Humanscale®

CORPORATE SOCIAL RESPONSIBILITY
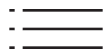
Making a Material Difference.

Healthy Ingredients for

Like a drop in the ocean, every decision we make creates a ripple effect far beyond our backyard. We, and all manufacturers, must aim to make that impact a positive one.

In 2019 we continued that journey, finding ways to eliminate Red List materials, tracking our indirect GHG emissions and discovering the broader impacts of our products, and actively participating in the way our industry thinks about sustainability. Part of our process involves inviting customers, suppliers, and industry partners to join us in making a positive impact.

We believe that our collective actions – both big and small – can make the world a better, healthier place.

CONTENTS

Going beyond sustainability — making tangible, positive impacts.

HEALTHY MATERIALS

Our quest to eliminate harmful materials from our products leads us to new innovation.

CLIMATE IMPACT

Tracking emissions beyond our organization allows us to see our true impact.

SUSTAINABILITY AMBASSADORS

A group of dedicated Humanscale employees promotes sustainability through positive action.

LEADERSHIP

We hosted the NextWave Summit, which brought together major corporations and sustainability experts.
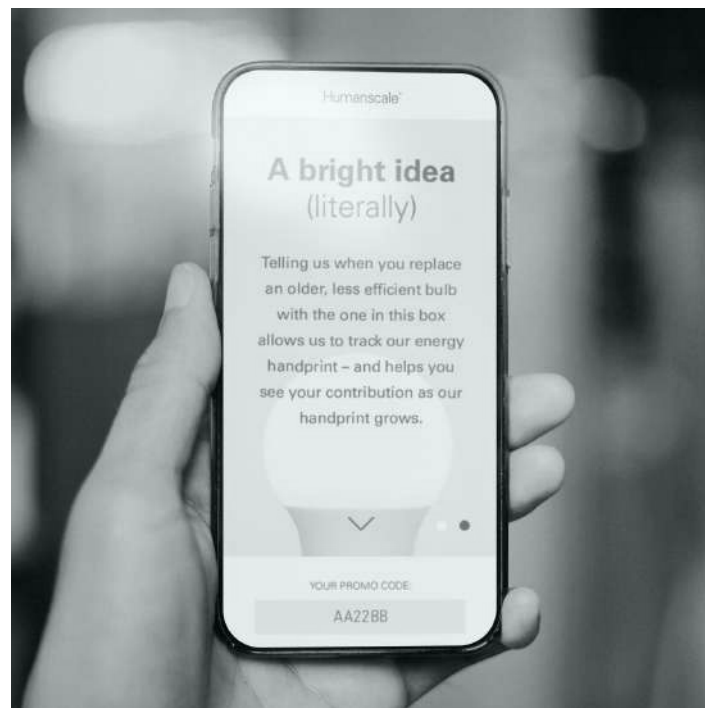
HANDPRINTING

We're partnering with community organizations to make a measurable impact.

DESIGN INNOVATION

We showcased our innovative work on design and sustainability at the prestigious Milan Triennale.

A factory, or a company, for that matter, can be like a tree — self-sufficient and positively contributing to the overall environment.

As a company, we have a strong history of making people better off by designing products that are functional, easy to use and sustainable. As a manufacturer, it's our goal and responsibility to make both people and our environment better off as a result of our operations. Our net positive impact approach – or aim to always do more good than harm – is applied to everything we do. This report details our most notable efforts over the past year as well as updates ongoing initiatives that steer us towards a net positive future.

In particular, this report features the lengths we take to ensure the materials we source from various suppliers are Red List-free. Today's global crisis makes it clear that it's more critical than ever that manufacturers are held accountable for their abuses in creating toxic waste and pollution. The Red List chemicals found in many commonly used materials in our industry not only have a devastating impact on the health of our planet, but also on the health of poor communities around the world. That's why we believe responsible sourcing along with material transparency is so important. Transparency is a powerful tool that allows customers to make thoughtful and informed decisions that will eventually force manufacturers to use healthier and more sustainable materials.

Without the accountability of transparency, companies will continue to make choices that prioritize profitability over sustainability. In the meantime, we are dedicated to championing environmental and social justice and advocating for industry-wide adoption.

I'd be remiss if I did not address our inevitable contribution to global warming. Our, and any other company's, every action has a direct impact on how future generations will live on this planet. Much like the way the tree benefits the world around it, I strongly believe all of us can do our part to a better world for years to come. It is our mission to become self-sustaining, operating on our own water, power, and other resources, and ultimately make a positive contribution to the environment.

I want to especially thank Jane Abernethy and our ecosystem of dedicated thinkers and doers for all of their hard work in 2019, and in years past. I'm proud that together, as a team, we continue to do our part to create a brighter future for all.

Bob King
Humanscale Founder and CEO

Less bad = Not good enough

Beyond Sustainability

We realize how much we impact the world: from our daily operations to our employees, our vendors, our customers and the local and global community. We see this as an exciting opportunity and a serious responsibility.

As we hear reports of social and environmental degradation - the extinction of wildlife and loss of wild spaces; the growing amount of ocean plastic; severe weather events and rising sea levels from climate change; and increasing health impacts as chemicals of concern continue to be used in manufacturing - we realize that it's no longer sufficient for companies to reduce their harmful impacts.

We must be part of the solution and give back more than we use. A tree in a forest aims to grow and expand as much as possible. But at the same time, the tree provides shade, oxygen, and even fertilizer through their leaves. They use resources to grow, but ultimately give back more than they take. If we want to live at peace with the planet, then our factories must be like trees; our companies like a forest.

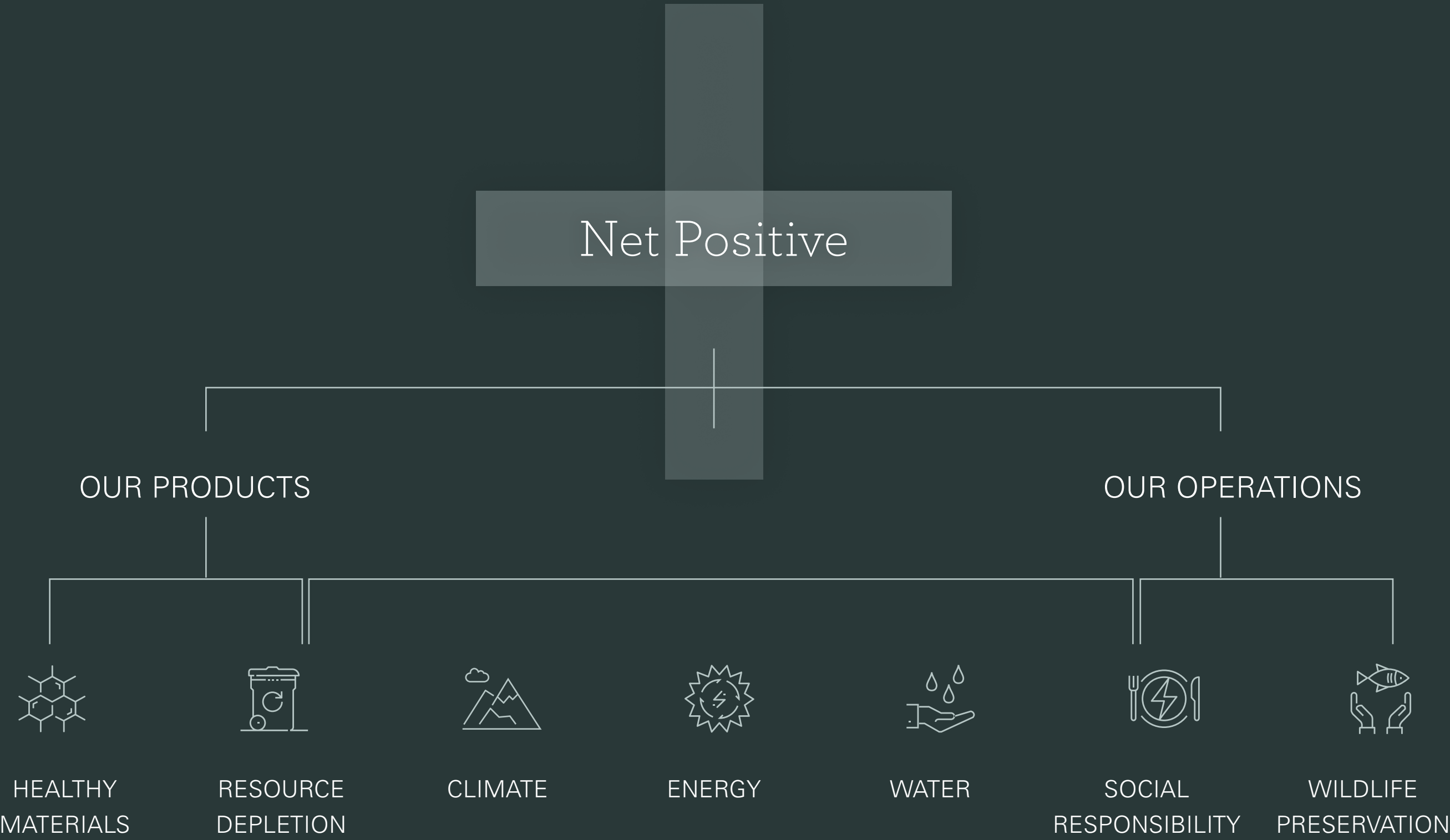Achieving Living Product certification gave us a tangible example of what being net positive looks like.

This past year we continued to grow our sustainability initiatives in a number of areas.

By taking on the goal of being net positive, or doing more good than harm, we change who we are in the world. Instead of just accepting that manufacturing comes with negative impacts, we aim to create products in a way that leaves the world a little better off than we started. This means we aim to be a small part of the solution to some environmental issues, instead of remaining part of the problem. We measure and calculate our impact for water, energy, climate, waste, chemicals, and now we're starting to assess the social impact of manufacturing. Every year we build on our programs, expand our efforts and get closer to our goal.

This past year, our sustainability initiatives grew in a number of areas. Our internal team of Sustainability Ambassadors doubled in size and now represents 12 different countries. Our operations team integrated goals for key aspects, like water, energy, waste and greenhouse gasses. Our clients began to join us in handprinting, creating a positive impact. Through the NextWave Initiative, we hosted leaders in sustainable manufacturing at our New York City headquarters. And our sustainable design concepts were featured at the premier international design exhibition, the XXII Triennale di Milano, Broken Nature: Design Takes on Human Survival. Our focus for 2019 was on continually strengthening our own approach while also sharing the importance of sustainable manufacturing with others.

Jane Abernethy
Humanscale Chief Sustainability Officer

Net Positive

OUR PRODUCTS

OUR OPERATIONS

HEALTHY
MATERIALS

RESOURCE
DEPLETION

CLIMATE

ENERGY

WATER

SOCIAL
RESPONSIBILITY

WILDLIFE
PRESERVATION

What does this mean for us?

Becoming net positive means that manufacturing is part of environmental and social solutions. We evaluated our manufacturing and operational activities to understand our key impacts: energy, water, emissions, resource depletion, wildlife preservation, social responsibility and healthy materials. In each impact, we consider what it would take to go "beyond sustainability" to making a truly positive impact on the world around us.

How do we get there?

Net positive requires a balanced approach where we continuously examine impacts on both a local and global scale. For example, minimizing waste water at our

facilities reduces the burden on local municipal water treatment systems. On the other hand, developing product life cycle assessments lets us examine water use across our global supply chain. We use the framework of the Living Product Challenge, dialogue from the Net Positive Project, and guidance from the SHINE program at MIT to calculate both our negative and positive impacts using robust methods. And we evaluate our ongoing progress toward the goal of doing more good than harm.

And we're just getting started.

Each year, we identify the next steps in our journey to be net positive, and then set specific goals for the year.

Key stakeholders from within the company (those who will be either working on or affected by the goals) weigh in to make sure our goals are as aggressive as they can feasibly be and our CEO has the final approval. This keeps all our internal teams aligned, motivated, and inspired as we work to leave the world better off.
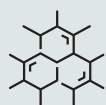
HEALTHY MATERIALS

As of 2019, we've completely eliminated Chrome 6 from all products.

✓ The M2 and M8 monitor arms were redesigned as M2.1 and M8.1

✓ The Occasional chair base is now Chrome 3

✓ Our foot rings are Chrome 3

✓ The coat hanger that can be ordered on the Freedom chair is now coated in Chrome 3

GOALS FOR 2020

Eliminate all PFC stain resistant coatings, Halogenated Flame Retardants (HFRs), and Antimicrobials from all products

RESOURCE DEPLETION

Our 2019 goal was 88% waste diversion from production in Piscataway, Dublin, Nogales, and Fresno.

✓ Global diversion rate was 86.9% for 2019

✓ During 2019 we relocated a major warehouse, which required updating waste procedures and retraining staff

GOALS FOR 2020

90% waste diversion

5% reduction of cardboard

Eliminate single use packaging for one product

CLIMATE

Calculated Humanscale's Scope 3 greenhouse gas emissions or "indirect climate impacts."

✓ Our Scope 3 impacts have been calculated and verified by a 3rd party

GOALS FOR 2020

Set a Science Based Target for reductions

Doing more good than harm

ENERGY

10% normalized energy reduction over our 2011 baseline year

✓ We have met this goal each year by increasing our production more than increasing our emissions

GOALS FOR 2020

Update energy reduction goal to support updated greenhouse gas reduction goal

WATER

Rainwater to be used in Dublin

✓ Dublin facility rainwater reuse system designed and funded in 2019 with installation to be complete in January 2020

GOALS FOR 2020

Conduct feasibility study to implement rainwater reuse system at Nogales facility

SOCIAL RESPONSIBILITY

One local volunteer event hosted by each Sustainability Ambassador

GOALS FOR 2020

Partner with companies with a good reputation for sustainability on a positive impact project

Have 80% of our suppliers audited for sustainability & social impacts

WILDLIFE PRESERVATION

WWF Cambodia project continues to be maintained

GOALS FOR 2020

Launch additional product that incorporates ocean plastic

Creating a more comfortable place to work

Who We Are

Humanscale is the premier designer and manufacturer of ergonomic products that improve health and comfort in the workplace. Our functional, yet minimal designs and ergonomic consultation services help transform traditional offices into active, intelligent workspaces.

We have become an industry leader in sustainability, advocating for more rigorous standards and incorporating a Net Positive philosophy into every aspect of our business.

Customer Health and Safety

Our team of full-time, professionally trained ergonomists ensures we adhere to the most up-to-date industry guidelines and research throughout the product development process and during on-site evaluations we perform around the globe.

During product development, 100% of new products are assessed for health and safety impacts. Our products are periodically included in academic studies that demonstrate their ergonomic benefit.

There were no incidences of our products not meeting health and safety compliance in 2019.

Everyone deserves a healthy workspace

Leading Sustainability Innovation

Humanscale is committed to having a positive effect on both people and our environment. From keeping people healthy throughout the workday to making sure we use no toxins in our products, we ultimately aim to have a net positive impact across our entire operations. But that goal doesn't start and end with us.

