

HAWORTH

2018 Corporate Responsibility Report



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Executive Message



Matthew R. Haworth
Chairman

2018 marked Haworth's 70th year in business, a milestone we acknowledged through a variety of commemorative events around the world. In May, more than 700 guests including Haworth members (employees), dealers, and customers traveled to our headquarters in Holland, Michigan to celebrate with us. Numerous and varied anniversary events were also held in global showrooms throughout the year. There was an underlying—but always present—note of accomplishment and gratitude as we reflected on our roots and the path we've traversed to become the company we are today.



Franco Bianchi
President & CEO

Throughout its evolution from a small home-based business to a global corporation, Haworth's connection to sustainability and the environment played a prominent role. Our recycling efforts began in the 1980s—earlier than most other businesses in our industry. Since that time, our efforts to protect and preserve natural resources used in developing healthy, inspiring spaces have been constant. Here are a few important highlights from 2018:

Healthier products using healthier materials—We continue to make strides in driving problematic chemicals from our products. Today, most of our major product lines are free from chemicals of concern commonly used in our industry, such as PVC, heavy metals, and halogenated flame retardants.

Updates in product certifications—Haworth is one of the first three companies to have products certified under the European LEVEL® program, the new certification system for sustainable office furniture. All products Haworth submitted received the organization's highest certification level possible.

Packaging improvements in all regions—Our initiative to reduce packaging materials or to replace them with readily recyclable alternatives is ongoing. Significant advances in packaging across the globe resulted in generating less waste while still providing exceptional protection to package contents.

The Healthy Workplace Nudge: How Healthy People, Culture, and Buildings Lead to High Performance—For more than five years, our Global Workplace Research and Strategy team has led the way in researching how employee wellness and healthy buildings are influenced by workplace design and culture. In 2018, the findings of this research became the foundation of this new book, co-authored by Rex Miller, Phillip Williams, and Haworth's own Dr. Michael O'Neill, who leads the Global Workplace Research team.

Haworth remains a private, family-owned company, defined by the totality of the actions of our members, our partners, and the global communities we serve. We operate at the intersection of passion and purpose, as keen about our craft as we are about protecting the environment and encouraging well-being. Looking to the future, our global sustainability team has begun to develop long-term commitments for 2030 that will further help our global strategy.

Operating our business consciously—with intent and deliberation—is essential to Haworth's identity as a sustainable organization. As we embark upon the next 70 years, we will continue to cultivate hope for the future by embracing diversity, protecting our environment, and creating economic value. In this small way, we help to make the world a better place for people to work and live.



Michael Warsaw
Vice President, Global
Design & Innovation

Sustainability at Haworth

Making the world better is one of Haworth's foundational, company-wide values. This philosophy guides our members every day as we work to strengthen the communities where we live and work. Through our research, development, and the actualization of creative, sustainable solutions, we help protect and restore the environment, support and strengthen global communities, create economic value, and inspire well-being—now and for the future.



Our Sustainability Vision

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

Our Values

The guiding principles on which Haworth was founded in 1948 have remained steady throughout its history. Our Values define our business behavior, inform decisions, and communicate our brand. They serve as a compass for today's activities and tomorrow's growth. As our company evolves, and as the world gets a little smaller, our Values are refreshed periodically to align and inspire all members to be the best for each other and for the world.

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.

Looking to the Future

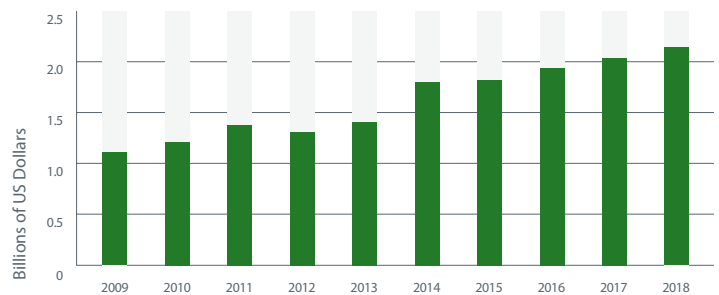
Milestones along our journey toward becoming a more sustainable organization have been numerous, but we know the process is infinite. Our global team is now developing Haworth's next long-term commitments in a vision for 2030. These commitments will follow along our Value Stream, producing impact through product design, material sourcing, and manufacturing—all while supporting the communities in which we live and do business around the world.

Sustainability Leadership

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, who is responsible for the direction and pace of our sustainability plan, reporting to the CEO. The CEO provides formal sustainability oversight through corporate sector reviews. Region-specific functional leaders help direct local sustainability efforts. They represent and provide the conduit for regional efforts and priorities.

Financial Performance

Haworth's 2018 global sales totaled \$2.14 billion—a 5% increase from the previous year.



\$2.14 billion in global sales for 2018

450+ patents

More than **7,000 members** worldwide

192 languages spoken

More than **650 dealers** worldwide

Presence in more than **120 countries**



Global Sustainability Team

Our global sustainability team sets 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 members across the globe who play a crucial role in promoting and maintaining the strategic direction set by the team.

