Dear Stakeholders

Haworth is a family-owned, responsible company built on values. We hold ourselves accountable to high standards as we conduct business with our customers and suppliers. Haworth is committed to being a high-performing, contributing citizen within our local, national, and global communities. Since our manufacturing and distribution networks continue to expand globally, our impact on the worldwide environment remains a priority for our members and our leadership. Our 2012 Sustainability Report continues the company’s commitment, first launched in 2005, to report the progress of important sustainability objectives.

Since 2005, we have reduced our global greenhouse gas emissions by 22 percent and our VOC air emission rates by 81 percent. In May, our Portugal manufacturing sites achieved zero-waste-to-landfill, which resulted in all of our global sites being landfill-free. Also in 2012, Haworth earned BIFMA level® 3 certification for three of our most prominent products — Zody Task, Compose, and Very Task.

2012 was also a significant year for Haworth showrooms. In December, the United States Green Building Council presented Haworth with LEED Platinum certification for the achievement of green design, construction, and operation of our Atlanta Showroom. In addition to Atlanta, Haworth’s Zurich Showroom was awarded LEED Gold certification. Our newest showroom, in Boston, is expected to be certified LEED Gold in 2013.

A company cannot achieve success without the commitment and loyalty of its employees. We are thankful for the hard work, ingenuity, and dedication of our nearly 6,000 members around the world.

Our corporate values are also vital to our success. They underscore our commitment to sustainability, which shines through in four distinct areas — People, Knowledge, Products, and Accountability. Join us as we live out our vision of being a sustainable company and preserving our beautiful 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

Our Beginnings
Our story begins in a garage in 1948. Driven by his dream to start a business, school teacher G.W. Haworth borrows $10,000 of his parents’ life savings to expand a woodworking operation in his family’s garage. A skilled craftsman, he builds a variety of products, hoping to earn enough money for his children’s education. G.W.’s pioneering spirit and desire to take his future into his own hands has been instilled not only in third-generation Haworth leadership, but it lives on through everyone who is part of the Haworth global family.

Our Structure
The Haworth family includes a network of more than 600 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 complex process of selecting, specifying, planning, and purchasing furniture and workspace interiors. Haworth products are sold via our dealer and sales network to contract market customers.

Our Leadership
Our executive management team is held accountable for meeting our sustainability goals and objectives. A cross-functional steering committee of executive sponsors, a global sustainability manager, sustainability objective champions, and sector-based leaders sets company-wide goals and metrics based on our objectives. The steering committee drives the metrics and reports progress quarterly to the steering committee chairperson, our chief financial officer (CFO). The steering committee is chartered by our chief executive officer (CEO). Our CFO is responsible for the direction and pace of our sustainability plan reporting to the CEO. The CEO provides the CFO formal sustainability oversight twice a year through corporate global sector reviews.

Champions help drive improvements as well as make progress toward sustainability objectives. Through our champions’ involvement, priorities are based on the strategic objectives of the whole company. Region-based functional leaders are the core members of our local sustainability committees. They represent and provide the conduit for regional issues and priorities.

Our Financial Performance
Haworth’s 2012 global sales totaled $1.31 billion. While overall sales declined five percent from 2011, due to the sale of two partner companies, we continue to experience growth in Asia Pacific, Latin America, and other key business segments. Haworth will continue to aggressively drive key elements of our growth platforms while realizing value in creating new, strategic opportunities.

Our Products
- Access floors
- Benching and desk systems
- Collaborative furniture
- Ergonomic worktools
- Freestanding filing and storage products
- Freestanding wood, laminate, and steel casegoods
- Healthcare solutions
- Lighting
- Moveable walls
- Seating
- Systems
- Tables and conference furniture
- Technology solutions
- Wood furniture

By the Numbers
- $1.31 billion in global sales for 2012
- Nearly 24,000 members worldwide
- More than 600 dealers worldwide
- Presence in more than 160 countries
- 7 sustainability objectives
- 4 sustainability categories
- 1 vision

A Global Leader
We divide our responsibilities into three business sectors:
- North America
- Europe
- Asia Pacific, Middle East, and Latin America

Our Brands
- Easy by Haworth™
- Haworth
- Haworth Healthcare Environments
- Haworth Collection™
- 2012 debut includes Grouse Lacassie and Haworth’s operations in Italy, including the Castelli brand.