We continue to partner with like-minded organizations who share our commitment and vision for a more healthy world. In setting aggressive standards of our own and partnering with global leaders and platform, we're dedicated to charting new paths and setting a higher standard for corporate social responsibility worldwide.

In addition to partnering with Bureo to protect our oceans, Humanscale is a founding partner of the NextWave Initiative. Led by Lonely Whale, this consortium includes companies such as Dell and Interface and is focused on developing a distribution web that supports the reuse and repurposing of plastic before it ever reaches the ocean. As companies who already had programs in place prior to the NextWave Initiative, our collective goal is to spread our message of net positivity and make it a shared global mission.

Bringing Innovators Together

NextWave Summit, New York, September 18th – 19th, 2019

In September 2019, Humanscale hosted the NextWave Summit at our New York headquarters.

@Josh Withers / Unsplash

Attendees included Dell, GM, Herman Miller, IKEA, Interface, HP, Loreal, and Solgaard, who gathered together to hear leading experts discuss the impact of plastic pollution, policies and opportunities for improvement, and material innovation. Speakers included Dr. Ayana Elizabeth Johnson from Ocean Collectiv; Rachel Karasik of Pew Charitable Trusts and the Nicholas Institute for Environmental Policy Solutions; Adam Wolfensohn of Entourage Capital; and Brett Stevens from TerraCycle.

During this summit, the Initiative's Social Responsibility working group planted the seeds for a consortium-wide group that would gather during 2020 to develop a framework for fostering social responsibility in ocean-bound plastic supply chains, with special consideration for the unique needs of and conditions in informal supply chains.

To close out the two-day meeting, attendees engaged in a roadmapping activity to identify the key elements of NextWave Plastic's 2020 strategy and core activities.

The refined elements can be found in the NextWave Plastics Annual Report.

⟶   Read the Annual Report

Materials and the Environment

We're keenly aware that the materials we use have an impact on the environment – their production relies on raw materials extracted from nature. So when we design a new product, we carefully weigh the impact it will have, starting with our supply chain and ending with the end of that product's useful life. We design to use less materials, choose carefully the ones we do, and make products that last a long time.

We regularly review our material use through monthly product reports generated by our facilities and evaluated by our Sustainability Team. These reports help us complete LCAs for our products and help guide product development, allowing us to regularly refine designs to use materials that have less of an environmental impact. Each year, we evaluate this process, ensuring it's still effective and determine whether we need to gather additional data.

TOTAL WEIGHT OF NON RENEWABLE MATERIALS USED IN PRODUCTION AND PACKAGING OF PRODUCT

Piscataway	7,461,584 kg
Fresno	1,388,316 kg
Nogales	802,411 kg
Dublin*	5,901,134 kg
Dublin alone:	4,502,040 kg
TOTAL	15,553,445 kg

RENEWABLE

Piscataway	1,776,656 kg
Fresno	427,796 kg
Nogales	164,345 kg
Dublin*	646,380 kg
Dublin alone:	207,045 kg
TOTAL	3,015,177 kg

RECYCLED INPUT MATERIALS

Piscataway	32.76%
	3,026,559/9,238,240 kg
Fresno	38.67%
	702,369/1,816,112 kg
Nogales	31.84%
	307,825/966,755 kg
Dublin*	31.42%
	2,057,227/6,547,514 kg
Dublin alone:	27.86%
	1,312,025/4,709,085 kg

*Dublin production material supplies European and Asian markets.

Function—Simplicity—Longevity—Beyond Sustainability

Humanscale New York Design Studio

Our guiding principles for good design also lead to the most sustainable products.

FUNCTION

The products we create solve a real need, and will continue to do so over time.

SIMPLICITY

By consolidating features and removing unneeded parts, we use less material to make more robust products.

LONGEVITY

Our products are durable and effective, but also have a timeless aesthetic, so people want to use them as long as possible.

BEYOND SUSTAINABILITY

We go beyond reducing our negative impacts by making positive, regenerative ones.

Broken Nature / Design Takes on Human Survival

In partnership with

ARUP

USA Pavilion at the XXII Triennale di Milano

Milan, March 1 – September 1, 2019

In 2019, Humanscale and design firm Arup curated RECKONstruct an exhibit at the Milan Triennale, representing the United States.

The 2019 show was built around the theme of "Broken Nature: Design Takes on Human Survival" and explored restorative design and the ways we connect to our natural environment.

We were thrilled to have the opportunity to share our perspective and innovative concept work on design and sustainability on a global stage. The immersive RECKONstruct exhibit, which ran from March to September, was visited by an estimated 500,000 attendees.

→ brokennature.org

→ reckonstruct.org

From Oceans to Office

This chair gives back:

Water 21 gal.

Energy 25 kWh

Emissions 7 kg CO2e

In partnership with Bureo

Smart Ocean is the most sustainable task chair in the world - leaving the world measurably better off.

Almost 2 lb of fishing nets go into each Smart Ocean, cleaning up the ocean of the most harmful type of ocean plastic.

In 2016, Humanscale began a partnership with Bureo, an emerging venture developing innovative solutions to prevent ocean plastic pollution. Bureo founded Chile's first fishing net collection and recycling program, called Net+Positiva, that retrieves discarded nets from the ocean.

Discarded nets are regarded as the most harmful type of fishing nets as they can "ghost fish" for years, damaging delicate ecosystems and the marine animals that inhabit them. Through their program, Bureo works directly with coastal communities across Chile to clean, mechanically shred and pelletize discarded fishing nets. These resulting pellets, or Bureo's 'NetPlus' material, are then ready for manufacturing in products like Smart Ocean.

Recycling and repurposing plastic in this and other innovative ways keeps it out of the ocean and helps to mitigate many environmental issues.

As the infrastructure for net recycling becomes more developed, we hope to expand our use of Bureo's net material and continue to make a positive impact on the world around us.

Achieving Net Positive

Each Smart Ocean not only incorporates almost 2 pounds of recycled fishing net material, but is also Living Product certified — meeting the most rigorous sustainable manufacturing criteria to date.

As of 2019, we've made over 10,000 lbs of discarded fishing nets into Smart Ocean chairs.

Disused equipment and wire is often burned to receive usable metal.
Photo: Thomas Imo/Photothek via Getty Images

It's often the poorest communities around the world that pay a steep price for the use of red list ingredients.
We're proud to lead our industry in the elimination of these chemicals.

—**Bob King**, Humanscale Founder and CEO

Humanscale has eliminated the use of Red List ingredients over the past years and will continue to do so, setting an example for other larger companies and our industry as a whole.

Children play outside their home next to a polluted canal. Residents of the neighbourhood slums are exposed to extreme pollution in the air, water and soil.

Our Materials Matter

Vinyl (PVC) is an example of a material that is widely used in the built environment but often has tragic effects in poor communities around the world. Vinyl is not toxic during use but is toxic during manufacturing and disposal. Electric wires, for example, are vinyl covered copper which has a high value. Discarded wire is often recycled by stripping the vinyl away and retaining the valuable copper. This recycling is almost exclusively done in poor communities in Africa and Asia. Vinyl is often burned off, filling the air with potent carcinogens for everyone in these poor communities to breathe. We've eliminated almost all PVC from our products and replaced it with polyurethane, which is safe but about 40% more expensive.

These, and hundreds of other Red List chemicals, are not only having a devastating impact on the health of our planet, but also on the health of poor communities around the world.

Transparency allows customers to make thoughtful and informed decisions that will force manufacturers to use healthier and more sustainable materials. Without the accountability of transparency, companies will continue to make choices that maximize profitability over the well-being of our communities and our environment.
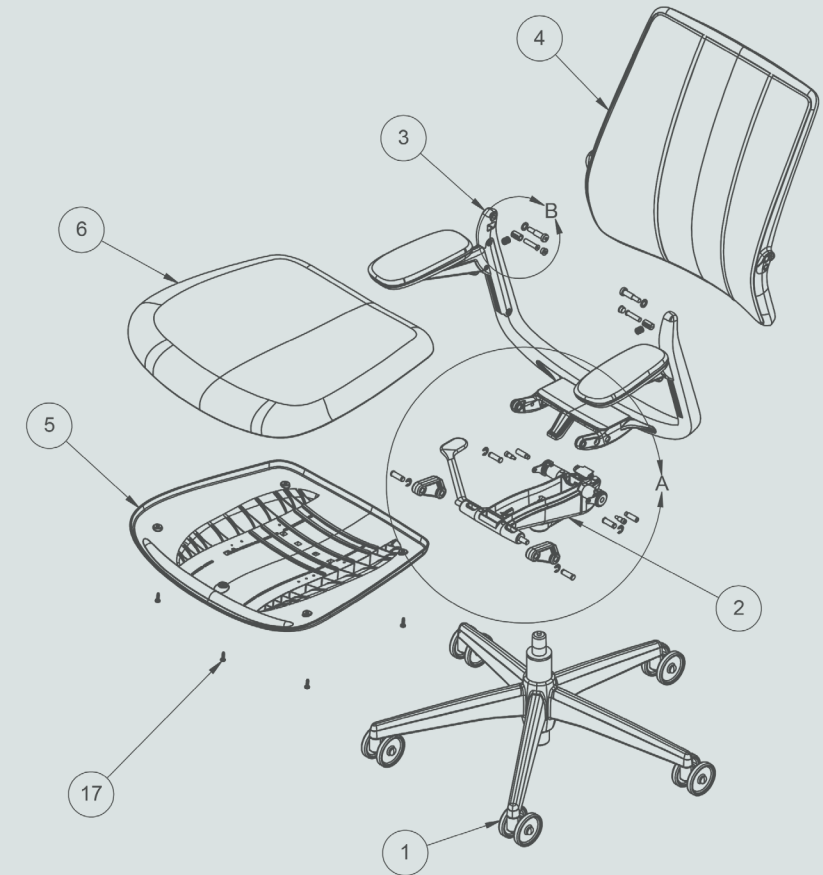
Material Transparency

We strongly believe that furniture products should have ingredient labels — much like food — that clearly disclose what they're made of.

Knowing what our products are made of is important for a few reasons. It allows people to make educated purchasing decisions before introducing a potentially harmful chemical into their home or office. It inherently incentivizes manufacturers to improve their products by removing chemicals of concern. And with the growing adoption of such transparency, the industry and consumers advocate for further research around the impacts of specific chemicals – a win for us all.

However, listing out all the chemicals can be complex. If each company did it differently, it would be impossible for anyone to make sense of it all. To streamline the way data is communicated, we use two standard industry labels: Declare labels and Health Product Declarations (HPDs). Both of these formats are self-declarations, meaning that manufacturers gather the necessary information and publish it themselves. Having the labels verified by an outside auditor increases the data quality, so we can all be confident we truly know what is in our products.

Transparency Transforms

Total Declare Labels Published in 2019

Humanscale

30 LABELS PUBLISHED

32%

Rest of Industry

95 LABELS PUBLISHED

68%

Humanscale represents only 3% of the entire contract furniture industry.
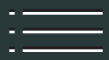
Our Commitment to Transparency

In 2018, we were proud to announce we'd published more Declare and Health Product Declaration labels than all other furniture manufacturers combined. This year, we're just as proud to note that our industry peers are beginning to take material transparency seriously; we've seen a sharp increase in the number of labels.

84% of our products sold in 2019 have transparency labels published.

In 2019, Humanscale continued to lead our industry in healthy materials and transparency through the following efforts:

- We have published more materials transparency labels than any other company in our industry

- Our Chief Sustainability Officer, Jane Abernethy sits on the Board of Directors for the HPD Collaborative

- Our Sustainable Material Specialist, Luke Zhou leads the HPD's supply chain working group

- We began having our labels third party verified to ensure the highest quality and most complete information

- We've shared the message of healthy materials with hundreds of architects and designers to help them make informed decisions
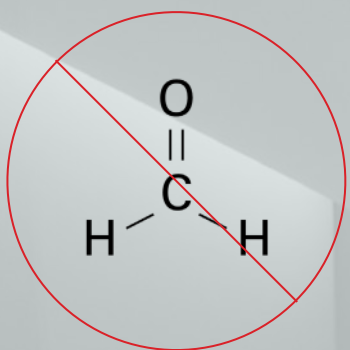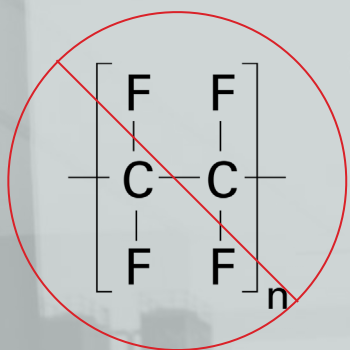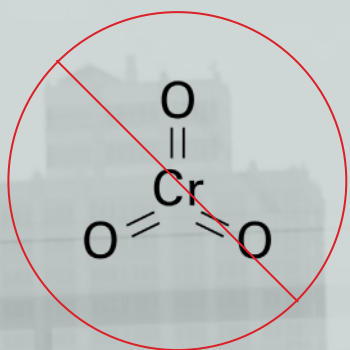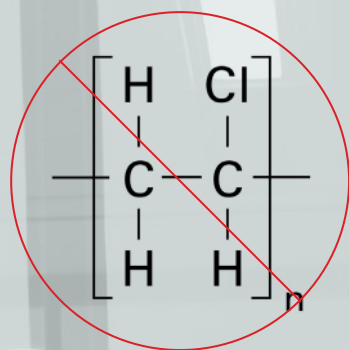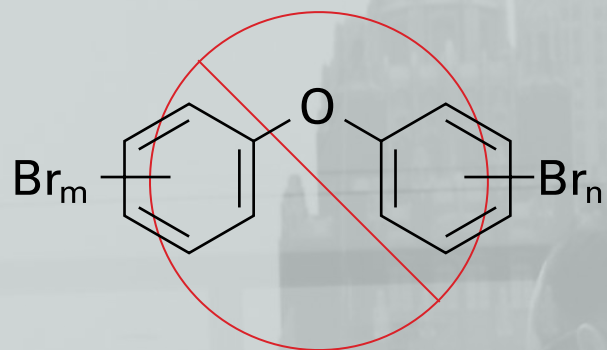
No Formaldehyde

No PFAS

No Chrome 6

No PVC

No HFRs

Small* Details are Transforming an Entire Industry

* Red List ingredients like asbestos and formaldehyde tend to make up very small amounts of the total volume of a commercial product. They are often found in coatings, finishes and additives.

The effort required to remove them is much larger.

→ living-future.org/declare/declare-about/red-list/

The Red List is a list of harmful chemical contaminants that were identified because they pollute the environment, bio-accumulate in the food chain, and/or are harmful to human health.

Formaldehyde, for example, off-gases into the environment. Others, like the industry-standardized Chrome 6, pose danger during the manufacturing process. This part of the process is typically "out of sight, out of mind" for the consumer but causes suffering and increased mortality in impoverished communities. We feel it's unethical to support this practice.