Asia Pacific



Alex Przybyla
China



Sridhar Harivanam
India



Reta Yang
China

Europe



Jessica Karp
Germany



Bianca Doenicke
Germany

North America



Anne McManus
US



Devin O'Herron
US

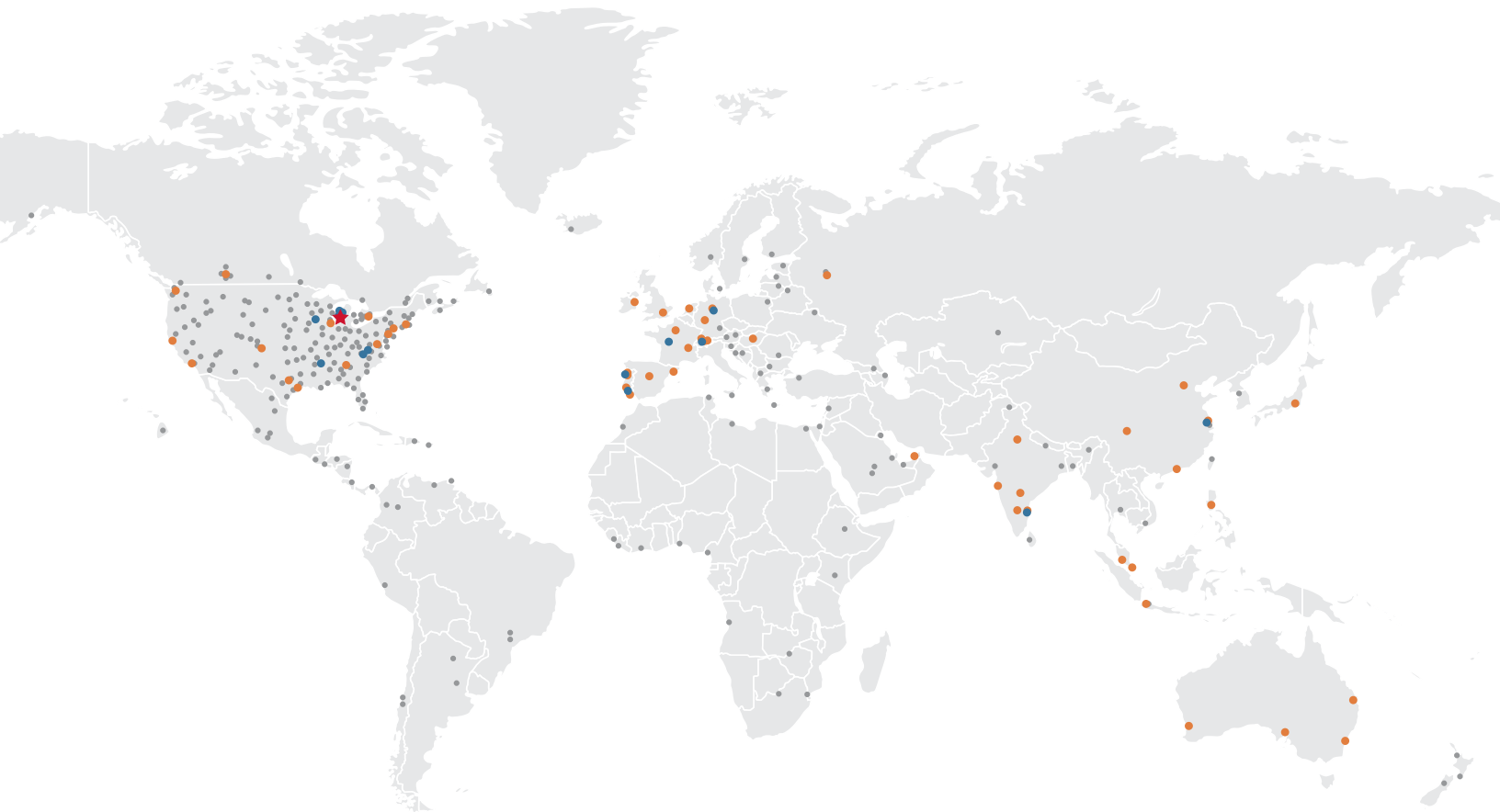


Jim Kozminski
US

Global Partnerships

United Nations Global Compact (UNGC)
US Green Building Council (USGBC)
Indian Green Building Council (IGBC)
Business and Institutional Furniture Manufacturers Association (BIFMA)
European Federation of Office Furniture (FEMB)
The German Environmental Management Association (B.A.U.M. e.V.)

Health Product Declaration Collaborative (HPDC)
IAO Fraunhofer Office 21
German Design Council
West Michigan Sustainable Business Forum
Michigan Recycling Coalition (MRC)
Healthier Hospitals Initiative (HHI)



Global Reach

Haworth serves markets in more than 120 countries and employs more than 7,000 people, nearly half of whom reside outside of the United States. It operates 18 wholly-owned manufacturing facilities and markets and sells products and services through 95 offices and showrooms around the world.

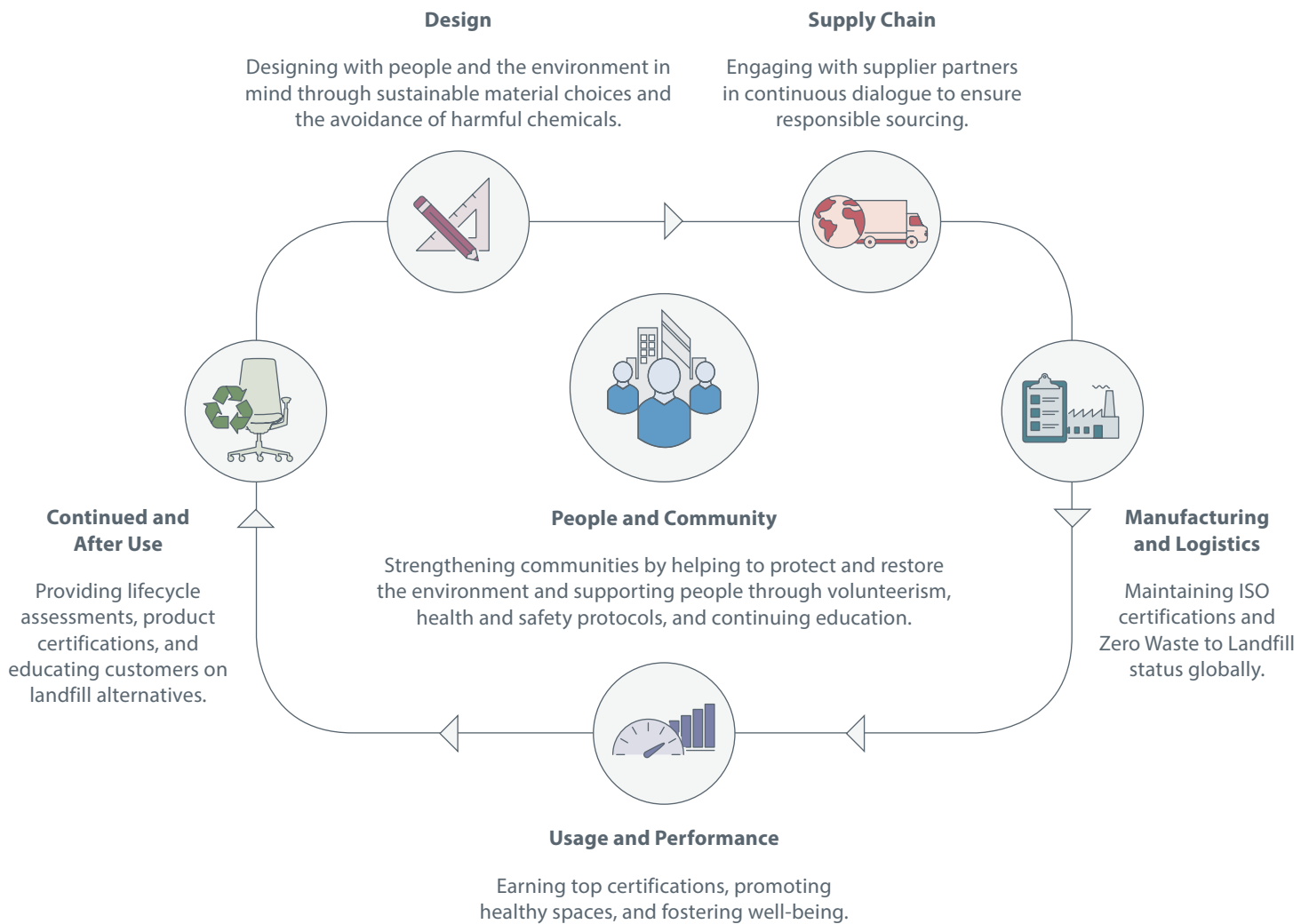
We report our progress in three regions:

- The Americas
- Europe, Middle East, Africa
- Asia Pacific

★	Haworth Headquarters
●	Haworth Showrooms
●	Haworth Owned Manufacturing
●	Haworth Preferred Dealers

Value Stream

Haworth takes a holistic approach to evaluating the impact we make on our global economy throughout every aspect of our business. Using a continuous Value Stream as a framework for our sustainability approach, we create a process flow that grounds our thinking and supports our rapidly changing world.

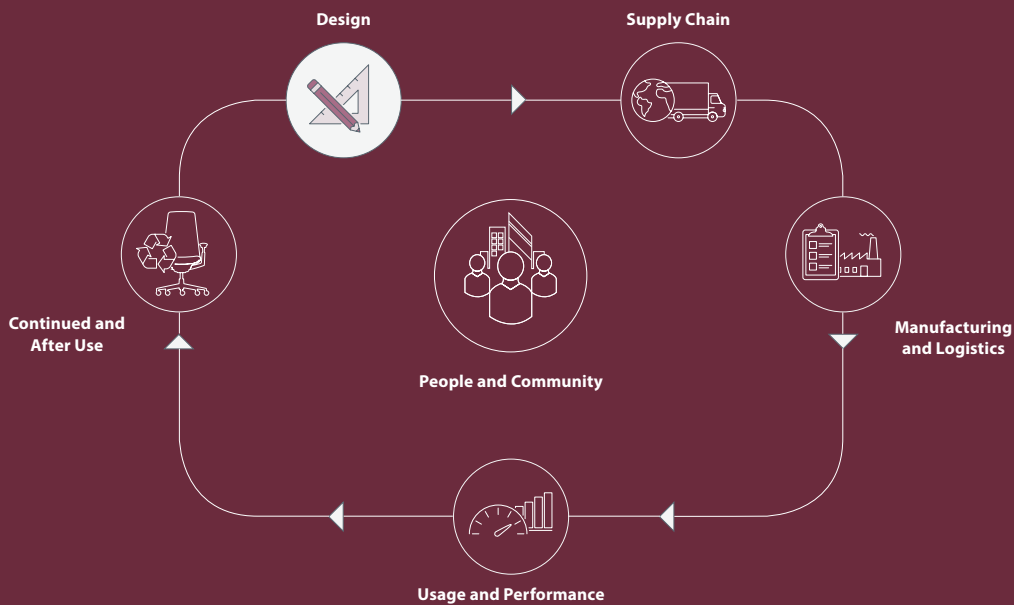


Continuous Improvement

Continuous improvement is an essential component of each phase of the Value Stream. Through our Haworth Management System (HMS), we ensure the principles of continuous improvement are applied to both manufacturing operations and office processes. Our global HMS team inspires all members to support, facilitate, and lead initiatives that drive results and eliminate waste.