Certifications and Awards
• Architectural Record and the American Architectural Foundation’s Good Design is Good Business Lifetime Achievement Award - One Haworth Center
• Best of NeoCon
• Seating: Ergonomic - Lively, Gold
• Tables: Training & Work - Planes Training Table, Gold
• Technology Support - workware, Gold
• Office Accessories - Belong, Silver
• BFMA Level 6 certification - Compose Systems, Very Task, and Zody Task
• Cleaner Production certification by the Shanghai Academy of Environmental Science
• Goodwill Industries of Greater Grand Rapids’ Power of Work Certificate
• Interior Design Best of Year Award
• Accessories: Office - Belong
• LEED® Platinum Certification – Atlanta
• LEED® Gold Certification – Zurich
• Michigan’s 101 Best and Brightest Sustainable Companies
• Michigan Employer Support of the Guard & Reserve’s PRO PATRIA Award
• Michigan Recycling Coalition recycling certification

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

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

Michelle Bentley exemplifies Haworth’s passionate and personal commitment to the environment. A Calgary, Alberta, Canada-based technical specifications coordinator, Michelle identified an opportunity to improve the recycling within that facility. Through her initiative, Michelle is responsible for establishing and maintaining recycle stations for materials beyond the existing paper and cardboard receptacles.

“I try to make it as convenient as possible for members to recycle,” Michelle says. “I recycle everything I can at home and it felt natural to extend that to the place I work, as well. I noticed a gap between what we could recycle and what we do recycle, so I decided to pick up the difference.”

Michelle also shares information about recycling at meetings to help educate Haworth members about which recyclables go in to which containers. Yet, she still reserves about 30 minutes each week to conduct the not-so-glamorous task of digging through the material to remove items, like the occasional chicken bone, that would render the contents unrecyclable. “I was always encouraged to leave an environment better than how I found it,” she says. “I’m conscious about cleaning up and trying to leave no trace.”

Michelle’s efforts have been noticed and appreciated. On the basis of multiple nominations by her coworkers in Calgary, Michelle was named Haworth’s 2012 Environmental Hero of the year. “This is just part of who I am,” Michelle says. “I would love for people to be more aware of the impact they can have. Small changes can have a big impact on minimizing our footprint.”

Haworth deeply appreciates the time and talents that our members invest toward helping the company continue to be successful. We are committed to improving the quality of life for our members and enriching the communities in which we operate.

Continuous Learning

Continuous learning is foundational to who we are as an organization. It is one of our Haworth Values and we firmly believe that the investment made in learning and development will ensure a sustainable future for the company. We offer a broad range of education opportunities to our members, dealer network, suppliers, customers, and individuals in our communities. These opportunities include learning and development opportunities, continuous learning, and shaping the future.

Learning & Development Opportunities
Supporting and Recognizing Continuous Learning
Shaping the Future

Haworth Supports United Way

2012 member pledges*: $187,518
Corporate pledge: $75,007
Total pledges: $262,526

*More than half of Haworth members pledged United Way contributions.
Diversity

Diversity is not only important within our member composition, but it is also a critical part of doing business. Haworth continues to make a deliberate effort to support diversity. Utilizing our differences facilitates innovation and collaboration that extend beyond one’s limited perspective, to a global framework of knowledge and skills.

One component of diversity shared among regions is gender, compared by sector in the chart above.

Member Garden – Teach. Grow. Share.

We are eager to support our members’ ideas and collective efforts that positively impact our communities. One example of this is the Haworth Member Garden. Originally sown in 2011 to educate members how to garden organically, 2012 marked the second growing season. Haworth members tended the garden, which produced more than 400 pounds (180 kilograms) of vegetables and herbs, on lunch breaks and in their spare time.

Most of the yield was donated to the local Center for Women in Transition.