Changing the industry only happens when people ask for change. We work closely with our suppliers, and through our supply chain, to remove Red List ingredients. As we demand safer chemistry, our suppliers begin to offer safer alternatives, creating a ripple effect that improves the industry standard.

But change isn't driven by manufacturers and suppliers alone. We encourage our customers to make informed choices and demand products made without chemicals of concern. Some manufacturers make it sound like an impossible request, but our work shows that's not the case. The stories that follow illustrate how with commitment, teamwork, and ingenuity, we were able to ensure our products are functional, cost-effective, and free of harmful materials.

Working Together to Find a Solution

Removing Red List Ingredients from Powder-Coatings on QuickStand•Eco

After evaluating a number of materials for the surface of QuickStand Eco, we finally landed on powder-coated formaldehyde-free MDF. Unfortunately, in doing so, we encountered a new challenge: the powder-coat we were using on the work surface also contained a Red List chemical.
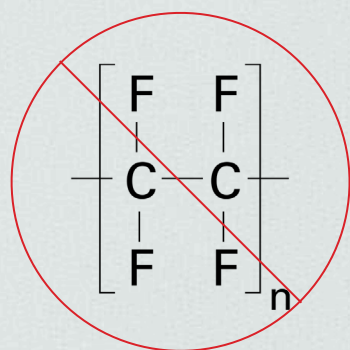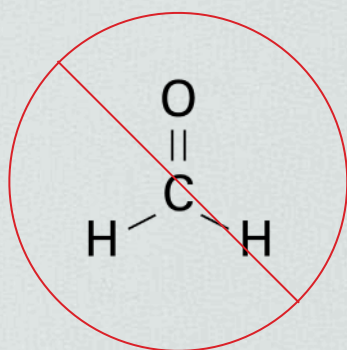
No PFAS (Teflon)   No Formaldehyde

www.epa.gov/formaldehyde/facts-about-formaldehyde#whatare

The chemical, Polytetrafluoroethylene (PTFE, from the same chemical family as "Teflon"), is a known endocrine disruptor, which means it interferes with the body's hormones and can have neurological, reproductive, developmental effects and cancerous tumors. The chemical made up a very small amount of the powder-coat, which itself makes up a small percentage of the whole product, but we didn't want to put more of this chemical into the world.

Finding a new powder-coat formulation presented a special challenge, since PTFE aids in heat curing. We found a supplier, DVUV, who was willing to experiment with different formulations to find a powder-coat that would adhere properly to the MDF. DVUV tried 100 formulations before they found a solution. In the end, DVUV completely replaced the PTFE in the formulation with a material derived from naturally occurring clay mineral. The investment was well worth it for DVUV also. UV powder-coating is already free of solvents, VOCs, HAPs, and other irritants, and the process itself has a much lower carbon footprint than traditional heat-cured powder-coating. Now it would also be Red List free.

We felt that having even one Red List chemical in production just wasn't right.
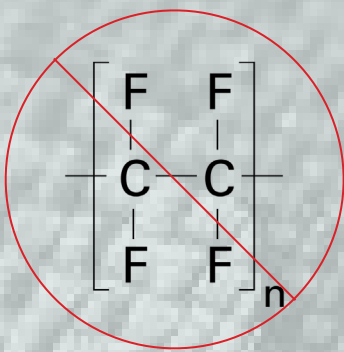
Luke Zhou
Sustainable Materials Specialist

Smart chair achieved full Living Product certification in 2016 which requires products be free of all Red List chemicals.

Questioning the Status Quo

Rethinking Stain-resistant Coatings on Smart Chair

No PFAS

Our goal to use healthy materials brought to light an industry standard that many manufacturers fail to question: stain-resistant coatings.

Stain-resistant coatings are applied to fabrics to repel liquids and oils (like mustard, for instance). They are sold as a way to make furniture stay newer looking for longer, and are a standard last step in manufacturing textiles for furniture.

When we reviewed the material ingredients of these coatings, we discovered they contained chemicals of concern. Durability is one of the considerations in sustainability, so we needed a way to keep the product durable without harmful chemicals.

We initially had samples of textiles made with no coating, which were tested with the standard stain tests of red wine and mustard The results showed a difference; the coated textiles had higher stain resistance than the uncoated version.

We knew the textile itself is very durable, but our textile designer realized that we didn't know how durable the coating was — how long was the coating actually staying on the textile? This led us to develop a durability test with a government lab. We conducted the Wyzenbeek abrasion test, which tests a fabric's ability to withstand wear from rubbing, and periodically stopped the machines to do a stain resistant test. This led us to the surprising discovery that, while the textile itself would last for 150,000 double rubs, most stain resistant coatings wore off after only 5,000 double rubs. The coating likely only stayed on the chair for the first few months of use!

What if we left these coatings out altogether?
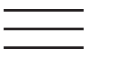
We had no history of quality issues with stains on chairs a few months old, so we realized that the coating wasn't adding any practical value. We also realized that when the coating rubbed off it had to be going somewhere. Was it becoming dust that can be inhaled? Was it sticking to people's clothes? Could it be ingested if people ate at their desks? It became imperative to remove all the PFAS / PFC stain resistant coatings from all our textiles.
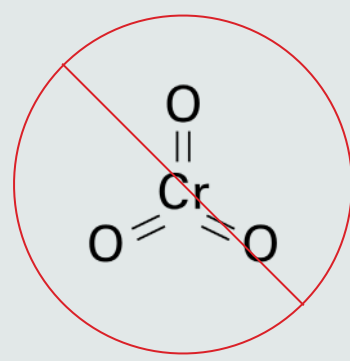
By questioning the status quo and approaching the problem creatively, we were able to eliminate Red List chemicals without adding cost or compromising performance.
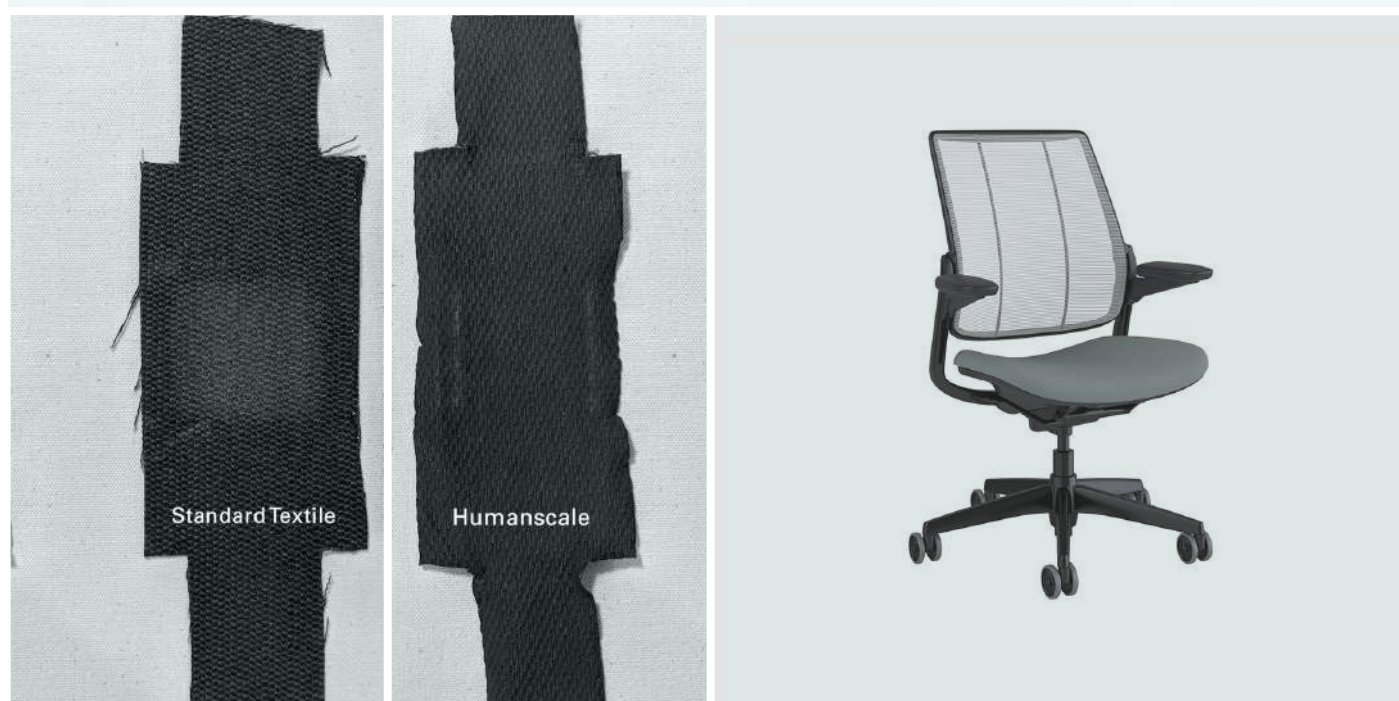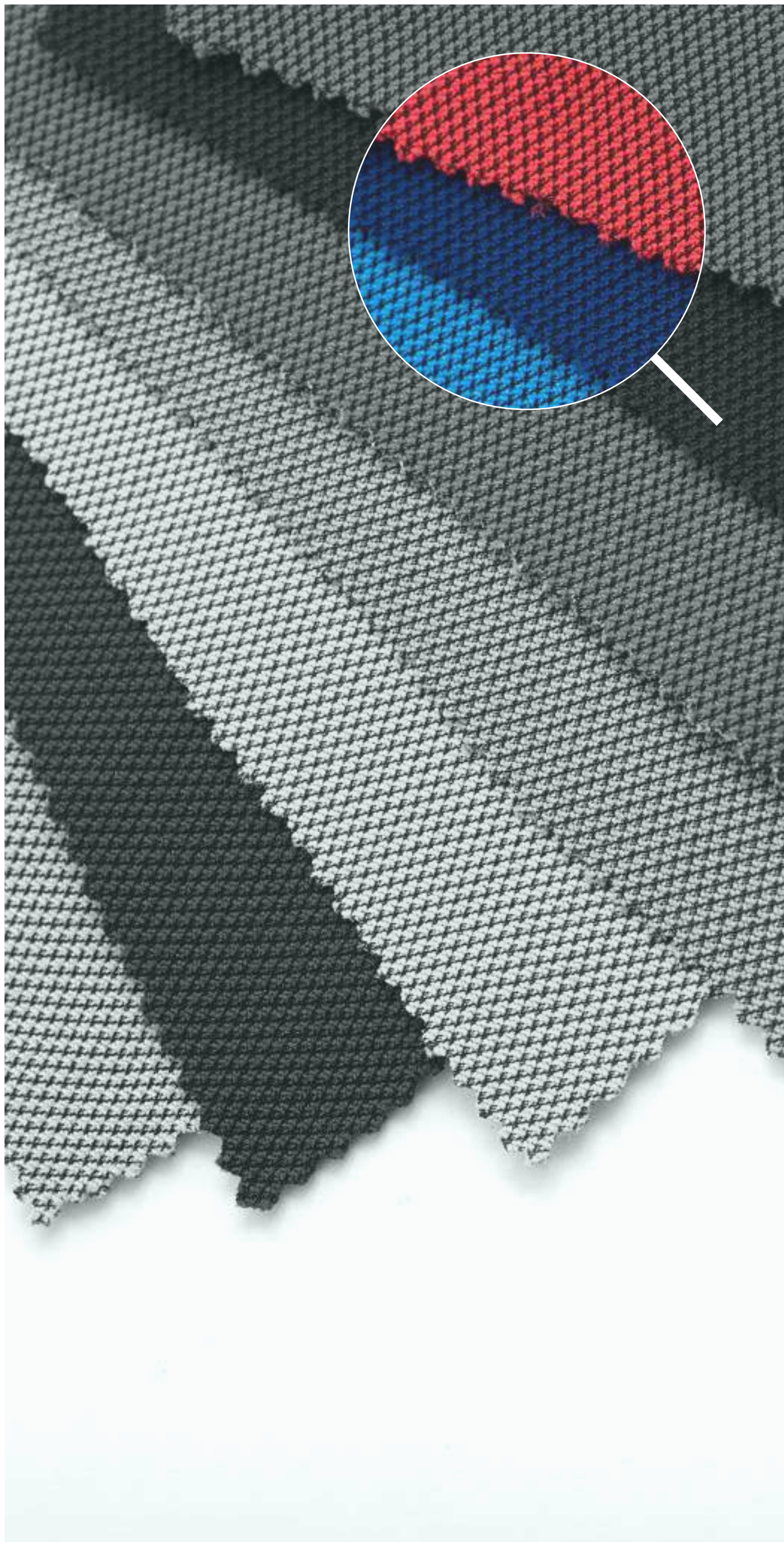
A Materials Change Prompts a Design Change

Chrome 6 designed out of our Monitor Arms

$$O$$
$$\|$$
$$O = Cr = O$$

No Chrome 6

At times our commitment to removing Red List materials means also committing to rethinking product design. Our goal is always to maintain the function, durability, and aesthetic.

Chrome plating is a common finish for metals because of its sleek shiny aesthetic, its durability, and low cost. While it's often inert once it's plated, Chrome 6 is a known carcinogen and reproductive toxin. It poses a health risk during the plating process and can work its way into the surrounding environment, including drinking water, directly affecting the lives of people who work with it and who live nearby.

The M8 monitor arms were designed with two "friction hubs" that allowed the arm to be adjusted to the weight of the monitor it was supporting. These hubs were made of Chrome 6 plated steel to be durable enough to manage the monitor's weight and to form a key design element.

We explored a number of options to remove the Chrome 6. We attempted to replace it with Chrome 3, which is not a chemical of concern, but we were unable to find a reliable vendor who could provide at an acceptable cost. We prototyped a powder-coated version of the disks, but the durability and aesthetic didn't meet our design requirements.

In the end, we redesigned the monitor arms. The new design eliminated the friction hubs and instead replaced that function with a small screw, which users turn to adjust a spring inside the arm. The hubs are still represented as a design element, this time in high-gloss Red List-free plastic.

The Chrome 3 Challenge

Our search for vendors who use Chrome 3 in plating has been a challenge. Plating with Chrome 3 requires much more precision than Chrome 6, and is not the industry standard, both of which drive up the cost. In our search, we discovered many vendors claimed to use Chrome 3 but were, in fact, using Chrome 6. Sustainable Materials Specialist, Luke Zhou, was able to visit vendors in person and confirm the type of material and equipment they were using, and several times discovered vendors were claiming to use one process but really using another. We have now found a vendor willing to use Chrome 3 for small parts and are confident in the ingredients.

Many vendors claim not to be using toxic Chrome, but in fact are using Chrome 6.