Design

We are committed to designing with people and the environment in mind through sustainable material choices and engineering processes, and the avoidance of banned chemicals. We apply customer insights to our products and services to develop inspiring spaces that enrich people's lives and businesses. Our designers implement sustainable objectives that contribute toward certifications from BIFMA LEVEL®, European LEVEL, GREENGUARD®, and others. This drive toward sustainable, healthier solutions helps protect the planet and meet client expectations.



Organic Workspace®

Organic Workspace, our process for creating inspiring spaces and our perspective of workplace design, enhances the effectiveness of people and the efficiency of real estate. A key component of this is our design point of view, "Performance + Desire," which encompasses elements of empathy, beauty, simplicity, performance, balance, and craft. This viewpoint led to the development of Haworth's Integrated Palette™ and a holistic portfolio (including systems, storage, tables, desking, and walls) that helps customers embrace change. More sustainable spaces are realized through our customers' ability to reuse, rearrange, and reconfigure elements to create new environments with minimal effort and cost.

Design for Sustainability

Designing for the environment is part of the creative process, beginning at the point of inspiration and continuing through a product's lifecycle. The following examples illustrate some of the ways design plays an integral role in how we continuously work to become a more sustainable company.

- Europe's Drift™ floor-standing screen was one of the first products designed and developed according to newly revised sustainability standards for product design and development. Adhering to requirements on material chemistry and healthy materials use, Drift's main components are aluminum, cardboard, and fabric—all easily and fully recyclable materials. All fabric collections are certified either OEKO-TEX or EU Ecolabel, and the frame contains no heavy metals. The screens are produced in an ISO 9001 and ISO 14001 certified facility, ensuring high quality and environmental standards. Packaging is readily recyclable. No adhesives are applied in any product configuration, and it is easily disassembled for recycling or refurbishment.



OUR PRODUCTS

Our mix of products inspire options to transform and tailor spaces for solutions now and as workspace needs evolve.

- Seating
 - Storage
 - Lounge Furnishings
 - Workspaces
 - Desks and Tables
 - Walls
 - Technology
 - Accessories
- When one of our products, the Hello® chair, began exhibiting unexpected performance issues in the field it resulted in an increased number of replacements. Recognizing and responding to the issue, our Engineering team in High Point, North Carolina redesigned the product with a different assembly mechanism, making the chair stronger and more durable, thus increasing the lifespan of the product.
 - For most metal parts, Haworth uses powder painting, a VOC-free finishing process that creates low amounts of waste. Through a transition to water-based finishes and powder-coat paints, we've realized an over 90% reduction in VOC emissions from our processes since 2007.
- Partnering with a supplier, Haworth Germany discovered a way to redesign and substituted three powder paint colors with a two-component powder solution. This not only makes the powder paints more environmentally friendly, but also more robust in terms of quality. Now, the entire powder paint portfolio is free of any hazard classification. This improvement also yielded cost savings, making it a win/win/win for the environment, quality, and costs.
- Through a minor design modification to the fixed arm supports of the Very® task chair, North American engineers successfully eliminated roughly one pound of aluminum per chair. This small change reduces waste by approximately 12 tons annually.

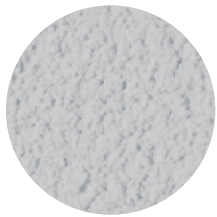
We continue to offer products free of problematic chemicals such as:

- Non-stick additives derived from per- and poly-fluorinated compounds
- Antimicrobials
- PVC and associated phthalates
- Halogenated flame retardants
- Heavy metals

Healthy Materials, Healthy Products

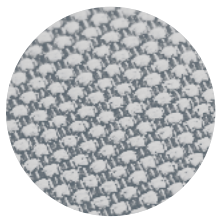
Compliance with legal requirements and regulations from directives such as the European standard, REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) is a matter of course, but we go beyond what is mandated to further reduce potentially hazardous materials in our products.

As a first step, we partner with suppliers to fully understand the chemical makeup of parts and materials, and then verify whether they contain Haworth-identified chemicals of concern. If confirmed present, we collaborate with suppliers to switch to safer alternatives that meet our rigorous performance and quality standards. A few examples of healthy improvements we've made in materials include:



Foams

We avoid the use of halogenated flame retardants, and most Haworth standard foams are free of any flame-retardant additive (unless specified, e.g. for CAL133 certification). Foam propellants classified as ozone depleting substances, such as CFCs and HCFCs, are also avoided.



Fabrics

Through our suppliers' chemical material declarations and fabric certifications, such as STANDARD 100 by OEKO-TEX® and the EU Ecolabel, Haworth confirms product offerings are free of harmful chemical groups that are commonly used in our industry.



AWARDS

Interior Design Best of Year 2018

Maari™

Metropolis Likes, NeoCon 2018

Maari

HiP at Neocon

(Presented by Interior Design Magazine)

Honoree – Workplace Guest Seating: Maari

Honoree – Workplace Task Seating: Soji™

ICFF NYCxDesign

Guest Seating – Winner: Maari

Red Dot Design Award 2018

Poppy®

German Design Award

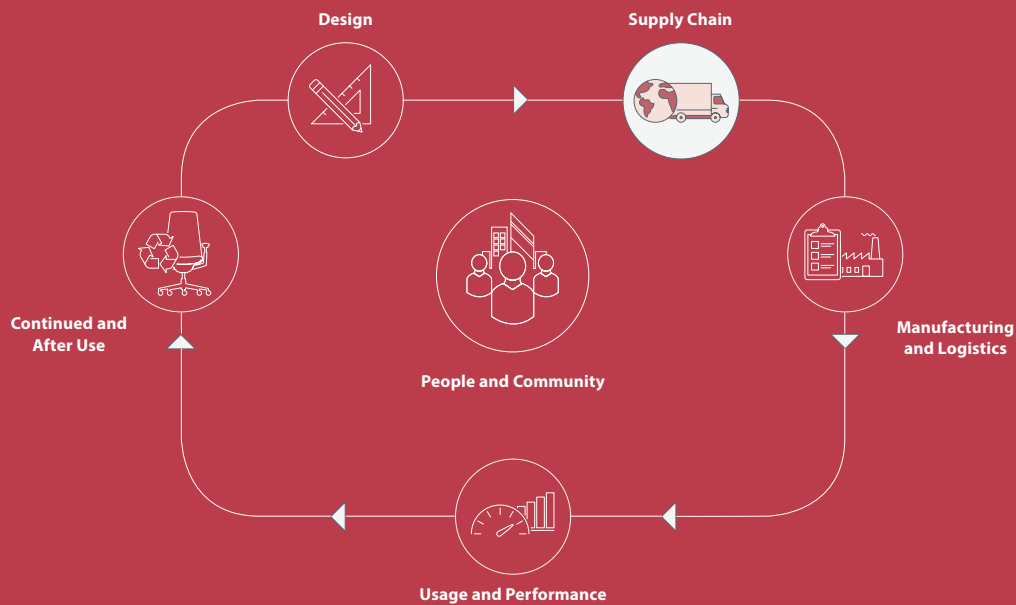
Excellent Product Design: Poppy

Best Workplace Award 2018

Haworth GmbH ranked in Top Ten

Supply Chain

We engage in continuous dialogue and education with our global network of suppliers. We share best practices to ensure socially and ecologically responsible sourcing. Nurturing these relationships maintains integrity and transparency throughout our supply chain.



