – Integrated Palette
  - Files and Storage – Beside® Storage
  - Seating, Benches – LTB™
- Best of NeoCon Silver
  - Furniture, Benching – Reside® Desking
  - Walls, Moveable – LifeSPACE ERA

### Other Awards

- American Institute of Architects, Chicago Chapter, Distinguished Building and Interior Architecture Award 2011
- CoreNet Sustainability Innovation Award Finalist
- Midwest Minority Supplier Development Council, Corporate One Award, 2009-2011
- Michigan Minority Supplier Development Council Corporation of the Year, Commercial Products Finalist

# Areas of Focus within the Value Stream





A comprehensive sustainability program requires us to look at product beyond our own operations and the client's space. Proper decision making throughout the value stream of a product creates present and future benefits to people and the planet.

Our goal is to consider the value stream to support our vision and connect our objectives.

By taking a broader, more holistic view, we improve innovation and commitment to sustainability and continue our journey to be a more sustainable company.

## Sustainable Product and Workspace Design

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

### Manufacturing and Sourcing Sustainable Products

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

#### **BIFMA level®**

At the end of 2011, we had 63\* products worldwide certified to meet the Business and Institutional Furniture Manufacturer's Association (BIFMA) level program. We continue to submit more products for certification.

Level is a multi-attribute sustainability standard and third-party certification program that follows the structure of USGBC's LEED® rating program. The level branding identifies that an independent certifier has vetted a product, and its numeric marking 1, 2, or 3 indicates what threshold of certification it has achieved, level 3 being the highest.

The BIFMA level standard validates our DfE strategy. We understand a truly sustainable interior anticipates change with minimal waste and material consumption, using materials with low, no or restorative life cycle impact.

#### **Wood Certification**

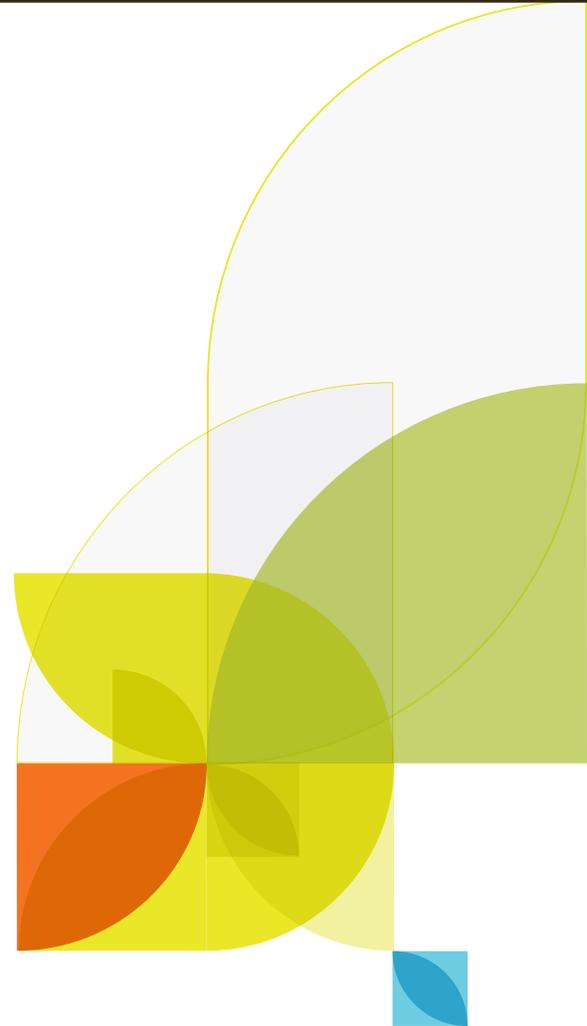
The Forest Stewardship Council (FSC) Chain of Custody (CoC) certification allows products to be segregated and identified as having come from FSC-certified forests and other controlled sources. Our participation as a CoC holder allows us to offer products made of wood that come from responsibly managed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

#### **NF Environnement Certification**

##### **Haworth France**

Our work continues toward NF Environnement certification in Europe. Originated in France, the NF Environnement mark is awarded to products that have a reduced effect on the environment while offering equivalent performance as their non-sustainable counterparts. Epure Desk System, Interange Cupboards and Vallis2 Storage are all NF Environnement certified.

Our progress extends to the adoption of NF Office Excellence Certifiée, with added criteria including Sécurité Confortique (to address comfort), even more product quality and social responsibility (diversity, health and safety).



#### **Product Documentation**

- 63 certified as BIFMA level 1 or 2
- 66 certified as low-emitting
- 93 products calculated for carbon footprint
- 3 products NF certified
- 2 products third-party certified by Climate Counts<sup>1</sup>
- 75 product environmental data sheets
- 83 products listed for potential LEED point contributions

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

\* Number restated to reflect BIFMA categories.

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

### Content Selection

We know that materials with an existing infrastructure for recycling and products that are easily disassembled are more likely to be recycled. We take pride in selecting materials based on recycled content as well as the recyclability at the end of the useful product life. We have also partnered with an established company to organize a product take-back program. With this program, we can help ensure that our products are disposed of properly and are repurposed and recycled as much as possible.

We also communicate and request our suppliers' acknowledgment and support of our prioritized list of restricted materials. This list contains all materials that we want to eliminate from production over the next five years in order to make more sustainable products. Along with our restricted materials, our suppliers also receive a list of more than 800 rated chemicals. We encourage them to utilize chemicals which pass our green–yellow–red approval system, with green products being the most environmentally friendly.

### Carbon Offsets

Customers in growth markets who purchase Zody® and AllWays receive Haworth products that are guaranteed to be carbon neutral.