Chrome 3 has a slightly warmer color than Chrome 6.
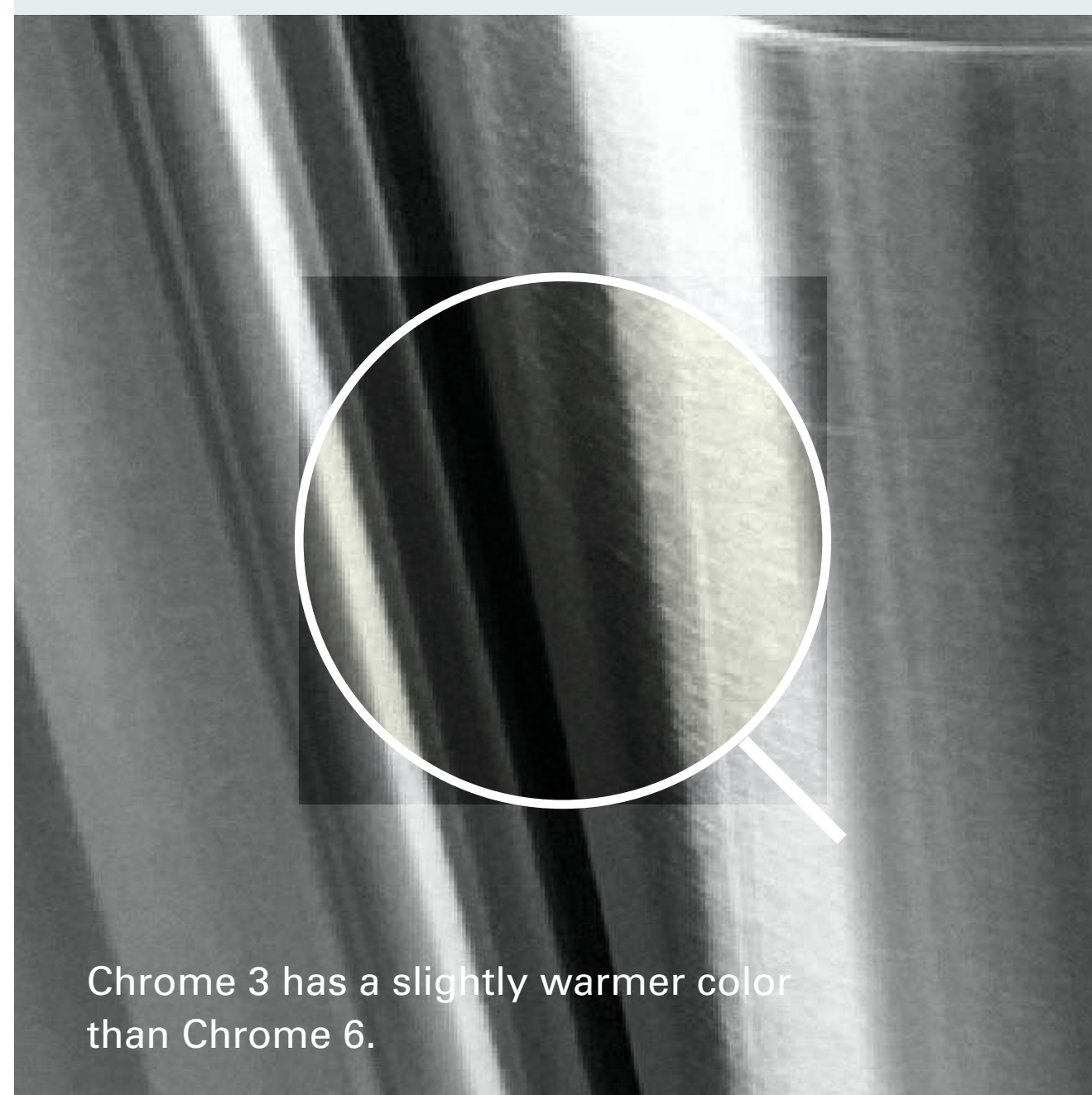
Chrome 3 vs. Chrome 6

Chrome 3 is non-toxic, produces minimal hazardous waste and air emissions from processing, and it requires less energy to process.
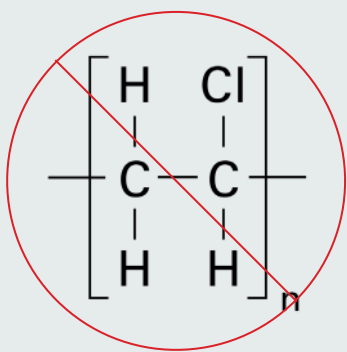
Float Table achieved full Living Product certification in 2016 which requires products be free of all Red List chemicals.

Down to the Smallest Details

Removing PVC from the Float Table

No PVC

We're proud of the way our team members step up to solve a problem, and one case in particular illustrates how vital sharing knowledge can be to helping us meet our sustainability goals.

One of our goals has been to eliminate polyvinyl chloride from our products wherever possible. Polyvinyl Chloride (PVC) is found in a range of products – everything from children's toys to building materials, like pipes and wire coatings. PVC is recognized as a Red List material due to the high amounts of chlorine it contains. It often contains chemicals of concern such as cadmium, lead, and phthalates which can have harmful effects on neurological and reproductive systems and carcinogens.

During the production of the Float table, one of our production team members noticed an area in which some hardware was rubbing against the base of the table. His solution was simple and quick: cover the screws with a strip of tape. However, the tape was made from PVC, so while the solution solved one problem, it inadvertently created another.

One of our engineers recognized the materials in the tape and knew it was a Red List ingredient. He led a project to test numerous tapes made of alternative materials, and had each version cycle tested to confirm the final choice meets all quality requirements. We finally changed out the PVC tape for one made of PP (polypropylene) instead. This goes to show that ensuring our products are free of harmful materials is a true team effort.

Reducing your footprints is a great place to start, but a tragic place to stop.

Greg Norris

Director, Sustainability & Health Initiative for
NetPositive Enterprise (SHINE)
Massachusetts Institute of Technology

While negative impacts we have on the environment make up our environmental 'footprint,' a 'handprint' is the positive change we create in the world.

Calculating Impact

Measuring handprints follows the same method used to measure footprints. A life cycle assessment (LCA) considers a product, from initially extracting raw material, through manufacturing and shipping, using the product, and finally, disposal. Impacts are measured in units, such as kWh of energy or gallons of water.

Once both are calculated, we add together all our footprints and handprints. When the total is positive, we know that we've made a net positive impact — that we're doing more good than harm, and our activities are leaving the world better off.

We always work to reduce our footprints. However, we understand it's virtually impossible to have zero footprints, so we are continuously working to increase the measured amount of handprints we have on the world around us.
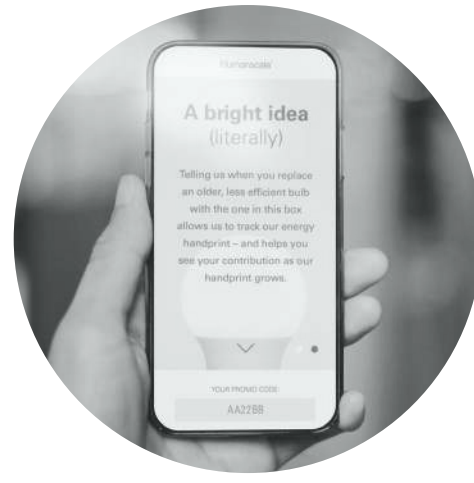
Partnering with LEAP

We partnered with the Local Energy Alliance Program (LEAP), in Charlottesville, Virginia. The organization works with (mostly low-income) Virginia homeowners to find ways to make their own homes energy efficient as a way of addressing climate change. LEAP offers energy assessments and matches homeowners with programs to help finance weatherization, solar systems, and other sustainable home improvement initiatives. In 2019, a reversal in the US government's ban on incandescent bulbs meant a reduction in funding for LEAPs LED lighting program. Humanscale sponsored 2,400 LEDs, which had a 100% installation rate and a huge impact on our handprint.

A Bright Idea

This campaign attached energy efficient LED light bulb to every Smart Ocean chair and encouraged recipients to install it and buy another for someone else. The program gave us valuable insight on the challenges of having people self-report handprinting data, as we distributed over 3,000 bulbs but collected data for 102.

Over the course of 10 years, these bulbs will have a combined savings of 30,113 kg CO_2eq of greenhouse gas emissions, 94,364 kWh of electricity, and 569,842 gal of water.

Creating a Handprint through Tree Planting

Our work with The National Forest Foundation, the official non-profit organization for the United States Forest Service, is a great example of a way to create a handprint in one specific area – in this case, carbon – through just one action.

The Foundation's goal is to plant over 50 million trees in national parks around the country.

Humanscale donated 1,837 trees in 2019. When accounting for survival rate, the trees will save 780,500 kg CO_2eq of greenhouse gas emissions. We're now recognized as one of the NFF's Small Business Partners.

Pumping Up for the Environment

Improperly inflated tires are a leading cause of increased emissions for passenger vehicles, and they increase costs (through reduced fuel economy) for drivers. Humanscale held a tire-pumping event at our Piscataway facility in 2019, where we checked tire pressure and inflated tires that were low. This resulted in savings of 3,765 kg CO_2eq of greenhouse gas emissions, 14,912 kWh of electricity, and 5,163 gal of water.

Our Sustainability Ambassadors represent the evolution and growth of our company-wide commitment to sustainability – the kind of commitment that often extends beyond the end of the workday and into our personal lives, too.

Formerly known as our Sustainability Champions, this group has grown beyond the initial ten Humanscale employees who started it in 2018, and now includes over 40 around the world. As it has grown, the group's role has evolved. The initial tasks – to inspire Humanscale employees to incorporate sustainability into everyday practices – now reaches our clients and industry partners.

In 2019, the group gave over 500 presentations to audiences including architecture and design firms and end users. "We're basically talking to anyone who can be moved by the message and willing to be changed by the story," says Amanda Munsey.

Their initiatives are tied closely to our Handprinting efforts, as our expert, Stephanie Richardson, offers up knowledge and data to help the group determine which acts or events will have the most impact. Stephanie meets with the Ambassadors during their regular calls, and she advises them on ways to ensure their conversations with clients are meaningful and effective.

Ambassadors also interact with the broader community in various ways, whether they're becoming involved with their local government to help change environmental laws, working with local schools and youth to educate them about becoming

Net Positive, or connecting with other manufacturing representatives to talk about inspiring change in their home state. Their work, like sustainability itself, touches every aspect of our lives.

Our ultimate goal is to not have to have the conversation about whether a client or partner wants to consider sustainability, but rather which aspects of sustainability are they focusing on. We want to change the mentality of everyone we work with.
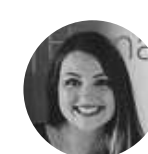
Amanda Munsey
Strategic Account Executive

Caring for the Community

Tracking activity is often a great way to inspire people to think about their behavior, so we use an application that lets participants track activities throughout the day. It shows us the impact we make every day, and guides us to make choices that go beyond merely reducing our footprint to creating handprints.

Since launching the initiative in 2017, over 500 Humanscale employees have signed on to voluntarily track their activity at work and at home. Collectively, we've completed over 15,000 activities, saving energy, reducing water use, and cutting down on our emissions.

Volunteering

300% increase in hours

Emissions

151,962 lbs CO2eq

As much CO2 as taking 24 cars off the road for a year or equals 257,364 lbs of CO2

Energy

139,570 kWh

Enough energy to power New York City for 136 seconds

Water

281,670 gal

Enough water to fill 17,124 bathtubs

Fuel

2,194 gal

Enough to move 10,000 ton freight train 103 miles

Waste

20,878 lbs

Equal to 9 dumpsters of trash

What if products improved our quality of life and helped ecosystems thrive?

Our sustainability vision has long centered around making a net positive impact. When the LPC standard was published, it was exciting for us to see a framework for evaluating progress toward net positive.

In September 2016, Humanscale was the first manufacturer in any industry to achieve the entire Living Product Challenge, with all 20 imperatives awarded for two products: the Diffrient Smart chair and the Float table.

No other manufacturer has achieved the entire LPC in the three years since.

Living Product Challenge (LPC)

This the highest standard and most rigorous test of sustainability for two main reasons: it requires that manufacturers are net positive (give back more than they use) and is based on performance, instead of design intent. Brought about by the **International Living Future Institute** (ILFI), the standard was first published in spring 2015.
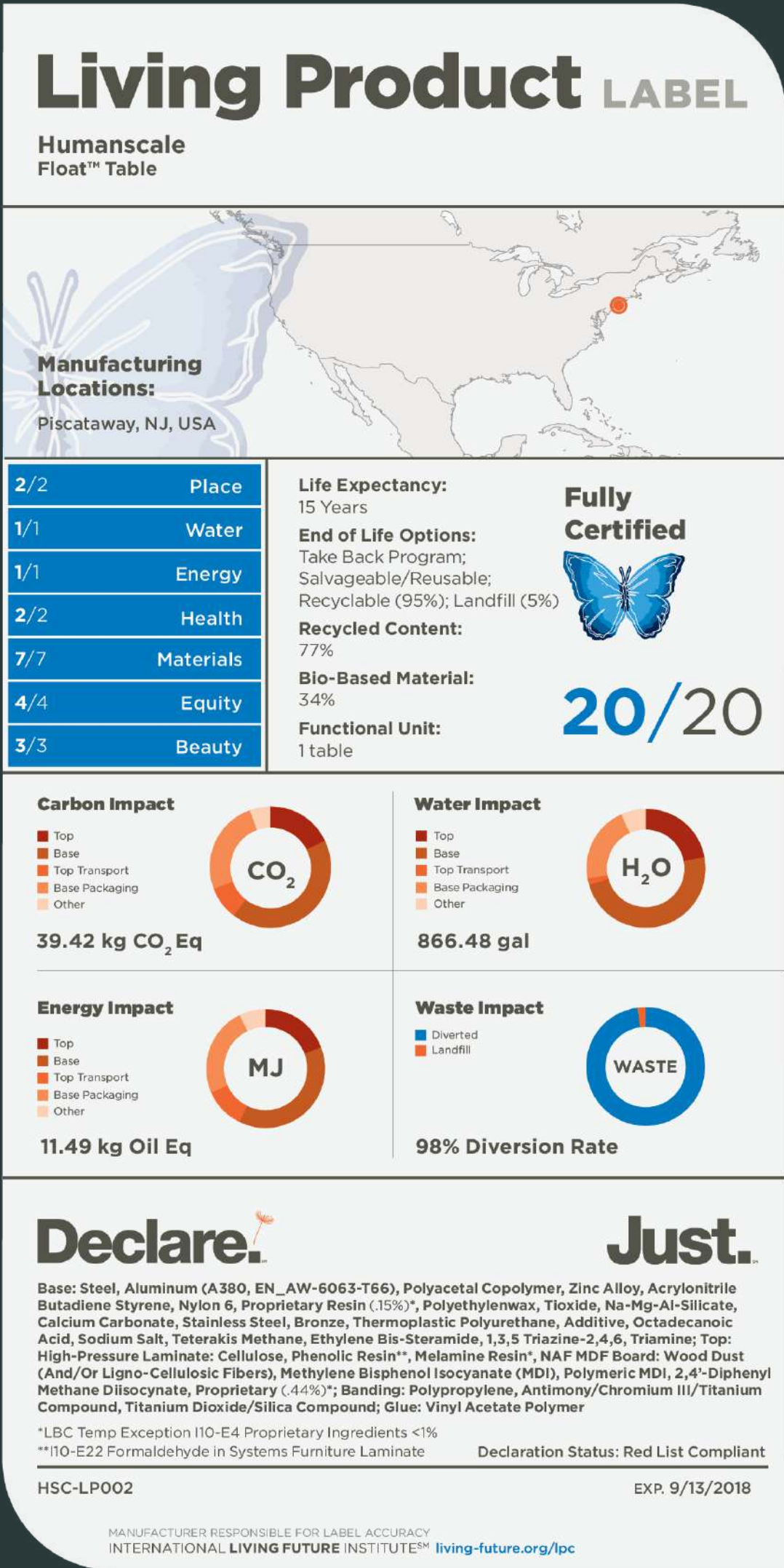
The full challenge is comprised of 20 different categories known as Imperatives. The program requires a toxicological assessment of every ingredient in the product, accounting for the entire supply chain.