Our Supplier Code

All our suppliers are encouraged to sign and adhere to the Haworth Supplier Code of Conduct, an agreement that addresses worker safety, labor compensation, anti-child labor, anti-discrimination, anti-corruption, worker respect, and environmental compliance. With over 93% of global suppliers (by spend) signing this Code of Conduct, we work together to help increase the transparency of sustainability standards and initiate improvement measures.

We conduct in-depth audits on quality, environment, health and safety, and overall sustainability for current key suppliers. Surveillance audits conducted in 2018 identified significant improvements for suppliers reassessed. Each audit is followed by action plans and a close follow-up process — all designed to support our supplier partnerships as we overcome challenges together.

Many of our fabrics have high recycled content, some as much as 100%.



Sustainable Textiles

The New Zealand wool used in our Main Line Flax offering is certified with the EU Ecolabel, an environmental label with very rigorous criteria when it comes to resource acquisition and farming. The textile uses flax, a bast fiber, which is rapidly renewable and has extremely low resource use in comparison to other natural plant fibers, such as cotton. Bast fibers create diverse eco-systems where they are grown and can be cultivated on land often unsuitable for other crops. Additionally, the blend of wool and bast fibers creates an inherently flame-retardant fabric that meets higher flammability standards than wool alone and negates the need for extra chemical treatment.

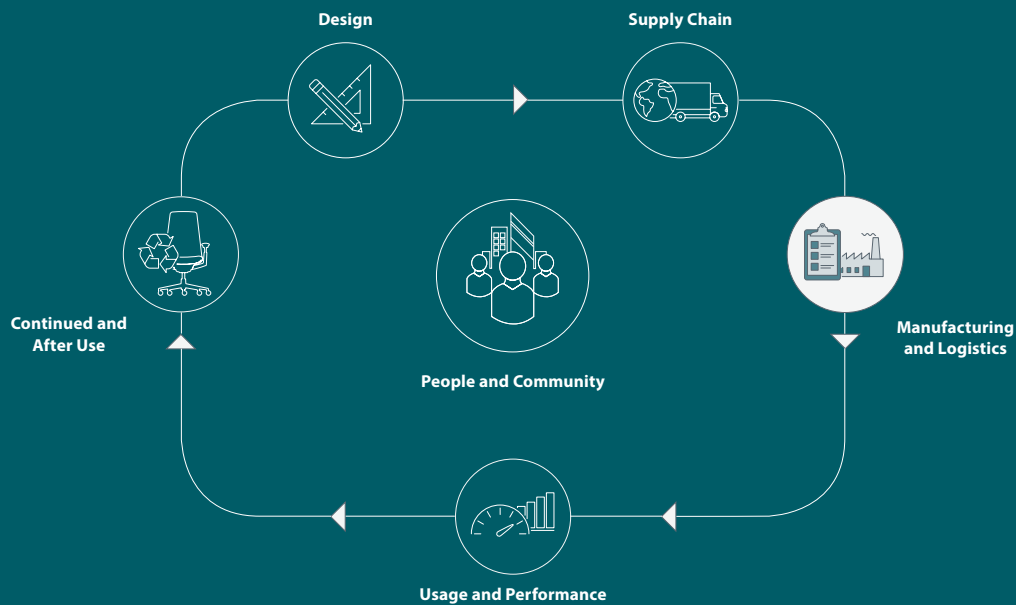


Forest Stewardship Council (FSC) Sourcing Insights

Haworth's Shanghai Sustainability and Quality teams visited a key supplier to evaluate and confirm its capacity to provide 100% FSC-certified low- and high-pressure laminate (LPL and HPL) particleboard and paper finishes. As part of the evaluation, the teams pinpointed the source of the supplier's wood raw materials and learned the forest is part of the UN World Food Programme and the first FSC-certified forest in mainland China.

Manufacturing and Logistics

Since 2010, all Haworth manufacturing facilities globally have achieved ISO 9001 and ISO 14001 certifications. In 2012, we attained Zero Waste to Landfill status globally, and we continue to advance our waste, water usage, and energy reduction initiatives. We are also committed to green transportation by increasing resource-efficient transportation.

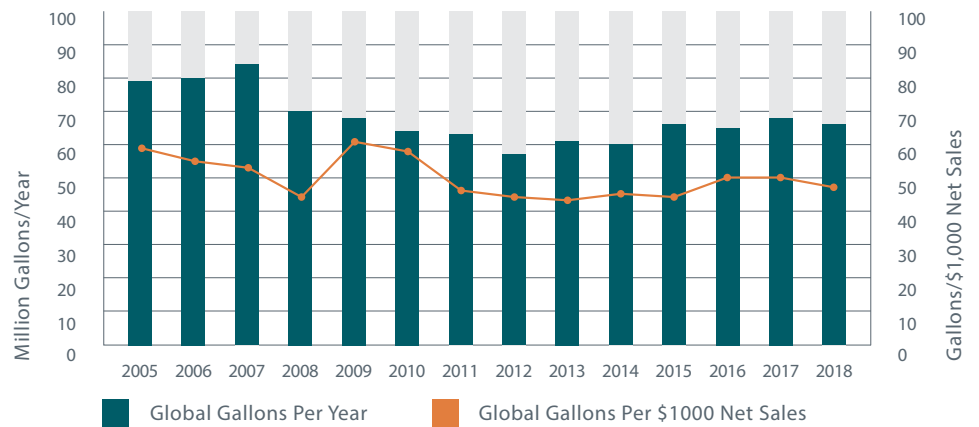


Management System Certification

Since 2005, through our Environmental Management System, we have reduced our VOC emissions by 93%, greenhouse gas emissions by 20%, and water usage by 15%.

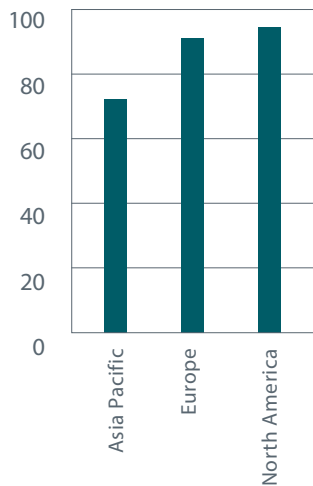
All global Haworth manufacturing sites are certified to ISO 9001 and ISO14001. Haworth manufacturing sites in Germany, Switzerland, and China are certified to OHSAS 18001.