The rest went to Haworth members’ families and our cafeteria. Haworth’s resident chef was able to incorporate the fresh produce and herbs into featured meals for members and visitors.

Haworth Sales Team Builds Bikes

During the 2012 Haworth Sales Conference, 250 of our members lived out the Haworth Values during a community event in support of social responsibility. Haworth sales team members, executive leaders, and about two dozen facilitators partnered with the Grand Rapids Boys & Girls Club during an event called Geared 4 Kids.

With screwdrivers, wrenches, and art supplies in hand, the teams were challenged to build a bike in 35 minutes and design a personalized card for the child who would receive it. Haworth also donated money to purchase 25 additional bikes for a summer camp sponsored by the Boys & Girls Club. In addition to supporting the youth program, the bike-building event served as a teambuilding activity in which sales members could network and reconnect with one another.

“It’s really not about the bikes,” said Haworth president & CEO Franco Bianchi. “It’s really about connecting with our community.”
A Day of Caring for United Way

Haworth members from across corporate headquarters teamed up for the annual United Way Day of Caring. Twenty Haworth members took on the assignment of “paying it forward” in our community.

“All of us who help manage the Ottawa County Parks—along with the families in our communities who enjoy them—are grateful for the volunteers, like the Haworth team, whose work is helping to keep these environments healthy,” said Melanie.

Read More

Haworth Hungary Gifts Go Green

Haworth members in Hungary customarily give a thank-you gift to their clients at the end of each year. This year, with sustainability top-of-mind, the members scouted green gifts. Ultimately, the team settled on a Haworthia plant. Not only does it bring a little added life into the customer’s office, but we particularly enjoy the associated brand recognition.

Used Clothing Drive in Pudong

In 2012, Haworth members in Pudong were encouraged to bring their gently-used clothes to donate them to people in need.

Haworth Recognized for Power of Work

In 2012, Goodwill Industries of Greater Grand Rapids presented Haworth with a Power of Work Honoree Certificate. The certificate recognizes Haworth’s efforts to provide self-esteem and self-sufficiency to individuals with special needs and other barriers to employment.

Haworth Dallas Supports Creativity for Kids

Haworth Dallas hosted kick-off events for the International Interior Design Association’s second annual CRE8 Design Challenge and Fashion Show. The event benefits the National Court Appointed Special Advocate Association, whose mission is to protect abused or neglected children and to establish a stable environment in which children have an opportunity to thrive. There were 22 teams participating in the 2012 CRE8 event, including Haworth preferred dealer The Spencer Company.

“Haworth is proud to have such a culturally rich atmosphere in our work environment,” said Doug Martineau, Haworth regional vice president of Canada.

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Haworth Member Named Cultural Ambassador

Didier Gangoma, a Haworth Calgary account coordinator, was named as a Cultural Ambassador by Calgary 2012—an independent, nonprofit organization that helps showcase that Canadian city’s culture by creating legacy projects to encourage future cultural achievements. Didier is the co-creator of a website that focuses on the promotion of African culture, as well the lesser-known French-speaking African cultures. His tireless efforts to empower cultural celebration has been recognized and commended by his fellow Haworth Calgary members.

“In all of us who help manage the Ottawa County Parks—along with the families in our communities who enjoy them—are grateful for the volunteers, like the Haworth team, whose work is helping to keep these environments healthy,” said Melanie.

Read More
A Study in Steady Progress

For a man who’s had essentially the same job for more than 30 years, Bill Gurn shows no signs of boredom.

Since becoming Haworth’s facilities maintenance manager in 1980, Bill has developed both knowledge of and a contagious enthusiasm for recycling and eliminating waste in our manufacturing plants, offices, and showrooms. Although his title has not changed, his duties have been broadened and deepened to the point where he’s developed into an acknowledged sustainability strategist and tireless champion for our corporate commitment to environmental responsibility.

In 2012, Haworth recycled more than three dozen different commodities, amounting to more than 50 million pounds (22 million kilograms) of materials, yielding nearly $1.5 million in cost recovery.

“G.W. taught me to question everything, understand our waste streams, and determine how we can reduce them to be more efficient.”