Based on a software-based life cycle analysis, we determined how much carbon these products release into the atmosphere when they are produced. For example, when a customer purchases an AllWays desk, we purchase 297 kg of carbon offsets through Climate Action, a registered carbon broker with full transparency. This helps negate the effects of manufacturing.

Climate Action helps us purchase and retire carbon offsets from a biomass project in India and a natural gas project in China. The offsets are verified and counted—ensuring environmental impact has been assessed and measured scientifically.

### Sustainable Wood Practices

#### Saint-Hilaire de Loulay, France

The Programme for the Endorsement of Forest Certification (PEFC) is an international, non-profit organization dedicated to promoting sustainable forest management and has helped ensure that we are purchasing wood from a responsible supply chain.

For example, we increased the use of PEFC wood from 85 to 97 percent in products manufactured at our Saint-Hilaire de Loulay facility in 2011. To complete the life cycle, unused Medium Density Fibreboard (MDF) is sent to another supplier to be reground and reused as new core.

### Valorisation des déchets (Reusing of Waste)

#### France

VALDELIA (VALorisation des DEchets LIés à l'Ameublement) is a new program for end-of-life product management among manufacturers and dealers serving the French market.

Spurred on by new government regulations, we teamed with industry associates to create VALDELIA. By the end of 2015, the goal is to reuse or recycle 75 percent of products.

### Affinity Seating by United Chair®

#### Groupe Lacasse, Saint-Pie, Quebec, Canada

Groupe Lacasse launched the Affinity Task and Conference Chair in 2011. The chair embraces our priority of environmentally conscious content by utilizing materials with recycled content of 53 percent, and also aluminum and steel, both 100% recyclable. Even the packaging is well thought out and is made with recyclable polyethylene film and corrugated cardboard. Affinity is certified by both the GREENGUARD® for Children & Schools<sup>SM</sup> and Indoor Air Quality programs.



Affinity Seating

## Energy Management

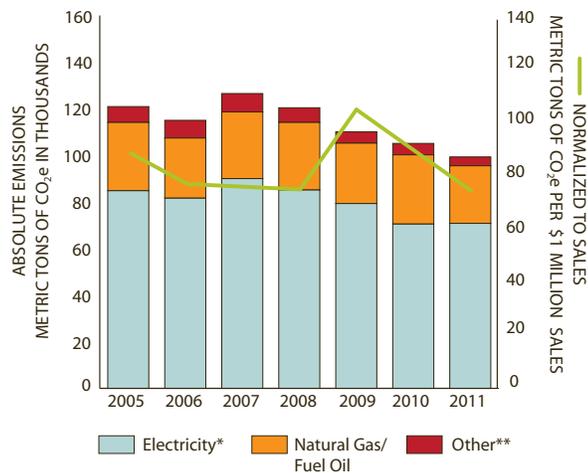
Increase energy efficiency and utilize renewable energy alternatives to become climate neutral, with the long-term objective of utilizing 100 percent renewable energy.

### Reducing Energy and Our Greenhouse Gas Emissions

#### Reducing Greenhouse Gas Emissions Global Headquarters, Holland, Michigan, USA

In 2011, we experienced an increase in manufacturing production compared to the previous year. This increase was offset by a number of energy efficiency initiatives, productivity and process improvements, and several renewable energy credit and offsets purchases. These initiatives enabled us to continue our goal to decrease our overall carbon footprint. Since 2005, we have reduced actual global greenhouse gas emissions by 18 percent, 14 percent normalized to production.

#### Greenhouse Gas Emissions



\* Shanghai, China operations consumed an average of 800 tons of steam not included in this calculation

\*\* Includes member air travel, Haworth-owned transportation, minor emission sources

<sup>1</sup> Leadership in Energy and Environmental Design, New Construction

### **Reducing Electricity Through Lighting Pudong, Shanghai, China**

All of the industrial light bulbs in the factory were replaced in a yearlong project that was completed in 2011. In all, 262 lights were changed from 400-watt to 150-watt bulbs. Electricity consumption savings are estimated at 205,000 kWh.

Old skylights were also replaced with newer, larger, more transparent skylights. By increasing the square footage of skylights, more light penetrates into the building, reducing energy consumption.

### **Headquarters Earns Energy Star Global Headquarters, Holland, Michigan, USA**

Our global headquarters earned the U.S. Environmental Protection Agency's (EPA) ENERGY STAR, for protecting the environment through superior energy efficiency. One Haworth Center ranked among the top 5 percent of energy-efficient office buildings in the USA.

### **Compressor Heat Recovery Douglas, Michigan, USA**

In 2011, our Haworth Douglas facility reduced natural gas consumption by 17 percent normalized to production. With help from Michigan Gas Utilities, ductwork was redirected from the compressor room to other areas of the plant. The new system recovers waste heat from the compressor and distributes the heat to the fabrication and welding area. Since 2009, the heat recovery project, in addition to other energy reduction activities initiated by Douglas members, has resulted in a 32 percent decrease in natural gas consumption when normalized to production.

### **Building Management System Big Rapids, Michigan, USA**

In 2011, we installed a Building Management System (BMS) in our wood facility. The software controls all the lighting and equipment in the factory to ensure shutdown during non-production hours. Since installation, electricity has been reduced 10 percent normalized to production.

### **Renewable Energy for Heating Menziken, Switzerland**

Our Haworth Switzerland facility has closed the loop with wood waste recycling and using wood as a renewable energy alternative.

The manufacturing plant has joined the showroom, offices, engine room and assembly lines and is now completely heated by wood chips that are transformed into fuel.

