

roots stories

corporate
responsibility report
2017



our roots in sustainability



Joel Feldberg, CEO

In 1966, my father, Saul founded Global with a singular vision: to build a furniture company that sets the standard for service, quality and value in our industry. From the beginning, we have worked to simultaneously minimize our impact on the planet and maximize our positive impact in the community in which we operate. We have achieved this through our creative recycling efforts, the development of unique technologies for upcycling our own and our community's waste, and by continuously raising our standards for our locally owned supply chain and manufacturing facilities in the areas of the environment, health and safety. Now, we have grown into one of North America's largest manufacturers of furniture for workplace, education and healthcare environments. Our customers and employees who might remember when Global was the new kid on the block would not believe the variety, design and breadth of product we offer today.

I am inspired by the integrity, honesty, dedication and commitment demonstrated by our employees every day. I know it is their efforts that

both root us and propel us forward. We have not lost the entrepreneurial spirit embedded by my father in this company. This enables us to customize and refine our efforts within each of our locations in order to push sustainability forward in ways that make the most sense for the individual facility and the organization as a whole.

We are now starting another chapter in our long and proud story. The world is changing and so is our company. We will continue to identify areas where we can set new standards and exceed expectations for embedding sustainability within our organization, our products and our community. We do this because it is not only the right thing to do; it also makes good business sense.

Sincerely
Joel Feldberg, CEO

A handwritten signature in black ink, appearing to read 'Joel'.

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introduction

In this report we share with you our story of building a more sustainable company and future for our employees, customers and partners. Our efforts to sustain the earth, air and water have been integrated into our entire corporate culture, at all levels, in all operations and extend back to before governments developed environmental legislation.

Along with our methodology for sustainable development, we share our progress and accomplishments, highlighting the creativity and efforts of our employees. Together as a team, we will continue to push each other and ourselves to do better.



ensuring transparency + accountability

Ensuring transparency and accountability is the cornerstone of our approach and philosophy. We have implemented and adhere to the industry-recognized standards that ensure the most rigorous compliance requirements and are subject to continuous improvement initiatives and regular external audits.

These standards provide the framework for our efforts and the foundation for a holistic approach towards industry-relevant sustainability issues. Using these standards, we are able to create baselines and develop key performance indicators to monitor our progress and push our objectives and targets further.



SA8000

Certification for the fair treatment of workers worldwide and promotes better labour and human rights conditions across the supply chain

ISO 14001

Establishes a framework to manage and reduce the immediate and long-term environmental impacts of our products, services and processes

ISO 18001

Improves employee safety, reduces workplace risks and creates better, safer working conditions

ISO 50001

Develops an energy management system that helps us conserve resources and tackle climate change by using energy more efficiently

Forest Stewardship Council (FSC)

Certification ensures wood comes from responsibly managed forests

Design for Environment (DfE)

To embed sustainability throughout the lifecycle of our products

BIFMA Level 2 & 3

Certification for environmental and social performance

Lifecycle Assessment (LCA)

Identifies our product footprint from cradle to grave

GREENGUARD

Certification of our products for cleaner indoor air

LEED

Alignment for greener buildings

Healthier Hospitals

Allows hospitals to specify furniture that minimizes exposure to harmful chemicals

our methodology

Our methodology for affecting the most change is to identify and implement sustainable practices and reporting throughout our entire value chain. Within our value chain we have identified key areas and prioritized our efforts in the following areas:

1. **research + development**
2. **supply chain management**
3. **production processes**
4. **logistics + transportation**
5. **product specification + utilization**
6. **recycling + end-of-life management**

Focusing our efforts in these key areas allows us to create a better workplace and a healthier environment for both our employees and our customers.



1. research + development

A significant percentage of a product's lifecycle environmental impact is determined at the design stage. Considering these impacts at the earliest stages of a product's development enables us to create sustainable solutions that meet the needs of our customers without sacrificing safety, quality, design or cost.