In October, Bill and Haworth’s global sustainability manager Steve Kooy co-hosted a Green Manufacturer Network-sponsored Zero-Waste-to-Landfill workshop at One Haworth Center. More than 70 business leaders from throughout the United States attended.

Our corporate goal is to become a waste-free company, a long-range vision that Bill keeps pursuing with a fierce focus.

In October, more than 70 business professionals from across the United States descended on Haworth headquarters to learn the inside story of how we have achieved zero-waste-to-landfill (ZWTL) status throughout our global operations. The one-day workshop, sponsored by the Green Manufacturer Network, included Haworth’s Facility Maintenance Manager Bill Gurn and Global Sustainability Manager Steve Kooy presenting our unique ZWTL story. The attendees also toured our operations facilities, Recycle Center, and corporate offices to gain insight into Haworth’s successes and challenges.

“Constantly studying key processes and measures as well as trying new methods as practices evolve allows our company to continue building a robust base of knowledge within the realm of sustainability. As we lead by example and share our approach and data, Haworth is developing relationships with our customers and is viewed as a trusted advisor to our stakeholders.”

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Earth Week: Partnerships for Sustainability in Mexico

We take sustainability seriously—all over the globe. That’s why PAPSA Mexico City, a Haworth preferred dealer, opened its showroom for the event’s presentations, which included the requirements, trends, and benefits of green industrial development in Mexico; techniques and systems for green roofs; conserving energy and water usage; and green transportation. The event provided an opportunity to highlight actions taking place in Mexico that illustrate Haworth’s capacity and commitment to innovative sustainable projects as well as the significant value gained through partnering with ecologically responsible enterprises.

Jacobo Guajardo, business development manager for Haworth, was among the presenters. He spoke about Haworth’s vision to become a more sustainable organization through the concept of organic workspaces, recycling, and sustainability in the furniture market. Advancements in technology have been instrumental in Mexico’s search for cleaner energy sources and technology that supports the sustainable development paradigm.

“To become sustainable, we must develop a conscience about the importance of restoring and maintaining our planet,” said Jacobo.

“Our future is contingent on our use and preservation of our resources as we continue introducing new and more efficient technology into construction, transportation, and products.”

European Standard Certification

European sustainability manager Bianca Dönicke is working with the Technical Committee of the European Federation of Office Furniture national federations, certifying bodies, and representatives of manufacturers to develop a European sustainability standard certification for office furniture. The new standard will include a complex variety of existing requirements from different European countries to increase sustainability awareness and simplify the decision making process of manufacturers, dealers, and customers.

The Haworth / Tropical Forest Foundation CEU

In today’s market, our customers rightly demand sustainably produced goods. Within our industry, design and specification decisions must be carefully directed in order to avoid unintended and disastrous consequences. Haworth and the Tropical Forest Foundation (TFF) have created a Continuous Education Unit (CEU) for architects, designers, and LEED professionals to address key imperatives to the sustainable development in tropical forests.

When forests are perceived to have little or no economic value, local people, companies, and even governments will destroy them and convert the land to other quickly-profitable uses. The Haworth/TFF CEU explains the current state of tropical forests and reviews sustainable forestry practices by providing an opportunity for individuals to explore their role in preserving forests from a market perspective, specifically, how responsible purchasing intersects with conservation.

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The new Centre for Interactive Research on Sustainability (CIRS) headquarters building in Vancouver, British Colombia makes a compelling case for being the “greenest building in North America.”

The facility, which is outfitted with Haworth products, is designed to actually improve its surrounding environment.

Client Stories: CIRS

A four-story building that provides space for students, researchers, and partners to collaborate and innovate; the CIRS is a showcase for experimental sustainability solutions. To reduce energy usage, the building utilizes captured rainwater and the heating and cooling systems draw from solar heat, underground temperatures as well as the shade from the natural landscape and neighboring buildings. Liquid waste is treated on site and the building sequesters more carbon than was emitted during construction. Its bold ambition is to return more useful energy to the campus than it consumes.