living-future.org/lpc/

Living Product LABEL

Humanscale
Float™ Table

Manufacturing Locations:
Piscataway, NJ, USA

2/2	Place	
1/1	Water	
1/1	Energy	
2/2	Health	
7/7	Materials	
4/4	Equity	
3/3	Beauty	

Life Expectancy: 15 Years

End of Life Options: Take Back Program; Salvageable/Reusable; Recyclable (95%); Landfill (5%)

Recycled Content: 77%

Bio-Based Material: 34%

Functional Unit: 1 table

Fully Certified

20/20

Carbon Impact
- Top
- Base
- Top Transport
- Base Packaging
- Other

CO_2

39.42 kg CO_2 Eq

Water Impact
- Top
- Base
- Top Transport
- Base Packaging
- Other

H_2O

866.48 gal

Energy Impact
- Top
- Base
- Top Transport
- Base Packaging
- Other

MJ

11.49 kg Oil Eq

Waste Impact
- Diverted
- Landfill

WASTE

98% Diversion Rate

Declare. **Just.**

Base: Steel, Aluminum (A380, EN_AW-6063-T66), Polyacetal Copolymer, Zinc Alloy, Acrylonitrile Butadiene Styrene, Nylon 6, Proprietary Resin (.15%)*, Polyethylenwax, Tioxide, Na-Mg-Al-Silicate, Calcium Carbonate, Stainless Steel, Bronze, Thermoplastic Polyurethane, Additive, Octadecanoic Acid, Sodium Salt, Teterakis Methane, Ethylene Bis-Steramide, 1,3,5 Triazine-2,4,6, Triamine; Top: High-Pressure Laminate: Cellulose, Phenolic Resin**, Melamine Resin*, NAF MDF Board: Wood Dust (And/Or Ligno-Cellulosic Fibers), Methylene Bisphenol Isocyanate (MDI), Polymeric MDI, 2,4'-Diphenyl Methane Diisocynate, Proprietary (.44%)*; Banding: Polypropylene, Antimony/Chromium III/Titanium Compound, Titanium Dioxide/Silica Compound; Glue: Vinyl Acetate Polymer

*LBC Temp Exception I10-E4 Proprietary Ingredients <1%
**I10-E22 Formaldehyde in Systems Furniture Laminate   Declaration Status: Red List Compliant

HSC-LP002   EXP. 9/13/2018

MANUFACTURER RESPONSIBLE FOR LABEL ACCURACY
INTERNATIONAL **LIVING FUTURE** INSTITUTE℠ living-future.org/lpc

We're renewing our certification and expanding our commitment. By December 2020 we will have 25 Certified Living Products.

Measurable impacts over the past three years

Water   9,956,359 gal.

Equivalent to the amount of water used by 91 American households in a year.[1]

Energy   2,298,702 kWh

Equivalent to the electricity used by 209 American homes in a year.[2]

Emissions   479,964 kg CO2e

Equivalent to the emissions of 104 passenger vehicles in a year.[3]

1. Based on usage data by the Environmental Protection Agency, which estimates the average American household uses 300 gallons of water per day. www.epa.gov/watersense/how-we-use-water

2. Based on averages calculated by the U.S. Energy Administration, which estimates the average annual electricity consumption for a U.S. residential utility customer was 10,972kilowatthours. www.eia.gov/tools/faqs/faq.php?id=97&t=3

3. Based on averages calculated by the EPA, which estimates the average passenger vehicle emits 4.6 metric tons of C02 per year. www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-vehicle

400 Suppliers Worldwide
47 Offices and Showrooms
4 Manufacturing Facilities
22 Countries

MANUFACTURING

Dublin

Fresno

Nogales

Piscataway

Manufacturing sites represent our biggest impact, so we focus a large part of our sustainability program on our facilities.

HEADQUARTERS

New York

Our sales offices and manufacturing facilities reach around the globe, and represent the scope of our direct environmental and social impact.

OFFICES/ SHOWROOMS

North America

Atlanta, USA

Boston, USA

Birmingham, USA

Cincinnati, USA

Chicago, USA

Dallas, USA

Denver, USA

Grand Rapids, USA

Houston, USA

Kansas City, USA

Los Angeles, USA

Minneapolis, USA

Mexico City, Mexico

Montreal, Canada

New York, USA

Oak Brook, USA

Orange County, USA

Parsippany, USA

Philadelphia, USA

San Francisco, USA

San Diego, USA

Seattle, USA

Washington, DC, USA

Toronto, Canada

South America

Bogota, Colombia

Buenos Aires, Argentina

Europe

Amsterdam, Netherlands

Barcelona, Spain

Bnei-Barak, Israel

London, United Kingdom

Manchester, United Kingdom

Milan, Italy

Nürnberg, Germany

Paris, France

Prague, Czech Republic

Warsaw, Poland

Asia

Bangalore, India

Beijing, China

Central, Hong Kong

Dubai, United Arab Emirates

Shanghai, China

Singapore, Singapore

Australia

Melbourne, Australia

Sydney, Australia

Africa

Cape Town, South **Africa**

Johannesburg, South Africa

New York, NY

Humanscale's corporate headquarters is located on the 15th floor of the iconic, LEED Silver Certified Grace building in New York. The space, which also operates as a working showroom, takes inspiration from nature and is the embodiment of our philosophy toward sustainability — it's close to transit, has ample views of tree-lined Bryant Park, and there's a living green wall in the kitchen (which is stocked with healthy snacks). A departure from our previous three-story headquarters, our new space puts everyone on a single level, with plenty of room for collaboration. The bright, airy space blends office and showroom, so customers can see our products in action and try them out for themselves. The open spaces also allow us to host larger events, like receptions and continuing education sessions — part of our commitment to community outreach.

BUILT/OPENED: 2019

EMPLOYEES: 110

DEPARTMENTS:
PRODUCT DEVELOPMENT,
LEGAL, SALES, MARKETING,
ERGONOMIC CONSULTING
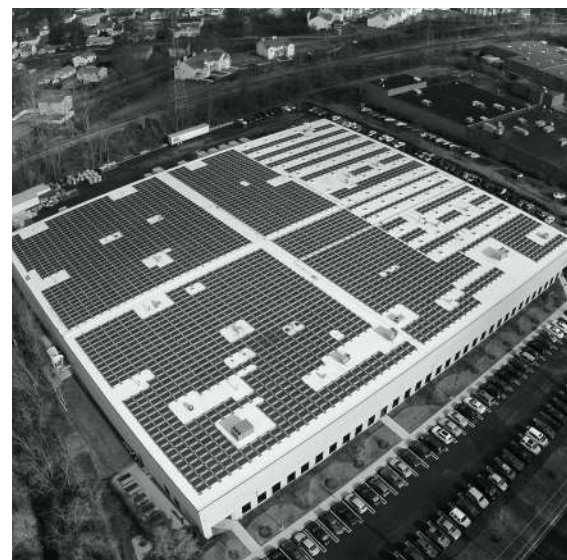
Piscataway, NJ

Our facility in Piscataway produces the largest percentage of our products, and as a result, has been the testing ground for many of our Net Positive initiatives. Our two LPC-certified products, the Diffrient Smart chair and the Float table, are manufactured here, and many of the changes to production we first implemented here have been adopted in other facilities. The facility uses both rainwater capture and solar panels to reduce our impact on the environment, and uses an award-winning enhanced recycling program to track and reduce waste.

BUILT/OPENED: 2003

EMPLOYEES: 369

DEPARTMENTS:
MANUFACTURING, HUMAN
RESOURCES, INFORMATION
TECHNOLOGY, LEGAL, ACCOUNTING

Dublin, Ireland

The Humanscale facility in Dublin supplies our European customers. Here, we assemble our monitor arms and most of our chair lines. Many of our Dublin employees have been with Humanscale for years, and have established a tightly-knit community, growing a garden on-site together and celebrating its harvest with an annual barbecue.

BUILT/OPENED: 2000

EMPLOYEES: 117

DEPARTMENTS:
MANUFACTURING,
HUMAN RESOURCES,
ACCOUNTING

Fresno, CA

Our Fresno facility has a smaller, but dedicated team. One-fifth of the employees have been with Humanscale for over ten years. The team has grown together and stays closely connected through regular group lunches and by taking on group initiatives.

BUILT/OPENED: 2013

EMPLOYEES: 25

DEPARTMENTS: MANUFACTURING

Nogales, Mexico

Our Nogales location, which had its first year of production in 2017, focuses mainly on producing components and sub-assemblies for our Fresno and Piscataway facilities, who then make the finished goods.

BUILT/OPENED: 2016

EMPLOYEES: 101

DEPARTMENTS: MANUFACTURING

Solar energy has provided enough electricity to keep our Piscataway facility running for 1,538 days.

Energy generated from fossil fuels is a significant contributor to greenhouse gas emissions (GHG), so we consider measuring and reducing our energy consumption a major indicator of our sustainability.

Energy: Use and Conservation

Our sustainability team tracks monthly energy use and matches it against our anticipated annual goal. We use cloud-based software that allows us to easily examine our energy use and intensity, and reductions based on data from previous years. Each year, our executive team reviews our annual total energy use and progress. We continually look for opportunities to reduce our usage.

For the purposes of this report, we include data from our four manufacturing facilities.

In 2019, we continued to meet our annual goals. Our calculations are reviewed by a third party, so we have confidence in our approach is working well.

Our solar system was installed on the roof of our Piscataway facility in 2014.

Beyond Humanscale

During 2019 Humanscale did not track energy used outside our facilities.

Requirements for Production (GRI 302-5)

We have made no changes to the energy requirements to sold products and services.

ENERGY

OPERATIONAL DATA 302

			UNIT	ORGANIZATION	PISCATAWAY	NOGALES	FRESNO	DUBLIN	OTHERS
302-1	A	Fuel Consumption from Non-Renewable Resources	MJ	14,697,913	7,108,313	5,729,368	109,711	1,388,576	361,946
	B	Fuel Consumption from Renewable Sources	MJ						
		Electricity from non-renewable resources	MJ	1,553,173	0	0	0	1,553,173	0
		Electricity from Renewable Resources	MJ	8,585,075	3,549,433	3,818,196	601,460	0	615,987
	C-i	Total Electricity Consumption	MJ	10,138,248	3,549,433	3,818,196	601,460	1,553,173	615,987
	D-i	Energy Sold - Electricity	MJ	0	0	0	0	0	0
	E	Total Energy Consumption	MJ	24,836,162	10,657,746	9,547,564	711,170.68	2,941,749	977,932
302-3		Production Volume	$	520,027,368	314,349,185	66,024,075	50,120,017	89,534,092	520,027,368
		Baseline Production Volume	$	262,961,342	151,132,283.07	37,378,118.00	24,967,786.98	49,483,154	262,961,342
	A	Energy Intensity Ratio	J/$	47,173	33,904	140,335	14,189	32,602	1,880
	B	Metric Chosen to Calculate Intensity	$						
	C	Types of energy included							
302-4		Change in Energy Consumption							
		Baseline	MJ	17,843,114	10,857,482	3,306,022	278,501	2,752,456	648,652
	A	Absolute	MJ	6,993,048	-199,736	6,241,542	432,669	189,292	329,280
	A	Absolute	%	39%	-2%	189%	155%	7%	51%
		Baseline	J/$	67,855	71,841	88,448	11,154	55,624	2467
	A	Intensity	J/$	-20,095	-37,937	56,159	3,035	-22,768	-586
	A	Intensity	%	-30%	-53%	59%	27%	-41%	-24%
		Production Normalization Scale Factor		2	2	1.8	2	2.8	2.4
	A	Normalized to Baseline	MJ	10,305,461	5,124,013	5,394,104	353,816	1,280,285	405,781
	A	Normalized to Baseline	%	-42%	-53%	63%	27%	-53%	-37%

*Includes offices and showrooms that qualify in accordance with the Financial Control method
according to the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard

Normalized greenhouse gas emissions have been reduced by 63% since 2011.

Image: Thomas Willmott, Unsplash

Greenhouse gases (GHG) are a direct cause of climate change, and a critical part of our production that has an impact on the planet. To reduce our negative impact and make a positive one, we must look to reduce our emissions.

For the purposes of this report, we include the emissions from facilities under Humanscale's operational control, including production facilities, warehouses, offices and showrooms. We used the Control approach, using the operational control method, as per the World Resources Institute (WRI) GHG Protocol Corporate Accounting and Reporting Standard.

We track our usage, which uses data from utility providers, fuel reports, and other sources. Our approach allows us to easily measure our progress against data from previous years and relative to the merchandise we produce. We continually look for ways to reduce emissions in our operations and are in the process of setting science-based targets, with specific reductions slated for release in 2020.

In 2019 we began to track our Scope 3 GHG emissions.

Scope 3 emissions are those not directly created during production of goods, so they encompass things like our capital purchases (construction or refurbishment of facilities), shipping and transportation, or emissions generated once the end-user receives the product. Collecting this data required efforts from all areas of our business. It's a valuable practice, as it provides us with a clearer picture of our total emissions and gives us a starting point for future improvements. For example, it allows us to see how much energy some of our products might use over their lifetime, and we can focus on design changes to reduce that energy consumption.

It's also valuable data for our vendors – as we make choices that reduce our Scope 3 emissions, we help them reduce their Scope 1 and 2 emissions.

Humanscale does not produce emissions from ozone depleting substances (ODS).

Humanscale followed the Greenhouse Gas Protocol Scope 3 Guidance documentation to calculate indirect emissions.