1. research + development

Global Test Facility

Investment in our in-house testing facility, certified by the Standard Council of Canada (SCC), allows us to create custom testing protocols to best evaluate the function, safety, durability and structural integrity of our products for our customers. By monitoring test results on an ongoing basis within this facility, we gain unique insight into the product development process. We are able to test as we design and engineer, facilitating an iterative process that produces higher quality product with a longer lifecycle. Further, we share this knowledge and insight to develop new and improved standards with the entire industry through membership and participation in relevant organizational boards such as the Business and Institutional Furniture Manufacturers Association (BIFMA), the Canadian General Standards Board (CGSB) and the Canadian Standards Association (CSA).

Design for Environment (DfE)

Our DfE checklist considers the potential environmental, health and safety impacts of a furniture product. Our cross-functional teams are challenged to incorporate renewable, recycled and biodegradable materials, recyclability, water management, energy efficiency, responsible packaging, human and ecosystem health and end-of-life management into each of our products.

Design for Durability

Our integrated approach ensures products are designed and manufactured for longevity and relevance. Products are developed to be repeatedly handled, serviced and repaired as needed. The use of standardized components facilitates maintenance and reassembly. We test all our products throughout the development cycle to verify their engineered safety and reliability prior to production.

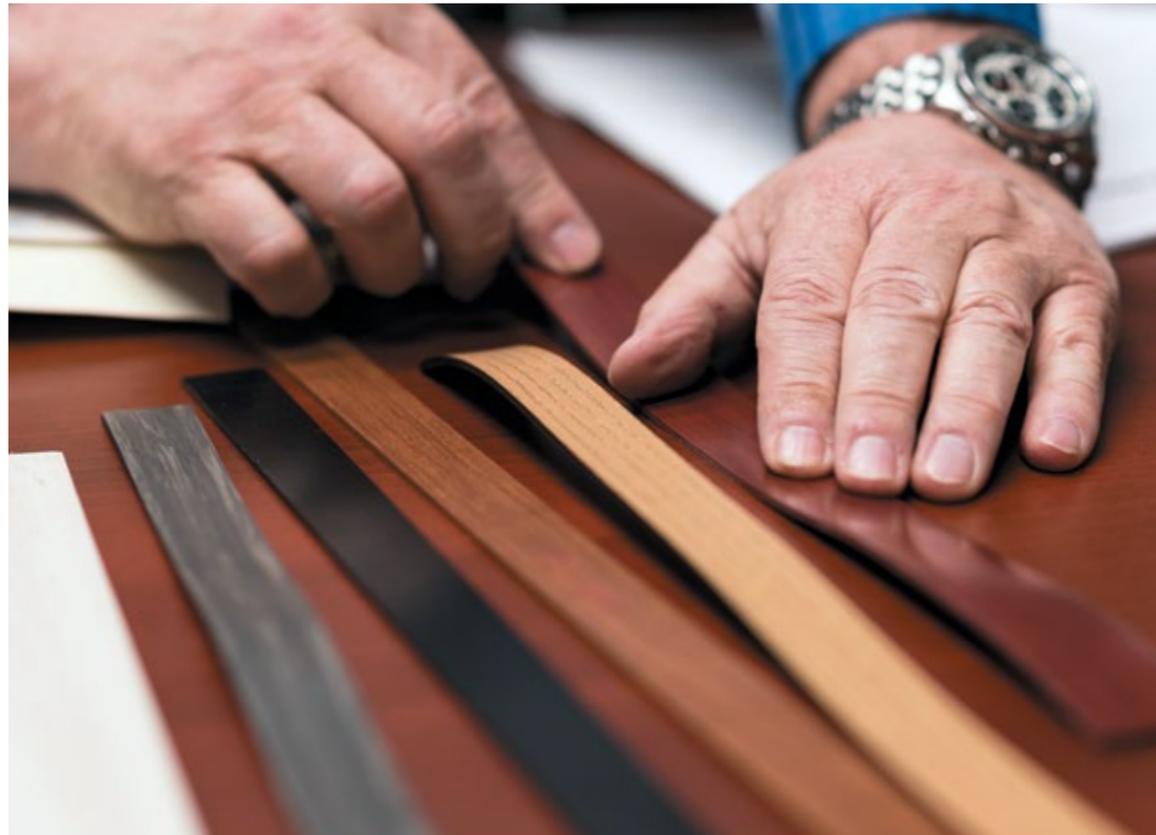
ISO 17025
Certification Global's testing facility received from the Standards Council of Canada