Read More
That quote from Dick Haworth, chairman emeritus, embodies a commitment to continuous improvement and inspires every Haworth member, department, location, process, and product. It certainly directs the actions and attitude of Haworth commodity manager Jim Riley.

As part of our continuing support of sustainable forestry and responsible purchasing, Jim led Haworth’s North American effort to offer Forest Stewardship Council (FSC)-certified products as standard. Through the program, FSC-certified product is provided to our customers with no additional premium charge.

“Haworth has a wide range of products that are included in our FSC program and many suppliers didn’t have much exposure,” Jim recalls. “The purchasing department received a lot of support from our global sustainability team along the way. They helped us educate our suppliers about why FSC-certified products are important to Haworth and how it creates value for our customers.”

By providing FSC-certified material, we are supporting our clients’ green-building goals and demonstrating our collective commitment to source sustainable materials. We are proud to provide quality wood products sourced from sustainably managed forests.

As a result of our North America FSC program, Haworth now sources more than 80 percent of our wood from sustainable, FSC-certified forests. That’s an increase from less than 5 percent in 2011, when FSC products were available only as specials. Our goal is to source 100 percent of our wood from sustainably managed forests.

“It’s no longer a project; it’s what we do,” Jim says. “At Haworth, we value our world, and our FSC program supports this core value.”

Haworth is a global leader in the design and manufacturing of sustainable products and workplace design. As we continue our sustainability journey, we are committed to reducing the impact that our manufacture and design process has on our environment.

Sustainable Wood Purchasing

In our continuing support of sustainable forestry and responsible purchasing, Haworth North America began offering FSC-certified products as standard in 2012. As a result of our North America’s FSC standard program, we now source more than 80 percent of our wood from certified sustainable forests. Globally, Haworth purchases more than 80 percent of the wood used in systems and casegoods from sustainable sources. Haworth Europe currently sources more than 85 percent from the Programme for the Endorsement of Forest Certification or FSC-certified forests.

Read More

A Standard of Excellence

Haworth now sources more than 80 percent of our wood from sustainable, FSC-certified forests.

Manufacturing and Sourcing Sustainable Products

- 113 product environmental data sheets completed to date
- 96 products contribute to LEED points
- 4 products are certified to climate counts
- 96 products with life cycle assessments and carbon footprint calculations
- 76 products with indoor air quality certification
- 5 products are NF environment certified
- 81 products are BIFMA Level® 1 or 2 certified
- 3 products BIFMA Level® 3 certified
- 15 products are Good Environmental Choice Australia certified

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

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Throughout 18 months of intense activity, our sustainability engineers benchmarked more than 210 materials and finishes for more than 870 chemicals of concern. We believe that our products should be safe and healthy for humans and the environment. This activity is part of our commitment to delivering products that are free of persistent, bio-accumulative, and/or toxic compounds. Through this work, we learned that more than 95 percent (by weight) of our high-volume products are free of all chemicals of concern.

As we identified harmful chemicals, we began working immediately to eliminate them.

California TB-133 Barrier Cloth Optimization

In order to sell seating products in the California and Boston markets, we are required to comply with California Technical Bulletin 133, which is a flammability standard. Since it was put into law, most manufacturers have met the standard by placing a barrier cloth between the foam and the seating fabric. This non-visual cloth works to help self-extinguish a burning chair. Many manufacturers used a barrier cloth that is soaked in one of several bio-accumulative and toxic flame retardants, usually polybrominated diphenyl ethers. In 2013, Haworth plans to implement a barrier cloth that is free of any persistent, bio-accumulative or toxic flame retardants.

Haworth and Philips Collaborative to Create Inspiring Office Spaces

In 2012, Haworth and Philips announced a partnership to create workspaces designed to enhance employees’ well-being. As part of the initiative, Philips and Haworth will create innovative lighting and furniture solutions for the European market based on research on future office design and lighting trends. Research indicates that light impacts well-being and performance. LED lighting from Philips offers unprecedented opportunities to create the right quality of light through color and control. Haworth’s office furniture can be integrated seamlessly into different working environments, adapting to the ever-changing needs of companies.