OPERATIONAL DATA 305

			UNIT	ORGANIZATION	PISCATAWAY	NOGALES	FRESNO	DUBLIN	OTHERS*
305-1	A	Gross Scope 1 GHG Emissions	mTCO2e	785	381	299	6	81	18
	D	Base Year		2011	2011	2017	2011	2013	2011
	D-ii	Emissions in base year	mTCO2e	459	338	58.1	1.4	62	17
305-2	A	Location-Based Scope 2 Emissions	mTCO2e	1249	322	676	37	164	50
	B	Market-Based Scope 2 Emissions	mTCO2e	164	0	0	0	164	0
	D	Base Year		2011	2011	2017	2011	2013	2011
	D-ii	Location Emissions in base year	mTCO2e	1,129	544	294	20	211	61
	D-ii	Market Emissions in Base Year		755	464	0	19	211	61
305-3	A	Gross Scope 3 GHG Emissions	mTCO2e	224,265					
	E	Base Year		2011	2011	2017	2011	2013	2011
	E-ii	Emissions in base year	mTCO2e	0.00E+00					
305-4	A	GHG Emissions Intensity	mtCO2e/$	3.91E-06	2.24E-06	1.48E-05	8.69E-07	2.73E-06	1.32E-07
305-4	A	GHG Emissions Intensity	mtCO2e/$	0	0	0	0	0	0
	B	Denominator	$	520,027,368	314,349,185	66,024,075	50,120,017	89,534,092	520,027,368
	C	Scopes included in intensity ratio							
305-5	A	GHG Reduction	mTCO2e						
	Absolute	Scope 1 Change	mTCO2e	326	43	241	5	19	1
	Absolute	Scope 2 - Location Change	mTCO2e	119	-222	381	17	-47	-11
	Absolute	Scope 2 - Market Change	mTCO2e	-591	-464	0	-19	-47	-61
	Absolute	Scope 3	mTCO2e						
	Absolute	Scope 1 %	%	71%	13%	415%	356%	31%	7.50%
	Absolute	Scope 2 Location %	%	11%	-41%	129.71%	88.06%	-22%	-17%
	Absolute	Scope 2 Market %	%	-78%	-100%	0%	-100%	-22%	-100%
		Production Normalization Scale Factor		2.41	1.85	1.77	2.01	2.28	2.41
	Norm to Baseline	Scope 1 Amount	mTCO2e	326	206	169	3	35	8
	Norm to Baseline	Scope 2 - Location Amount	mTCO2e	518	174	382	18	72	21
	Norm to Baseline	Scope 2 - Market Amount	mTCO2e	68	0	0	0	71.8649	0
	Norm to Baseline	Scope 1 Change	mTCO2e	-133	-132	111	2	-26	-9
	Norm to Baseline	Scope 2 - Location Change	mTCO2e	-611	-369	88	-1	-139	-40
	Norm to Baseline	Scope 2 - Market Change	mTCO2e	-687	-464	0	-19	-139	-61
	Norm to Baseline	Scope 1 % Change	%	-29%	-39%	191%	127%	-42%	-55%
	Norm to Baseline	Scope 2 Location % Change	%	-5%	-68%	30%	-6%	-66%	-66%
	Norm to Baseline	Scope 2 Market % Change	%	-91%	-100%	0%	-100%	-66%	-100%

*Includes offices and showrooms that qualify in accordance with the Financial Control method according to the Greenhouse Gas Protocol:
A Corporate Accounting and Reporting Standard

SIGNIFICANT AIR EMISSIONS

Significant air emissions, in kilograms or multiples

VOLATILE ORGANIC COMPOUNDS (VOC)

TOTAL   5754 kg

PISCATAWAY   3505 kg

FRESNO   3 kg

NOGALES   2218 kg

DUBLIN   28 kg

HAZARDOUS AIR POLLUTANTS (HAP)

TOTAL   105,272 kg

PISCATAWAY   70,148 kg

FRESNO   0.06 kg

NOGALES   204 kg

DUBLIN   34,920 kg

FOOTNOTES FOR TABLES

305- 1 AND 305-2 - SCOPE 1 AND SCOPE 2 GHG EMISSIONS

Gases included in calculations: carbon dioxide, methane, and nitrous oxide. Base year for organizational data: 2011.

Base years for Piscataway and Fresno, 2011; Dublin, 2013; Nogales, 2017.

Our emission factors and GWP rates are selected from EPA Hub Tables 1-9 and the WRI Emission Factor Library. Consolidation approach: operational control.

305-3 - SCOPE 3 GHG EMISSIONS

Gases included in calculations: carbon dioxide, methane, and nitrous oxide. Most categories are reported solely in CO2 eq.

Humanscale does not report biogenic Scope 3 Emissions, as we do not create any. Humanscale tracked and disclosed indirect emissions that apply to our operations; they include Categories 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, and 13. Because this is the first year of reporting, we did not report baseline data for Scope 3 emissions.

Our emission factors and GWP rates are selected from EPA Hub Tables 1-9, WRI Emission Factor Library, CBECs Real Estate Emission Factor Libraries, Life Cycle Assessment of Humanscale Products, and standardized cost-based emission factors based on activity type.

Humanscale followed the Greenhouse Gas Protocol Scope 3 Guidance documentation to calculate indirect emissions.

Scope 5 was used as the collection and calculation tool for the emissions.

2019 is the first year collecting Scope 3 emissions, so this year shall serve as the baseline moving forward.

305-4 - GHG EMISSIONS INTENSITY RATIO

Denominator metric in intensity ratio: Annual production volume in $.

Types of GHG emissions included: Scopes 1 and 2

Gases included in the calculation: carbon dioxide, methane, and nitrous oxide

305-5 - GHG EMISSIONS REDUCED

Gases included in calculations: carbon dioxide, methane, and nitrous oxide. Positive percentages represent increases and negative percentages represent reductions

Base years for Piscataway and Fresno, 2011; Dublin, 2013; Nogales, 2017.

Scopes in which reductions took place: Scopes 1 and 2.

305-7 - SIGNIFICANT AIR EMISSIONS

VOC and HAP emission factors come from Material Safety Data Sheets, communication with chemical suppliers, legal regulations for chemical categories, and Hazardous Air Pollutant registries. Values are calculated using commonly accepted conversion rates and available information.

Water is our most critical natural resource, vital to life. Without care and attention, our operations could consume a significant amount of water. With that in mind, we're always seeking ways to reduce our consumption.

Our Sustainability team reviews our water bills from local municipalities and water companies and tracks our usage over course of a year. Our approach is iterative in nature – we regularly look for ways to reduce consumption and use natural rain harvesting where feasible.

Humanscale reviews our management approach annually and has a goal to transition all production water to 100% captured rainwater within five years.

This rainwater capture system we installed at our Piscataway facility captures 100% of the water required for production.

Image: @joephotography, Unsplash

OPERATIONAL DATA   303 – 1

		WATER USE	PISCATAWAY	NOGALES	FRESNO	DUBLIN
303-1	A	MUNICIPAL WATER	5052 m3	5039 m3	6267 m3	Not reported
		RAINWATER	8 m3	0	0	0
		WASTE WATER	Humanscale does not withdraw waste water from another organization.			
		SURFACE WATER	No surface water was used in the reporting year.			
		GROUND WATER	No ground water was used in the reporting year.			

We aim to divert 90% of the waste we produce from the landfill.

We limit our measurements to solid waste with material streams that can be physically weighed or estimated by counts. We report water when it can be measured through bills or statements, otherwise we do not measure water discharges. Three of our facilities (Piscataway, Fresno, and Dublin) have no wastewater discharge from production. We comply with all local and national laws with regards to waste.

We track material waste by type across all our production facilities. Our waste diversion program began at our Piscataway facility in 2016, and has since been implemented across the organization. The program is a coordinated effort between several teams. Site managers gather data, which our Sustainability team compiles in order to spot areas for improvement. Our Sustainability team is responsible for monitoring our diversion system and finding ways to improve diversion rates.

Our Operations team implements actions to separate waste and maximize diversion. Every quarter, our Operations and Sustainability teams gather to review diversion figures. They discuss current issues and propose ways to correct them, reviewing or adapting processes as necessary. This approach has led to a steady increase in diversion rates over the past two years.

OPERATIONAL DATA 306

306-2

A	HAZARDOUS WASTE	ORGANIZATIONAL	PISCATAWAY	DUBLIN	FRESNO	NOGALES
I	REUSE	0	0	0	0	0
II	RECYCLING	429 kg	9 kg	0	0	0
III	COMPOSTING	0	0	0	0	0
IV	RECOVERY	10605 kg	0	0	0	10605 kg
V	INCINERATION	0	0	0	0	0
VI	DEEP WELL INJECTION	0	0	0	0	0
VII	LANDFILL	905 kg	0	0	0	905 kg
VIII	ON-SITE STORAGE	0	0	0	0	0

B	NON-HAZARDOUS WASTE	ORGANIZATIONAL	PISCATAWAY	DUBLIN	FRESNO	NOGALES
i	REUSE	1031 mT	761 mT	58 mT	145 mT	65 mT
ii	RECYCLING	1304 mT	605 mT	174 mT	110 mT	413 mT
iii	COMPOSTING	0	0	0	0	0
iv	RECOVERY	407 mT	325 mT	82 mT	0	0
v	INCINERATION	0	0	0	0	0
vi	DEEP WELL INJECTION	0	0	0	0	0
vii	LANDFILL	415 mT	313 mT	44 mT	23 mT	35 mT
viii	ON-SITE STORAGE	0	0	0	0	0

The bog turtle (above) is one example of a critically endangered species located near our Piscataway facility.

Our operations have the potential to disturb wildlife and wild spaces so we review our impact on biodiversity each year according to the International Union of the Conservation of Nature (IUCN)
Red List Species.

Our evaluations focus on our four production facilities. We do not evaluate our offices and showrooms, as they are all in urban areas. Humanscale's factories are not located in or adjacent to protected areas or areas of high impact on biodiversity.

OPERATIONAL EFFECTS ON BIODIVERSITY 304-2

In 2019, our evaluation of our facilities revealed that Humanscale's operations are not located on or near any protected areas. The evaluation, which was reviewed by an independent third-party, also showed that manufacturing activities, transportation, and infrastructure related to our facilities do not cause any significant impact to endangered species.

IUCNRedList.org/

Protecting Wildlife and Wild Spaces

Rangers setting up cameras to monitor wildlife in the protected area.

PHOTO MoE/GDAN/WWF-Cambodia

In 2008, we began to work closely with the World Wildlife Fund (WWF) on comprehensive conservation program that involves local communities in protected area management and biodiversity monitoring that aims to restore and protect the Srepok Wildlife Sanctuary (formerly known as the Mondulkiri Protected Forest) and Phnom Prich Wildlife Sanctuary in the Eastern Plains Landscape of Cambodia.

The initiative was a natural fit for Humanscale, as we've always been concerned about the impact our operations have on biodiversity, and our CEO, Bob King, has been a long-time supporter of WWF.

The Program originated with the objective of establishing the enabling conditions for reintroduction of tigers in to Srepok Wildlife Sanctuary. Regardless of whether tigers are front and center, this objective remains in place.

Achieving our objectives requires a multi-year (or even multi-decade) plan to overcome the many hurdles that come with restoring a landscape and keeping the area secure. WWF works closely with the provincial government and the surrounding communities to address the challenges in the area, which include snaring, illegal logging, and poaching.

With support from Humanscale, WWF added additional community rangers to the area in 2019, bringing the total number from 35 to 75.

In addition, the program has been able to add community rangers as support – these park rangers take care of snare monitoring and removal, allowing rangers to focus on other tasks. Snares are a continual challenge, and a large contributor to the decline in ungulate populations (which include Elds deer, muntjacks, and wild pigs). Ungulates, including forest cattle, are a major source of prey for tigers and key to their eventual reintroduction to the area.

Environmental education and outreach has become a vital aspect of the program, as the protection of the area relies on the communities that surround it. The Cambodian government has enacted and begun to enforce stiff penalties for illegal logging, which has meant a drop in an activity that destroys wildlife habitat. This support from and collaboration with the local government is key to the program's ongoing success.

The program has also been able to complete several wildlife studies in the area. These studies are vital to informing management decisions and monitoring the impact of our conservation interventions.

Studies conducted in 2019 include:

The first survey of the critically endangered siamese crocodile. WWF was able to confirm the presence of the crocodile along the Srepok River.
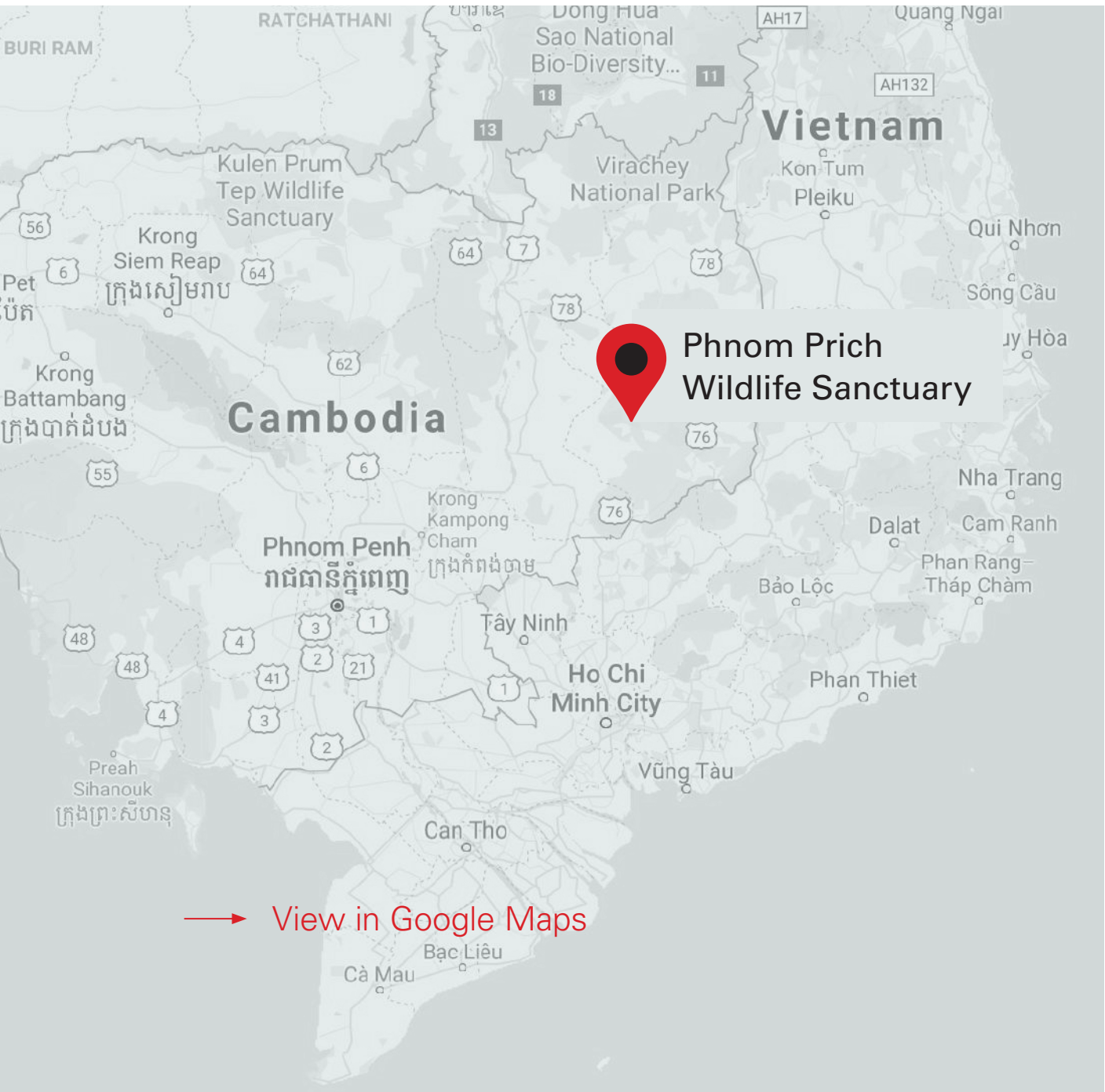
The first survey in 10 years of the yellow-cheeked crested gibbon. The survey confirmed the area still contains the second-largest population of this type of gibbon in the world.