Fuel oil to heat the facility has been significantly reduced and is only used as an alternative when the wood heaters are under maintenance.

We've increased efficiency by:

- Reducing annual maintenance of fuel oil heating
- Buying less fuel oil (decrease of 30,000 liters annually)
- Disposing less wood waste

### **Carbon Offset Purchased Global Headquarters, Holland, Michigan, USA**

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

## Green Transportation

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

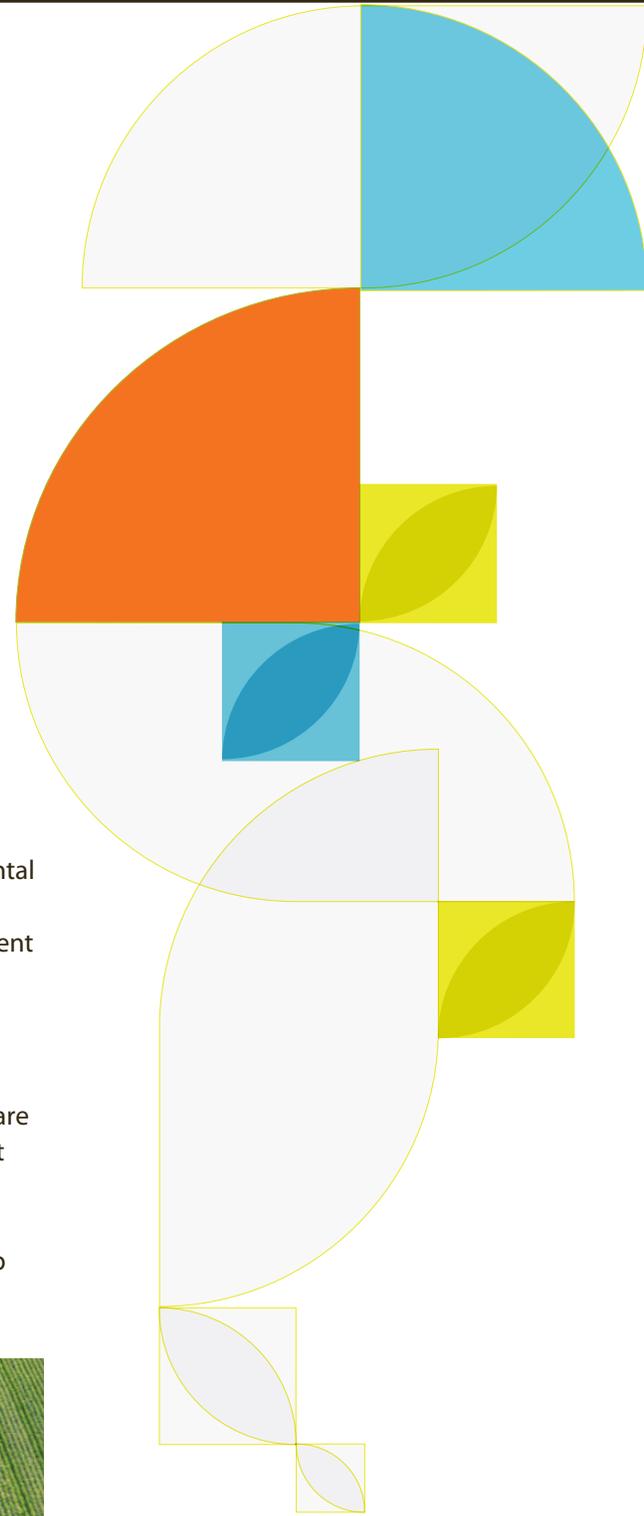
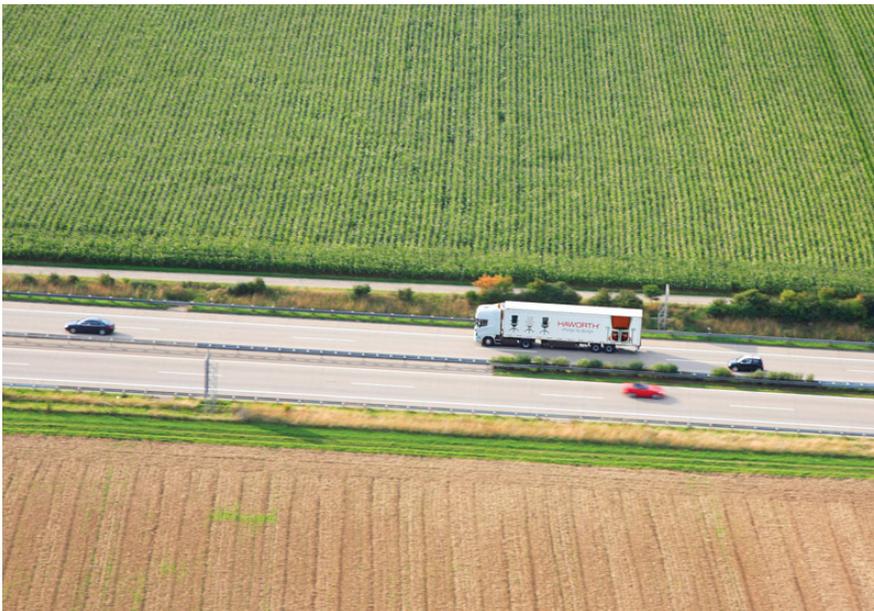
### Moving Goods While Reducing Fuel and Emissions

#### SmartWay

In 2008, we were one of the first in the industry to join the U.S. Environmental Protection Agency's (EPA) SmartWay Transport Partnership program. Since joining the nationwide initiative to promote cleaner, more fuel-efficient transportation options, we have significantly increased our business with carriers committed to better fuel mileage.