Global Water Usage

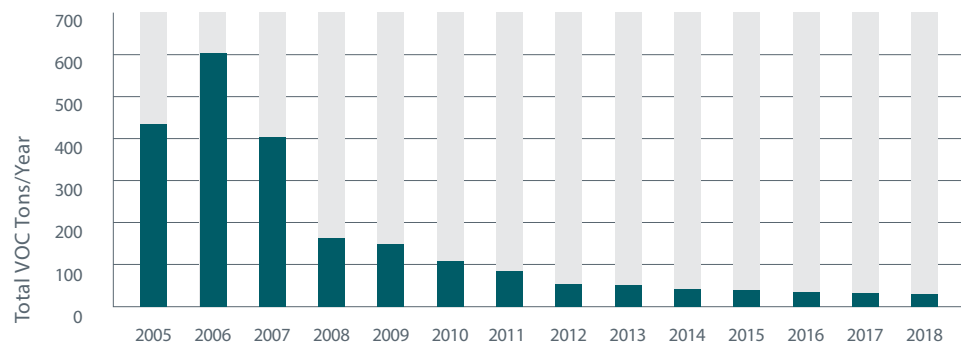


Sustainable Wood Purchases

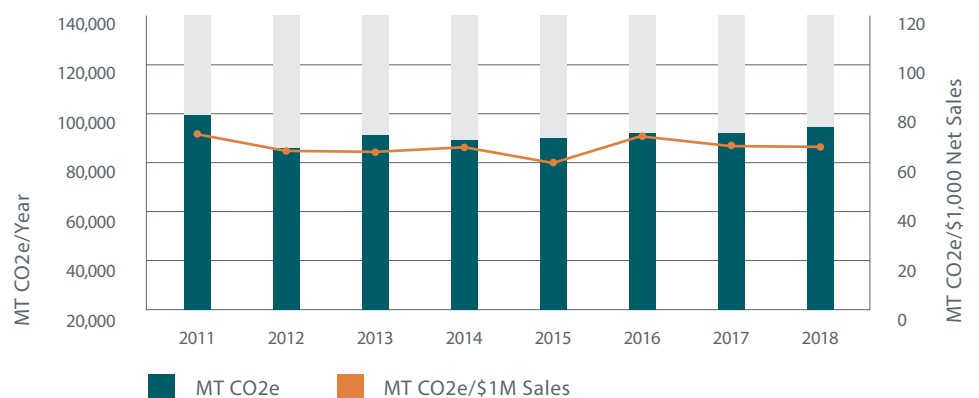
Global average 91.7%



Global VOC Air Emissions



Global Greenhouse Gas Emissions



Packaging Optimization

To improve customer satisfaction, save on costs, and increase sustainability, Haworth members around the globe continually work to optimize packaging.



Shanghai

Haworth Shanghai eliminated the unnecessary center parts of particleboard cartons while keeping protective edge and corner packaging. This reduces material usage by 50% and saves 42% on packaging cost.

Germany

Haworth Germany reduced the amount of foil used for parts packaging by 98% within one of its table lines. Fully quality tested to ensure stability, the new packaging is not only more sustainable, it also yields a savings of over €60K in annual costs.

North America

Packaging engineers in North America identified and implemented various design modifications. Collectively, these changes will result in an estimated annual reduction of 225,000 pounds of packaging materials used.

Improving Waste Recycling in Portugal

Partnering with a local recycling company, plant members in Agueda, Portugal devised a plan to recycle wood waste from production processes. With the new wood recycling plan in place, the Agueda plant will eliminate roughly 100 tons of wood waste from incineration annually.



Lights Out for Savings

At the Haworth facility in Conover, North Carolina, the first production shift leaves at 2:30 p.m. However, lights across the entire facility were being left on to accommodate the Shipping department, whose members end their shift at 5 p.m. By turning lights out in the other areas during non-production times, the team is now realizing savings on utility costs and reducing wasted energy.

Substituting Solvent-Based Lacquers

Testing alternative lacquer process solutions over the course of a year, our French manufacturing team was able to replace a total of 96 solvent-based products with only 35 water-based varnishes and lacquers. In addition to making the process safer for members and reducing the environmental impact through decreasing harmful emissions, the reduced overall number of varnishes and lacquers simplifies handling and storage.

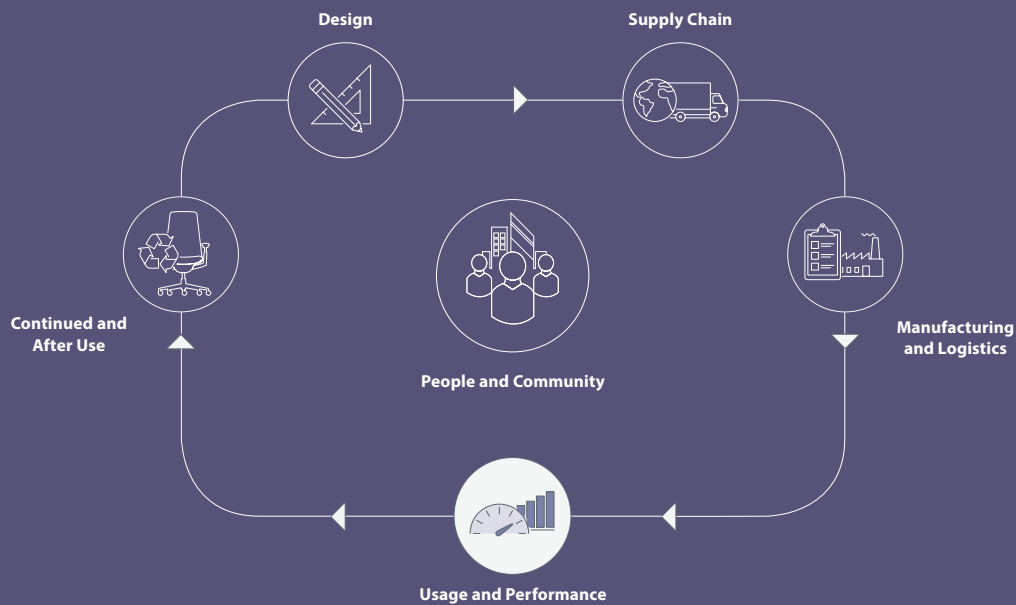


Powder Coat Waste Reduction

In our plant in Big Rapids, Michigan, powder coatings were often discarded due to cross-contamination of colors during the application process. Making a slight formula modification, the team was able to reduce the amount of wasted material by approximately 60 percent.

Usage and Performance

We strive for solutions that are neutral to the environment, with positive impacts on human health. Our products are designed and built leveraging global knowledge and best practices, earning top certifications such as GREENGUARD, BIFMA LEVEL, European LEVEL, and NF Environment. They also contribute toward LEED® building certifications and the WELL® Building Standard® to support well-being.



PRODUCT PERFORMANCE

BIFMA LEVEL

North America

45 products BIFMA LEVEL 1 certified

18 products BIFMA LEVEL 2 certified

27 products BIFMA LEVEL 3 certified

Asia Pacific

18 products BIFMA LEVEL 1 certified

European LEVEL by FEMB

9 products LEVEL 3 certified

GREENGUARD

North America

94 products GREENGUARD certified

Asia Pacific

31 products GREENGUARD certified

Europe

8 products GREENGUARD GOLD certified

SCS Indoor Advantage™ Gold

20 products Indoor Advantage Gold certified

NF Environment Mark

7 products NF Environment certified

Good Environmental Choice Australia (GECA)

17 products GECA certified

Product Environmental Data Sheets (PEDs)

159 PEDs completed

Haworth Global awarded
EcoVadis Gold for Corporate
Social Responsibility Excellence.



Haworth Products Earn Highest Achievable European LEVEL by FEMB

The newly accredited certification standard concentrates on holistic product sustainability. LEVEL acknowledges various national and local certifications and indicates a common methodology to present the environmental and social characteristics of products. This provides customers the ability to make informed choices about commercial furniture that exceed single-attribute eco-certifications.

Haworth was one of the first three companies to have products certified under this program. The criteria for certification include meeting set requirements for materials, energy and atmosphere, human and ecosystem health, and social responsibility. Under a pilot program in the third quarter of 2018, all nine products submitted by Haworth achieved European LEVEL 3 status, the highest certification level awarded.



Silver IGBC Certification

Members in the Chennai, India plant renewed their IGBC Green Factory Building Silver certificate to continue their commitment to environmental sustainability goals. Achieving the requirements for this certification provides tangible and intangible benefits, including:

- Energy savings: 30–40%
- Water savings: 20–30%
- Enhanced indoor air quality
- Good day lighting
- Health, well-being, and safety of members

The IGBC Green Factory Building rating system addresses green features within categories that include site selection and planning, water and energy conservation, indoor air quality, and innovation and design.

Workplace Nudge™ Well-Being Research

For more than five years, Haworth has extensively researched happiness and well-being. This research included a 2+ year Haworth-sponsored, multi-stakeholder study that brought together Haworth's Sustainability and Workplace Knowledge teams, Rex Miller of Mindshift, and 100 corporate leaders and experts—all working to explore best practices and aspects of workspace design and operation as they relate to occupants and their well-being.