Phnom Prich Wildlife Sanctuary

→ View in Google Maps

IN PARTNERSHIP WITH
THE WORLD WILDLIFE FUND
SINCE 2008

A survey of bird species in the area.
Humanscale's contributions also helped finance a study of vultures, a fascinating procedure that involves putting out a "vulture restaurant," often a cow carcass, and counting the vultures as they show up to feast. Vulture populations have declined massively around the world in recent years – the anti-inflammation medication diclofenac, which is used to treat wounds and pain in cattle, could be a possible cause. Many countries have outlawed the use of diclofenac after vulture surveys, and India in particular has seen a rebound in vulture populations, but Cambodia has yet to ban it. These vulture surveys may help the Cambodian government move forward with a ban.

A survey of Asian elephants in the Eastern Plains Region. These elephants are notoriously shy and almost impossible to count, making an accurate study difficult. The study uses DNA from fecal samples to attempt to identify how many elephants are in the area, but researchers had a difficult time finding fresh enough samples. WWF also undertook an elephant collaring program. This collaring program will allow WWF to track the elephants as they move through the region and identify the threats they may face (elephants often migrate through areas inhabited by humans and destroy crops, for instance). Snaring may also affect young elephants, who are just small enough to be caught.

Our vision for Net Positive guides the way we do business every day.

We built our sustainability program to focus on our largest impacts, many of which are included in the The United Nations Sustainable Development Goals (UN SDGs).

The United Nations Sustainable Development Goals
(UN SDGs)
are a collection of 17 global goals set by the UN General Assembly in 2015, with a target date of 2030. The 17 goals include 169 targets, which indicate social, economic and environmental progress as well as education, gender equality and technology.

un.org/sustainable-development-goals

We support the effort for sustainable development, and have initiatives to further the following UN SDGs:

1 NO POVERTY

2 ZERO HUNGER

3 **GOOD HEALTH AND WELL-BEING**

Our products are developed to use healthy materials and keep people in healthy body postures

4 QUALITY EDUCATION

5 **GENDER EQUALITY**

We strive for gender equality in our workforce and governance

6 **CLEAN WATER AND SANITATION**

Our factories use minimal water for production. Our main factory uses only captured rainwater for production.

7 AFFORDABLE AND CLEAN ENERGY
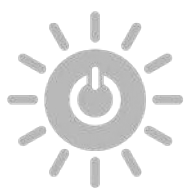
A system of solar panels provides over 80% of electricity at our main production factory

8 DECENT WORK AND ECONOMIC GROWTH

We make sure the people who work for us and as part of our supply chain work in safe, healthy environments, are paid fairly, and treated with respect

99 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITY

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

We manufacture goods responsibly, with great attention to the environmental impacts of our factories

13 CLIMATE ACTION

As a manufacturer, we operate our factories, ship our goods, and choose our supply chain to have a minimal, or even positive, impact on the environment

14 LIFE BELOW WATER

We're capturing ocean plastic to manufacture new products

15 LIFE ON LAND

Our project with WWF in Cambodia focuses on conservation that also supports the local economy

16 PEACE AND JUSTICE STRONG INSTITUTIONS

17 PARTNERSHIPS TO ACHIEVE THE GOAL

Humanscale is a global company, as is our supply chain. Our own manufacturing facilities source many components and some fully assembled product from our first-tier suppliers, who may then source materials from their suppliers (second-tier suppliers to Humanscale). Our supply chain often goes beyond two tiers — at times up to five tiers deep. When we evaluate our suppliers, we look mainly at areas where we can have the most influence, which is most often our first-tier, or direct, suppliers.

Becoming net positive means we look at every aspect of our business, including our supply chain. Most of the impact in manufacturing a product occurs throughout the supply chain, so we choose suppliers who operate according to the environmental and social requirements outlined in our Code of Conduct. Last year, we assessed suppliers representing 69% (by inventory spend) using environmental and social criteria, and screened 79% of new suppliers (by inventory spend). As of 2019, almost 78% of suppliers by spending have signed the supplier agreement with Humanscale, which includes the Code of Conduct. We conduct an annual environmental and social assessment of our top first-tier suppliers, based on the BIFMA Level certification framework. Wherever possible, we choose local/domestic suppliers (we define "local" as "domestic" by country).

We have made no changes to our capital structure since our last reporting period. Our current scope of management and disclosure includes suppliers Humanscale contracts to make Humanscale products on an ongoing basis. It does not include service suppliers or those who supply products to Humanscale in a single instance.

In 2019 the 27.6% of purchases were from local suppliers.

Corruption

We recognize that the risk of corruption is higher in some areas of the world than others, and we guard against it by choosing our suppliers carefully and operating in countries where it is less likely to happen. Our four facilities have been evaluated for risk of corruption, and so far we've had no incidences within our own operations.

Child Labor

As part of our commitment to supporting safe, ethical employment, we examine every supplier for a risk of child labor. As of 2019, none of our first-tier suppliers were considered at significant risk for incidents of child labor or young workers exposed to hazardous work.

Sustainable products and processes
are not just smart business practices,
but something we owe to our future
generations.

— **David Palange,** General Manager, DVUV, LLC

Forced Labor

As a global company, we recognize that our suppliers may operate in areas that put people at risk for forced labor. We want to support individual freedom through fair and equitable employment (including freedom of association and collective bargaining), and choose first-tier suppliers who follow ethical labor practices. Abolition of forced labor is part of our supplier Code of Conduct and supplier agreement.

We conduct an annual risk assessment to determine if any suppliers are a concern, and, if we identify any high-risk operations, target our efforts to resolve issues.

In 2019, we screened 81% of suppliers by spending to ensure they comply with local laws for forced labor and that their procedures are also compliant. We identified one supplier, an electronics supplier based in China and Malaysia, who may be a risk for forced labor, and we are investigating their manufacturing practices.

We see the way we treat our employees and the way we choose vendors as ways to make a positive impact in the world. That positive change starts here, at Humanscale. We embrace diversity in our workforce and have adopted the JUST Program as a guideline for our hiring practices. The program, started by ILFI, challenges organizations to examine their hiring and management practices while promoting social justice. The JUST label addresses 22 specific social and security indicators within six categories: diversity, equity, safety, worker benefit, local benefit, and stewardship. We consider every office with 5 or more employees significant enough to evaluate. In this report, our workforce was broadly grouped into worldwide geographic regions. The metrics attached to each category help us evaluate our current practices and determine how we can do better.

Our Human Resources (HR) departments manage all employee relations, regardless of location. To make sure we're staying in tune with their needs, we have three departments based in the United States, Ireland, and China. A Humanscale executive reviews the HR department each year to ensure effectiveness. Humanscale does not include temporary workers, part-time workers, or consultants in our definition of "employee." A majority of organization activities are performed by full-time employees.

We offer a benefits program to our employees all over the world; the benefits available vary by region.

EMPLOYEE BENEFITS BY REGION 401-2

North America

- Health Care
- Short-Term Disability
- Long-Term Disability
- Critical Illness/Cancer Insurance
- Accident Insurance
- Whole Life Insurance
- Parental Leave per the Family and Medical Leave Act (FMLA)
- Tax-Free Commuter Options
- Pet Insurance

EMEA

- Pension
- Health Insurance
- Employee Assistance Program
- Paid Vacation
- Year-end Bonus
- Worldwide Travel Insurance

Asia

- Medical Insurance
- Year-end Bonus/Performance Bonus

Parental Leave

We comply with legal requirements for parental leave based on the location of our offices. We currently do not track parental leave data, but are working to include it in future reports.

OCCUPATIONAL HEALTH AND SAFETY 403

We make our products in four factories, and by their very nature, factories can be high-risk locations for injury. It's important for us to understand where injuries may occur and ensure we have policies in place to mitigate those, as well as provide employees with the proper protective equipment.

Each of our four factories has a Health and Safety Committee in place to ensure all factory employees have an active role in their safety. The committees are all responsible for identifying hazards and risks, implementing safety policies, which are created as a result of regular safety assessments. HR reviews injury data quarterly and conducts a large review annually. Goals are set based on the results of that review, with a goal of reducing injury rates and protecting health and well-being.

Piscataway / Fresno / Nogales

The Joint Management/Worker Safety Committees at these facilities represent every employee who works there. Members meet monthly, where they:

Discuss safety concerns at these facilities

Receive safety training that addresses any issues

Learn safety standards related to the workplace, including OSHA and NFPA

Receive assignments to be completed by the next meeting

Learn how to encourage everyone in their workplace to participate in and enforce a workplace safety culture

The group is also committed to creating a safe workplace every day, conducting daily safety checks (outlined in their job requirements) and looking beyond their own work areas to the entire factory and office. We also encourage members to come up with innovative solutions to safety concerns.

Dublin

The Health and Safety Committee in Dublin represents every employee who works at the facility (both in the factory and external warehouse facilities). This committee aims to give all employees and management a forum to communicate their concerns about or solutions to health and safety issues.

No Humanscale facility is at a high risk for disease.

None of the Humanscale facilities have formal agreements with trade unions that cover health and safety. Piscataway and Fresno both exceed the national average Standard Industrial Classification (SIC) and North American Industrial Classification System (NAICS) code (3) with an average of 2.59.

INJURY RATES FOR 2019

No high-consequence injuries or fatalities at any of our locations.

Europe 0 injuries

Piscataway 13 work-related injuries (struck-by)

Nogales 7 work-related injuries (cuts and lacerations)

TOTAL INCIDENT RATE
Based on 200,000 hours

Europe 0

Piscataway / Fresno 3.25

Nogales 2.165

WORK-RELATED ILL-HEALTH

There were no incidents of work-related ill health at any of our locations.

ORGANIZATIONAL DATA

Method used to record and report accident statistics:

Piscataway / Fresno OSHA

Nogales STPS

Europe OSHA

NON-DISCRIMINATION 406

We capture and evaluate all incidences of discrimination as they occur, and evaluate these events yearly to determine trends and discover better ways to avoid problems in the future. Humanscale has had three incidents of discrimination reported in the past year (all in North America). Two of these incidents are no longer subject to action, and we are implementing remediation plans for one.

CHILD LABOR 408

We take care to ensure the hiring of every employee at Humanscale is legal and according to local child labor laws, as well as to ensure the employees are safe in their occupation. None of our operations facilities or sales offices are at risk for incidents of child labor.

INDIGENOUS PEOPLES 411

Humanscale's operations do not have any significant impact on the rights of indigenous peoples.

HUMAN RIGHTS ASSESSMENTS AND TRAINING 412

Humanscale upholds human rights and international norms of behavior in all global operations and activities. No human rights risks were identified at our facilities, so no reviews or assessments were completed. Humanscale does not currently have a human rights training program for employees at this time, but we will endeavor to provide training and track participation data next year.

EMPLOYEE SATISFACTION

Each year we conduct an employee satisfaction survey. We use the feedback and findings to directly inform policies, processes, and major decisions.

DIVERSITY 405-1 A

DIVERSITY IN HUMANSCALE GOVERNANCE BODIES

North America

Male: 50%	Female: 50%	
Age 30 – 50 33%	Over 50 67%	

EMEA

Male: 67%	Female: 33%	
Under 30 18%	Age 30 – 50 67%	Over 50 16%

Asia

Male: 50%	Female: 50%	
Under 30 3%	Age 30 – 50 90%	Over 50 7%

RACE

North America

White: 80%	Asian: 20%

Asia

Asian: 91%	White: 9%

Dublin	Does not track race
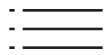
DIVERSITY 405-1 B

	NORTH AMERICA		ASIA		EMEA	
Corporate Support						
Female:	147	56%	7	50%	31	60%
Male:	120	45%	7	50%	20	20%
Age 30- 50:	159	61%	12	86%	30	59%
Over 50:	55	21%	2	14%	8	18%
Under 30:	45	17%	0		12	24%
Diversity Indicator*	68.2%		0%		NA	
Intern						
Female:	2	25%	0	0%	0	0%
Male:	6	75%	0	0%	1	100%
Under 30:	8	100%	0	0%	1	100%
Diversity Indicator*	53.13%		NA		NA	
Operations						
Female:	116	38%	13	57%	18	22%
Male:	191	62%	10	43%	64	78%
Age 30- 50:	142	46%	23	100%	46	56%
Over 50:	111	36%	0	0%	18	22%
Under 30:	54	18%	0	0%	18	22%
Diversity Indicator*	27.18%		36.28%		NA	
Sales						
Female:	110	39%	9	43%	16	25%
Male:	173	61%	12	57%	47	65%
Age 30- 50:	192	74%	17	81%	54	86%
Over 50:	33	13%	2	9.5%	5	8%
Under 30:	34	13%	2	9%	4	6%
Diversity Indicator*	67.8%		19.6%		NA	

NEW HIRES 401-1

North America

Male: 104 (52%) Female: 97 (48%)

Under 30	30 – 50	Over 50
77 (38%)	100 (50%)	24 (12%)

Asia

Male: 6 (86%) Female: 1 (14%)

Under 30	30 – 50	Over 50
1 (14%)	6 (86%)	0 (0%)

EMEA

Male: 33 (63%) Female: 19 (37%)

Under 30	30 – 50	Over 50
22 (42%)	25 (48%)	5 (10%)

TERMINATIONS 401-2

North America

Male: 156 (51%) Female: 149 (49%)

Under 30	30 – 50	Over 50
93 (30%)	169 (55%)	43 (10%)

Asia

Male: 11 (61%) Female: 7 (39%)

Under 30	30 – 50	Over 50
1 (38%)	16 (52%)	1 (10%)

EMEA

Male: 41 (58%) Female: 30 (42%)

Under 30	30 – 50	Over 50
27 (38%)	37 (52%)	7 (10%)

* The Diversity Indicator expresses the probability that any two people chosen at random will identify with different racial or ethnic backgrounds.

EMEA does not track race.

LOCAL COMMUNITIES 413

Our operations have an impact on the communities in which we operate, and we want those impacts to be as positive as possible. While we do not currently have a formal community consultation process, we are committed to establishing one. In 2019, we continued to engage with stakeholders and create stakeholder maps. Each year, we conduct an assessment to ensure we are not affecting the community in any negative way, and to look for opportunities for community outreach.

Humanscale has no formalized community grievance process, but aims to be a good member of the communities in which we operate.

Accreditation from third-party organizations and memberships in professional associations helps to keep us accountable and focused.