≈ 30%
Bio-based materials in our Green edging and Green T-molding

Design for Environment (DfE)

Our DfE checklist considers the potential environmental, health and safety impacts of a furniture product across 5 categories:





Sustainability Highlights:

Beyond PVC-free

Polyvinyl chloride (PVC) has become a source of concern due to the potential long-term human health and environmental dangers presented by the plasticizers it contains. Working to minimize or eliminate the use of plasticizers in our products, we have developed a unique bio-based alternative for our edgebanding. Bio-based products are derived from plants and other renewable agricultural, marine and forestry materials, and provide an alternative to conventional petroleum derived products. Global is currently the only contract office furniture manufacturer to have USDA BioPreferred® status for our Green T-molding and Green edgebanding. It is an open line available to the rest of the industry and currently standard on our Global Wood products.

40+

Considerations included
in DfE checklist



2. supply chain management

We own most of our supply chain, affording us the control to push safety, health and environmental initiatives beyond minimum requirements. Almost 30 of our affiliate supply companies, including our corporate headquarters, are located within a 25 km radius of the Greater Toronto Area (GTA), allowing us direct oversight of their operations. Not only can we mandate the removal of unsustainable materials from our production process, we can also control the speed at which we do it while minimizing our carbon footprint via transportation and shipping efficiencies.



2. supply chain management

Supplier Code of Ethics

85% of the raw materials used for manufacturing products at Global have been sourced and purchased within North America. Of that 85%, 75% is sourced and purchased within the GTA. For the remaining 15% of materials we source outside our supply chain, we utilize a robust supplier audit process to ensure the standards of outside vendors meet the same Social Accountability (SA8000) standard we apply to ourselves. In addition to compliance with applicable laws, all external Global suppliers are expected to report on their practices pertaining to:

- Safe and healthy workplaces
- Fair and reasonable labor practices
- Management of manufacturing operations to minimize environmental impact

Global validates that these requirements are being met through site-checks of select supplier facilities, ensuring our high standards are being met.

Transparency and Responsible Sourcing

Global uses a variety of raw materials within our manufacturing process. It is important to ensure these materials are extracted in ways that do not negatively impact the environment or communities from which they are sourced. That means not buying natural resources such as tantalum, tin, tungsten and gold from universally recognized geo-political areas of conflict. It also means providing our customers with options for sustainable materials like Forest Stewardship Council (FSC) certified wood.