#### Consolidation of Shipments

We partner with area shippers to consolidate shipments through ride share programs. Working together, our goal is to keep trucks fully loaded, meet schedules and travel minimum distances to our destinations. Increased trailer efficiencies save fuel and reduce CO2 emissions. By leveraging collaboration among local businesses and service providers, we also help reduce costs and relieve road congestion.





### **SAP Improves Transportation**

Systems Applications and Products (SAP) was implemented in 2010 to help streamline our transportation documents. The SAP packing list gives customers better information while requiring less paper than our previous system. Plus, we can email shipping documents to eliminate printing and faxing when necessary.

In addition, transportation within SAP is based on a delivery date rather than ship date. Having delivery information sooner in the process allows us to use more bulk packs, reduce packaging and make better decisions about the type of transport required. More opportunities to use intermodal (rail) and multi-stop truckload shipments will reduce our carbon footprint.

### **Box Machine**

#### **Groupe Lacasse, Saint-Pie, Quebec, Canada**

In order to further reduce packaging material, a custom boxing machine was purchased in 2011. Making boxes on demand and on site reduces inventory and waste. It is estimated that the new machine will save 52 transports annually.

### **Biodegradable Packaging Pudong, Shanghai, China**

Starting in November 2011, Haworth Asia Pacific replaced standard polyethylene packaging for biodegradable, chemically safe packaging.

The new packaging helps mitigate the issue of sending plastic packaging waste to landfills, which is especially significant for densely populated countries like China and India.

### **Haworth Trucking Preventive Maintenance Global Headquarters, Holland, Michigan, USA**

In 2011, a program was put into place to further enhance the life cycle of Haworth's trucking fleet. This preventive maintenance schedule led to a 20 percent fuel cost reduction and a life extension of 25 percent.

## Zero Waste and Emissions

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

### Meeting Our Zero Waste Goals

Currently, less than three percent of our scrap materials are sent to waste to energy facilities. Having met our zero waste to landfill goal, our new goal is zero waste to energy. Burning unused materials to generate steam or electricity is our most expensive and least preferred method of waste management. We plan to change this.

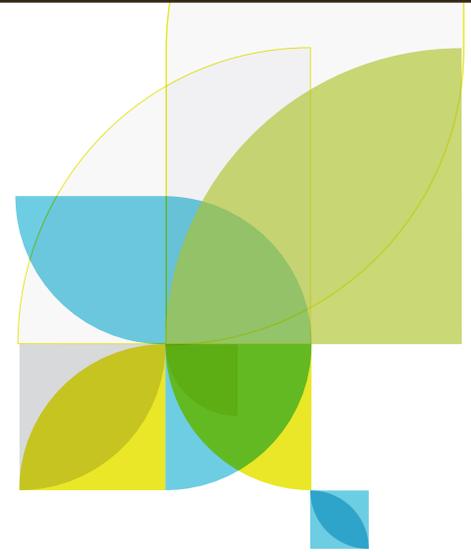
Every Haworth manufacturing facility developed a baseline value for pounds of waste to energy material generated and normalized it to an internal production rate metric. The 2011 goal was an aggressive 15 percent reduction for every facility.

We are pleased to report 58 percent of our facilities met the goal through actions that included:

- Maintaining active environmental teams at each facility.
- Instituting discipline for waste sorting, facilitating recycling and training hourly members.
- Embracing new initiatives for recycling gloves, extending the life of sanding media and filters.
- Examining the larger contributors of waste, problem-solving with global headquarters on an ongoing basis.

For 2012, our facilities are challenged to achieve another 15 percent reduction in the normalized waste to energy values.

As our North American locations work to zero out the 1.04 million pounds of waste to energy, our remaining global facilities that are not yet at zero waste to landfill status will do so by the end of 2012. We also continue to promote cleaner chemistry and processes as a long-time leader in eliminating volatile organic compounds (VOC) in our products and manufacturing operations.



### Our progress

#### 2006

USA factories generated nearly 20 million pounds of landfill waste

#### 2007

Total pounds dropped by half

#### 2008

Total pounds dropped by half again

Zero waste to landfill achieved for facilities in:

- Pune, India
- Shanghai, China

#### 2009

Zero waste to landfill achieved for:

- Global Headquarters, Holland, Michigan, USA
- All manufacturing facilities in the USA

#### 2010

Zero waste to landfill achieved for:

- Menziken, Switzerland
- Saint-Hilaire de Loulay, France

#### 2011

Zero waste to landfill achieved for:

- Ahlen, Germany
- Bad Münden, Germany

**Material Efficiency and Utilization**

**Global Headquarters, Holland, Michigan, USA**

In 2011, tracking, reporting, and improvement initiatives began for the major materials used to manufacture products. Cross-functional teams that include executive management, manufacturing, purchasing, product engineering, quality, and environmental personnel now measure and drive to improve the utilization rates for aluminum, concrete (from TecCrete access floor), drywall, fabric, powder paint, steel and wood.

**Waste to Energy Reduction**

**Ludington, Michigan, USA**

The steel components facility met its waste to energy reduction goal by decreasing annual waste by 42 percent. This translates into diverting or eliminating 14,000 pounds from the waste to energy stream.

One example: identifying a more environmentally friendly and cost-effective use for Plexiglass backing paper reduced waste to energy by 300 pounds. We also worked with suppliers to find solutions for frequently used products. By switching to a new sanding disc with a longer life, waste from orbital blasters was reduced 75 percent.