At Orgatec 2012, the Haworth booth included the integration of Philips LED lighting. The companies will continue creating solutions such as office lounge furniture and screens that integrate LED lighting, resulting in more effective and aesthetic office environments. 

In 2012, we earned BIFMA level® 3 certification for three of our most prominent products — Compose, Very Task, and Zody Task.

In order for polyurethane to become foam, a gas must be injected and allowed to expand. This process produces millions of tiny bubbles throughout the material. Upon discovering that one of our foam arm cap suppliers was using a hydrochlorofluorocarbon as the gas foaming agent, our suppliers accepted our challenge to reformulate the product while maintaining the same performance characteristics. In 2013, Haworth plans to transition to a water-blown foam, which will eliminate all ozone depleting and global warming pollutants.

Achieving BIFMA level® 3

In addition to the dozens of facility, operations, and company requirements we had to address, we were required to inventory, benchmark, and then optimize product and process chemistry to eliminate more than 500 chemicals of concern. In 2013, we will work to steadily increase Haworth’s BIFMA level® certified offerings.
As a leading global manufacturer, Haworth is committed to following a path of sustainable energy management, green transportation, green building, and sustainable site management. Our initial, actionable goals also include maintaining zero-waste-to-landfill status in all of our sectors worldwide and continuously reducing harmful emissions.

Education is a Key to Accountability

Holding ourselves accountable and measuring the effectiveness of our sustainability practices is critical to Haworth’s commitment to corporate responsibility. One of our most tangible goals was to achieve zero-waste-to-landfill (ZWTL) status globally. This means that no byproducts from our production processes end up in a landfill. By 2009, we attained ZWTL in North America and Asia-Pacific, leaving only our operations in Europe to come into compliance in order to fulfill our global objective.

Enter Bianca Dönicke. During the summer of 2011, Bianca joined Haworth as the European sustainability project manager, bringing a passion for preserving resources and advancing corporate citizenry.

“The so-called ‘red thread’ running through my professional life is the practice of sustainability,” Bianca says.

Bianca’s task was to bring our European sites—Germany, Switzerland, and Portugal—under the global ZWTL umbrella (France was already ZWTL). Europe does not have the same scale of vast, open land that’s common on the North American continent and, to some extent, in Asia. So the infrastructure for dealing with waste more responsibly has been established and has been working well for decades. According to Bianca, the challenge wasn’t changing production habits; it was bringing an understanding to the ZWTL process.

“Initially, the aim was to get transparency on the current status quo of our waste measures,” Bianca says.

Bianca led the charge to achieve ZWTL in Germany and Switzerland, and also focused on leading the effort in Portugal. Our sites in Queluz and AQueda already had strong recycling programs in place, so by increasing recycling rates, aligning with a different, more suitable waste-to-energy contractor and working through regulatory requirements to ensure legal compliance. Since May 2012, Haworth's Portuguese facilities divert all waste from going to landfill.

2012 is the first year that all three of our global sectors—North America, Asia Pacific, and Europe—are landfill-free.

But this is just the first chapter of the Haworth sustainability journey, says Bianca.

“The next step, globally, is to reduce our waste-to-energy,” she says. “As we (as a society) get better at recycling more materials, we can identify more waste that should be recycled.

It’s a story of continuous improvement.”
LEED Platinum: Atlanta

In December 2012, The United States Green Building Council (USGBC) presented Haworth with LEED Platinum certification for the achievement of green design, construction, and operation of our new Atlanta showroom.

LEED Gold: Zurich

Haworth Zurich is our first European showroom to attain LEED Gold certification. While the entire process was challenging, Swiss architect Andres Carosio transformed a former restaurant into a magnificent Haworth showroom.

The new space includes several notable features including: air conditioning that requires less energy, carpet made from recycled fibers, and lighting provided by energy-saving bulbs. One of the highlights of the space is the ceiling, which displays a series of flowing waves that act as an acoustic solution and a unique design aspect.

Our project development process utilized a unique team approach and lean construction principles that cost less than traditional methods and garnered 13 points more than required for LEED Platinum status.

