# think global think green

CORPORATE SUSTAINABILITY REPORT 2011

#### The executive summary... for all of us.

We have reduced our consumption of electricity by 18% over the last four years.

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We have entirely eliminated the use of CFCs and HCFCs in all our manufacturing processes to protect the ozone layer.

From the lunchroom to the factory floor, we recycle 92% of our waste production across the organization.

Global's patented, industry-first, wood/polymer molding technology diverts 7.5 tons of waste per day from the landfill.

A constantly expanding textile offering woven from recycled polyester is an environmental option with little or no up-charge to the customer. Our cardboard packing utilizes 80% recycled material and wherever possible we flat pack to reduce shipping volume and minimize our carbon footprint.

Our chrome plating facility discharges water that is clean enough to return to the municipal water infrastructure.

Our non-hazardous powder-coat paint process reclaims up to 99% of overspray with minimal discharge to the environment.

We recycle more than 100 tons of fabric every year, which is recycled through various voluntary programs and partnerships. Before governments developed environmental protection legislation we were setting our own standards for sustainable practices, developing new technologies and using reclaimed materials to safeguard the environment. From design through to manufacturing we pay particular attention to

reducing the impact of our of recycled and recyproduction processes consumption. A better product. All Global proproved to ensure years imports our North American keeps our products of the landfill. Because to a Global product is made

product packaging, the use clable materials and that minimize energy product is also a green ducts are BIFMA<sup>™</sup> apof service. Unlike many parts and service department working longer and out most of what goes inby Global we have a greater

opportunity to achieve our environmental goals. We require our suppliers and those that work with us to share our environmental commitment and standards. It's not only the right thing to do; it's also good business.



#### environmental committee



At Global we believe we have a responsibility to safeguard the environment in the course of manufacturing and doing business. That's one of the reasons we created the Global Group Environmental Committee; to keep us focused on manufacturing high-quality products at a great price and in a sustainable manner.

The Environmental Committee has members recruited from across the organization, from the factory floor to senior management and reports directly to the Chairman and CEO. In simple terms, it's a fully integrated component of our operations, financial planning and expenditures.

A piecemeal approach to sustainability can't work. The Global Group Environmental Committee promotes communication and cooperation among Global divisions and whether it's a way to save energy in one facility, or conserve materials on an assembly line, the Committee encourages the sharing of ideas, practices and technologies that protect both the environment and the health of our people. **Greenguard Certified** We can all breathe easier knowing that Global products are Greenguard compliant. The Greenguard program is run by a worldwide independent organization that rigorously tests materials according to government guidelines and measures harmful emissions such as formaldehyde, volatile organic compounds (VOCs) and carbon monoxide. For a full listing of our Greenguardcertified products, visit www.greenguard.org

### compliance + commitment



We're ISO 14001 certified.

**ISO Certification** ISO 14001 is the benchmark international standard for the implementation and operation of an environmental management system. Certification requires a commitment to continuously improve practices that protect the environment. To meet that responsibility specific environmental objectives and targets need to be set, as well as a program to reach those goals and a system that evaluates both the process management and results. At Global we're proud to say we're ISO 14001 registered.

**Material Chemistry** is also essential in our design process and commitment to social responsibility. We assess the chemicals in our products down to IOO ppm. This evaluation has led us to the reduction of hazardous waste as well as air pollutants by 35% and 67% respectively.



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Of course we're taking the customary steps to save energy; replacing metal halide lights with energy efficient fluorescent reflective fixtures. That alone saves tens of thousands of dollars of energy a year. But we're also reducing energy consumption with some innovative thinking of our own.

#### saving energy conserving resources



**Energy Management** Reducing our energy consumption has been a corporate priority, and therefore, several initiatives have been implemented to assist us in achieving our targets. To date, our energy shows a reduction of 18% over the past four years.

**Process Energy** Process Energy (use during manufacturing processes) has been reduced by 51% over the past four years.

**Energy Star Portfolio Management** The Energy Star Portfolio Manager is used by Global to measure our building energy performance against other facilities with the same characteristics. Our facilities are ranked above the national average.





Our powder-coat paint process reclaims up to 99% of the overspray with minimal discharge to the environment.

Safeguarding air and water quality.

#### Finishing our products in ways that protect our air and water.

At Global we use powder-coat paint finishes for the majority of products; a process that recovers and reuses 99% of the overspray with minimal discharge to the environment. Powder coating is a clean electrostatic process that offers a superior finish and uses no solvents or CFCs.

Some components and finishes, however, necessitate the use of our "GEL" paint lines. Here 85% of the overspray is captured and transferred using compressed air technology to a 300-gallon tote. Our paint supplier checks it for quality and color match and recycles it back to us for painting drawer bodies, hanging rods and other less-visible surfaces.