**Interplant Desk Cart**

**Big Rapids, Michigan, USA**

An interplant desk cart was installed in 2011 so that packaging can now be returned between facilities in West Michigan. This investment not only reduces cardboard use, waste and labor, but also improves safety and productivity.

**Composted Food Waste**

**Global Headquarters, Holland, Michigan, USA**

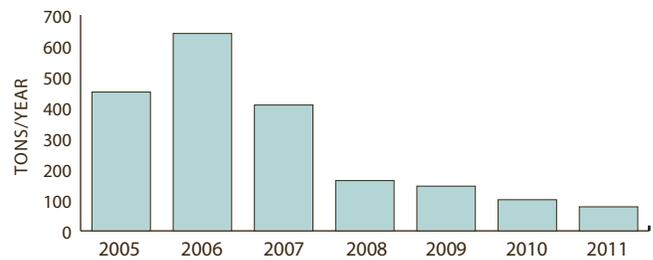
Since its inception in 2010, food and food-related waste composting has increased 25 percent. Annually, the savings represent what is collected in containers throughout the member center cafeteria, as well as all food scraps from prep and client meals.

**More Efficient Paint Booth**

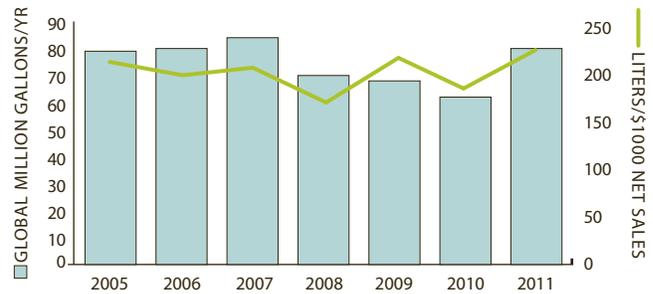
**Pudong, Shanghai, China**

The Apogee powder coating system was added to the painting line in 2010. The goal was to increase efficiency with the new and existing system to further reduce the waste generated from powder coating. Waste decreased 25 percent in 2011 compared to the previous year.

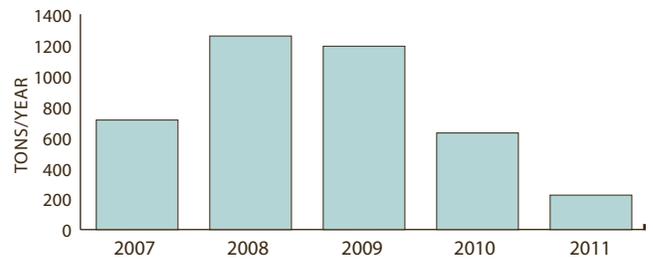
**Haworth Global VOC Emissions**



**Global Water Use**



**Global Hazardous Waste**



## Green Building and Sustainable Site Management

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

### Building Green for Ourselves and Our Customers

#### Our LEED® Projects

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

#### LEED-CI<sup>1</sup> Platinum Certified Showroom

- Atlanta, Georgia, USA

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

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

#### LEED-CI<sup>1</sup> Silver Certified Showroom

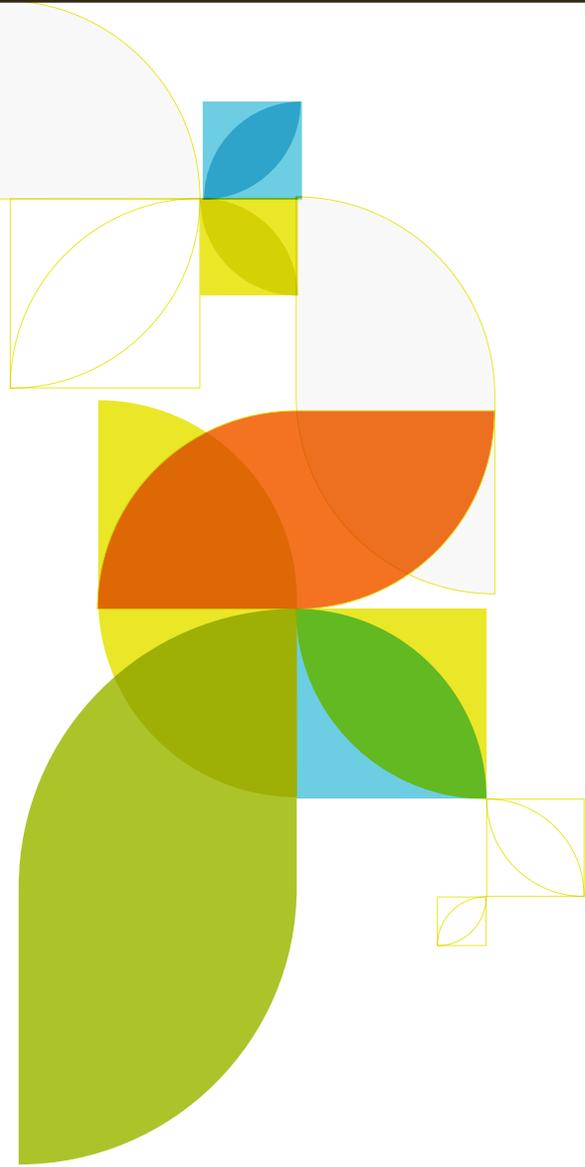
- Toronto, Ontario, Canada
- Zurich, Switzerland