ISO14001: London Office

In 2012, Haworth UK, a sales subsidiary, achieved ISO 9001 Quality Management and ISO 14001 Environmental Management certification. The achievements align with Haworth’s continuous improvement philosophy and our values. It is also another step forward in maintaining our high standards, continuing to improve the services we provide to clients, and reducing our impact on the environment.

ISO 14001 and Significant Aspects

Haworth France: From Fuel Oil to Natural Gas

Beginning in July 2012, the Haworth plant in St Hilaire de Loulay switched from oil to natural gas for its heating. The use of natural gas has reduced greenhouse gas emissions significantly.

This energy transition required the creation of a network of distribution substation, pipes, and valves connections, as well as a new burner and some electrical adaptations. The new solution reduces approximately $36,600 of consumption costs and removes the risk of having a 5,250 gallon (20,000 litre) tank of fuel on the site.

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<tr>
<td>2012</td>
<td>27.8 Tons</td>
</tr>
</tbody>
</table>
Energy Saving Improvements in Shanghai

The Haworth Shanghai plant is experimenting with new ways to improve the lighting system in their workshop and office. Solatube, an innovative daylight technology, was introduced in July to reduce power consumption as well as concern about skin problems and heat effects.

The Shanghai engineering team found three ways to improve the process on its painting lines:

- Shutting off the heating system for the tank in order to replace the wash line chemicals
- Shutting off the infrared emitter in cure oven
- Lowering the cure temperature to 180 degrees Fahrenheit (82 degrees Celsius) within 15 minutes

Composted Food Waste

Since 2010, Haworth headquarters started sending compostable waste to a local commercial compost facility. Since then, 38,000 pounds (17,000 kilograms) of food scraps and food paper waste has been composted and turned a nutrient-rich soil amendment.

Holland Steel Plant Energy Reductions

In 2012, the Steel Plant in Holland, Michigan achieved a 10 percent reduction in electrical consumption and 30 percent reduction in natural gas use. Activities such as controlling heating, ventilation and air conditioning needs along with varying production schedules and decreasing cure oven temperature by 10 degrees Fahrenheit (12 degrees Celsius) have helped reduce natural gas usage. To achieve the electricity consumption reduction, we installed interlock valves to cut off the compressed air supply to tools not in use. The plant also conducted a study of its compressed air units and identified leaks.

Green House Gas Emissions Reductions

In 2012, Haworth reduced global greenhouse gas emissions by six percent. Energy efficiency initiatives, productivity, and process improvements helped us achieve the reduction. Our Holland, Michigan, manufacturing location replaced more than 300 T12 fixtures with energy efficient T8 bulbs, which reduced electricity consumption by more than 20,000 kWh. Since 2005, we have reduced global greenhouse gas emissions by 22 percent, 14 percent normalized to sales.

Global VOC Air Emission Rate Reductions

In 2012, we announced our plan to stop using volatile organic compound (VOC)-based paint by the third quarter of 2013. This process change will virtually eliminate hazardous waste from Haworth paint lines and will lead to an approximately 80 percent global hazardous waste reduction from our 2007 baseline.

Germany and Switzerland Turn Wood into Heat

Our Haworth factories in Germany and Switzerland have significantly reduced its greenhouse gas emissions by converting central heating systems to use the waste wood that it accumulates from its production processes.

Haworth Shanghai Receives Cleaner Production Certification

Our manufacturing plant in Shanghai was awarded a Cleaner Production certification by the Shanghai Academy of Environmental Science. This certification was awarded to Haworth’s Shanghai plant for meeting the following criteria:

- Producing environment-friendly products
- Developing and implementing an environmentally responsible manufacturing process
- Maintaining a commitment to the development of sustainable initiatives
Haworth publishes an annual sustainability report.

This report includes data from fiscal year Jan. 1, 2012 to Dec. 31, 2012 unless otherwise noted for all regions: Asia Pacific, Europe, Latin America, Middle East, and North America (excluding independently-owned Haworth dealerships).

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

All financial information is reported in U.S. dollars. 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.

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