One fundamental responsibility in minimizing the environmental impact of our manufacturing processes includes carefully managing our wastewater. At our chrome plating facility metal-salt baths are constantly monitored to prolong the life of the plating solution. In fact, the water released from our chrome plating plant is clean enough to return to the municipal water infrastructure.

Water Management Through programs such as the Design for the Environment, Training, and Technology Replacement, we have been able to reduce our process water by 22% over the last four years.

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We're reducing the amount of packaging we use. Global is "flat packing" more and more of its chairs, reducing carton size by 50 to 75% with equal reductions in transportation energy and related CO<sub>2</sub> emissions. And we're ahead of the curve in using reclaimed materials in packaging. Most government and regulatory bodies require 50% recycled material to be classified as recycled. At Global all our cardboard shipping cartons contain at least 80% recycled materials. We print our cartons with water-based inks which break down more easily for recycling and do not contain harmful solvents or heavy metal based pigments. And we go one step further. On customer request we ship products in reusable blankets which eliminate cartons altogether.



# backaging doing more with less

Global "flat packs" to reduce shipping volume by as much as 75% to save transport energy and reduce pollution.

We use water-based ink that contains no harmful solvents or heavy metal pigments to print our cartons.

> And wherever possible Global ships with reusable blankets to eliminate cartons altogether.



We divert 7.5 tons of plastic and wood waste per day from landfill sites.



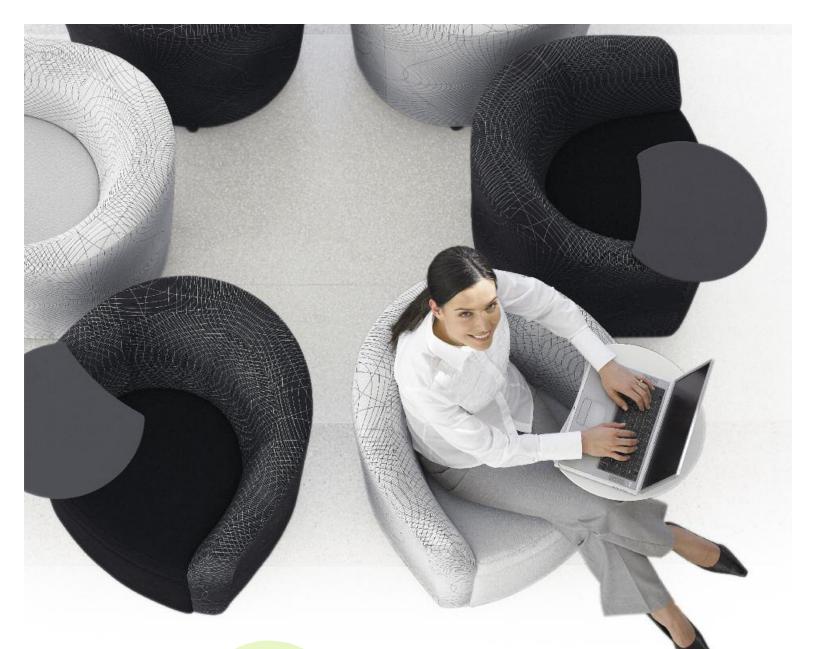
#### innovative thinking new materials



**Our closed loop manufacturing drastically reduces waste**. We're not new to the game. We were in recycling long before it came into style. In 1993 we developed a patented technology that takes recycled plastic and combines it with post-production wood waste from our wood manufacturing facilities. This new composite material is injection molded and utilized in everything from panel frames to chair components. It's not pretty to look at, but it's very strong and it's inside where it counts.

Using this innovative reclamation technology we've been able to divert 7.5 tons of plastic and wood waste per day from the landfill, which translates into 2000 tons a year! In fact this technology has been so successful that Global is now recycling waste for other companies. Our goal is to have 100% production waste diversion from landfill, from all of our Global Companies by 2015.

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We're pushing the envelope with soy-based foam.

### the air **we breathe**



At Global we produce millions of chairs every year, which means we use a tremendous amount of upholstery foam. When you use that much of any material you need to take a really hard look at it from an environmental standpoint. All of the foam upholstery material used in Global products is 100% free of CFCs (chlorofluorocarbons) to preserve the earth's ozone layer. We're also pushing the envelope by initiating the use of soy-based compounds in foam and water based glue adhesives to reduce our reliance on petro-chemical based polymers. It's not an easy change but we're working hard at it.

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Bundling up our scrap textiles for recycling was a first step in dealing with our production waste but we knew we could do better. So we actively sought a way to turn our scraps into something useful. We formed a partnership with Echoes in the Attic<sup>TM</sup>, an eco-retailer who uses textile scraps in their handbag and pillow designs, and created an entirely new infrastructure that hadn't existed before.