BCPE (Board of Certified Professional Ergonomists)

BCPE sets a rigorous professional standard for practitioners of human factors/ ergonomics (HFE). Humanscale is home to several board-certified ergonomists, who stay actively involved in BCPE and ensure we continue to create healthy workplaces.

FSC ® (Forest Stewardship Council)

The Forest Stewardship Council ® certifies that products come from responsibly managed forests that provide environmental, social and economic benefits. All our wood tables are certified by the Forest Stewardship Council.

BIFMA (Business and Institutional Furniture Manufacturers Association)

BIFMA is a not-for-profit trade association for business and institutional furniture manufacturers. Staying engaged with our industry trade association helps us advance the conversation about sustainability for our entire industry.

SCS Indoor Air Quality Gold

Created to demonstrate the health and safety of an indoor environment, SCS Indoor Air Quality Gold requires products to meet strict indoor air quality chemical emission limits. Humanscale tests all our major product lines to confirm they do not off-gas and meet SCS IAQ Gold.

CDP (Carbon Disclosure Project)

The Carbon Disclosure Project is the only global system for companies and cities to measure, disclose, manage and share vital environmental information, with the goal of helping them take action to reduce their impacts. Humanscale publicly discloses our greenhouse gas emissions through the CDP every year, and has since 2012.

LEVEL ®

Communicating the impacts of furniture products, LEVEL is a multi-attribute sustainability standard and third-party certification program.

HPDC (Health Product Declaration Collaborative)

This not-for-profit, member organization is committed to the continuous improvement of performance in the building industry, through transparency, openness and innovation in business practices. We take a strong stance on using healthy materials in our own products, and supporting the entire industry to push for healthier chemistry. Our Sustainability Officer is a member of the HPDC board of directors.

Living Product Challenge

The Living Product Challenge encourages participating companies to manufacture products using processes powered only by renewable energy and within the water balance of the places they are made.

IFMA – International Facilities Management Association

IFMA is the world's largest and most widely recognized international association for facility management professionals. While Humanscale is not a national member, many Humanscale employees are actively involved in the organization – employees hold position

ILFI (International Living Future Institute)

This not-for-profit organization is the originator of the Living Building and Living Product Challenges, and aims to facilitate the creation of socially just, culturally rich and ecologically restorative communities.

NextWave Ocean-Bound Plastic Working Group

NextWave intercepts ocean-bound plastics from waterways in priority areas for environmental and social benefit. The group works with scientists, corporations, and others to create an open-source supply chain that reduces ocean-bound plastic and complies with global environmental and social standards. In 2017, Humanscale was a founding member of NextWave.

SHINE (Sustainability and Health Initiative for NetPositive Enterprise)

SHINE is a joint initiative from MIT and Harvard which includes businesses and academics committed to becoming net positive. The project aims to improve the scientific basis by which NetPositive is assessed at all of these levels: products, activities, companies, economic sectors, individuals, and groups of people.

UNGC (United Nations Global Compact)

As a member of the U.N. Global Compact, we align our operations and strategies with the 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption, including a precautionary approach to environmental challenges. As a member of the U.N. Global Compact, Humanscale has top-level support for their 10 principles and has annually disclosed our progress towards adopting those principles in practice.

USGBC (United States Green Building Council)

The U.S. Green Building Council works with individuals and companies to create healthy, efficient buildings. It is the administrator of LEED credits. As a member of the USGBC, we keep up-to-date with requirements and ensure our products contribute to LEED certification.

WWF (World Wildlife Fund)

The world's leading conservation organization, WWF combines global reach with a foundation in science, and action at every level from local to global, to deliver innovative solutions to both people and nature. Our CEO sits on the WWF board of directors, and Humanscale sponsors a significant wildlife restoration initiative in Cambodia.

Political Campaigns

Humanscale has not historically been involved in political campaigns. We anticipate this position continuing, and would review management approach and evaluation should it change.

In 2019 Humanscale made no political contributions.

Corporate Structure and Governance

Humanscale's executive management and governance is overseen by Founder and CEO, Bob King.

The company is a privately held C-Corporation organized under the laws of the state of New York pursuant to its company bylaws. As a privately owned and managed company, all decisions and evaluations of governance are performed internally after consulting with the relevant business and legal executives. Humanscale maintains an in-house legal department to advise the company on lawful behavior, ethical standards, and international norms of behavior.

Humanscale's progress and performance is shared with all stakeholders through this annual Corporate Social Responsibility report.

Governance over Corporate Social Responsibility

Our Chief Sustainability Officer (CSO), in conjunction with the appropriate executives, develops and updates purpose, value, and mission statements, strategies, policies and goals relating to environmental and social topics, which are then approved by the CEO. Our executive team reviews our progress toward social, environmental, and economic goals at quarterly meetings; we also have our progress evaluated every 18 months through a third-party audit required to maintain certifications.

Risk Management

Our CSO is responsible for environmental and social impacts, risks, and opportunities. Our Chief Financial Officer holds responsibility for economic impacts, risks and opportunities. Stakeholder consultation informs the identification and management of risks and opportunities. Our executive team reviews risks and risk management annually, as part of our goal-setting progress, as well as at quarterly meetings, though our CSO and CEO meet frequently and informally throughout the year to discuss any issues or concerns that may arise. The CSO ensures all material topics are covered in this report; the CEO has final approval.

Environmental & Social Compliance

In 2019, Humanscale operations were in full compliance with environmental and social laws and regulations as determined by local and national governments.

There were no incidents of non-compliance, complaints, fines, or sanctions.

Customer Service

Humanscale has dedicated sales and customer service teams to provide high quality customer service, including but not limited to: information on products, shipping and delivery, upgrade and repair, warranty, and responsible disposal at end of life.

Humanscale takes customer complaints very seriously and has an investigative procedure in-place to maximize customer satisfaction, and maintain product quality and confidence in the brand. Humanscale secures and protects confidentiality of customer data.

Remuneration

Humanscale has an internal policy that guides our executive and all employee remuneration. As a privately held company, we understand remuneration ratios are an issue but manage those policies internally. Performance related to environmental topics is not currently a criteria in remuneration of the executive team.

The data included in this report dates from January 1 – December 31, 2019.

Our previous reporting period covered January 1-December 31, 2018; the previous report was published June 2018.

No information has been directly restated from previous reports, though some topics, such as our brand statement, products and services offered, and our position on environmental topics do not change significantly each year. They have been reviewed and confirmed, and will be similar to previous years' reports. Humanscale is not a publicly-traded company, so we do not publish financial statements.

This report does not disclose Humanscale's net sales or total capitalization, though we will endeavor to include this information in future reports.

Topics Covered

Topics covered were reviewed by our representatives of our executive team, our marketing team, and through the stakeholder engagement process to ensure that all topics were relevant, and no relevant topics were missed. Our reporting principle was to include all material topics where Humanscale activities make a significant impact on current social, economic and environmental issues. Evaluating each of the GRI topics for its relevance to Humanscale ensures that key topics aren't overlooked, and that relevant topics can be added as our business changes or our stakeholders' concerns evolve. We use this process to ensure our reporting aligns with our corporate sustainability goals, with the social responsibility standards administered by the United Nations, and with industry-leading voluntary sustainability certification programs. All information is to be disclosed to the highest accuracy possible, with any limitations to information included to provide full transparency.

Boundaries

Unless otherwise indicated, the material topics in this report include the manufacturing operations at our four production facilities: Piscataway, Fresno, Dublin and Nogales. We have focused our analysis on production facilities rather than the corporate boundary as these operations consume the most and have the highest potential for impact.
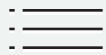
Review process

Our CSO and CEO frequently and informally discuss any concerns or issues that arise. This report has been reviewed by a panel of stakeholders as well as the CEO, whose final approval was required for its production. Our stakeholders each completed a survey, giving us feedback about our choice of material topics, comprehensiveness of information, and ease of understanding. Their feedback helped guide the direction of this report and will inform future reports

Stakeholder Engagement

We identified our stakeholders based on the potential audience for this report and who may be most directly affected by the information contained within. With the exception of employee surveys, engagement was not undertaken specifically as part of the report preparation process.

CHANNELS	TOPICS	RESPONSE
Executive Management		
• Individual interviews • Update during business review • Ongoing communication	• Confirmation of key impacts, and relevant goals • Transparency and sustainability reporting • Increasing urgency of climate impacts	• Relevant sustainability goals integrated into operational strategy • Scope 3 calculations included in CSR and CDP reporting • CSR report GHG section 3rd party verified
Employees		
• Team discussions • Survey responses to solicit opinions on previous CSR report and overall program • Interviews with team members • Responses to sustainability related queries	• Humanscale's vision and implementation • Employee engagement and satisfaction • Communication about CSR topics	• Program developed to increase communication and training. • Expand employee sustainability program (Sustainability Ambassadors)
Manufacturing partners		
• RFP, RFQ, and supplier evaluation process	• Social responsibility in supply chain • Regulatory	• Integrated sustainability metrics into existing supplier quality evaluation • On site sustainability audits of suppliers
Customers and product users		
• Sustainability-related queries • RFPs, RFQs, Purchasing contract requirements • Ongoing monitoring of and response to social media • News releases • Market survey	• Product sustainability claims • Product contributions to green building certification • Transparency of material ingredients • Humanscale's CSR vision and implementation	• Additional transparency labels published and 3rd party verified • Expansion of existing sustainability certifications • Publish CSR report
Local communities near our facilities		
• Annual open door event at our factory • Ongoing communication • Handprinting events	• Sustainability Education • Creating handprints	• Continue to grow community engagement program in 2020

The Global Reporting Initiative (GRI) Standard
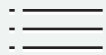
The GRI Standard is used as a method for accounting and transparent disclosure of our impact on the environment, economy and society. For more information, please see the content index.

This report used the GRI Sustainability Reporting Standards effective July 1, 2018. This reporting process highlighted areas for continuous improvement and Humanscale shall strive to address omissions in future versions of the report

This report has been prepared in accordance with the GRI Standards: Comprehensive option. It has not gone through an external assurance process.
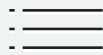
This material references the latest GRI Standards per 2016, 2018, and 2020.

204 Procurement Practices

205 Anti-Corruption

301 Materials

302 Energy

303 Water

304 Biodiversity

305 Emissions

306 Effluents and Waste

307 Environmental Compliance,

308 Supplier Environmental Assessment

401 Employment

403 Occupational Health and Safety

405 Diversity and Equal Opportunity

406 Non- Discrimination

407 Freedom of Association and Collective Bargaining

408 Child Labor

409 Forced or Compulsory Labor

411 Indigenous Peoples

419 Socioeconomic Compliance

412 Human Rights Assessment

413 Local Communities

414 Supplier Social Assessment

416 Customer Health and Safety

417 Marketing and Labeling

419 Socioeconomic compliance

GRI	SUBJECT / TOPIC	REPORT SECTION	PAGE
102	**GENERAL DISCLOSURES 2016**		
102-1	Name of the organization	Cover	
102-2	Activities, brands, products, and services	The Humanscale Difference	10
102-3	Location of headquarters	Factories and Headquarters	45
102-4	Location of operations	Factories and Headquarters	45
102-5	Ownership and legal form		
102-6	Markets served	Factories and Headquarters	45
102-7	Scale of the organization	OMISSION: CONFIDENTIALITY	
102-8	Information on employees and other workers	Our Team	63
102-9	Supply chain	Our Supply Chain	60
102-10	Significant changes to the organization and its supply chain	Our Supply Chain	60
102-11	Precautionary Principle or approach		
102-12	External initiatives		
102-13	Membership of associations	Certificates and Memberships	67
102-14	Statement from senior decision-maker	Message from CSO	6
102-15			
102-16	Values, principles, standards, and norms of behaviour		
102-18	Governance structure	Corporate Structure and Governance	69
102-19	Delegating authority	Corporate Structure and Governance	69
102-20	Executive-level responsibility for economic, environmental, and social topics	Corporate Structure and Governance	69
102-21	Consulting stakeholders on economic, environmental, and social topics	Corporate Structure and Governance	69
102-22	Composition of the highest governance body and its committees	Corporate Structure and Governance	69
102-23	Chair of the highest governance body	Corporate Structure and Governance	69
102-24	Nominating and selecting the highest governance body	Corporate Structure and Governance	69
102-25	Conflicts of interest	Corporate Structure and Governance	69

GRI	SUBJECT / TOPIC	REPORT SECTION	PAGE
102-26	Role of highest governance body in setting purpose, values, and strategy	Corporate Structure and Governance	69
102-27	Collective knowledge of highest governance body	Corporate Structure and Governance	69
102-28	Evaluating the highest governance body's performance	Corporate Structure and Governance	69
102-29	Identifying and managing economic, environmental, and social impacts		
102-30	Effectiveness of risk management processes	Corporate Structure and Governance	69
102-31	Review of economic, environmental, and social topics	Corporate Structure and Governance	69
102-32	Highest governance body's role in sustainability reporting	Corporate Structure and Governance	69
102-33	Communicating critical concerns	Corporate Structure and Governance	69
102-34	Nature and total number of critical concerns	Corporate Structure and Governance	69
102-35	Remuneration policies	Corporate Structure and Governance	69
102-36	Process for determining remuneration	Corporate Structure and Governance	69
102-37	Stakeholders' involvement in remuneration	Corporate Structure and Governance	69
102-38	Annual total compensation ratio	OMISSION: CONFIDENTIALITY	
102-39	Percentage increase in annual total compensation ratio	OMISSION: CONFIDENTIALITY	
102-40	List of stakeholder groups	About This Report	70
102-41	Collective bargaining agreements	Corporate Structure and Governance	69
102-42	Identifying and selecting stakeholders	About This Report	70
102-43	Approach to stakeholder engagement		
102-44	Key topics and concerns raised		
102-45	Entities included in the consolidated financial statements	OMISSION: CONFIDENTIALITY	
102-46	Defining report content and topic boundaries	About This Report	70
102-47	List of material topics	About This Report	70
102-48	Restatements of information	About This Report	70
102-49	Changes in reporting	About This Report	70

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306 -1	**Water discharge by quality and destination**	OMISSION: INFORMATION UNAVAILABLE FOR NOGALES	
306-2	Waste by type and disposal method	Waste	52
306-3	Significant spills	Waste	52
306-4	Transport of hazardous waste	Waste	52
306-5	Water bodies affected by water discharges and/or runoff	Water	52
307	ENVIRONMENTAL COMPLIANCE		
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	Social		
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103-3	Evaluation of the management approach	Occupational Health and Safety	63
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GRI	SUBJECT / TOPIC	REPORT SECTION	PAGE
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403-3	Workers with high incidence or high risk of diseases related to their occupation	Occupational Health and Safety	63
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		"Our Team	"63
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411-1	**Incidents of violation involving rights of indigenous peoples**		

ISO 26000

ISO 26000 is not a certification program.
The document provides guidance on how
to develop, evaluate, and communicate a
company's social responsibility program.
For more information about how our program
addresses the recommendations or clauses in
the ISO standard, please see content index.

August 2020