As a result of this research, Haworth released the "Workspace Nudge™: Design to Help People Move, Focus and Connect" white paper. In it, Haworth members Dr. Michael O'Neill and Beck Johnson share insights into the "nudges" organizations can give their employees to help them choose healthier behaviors—sometimes without even realizing it.

Additionally, Mike O'Neill and Rex Miller launched their co-authored book, *The Healthy Workplace Nudge: How Healthy People, Culture and Buildings Lead to High Performance*. The book addresses the concept of behavioral economics and explores the connection between design and employee well-being, going beyond physical health, to include how meeting the needs of people in the workplace enables them to thrive at work.

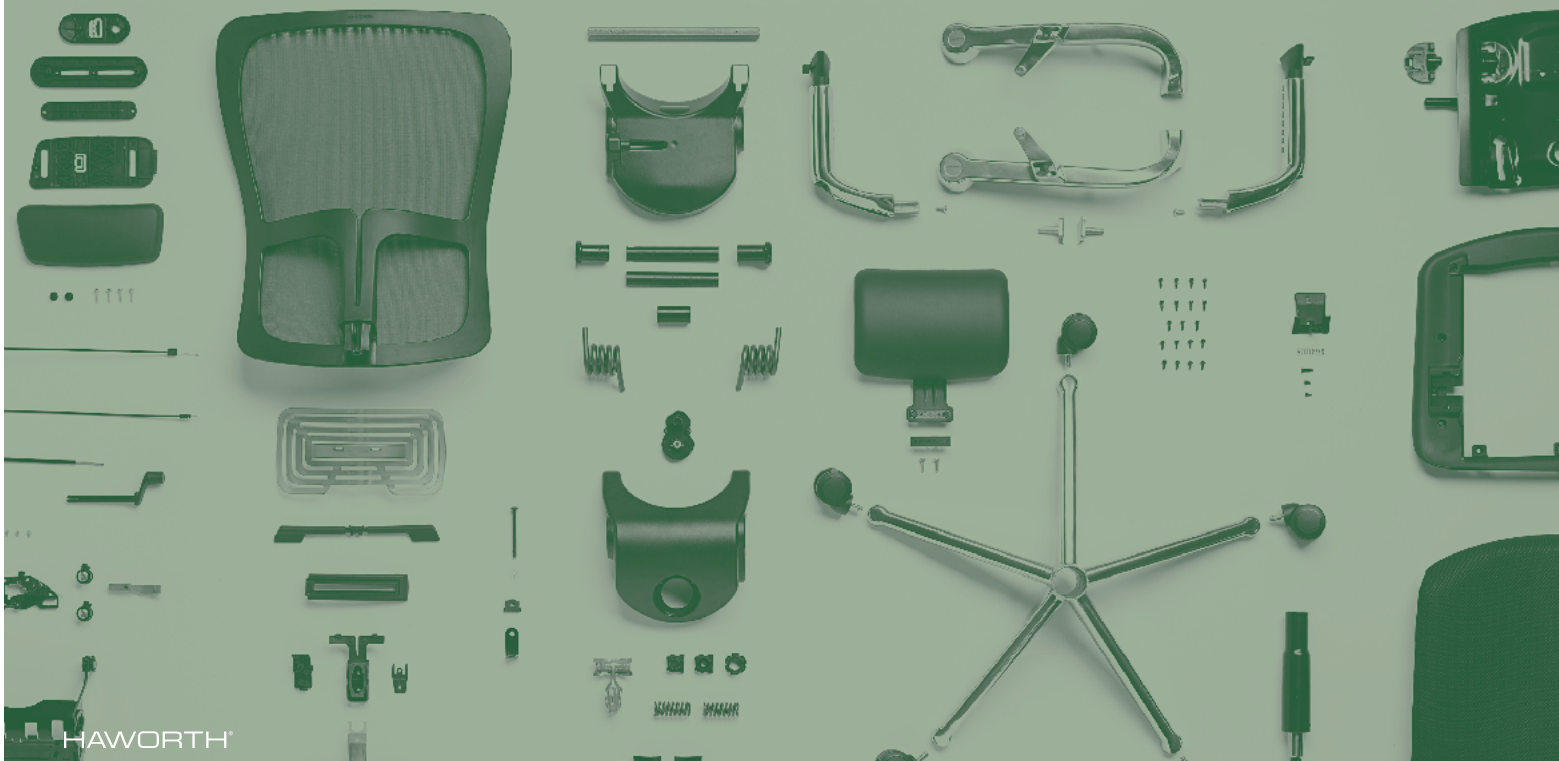
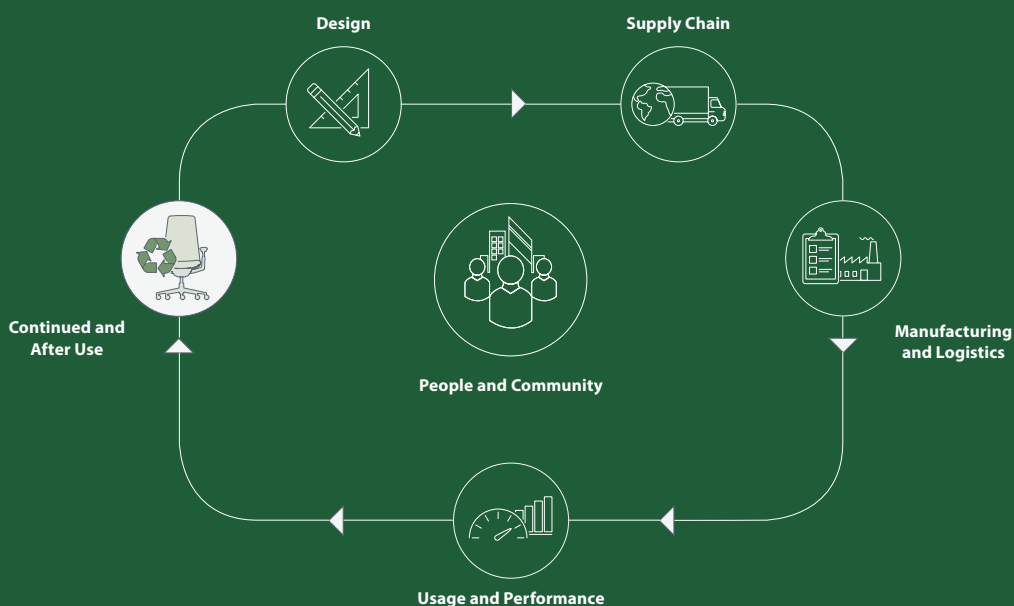


Sharing Sustainability Knowledge

During the 2018 European dealer council in Amsterdam, Netherlands, Haworth dealers made an on-site visit to the Circl Living Lab, a building designed and constructed with sustainability, and a circular value stream in mind. While there, dealers in attendance participated in a workshop which involved training and a unique group exchange of knowledge on sustainability, well-being, and happiness in the workplace.

Continued and After Use

We provide product certifications, lifecycle assessments, and after-use recommendations to customers, encouraging them to choose non-landfill options for their used Haworth products. These options may include refurbishment, resale, donation, and recycling depending on product condition and regional infrastructure.



PROVIDING OPTIONS FOR USED FURNITURE

A desire for an updated aesthetic or a redesign that better accommodates changing workstyles or functions is often the motivating factor that drives customers to replace furniture, long before products have reached the end of their useful life. When this occurs, we provide options for refreshing and refurbishing, resale, donation or recycling, with opportunities depending on product condition and regional infrastructure. Our growing network of used furniture dealers and non-profit organizations can help breathe new life and purpose into older products. In cases where other options have been exhausted, recycling for most Haworth products is facilitated by easy disassembly and parts marked for material separation.