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

- Headquarters, Holland, Michigan, USA

#### Showrooms Built to LEED-CI Standards

- Calgary, Alberta, Canada
- Paris, France



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

<sup>1</sup> Leadership in Energy and Environmental Design, Commercial Interiors

<sup>2</sup> Leadership in Energy and Environmental Design, New Construction



Atlanta, Georgia, USA, Platinum Certified Showroom

### Showroom Achieves LEED Platinum

#### Atlanta, Georgia, USA

Haworth leveraged an Integrated Project Delivery (IPD) model for construction to build the space and achieve LEED Platinum certification. While only requiring 80 points to reach Platinum, the space received 93 points. The following contributed to certification:

- Located in a LEED-CS Gold Building
- Utilized underfloor air distribution to achieve the LEED EQ credit for controllability of systems and thermal comfort, as well as credits for energy efficiency
- Received a water efficiency credit for 40 percent reduction, the maximum points for the category
- Made a renewable energy purchase for 100 percent of the space via Green-e Certified Renewable Energy Credits (REC)
- HVAC system credited for its cooling loop
- Lighting controls and fixtures credited for high efficiency
- +1 point for regional priority credit

The IPD model was used to complete the project as an evolving concept through the mindshift<sup>SM</sup> initiative. Mindshift users employ IPD, early collaboration, built-in sustainability, Building Information Modeling (BIM), reverse engineering and client-centered incentives.

### Headquarters Sets the Bar

#### Global Headquarters, Holland, Michigan, USA

In 2011, Haworth supported a study by the National Research Council (NRC) Institute for Research in Construction. The NRC compared headquarters to similar buildings that did not apply green building practices.

Lighting and air quality at Haworth's headquarters rated extremely high in terms of satisfaction of

occupants compared to other buildings benchmarked. Headquarters ranked average in acoustics and well above average in lighting, environmental conditions and air quality. Other insights included high job satisfaction while CO<sub>2</sub> concentrations were approximately 40 percent below ASHREA standards.

### Showroom Built to LEED-CI Standards

#### Paris, France

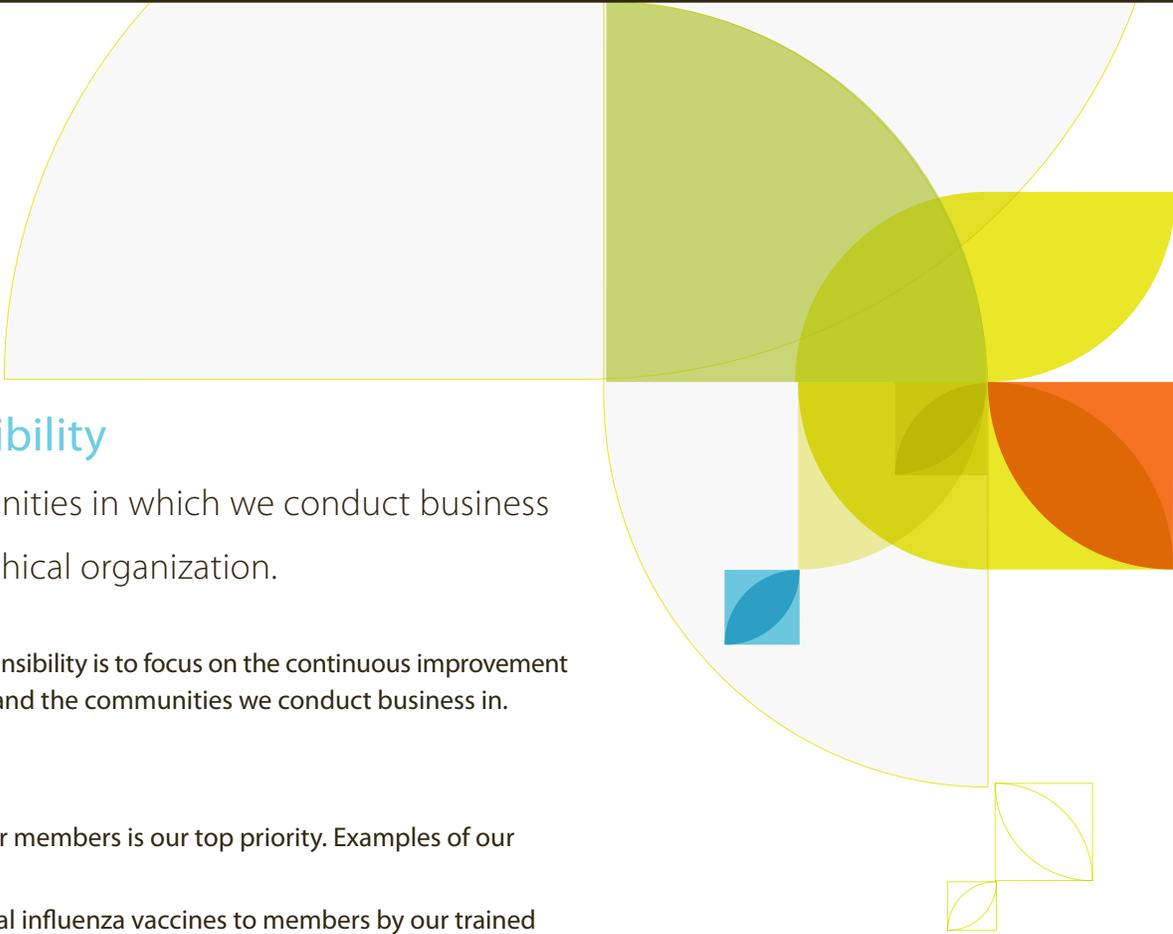
After more than 50 years on the rue du Faubourg Saint-Honoré, Haworth France moved to Boulevard Murat in the 16th district of Paris. The new space was built to LEED-CI standards and embraces some of the criteria for obtaining HQE Exploitation status, the French equivalent to LEED.