At first, the mountain of fabric offcuts that Global produced seemed like an endless resource to a small entrepreneurial business, like Echoes in the Attic<sup>™</sup>. But Echoes has been so successful that now we can barely keep up with their demand! It's an example of how even an organization as large as Global needs to look beyond its own four walls to find new solutions.

We created a new infrastructure that hadn't existed before.

# turning scrap

- More than 1,000 Environmental Data Sheets have been created to show the recycled content of the components that formed our products as well as LEED credits.
- Our products are designed based on our DfE (Design for the Environment) program, which promotes environmentally sound decisions at every step of the process. This translates to having more than 200 products certified under level<sup>™</sup> 2 as well as Greenguard.
- Our material components are 100% recyclable.

Our products contain a minimum 30% recycled steel, 100% engineered wood, 100% recycled polyester, 100% recycled plastic composite material created at our facilities, rapidly renewable materials like bio-foam.



#### products our results

- Our packaging utilizes 80-100% recycled cardboard and 100% reusable blankets.
- Our product disassembly instructions are designed to encourage our consumer to recycle each part of the product at end of use.
- Through our End of Life Program, we have been able to re-distribute, where possible, redundant product to national and international programs that assess the most appropriate life cycle channel available as an alternative to sending furniture to landfill.
- As part of our supply chain management, we ask our suppliers to identify the chemicals in their products and concentrations. This information allows us to assess products for human and ecosystem impact. In addition, we also request that they supply us with information about their environmental certifications and initiatives, thus ensuring our suppliers follow the same standards that we hold so dear.

Global's LEED partnership program supports architects and specifiers. The Leadership in Energy and Environmental Design (LEED) Green Building Rating System is the new benchmark for sustainable buildings. LEED certification is a system for evaluating the impact a building has on the environment, it's use of energy and water and how it contributes to people's health and productivity. Global helps our customers meet LEED requirements by providing a wide range of Greenguard-certified products, specified in the LEED Green Building Rating System. Global's LEED Partnership Program offers project management support to architects and specifiers in obtaining LEED certification.







# LEED partnership **program**

Global requires that all our partners meet our environmental policy.

#### supplier partnerships

In this age of outsourcing, the environmental policies and practices of many offshore companies raise some very real concerns. Global requires that all our business partners supply products and services that meet our own environmental standards. As an industry leader, our purchasing power enables our suppliers to invest in new, sustainable technologies within their own areas of expertise.

Good examples are the strong relationship we have with our partners in the textile industry that has accelerated our use of recycled fabrics, and the melamine supplier for our desking products that is a three-time winner of the Recycling Council of Ontario Award of Excellence. These partnerships have played a key role in what we commonly call the Global Family.





Every product should have a meaningful life span.



**Every new product** that's made consumes both energy and materials in its manufacture. If we are to achieve a sustainable future and a good quality of life, the products we make must have a meaningful lifespan.

At Global we make intelligent products that are designed and built to meet real needs and whose life span is appropriate to their use. Moreover, when we design products to be assembled we also design them to be easily taken apart so they can be serviced.

### service, support sustainability

Unlike many imported products Global has a North American parts and service department to extend the useful life of our products. There is no reason that a chair should go to a landfill simply because a caster breaks or a control lever snaps due to some unforeseen incident. And every Global product is BIFMA approved to ensure durability, safety and a long life.

When Global began manufacturing office furniture we started with a simple philosophy: build a quality product that the average person could afford. Four decades later that same philosophy is an integral part of our social responsibility and commitment.

### better products better future

A chair shouldn't end up in a landfill simply because a caster breaks.





### corporate social **responsibility**



As a large corporation, Global has an obligation to take our culture of sustainability outside our own four walls and into the community. We extend our environmental programs to include our suppliers and customers by:

- Taking responsibility, as a manufacturer, for the resources we use and the products we create through cradle-to-cradle analysis of resources and a product take-back program.
- Providing sustainable Greenguard-certified products to help developers, architects, designers and planners achieve LEED certification for new buildings.
- Using our purchasing power to support third-party suppliers in their innovation of sustainable products and technologies.
- Taking our core values for environmental health & safety management and including our commitment for social responsibility.

Global defines corporate social responsibility (CSR) as the balanced integration of social and environmental considerations into business decisions and operations.

Global supports and promotes social accountability standards and applies these guidelines and requirements to the organization to help achieve its sustainability goals and business aspirations, thereby improving social and environmental conditions. Our social responsibility policy is a core part of our commitment to support and develop a sustainable future for the company, while balancing social dimensions in our local communities.

Global is committed to social responsibility, and as such, we strive to uphold our social, ethical and environmental conduct as outlined in our Social Responsibility Guidelines.