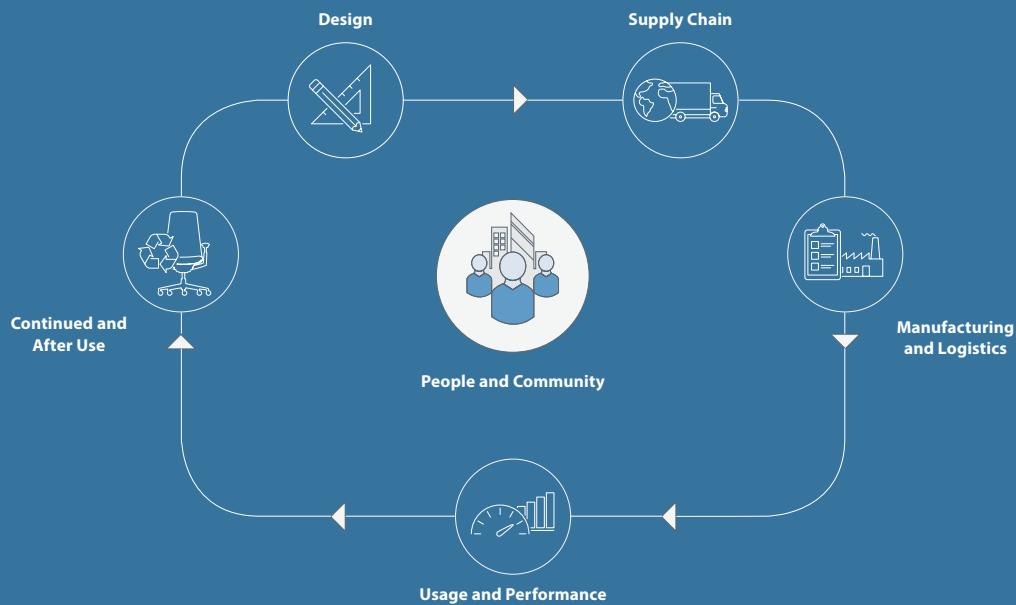


Office and Showroom Furniture Gets a Second Life

As Haworth reimagines and updates its offices and showrooms around the world, we work to find a robust and meaningful second life for items that will no longer be used. This year, more than 25 non-profit organizations received donations of Haworth furniture that had been removed from showrooms, mockups, or industry trade show installations. One of the largest donations was made to a non-profit organization that serves individuals returning from incarceration, as well as the families of those who are currently incarcerated. The donation was a mix of new and used furniture, with the bulk of it comprised of products recently used in our corporate headquarters and Chicago showrooms. We delivered a combination of seating, desking, workstations, storage, and privacy screens to help support the organization's work while also providing a welcoming and professional appearance that helps put people at ease the moment they walk through the door.

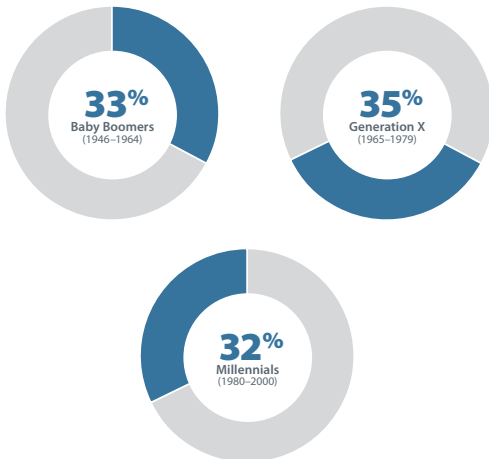
People and Community

Haworth is committed to operating as an ethical business and supporting the communities in which we live and work—all around the world. Through volunteer hours, health and safety protocols, and continuing education (including ethics and anti-corruption), we encourage and empower our members to help protect and restore our environment, create economic value, and strengthen our communities.



DIVERSITY AND INCLUSIVENESS

Haworth takes pride in and celebrates the many diverse aspects of our members. In 2018, three generations were represented in our workforce.



Globally, we continue to support and promote gender diversity. In 2018, Haworth was a Gold Sponsor in the West Michigan International Women's Day celebration. The event provided workshops, panel discussions, and keynote speakers championing women and men working together to ensure leadership equality becomes a reality. Haworth women and men attended the event to recognize and celebrate women's contributions around the world.

Gender ratio of members by region:

The Americas:	62% men	38% women
EMEA:	68% men	32% women
Asia Pacific:	44% men	56% women

Global Turnover rate: 13.80%

Number of New Hires: 897

Number of Interns: 123

Supporting Each Other and the Community

Haworth empowers members by encouraging them to lead in the development and management of employee resource groups that support initiatives that align with their own passions and priorities. Two new resource groups this year launched: the Haworth Veterans Resource Group and the Haworth Young Professionals Group. In addition to providing members with growth and development opportunities, both groups also participate in community outreach. The Veterans Resource Group participated in the Armed Forces Thanksgiving event, supporting student service projects for veterans, and the Young Professionals Resource Group coordinated community service events providing members with opportunities to connect with one another and give back to the community by using volunteer service hours.

Communication and Connection

Our commitment to continuous improvement includes actively seeking our members' insights to enhance our organizational culture. Each year, we conduct a global Member Engagement Survey, encouraging all members to offer their candid, anonymous feedback regarding a range of engagement and satisfaction topics. Following the survey, results are shared and improvements are identified through discussion, as we begin the process of working collaboratively on solutions to unlock the potential of our people.

Members agree that:

80% – The people I work with treat me with respect.

76% – I enjoy working with the people in my work group.

76% – My supervisor is approachable and easy to talk to.

75% – The people on my team collaborate and help each other.

MEMBER DEVELOPMENT AND TRAINING

More than \$1.4 million on Member-Invested Training globally, including more than \$242,000 in Tuition Reimbursement

Professional Development

- 12 courses
- 379 participants
- 129 classes delivered
- 2,365 in-person training hours

Business Systems Training

- 68 courses
- 451 members attended
- 129 classes delivered
- 2,224 systems training hours

Haworth Leadership Institute (HLI)

- 3 classes
- 2 courses
- 83 participants
- 1,996 HLI training hours

Orientation

- 119 classes
- 2 courses
- 1082 participants
- 11,072 orientation training hours

North America: Total of 17,657 hours invested

Europe: Adding to their well-established educational offerings, Haworth Europe developed several new training programs and modules, including new sales training sessions to help spark curiosity toward customer needs. A three-day management development program also made a successful debut in Europe, with 31 participants from all over the world. And throughout the year, our internal e-learning platform gained several new online training modules on new product development. To increase the visibility of training offerings, a newly developed comprehensive catalogue on personal and professional development was also made available to all members.

Dedication to Continuous Improvement

As part of our Haworth Management System (HMS) initiative to sensitize, motivate, and inspire continuous improvement, Haworth Switzerland organized a Continuous Improvement Week. Each department—from sales, accounting, and order entry, to cabinet assembly and truck drivers—implemented one improvement initiative from their own area. By the end of the week, each improvement was visualized and presented to the other members, demonstrating the before/after and benefits so that everyone could benefit from the good ideas of others.



Haworth members managed and shared 348 continuous improvement projects globally.

Inspiring Each Other Through Knowledge

To foster a culture of knowledge sharing, Haworth France created a peer-to-peer program that offers short, interactive learning sessions designed to develop and diversify members' knowledge. Successfully launched with "Designing for Creativity and Innovation," presented by France's Ideation team, these informal breakfast gatherings are hosted by various member teams, and each include a short presentation followed by discussion with subject matter experts.

SAFETY AND WELL-BEING

Local teams develop goals and define metrics for health and safety at all Haworth global facilities. They regularly track occupational health and safety performance, initiate improvement measures, and provide training. Transparency in health and safety is deeply embedded in our philosophy and culture. The risk assessment process is evaluated on an ongoing basis to help keep members safe and reduce the overall incident rate.