The space utilizes advanced LED technology to ensure ideal light diffusion, as well as remote controlled aluminum blinds to regulate daylight. The blinds are equipped with silent Somfy motors to help regulate the supply of natural light and solar heat.

### ISO 14001 EMS Certified

In 2011, we maintained ISO 14001 certification for all of our manufacturing facilities worldwide. We acquired Legacy Furniture Group in Conover, North Carolina, USA and will work toward certification by 2013.

Implementing ISO 14001 ensures our facilities meet regulatory standards, identify environmental impacts and execute a plan to reduce those impacts. A third party audits the entire system annually. We encourage our supply chain to follow this system by awarding points for sustainable activities including ISO 14001 certification.



## Social Responsibility

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

Our strategy for social responsibility is to focus on the continuous improvement of members, their families and the communities we conduct business in.

## Health

The health and safety of our members is our top priority. Examples of our progress in 2011 include:

- Administered 600 seasonal influenza vaccines to members by our trained staff in the corporate wellness center at global headquarters.
- Offered free-of-charge resources to North American members kicking a tobacco habit through Quit for Life®, an online learning program supported by phone-based cognitive behavioral coaching and products.
- Instituted member incentives to reduce health insurance premiums for those who completed an online health risk assessment and demonstrated healthy behaviors.
- Offered enhanced education and coaching programs through our health care providers in North America.

## Safety

- Continued to drive the Behavioral Safety platform. Production teams are tracking behaviors and creating action plans based on root cause analysis.
- Continued and improved the Lock-out/Tagout program to safeguard members from unexpected machinery startup or the release of hazardous energy during service or maintenance.
- Communicated all accidents and near misses globally within 48 hours to increase shared learning and potentially eliminate similar, future mishaps.
- Completed 990 ergonomic assessments in the manufacturing area to address sprains and strains.
- Completed training and standard work on the process of lost time accidents and return to work. Achieved an all time low severity rate of 8.4.
- Two plants experienced zero recordable accidents and zero lost time days. Another facility achieved a 1.1 incident rate.
- Six plants achieved a year of no lost time accidents.

Year	Actual Recordable Accidents (per 100 members globally)
2008	4.3
2009	3.5
2010	3.3
2011	3.4

## Diversity

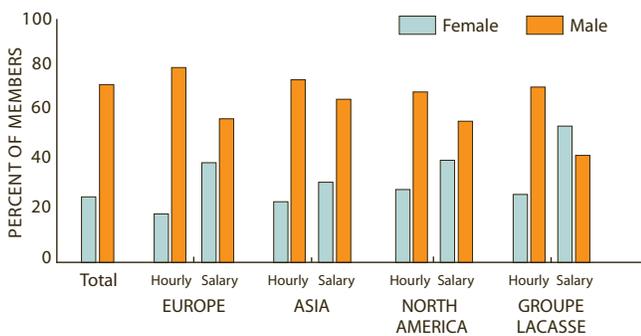
Differing cultures and experiences enrich our global company. Our Inclusion Steering Committee is charged with diversity support and impetus worldwide.

### Members

We track our progress on corporate diversity using a scorecard for hiring, promotion, education and training. Creating and maintaining a diverse workforce is key and varies by region.

A component of diversity shared among regions is gender, compared by sector in the chart below. Members hear from guest speakers, share ideas and embrace diversity via training and member-driven Diversity and Women’s Councils.

### Global Member Diversity



### Suppliers

Our team of buyers is charged with finding new opportunities and accelerating our expenditures among minority, women and veteran-owned businesses. Our goal increases every year.

We participate with the Project One local supplier diversity organization at the state level with the Michigan Minority Supplier Development Council (MMSDC) and at the national level with the National Minority Supplier Development Council, Inc.® (NMSDC) and Women’s Business Enterprise National Council. Haworth was the 2011 runner-up of the coveted

MMSDC Corporation of the Year, Commercial Products. We also won the Corporate One Award for the third year in a row from the Midwest Minority Supplier Development Council.

### Dealers

More than 50 percent of global sales are generated through our Preferred Dealer network. We’re proud of the fact that 25 percent of our Preferred Dealerships in North America are minority- or women-owned businesses.

## Responsibility

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

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

## Learning Opportunities

By offering opportunities for career development and learning, we not only help retain our members and increase their satisfaction, but also positively impact families and our communities. These are some of our accomplishments from 2011.

- Supported educational programs for underprivileged children.
- Reimbursed over \$196,000 for college tuition or special classes in the U.S. In 2011, 73 members took advantage of an investment in their careers. Tuition reimbursement is available for members who wish to pursue training, classes or degrees that help them maintain work qualifications or qualify for advanced positions.
- Awarded more than \$36,000 in scholarships for education to members, spouses and their dependents.
- Provided over 150 different training opportunities for our members.
- Established the Haworth Leadership Institute for developing managers.
- Over 43,000 learning opportunities were completed through The Center, our online training site.
- Over 480 courses were available through The Center for 8,000 learners globally, including dealers.

## Philanthropy

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

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

### United Way

We continue to benefit United Way with donations of \$220,000 representing pledges from 52.52 percent of our members. 2011 marked our 45th consecutive year of involvement. The tradition of support started by our late founder, G.W. Haworth, shows no signs of stopping with the third generation at the helm, Matthew Haworth, chairman.



UK GRIM Challenge participants celebrate at the finish line to support the British Heart Foundation and Help for Heroes.