Labour and human rights Global shall comply with and uphold all applicable standards, laws and regulations related to human and labour rights. We shall comply with all applicable child labour laws, including those relating to young workers, minimum age limits, limitations of hours worked, and prohibitions against certain types of work, including forced and compulsory labour.



We lead by example. We work collectively bringing out the best.

#### social collector accountability standards



**Diversity, equity and inclusion** Global is committed to being an equal opportunity employer and will treat our employees with respect and dignity. We shall promote employee diversity within our operations via the Employment Equity Committee and will not tolerate any forms of discrimination, harassment or abuse. Global's goal is to work toward an environment of inclusiveness for all of our people, regardless of culture, race, colour, sexual orientation and gender identity, family status, age, disability, or faith and religion.

- Our GHG (greenhouse gas) emissions have been reduced by 15% over the past four years. Thanks to our transportation management program, we have been able to track and reduce by 6% our GHG emissions from transportation.
- Our Chemical Management program allows tracking chemicals of concern for both humans and the environment and ensuring the correct management of the chemicals as well as the establishment of reduction of targets.
- Global's corporate social responsibility program covers a full range of aspects, such as employee health and safety management, labour and human rights, inclusiveness, engage in community outreach and involvement as well as supply chain social responsibility practices.



Our air pollutant emissions have been reduced by 67% over the past four years.

#### employees + community our results





Values, ethics and integrity Global shall strive to maintain highest ethical standards and strictly comply with all laws and regulations on prohibited business practices. The company will strive to demonstrate good corporate governance, transparency, and accountability, including business codes of conduct. We lead by example, all levels acting in a way that exemplifies what we expect of each other.

#### the global commitment

We work collectively, bringing out the best in each other and creating a strong and successful working relationship. We respect the people we work with on a day-to-day basis for who they are and for their knowledge, skills, and experience as individuals and as teams. We aim to manage all situations professionally, constructively and with candor. Above all, we act with integrity, constantly striving to be open and honest in our communication, sharing information, advice and insight.

**Community outreach and involvement** Global takes great pride in our community outreach and involvement throughout our company and supply chain management processes. We are committed to our communities – acting as responsible corporate citizens and broadening our skills, experience, and perspectives through work in our communities. Our ongoing goal and commitment is to continually perform as a good corporate citizen, making a difference in how we do business and making a positive contribution to benefit our company, our employees and their families, the environment and the community at large.

The Company also directly makes charitable donations, employees contribute with fund-raising initiatives, such as "Casual Fridays", with money being collected, cheque's issued to charities in the Greater Toronto Area and these donations are reported on the Company's intranet and employee newsletter. Recipients of these employee charitable acts include: Crohns and Colitis Foundation, Multiple Sclerosis Foundation and Prostate Cancer Research Foundation and the Save the Children Fund.



#### giving back, **our community**





The Company and its employees have also donated monies to the United Way, Red Cross and other organizations following major catastrophes overseas such as the catastrophic Tsunami in South-East Asia (for its employees of Tamil origin from Sri Lanka) and for a devastating earthquake in central Italy (also for its employees of Italian origin).

Donations of products – chairs and filing cabinets – are made to a broad range of charitable and community groups. Recently the following donations were made:

- Health-related: The Kidney Foundation of Canada, Ferrari Maserati of Ontario Rally for Sick Kids (hospital), Baycrest Pro-Am Hockey Tournament, Brain Tumour Foundation.
- Education and rehabilitation-related: The Angel Foundation for Learning, Sanfilippo Research Foundation, Reach for the Rainbow and the Herbie Fund.

**Health and safety** The health and safety of our employees, contractors, suppliers and visitors is of the utmost importance to Global. We ensure that company policies and procedures and communicated to and adhered to by all persons working for and on behalf of the organization. Global acknowledges the need for the industry to be environmentally responsible for the welfare of future generations as well as providing a work environment that is safe and healthy and free from violence and harassment for all employees.

### improving social + environmental conditions



Providing a work environment that's safe. **Supply chain development** Global encourages its suppliers and subcontractors to share this commitment and to improve their practices and performance on social, ethical and environmental issues. We encourage our suppliers and subcontractors to exhibit leadership in social responsibility through communication, their activities, and goods and services while maintaining a competitive position in the market.

Corporate Implementation of Third-Party Standards and Voluntary Programs

- ISO-14001
- BIFMA X7.1 Furniture Emissions Standard
- Greenguard and Greenguard Children & School Program
- Level Certification to the ANSI/ BIFMA e3 Sustainability Standard
- Waste 2 Wonder
- Social Accountability 8000

- Corporate Social Responsibility
- Greenhouse Gases (GHG)
  Voluntary Reporting
- Design for the Environment (DfE)
- Energy, Waste and Water Management
- Transportation Management
- Chemical Management
- · Design for durability
- End of Life Program

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