Lost time cases per 100 members globally:



Emphasizing a Safety-First Culture

Haworth's members in North American manufacturing facilities further enhanced company efforts to keep safety and awareness top priorities. More than 330 members, representing all North American plants, reported thousands of care observations throughout the course of the year. This heightened awareness helped teams identify and communicate issues, gain member feedback, and implement immediate solutions. The growing Safety-First culture even prompted the production team members in one plant to request full ownership of its Safety Committee. Empowering them with ownership exceeded all expectations; members have a clear understanding of the right contacts for all safety questions and can easily pass along suggestions, resulting in a vast improvement in safety awareness, higher levels of engagement, and an increase in the numbers of safety suggestions submitted.

Upgrading Emergency Safety Systems

Haworth's German facility team collaborated with safety experts to initiate several upgrades to the location's existing emergency preparedness plans. As part of these initiatives, fire detector positioning was updated and clearly marked. Additional alarm systems were installed to ensure every member is consistently warned in case of fire. A comprehensive upgrade to the sprinkler system was implemented, with improvements to the pipes and pressure control system, as well as the addition of an automated refill system. The upgrades also included new fire hoses in neon colors and renewed floor markings for access to the sprinkler system.

Safety Focus Week

To help raise awareness and provide education on health and safety, Haworth Switzerland held a week-long Safety Focus event. During the week, all members had the opportunity to participate in several workshops on a variety of topics including preventing stumbles and falls, measuring blood pressure, and emergency preparedness. Members learned what to do in case of fire, how to issue an alarm, proper use of a fire extinguisher, and the locations of gathering points. Themed posters placed throughout the facility and safety movies in break rooms further enhanced the week's focus on safety.



Relocating Honeybees

Honeybees are admired not only for the essential role they play in the eco-system but also for being the hardest working adorable little creatures on the planet. Despite their charm, a swarm of bees is intimidating, and even a single bee can pose a serious threat. In India, bees are protected making it illegal to kill them, so when members at the Chennai plant began noticing bee activity, they partnered with a local pest control firm to find a sustainable solution that would protect both these pollinators and the people who work in the plant. Whenever a hive is spotted in or around the building, a technician is dispatched to arrive after sundown when the hive is less active. With the help of smoke created from an eco-friendly source, the bees are calmed enough to safely remove the hive, and its former site is treated with a layer of petroleum jelly, compelling them to relocate to a more suitable location.

Health Week Promotes Well-Being

Members at the Haworth Germany plant and office took part in the location's inaugural Health Week event in April, centered around ergonomics, physical activity, and healthy nutrition. Throughout the week, members took part in lectures, exercise demonstrations, and health screenings. By the end of Health Week, members:

- Took part in over 10 lectures
- Completed 220 health assessments
- Consumed 60 kilograms (132 pounds) of fresh fruits



Healthy, Environmental Commuting

Taking a cue from our Workspace Nudge research, Haworth's German facility constructed a bicycle shed to encourage healthy and environmentally friendly commuting. The shed is the result of a suggestion made by members during the site's Health Week event, who expressed a desire for a structure that would protect their bicycles from the impact of weather (rain, hail, extreme sun, etc.) while they are working.

Manufacturing and Facility Management partnered to develop the shed's design, ensuring it was constructed in compliance with local regulations on size and stability. The wooden shed also included a plan for rainwater run-off from its roof. The new shed was completed right on time for the warm end-of-summer days and is already being extensively used.



GIVING BACK

Numerous non-profit organizations benefit from monetary and gift-in-kind contributions from Haworth. Although the majority of Haworth's philanthropic giving supports education, our charitable giving is also extended to humanitarian organizations, the arts, medicine and health initiatives, outreach services, youth programs, and animal welfare. We encourage our members to follow our lead by offering a matching gift program that helps their donation dollars go further. Haworth's Member Garden produces hundreds of pounds of organic produce annually that is donated to local families in need each year. Further, each North American member is offered paid time off annually to volunteer at a non-profit organization of their choice. Collectively, their time and efforts make a profound impact on local communities.



US Members Surpass United Way Challenge Goals

Members across Haworth's United States manufacturing sites have big hearts for giving back, evidenced through the generous monetary pledges made during Haworth's 2018 United Way fundraising campaign, the 52nd in the company's history.

For the second consecutive year, Haworth's Bruce, Big Rapids, High Point, Holland, and Ludington plants each surpassed their targeted challenge goal by nearly 4%. Donations made to United Way—Haworth's chosen charitable, nonprofit organization to support—remain local and are used to develop and implement a range of impactful solutions focusing on education, health, financial stability, and basic needs to improve lives. Haworth provides a percentage match on all member United Way donations, which brought the total contribution for this campaign to more than a quarter of a million dollars. The final pledge results are a testament to members' genuine concern for improving lives by giving their time, talent, and resources to advance the common good in their communities.

Making a Difference Locally

Women's Service Day (WSD) is a one-day, annual event that serves women and children in West Michigan while promoting networking among women. Begun as a grassroots initiative in 2002, WSD volunteers help area agencies with organizing, yardwork, construction, painting, cooking, and many other acts of service. Haworth members Marcia Davis and Cindy DeGraaf have been leaders in organizing and promoting the event since its early days, and they have seen participation blossom year after year. This year, more than 175 participants turned out, including an enthusiastic group of Haworth women who took advantage of company-offered paid time off that encourages member volunteerism. One of the major impacts of Women's Service Day is the "ripple effect"—as participants learn about agencies, they take their involvement to a new level, often building relationships with the nonprofit organization and volunteering on their own time, extending the reach of Women's Service Day into the community.



Photographic Exhibition Raises Scholarship Funds

In November, Haworth Shanghai co-hosted "China in Color," an exclusive charity photo exhibition with St. James's Place Charitable Foundation in the Haworth Organic Workspace® in the center of Shanghai city. The exhibition featured selected works by photographer and philanthropist Dr. Astrid Kyehan and a raffle with prizes offered by three other generous sponsors. With the support of volunteers from local charity Shanghai Sunrise and Haworth, the event raised over RMB 30,000 (more than \$4,000 US) in educational funds for Shanghai Sunrise's high school and university scholarship program to benefit underprivileged and at-risk young people in Shanghai.



Making Waves to Fight Cancer

Haworth Business Group Director, Nick Hobson challenged himself to a Lake Michigan swim of over 20 miles to raise money for the Pink Fund, a Michigan-based non-profit that provides financial assistance to patients undergoing cancer treatment. Nick swam in honor of his mother and triumphantly completed the swim in a little over 10 hours, meeting his fundraising goal with the help of contributions from many fellow Haworth members.

Tour DaVita Fundraiser

In September of 2018, Haworth's Andy Paterson and Mitch McElroy (Sales Director for Central Mountain States Territory, and Sr. Business Development Manager, respectively) pedaled more than 250 miles through Virginia's rainy Piedmont and Coastal Plain to help raise money for kidney disease research and patient care. The annual Tour DaVita three-day bicycle ride began in 2007 and has been held each year in different parts of the United States. Proceeds from the event support the Bridge of Life, a nonprofit organization founded by DaVita, whose mission is to strengthen healthcare globally through sustainable programs that prevent and treat chronic disease.



Global Reporting Initiative Index



Global Reporting Initiative

Haworth publishes an annual Corporate Responsibility Report. This report includes data from fiscal year Jan. 1, 2018 to Dec. 31, 2018 unless otherwise noted for all regions: the Americas, EMEA (Europe, Middle East, and Africa), and Asia Pacific (excluding independently-owned Haworth dealerships).

This report was prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards: Core option.

Haworth, Inc. continues to support the ten principles of the UN Global Compact with respect to Human Rights, Labor Rights, Anti-Corruption, and Environmental Protection. 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 continue to work in our supply chain to advance these principles beyond the walls of our facilities and into the communities in which we operate.

All financial information is reported in US dollars (unless otherwise noted).

Measures are English unless indicated.

Questions regarding content should be directed to:

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