Bob Mathews, member from High Point, North Carolina, USA, collects money for Susan G. Komen for the Cure®.

The wood team from Big Rapids, Michigan, USA, participates in Earth Day activities.



**Member Garden**  
**Global Headquarters, Holland, Michigan, USA**

A member-managed organic garden benefits a local charity and member health and wellness.

A garden team representative delivered fresh produce to Holland's Center for Women In Transition twice a week during the growing season. Members donated nearly 250 hours of their time to generate 191 pounds of produce, adding items from their own gardens to bring the grand total to 280 pounds.

**GRIM Challenge**  
**Aldershot, Hampshire, United Kingdom**

Haworth UK members completed the GRIM Challenge, an 8.5 mile grueling course that serves as the British Army vehicle testing and training area. The team raised a total of £702 (\$1,113 USD) to support the British Heart Foundation and Help for Heroes, which supports those who served in the UK Armed Forces.

**CSR Standard Enterprise**  
**Pudong, Shanghai, China**

Haworth Shanghai passed the rigorous assessment by Pudong New Area government and has been named a Corporate Social Responsibility (CSR) Standard Enterprise for its contributions to social responsibility. This is the Chinese government's first CSR audit for the Shanghai region.

**Susan G. Komen for the Cure®**  
**High Point, North Carolina, USA**

Members from all departments collected loose change and larger donations to support Susan G. Komen for the Cure.® The teams raised \$213 for the fight against breast cancer in one week.

**Habitat for Humanity**  
**Global Headquarters, Holland, Michigan, USA**

Global headquarters members donated time and talents to help build two Habitat for Humanity homes. Over 100 hours were logged by 25 Haworth members.

**E-Waste Recycling**  
**Global Headquarters, Holland, Michigan, USA**

For the fourth consecutive year, Haworth trucks were used to collect and haul items near global headquarters to the Comprenew Environmental e-waste collection site. In 2011, we recovered 21,444 pounds of computers and other electronics destined for the landfill.



Members check on the plants in the Haworth Member Garden at global headquarters.

Members from Haworth Denver, Colorado, USA, helped raise money to fight multiple sclerosis.

Items collected for donation to an e-waste collection site near global headquarters in Holland, Michigan, USA.



## Stakeholder Engagement

Engage all Haworth stakeholders in our path toward sustainability.

### Actively Supporting Global Sustainability Initiatives

#### Stakeholders

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

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

#### Communications

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

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

#### Value Analysis/Value Engineering Visit

A cross-functional team of Haworth members and multiple suppliers helped evaluate the manufacturing value streams for a number of Haworth products manufactured in West Michigan facilities. At the end of the three-day event, nearly 560 improvement ideas were captured.

Next steps include thoroughly evaluating the suppliers' suggestions and categorizing the areas for opportunity by machinery, manpower, methods, sustainability and others. Once the vetting process is complete, feedback will be shared with the suppliers.

### Earth Week

A number of educational activities took place during Earth Week, from guest speakers to hands on events. Members at global headquarters participated in a "Dirty Sock Contest" which encouraged members to check their vehicle's emissions. Participants placed a clean white sock on their tailpipe and let their cars idle. When the time was up, the vehicle with the cleanest sock won.

Haworth members worldwide were also invited to nominate each other for the first annual Environmental Hero Award. Danny Vitor, senior workplace design specialist in Dallas, Texas, USA was named the winner for his enthusiasm and passion for promoting sustainability and social responsibility. He has implemented comprehensive recycling programs in both the New York and Dallas showrooms, which contributed to LEED® Gold certifications, and also worked with the Green Guardians program to develop and implement sustainable practices that encompass recycling, energy management and resource conservation.

### Green Concept Day

The Haworth Shanghai factory hosted a Green Concept Day for stakeholders. Attendees included suppliers, local government and non-governmental organizations. Stakeholders were asked to share sustainability ideas and experiences on low-carbon products and clean production.

The goal was to involve stakeholders, along with factory workers, their families, and especially their children, to determine what makes a "clean" factory. The result: shared education with our suppliers, greater understanding of sustainability by our members and a fun day for attendees.

### Corporate ONE Award

For the third consecutive year, we were among Michigan's top companies recognized for promoting supplier diversity by the Michigan Minority Supplier Development Council.

From a field of more than 300 businesses, Haworth was one of only 50 companies to earn recognition as one of the state's leading businesses to drive procurement opportunities with minority business owners. We are proud to be the only furniture manufacturer to receive the award.

### Future Search

The first European Future Search Conference sponsored by Chairman Emeritus Dick Haworth was held in Frankfurt, Germany. A diverse group of 52 participants included Haworth leaders and members from Europe and North America, in collaboration with external partners (customers, dealers and suppliers). The conference was held in conjunction with the Haworth Europe management team's strategy planning, and marks the fourth Future Search Conference hosted by Haworth.

Participants worked together to determine common ground for achieving our long-term goal of becoming a best-in-class provider of more sustainable workspace solutions.



Chairman Emeritus Dick Haworth speaks at the first European Future Search Conference.

## GRI Content Index

Haworth publishes an annual sustainability report. This report includes data from fiscal year Jan. 1, 2011 to Dec. 31, 2011 unless otherwise noted for all regions: Europe, Asia Pacific, Middle East, Latin America; North America; and Groupe Lacasse (excludes independently owned Haworth dealerships).

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

All financial information is reported in U.S. dollars. Measures are metric. Questions regarding content should be directed to Steven Kooy, Global Sustainability Manager, One Haworth Center, Holland, Michigan, 49423 USA or [steven.kooy@haworth.com](mailto:steven.kooy@haworth.com)

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