1,800

Number of chemicals of concern screened for in our supplier assessments

100 parts per million

Level we are tracking our materials to



85%

Percentage of our raw materials sourced and purchased within North America

75%

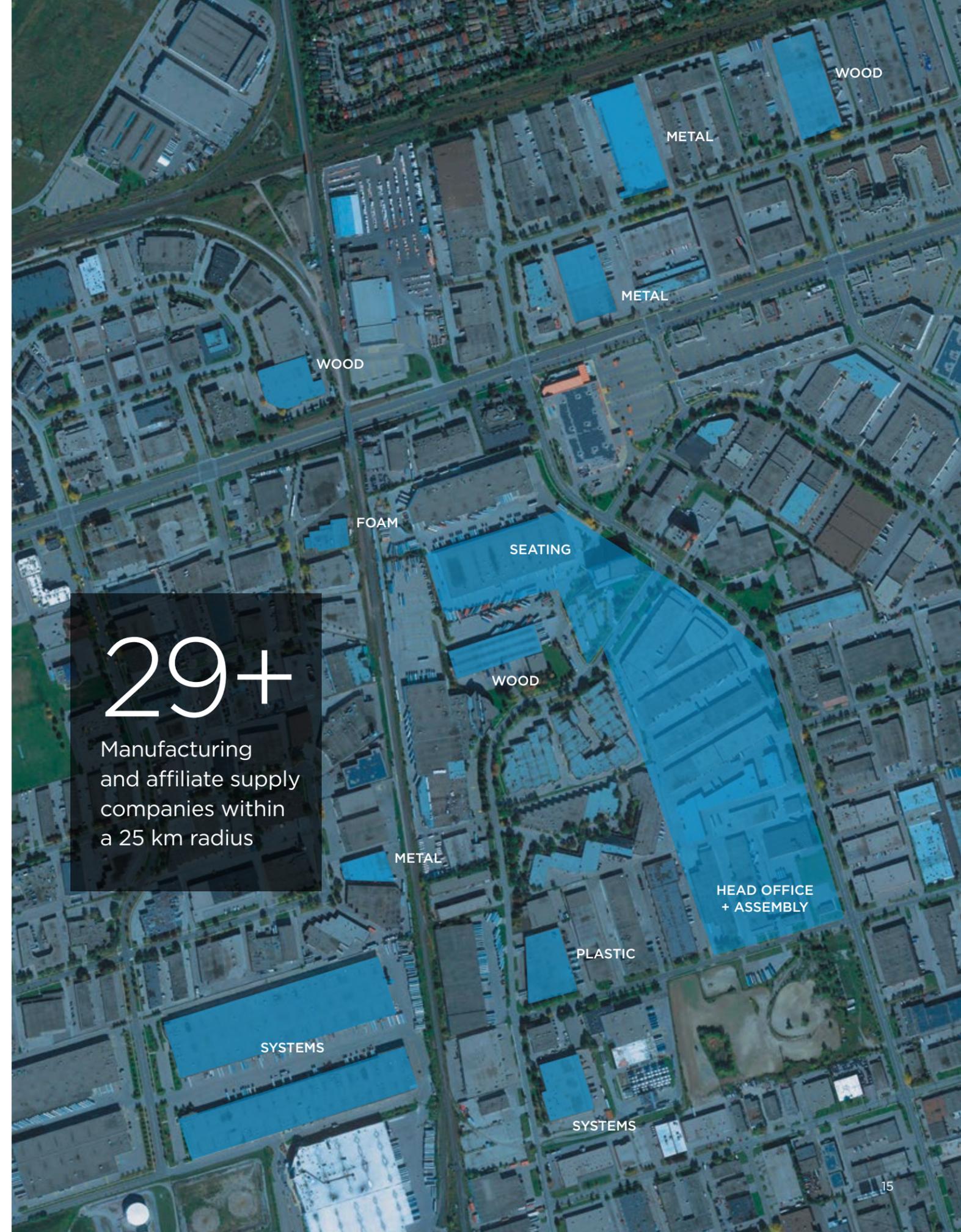
Percentage of our raw materials sourced and purchased within the GTA



Sustainability Highlights:

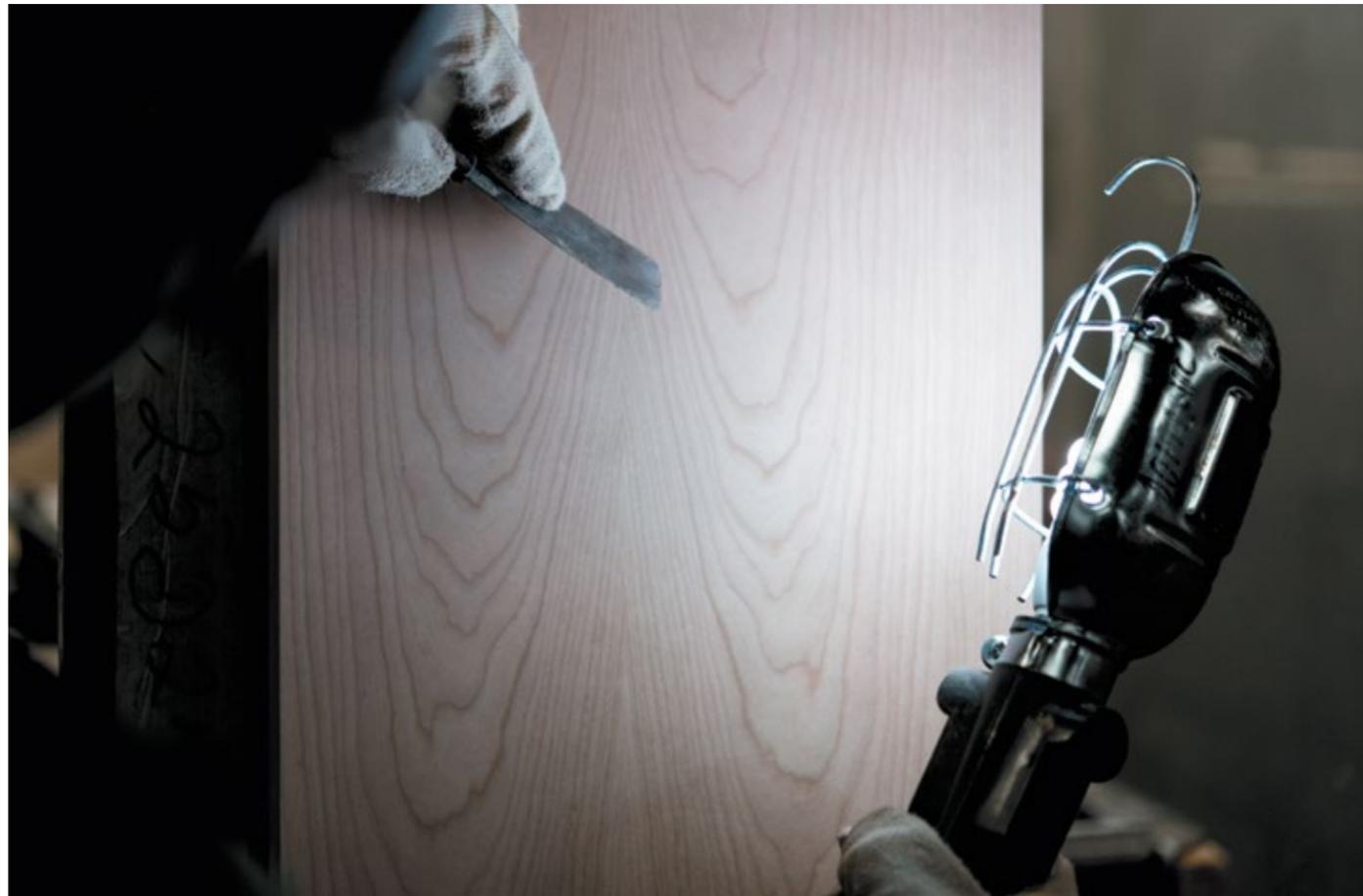
Increasing Transparency

We are working with our suppliers to trace and assess the make-up of every material used in our products down to 100 parts per million. Using the data provided by our suppliers, we strive to minimize, reduce and eliminate chemicals of concern from both the manufacturing process and the final product. This is part of the larger goal to ensure our products contribute to healthier workplaces for everyone.



3. production processes

More than 70% of everything we sell is made in-house. With over 29 just-in-time manufacturing and product assembly plants, we have the ability to respond, customize and deliver high-quality products to our customers with ease and efficiency.



3. production processes

Baselines and Tracking

We apply internationally recognized management systems in order to track key performance indicators against baselines, and continuously monitor our environmental impact across each division and at every plant. Tracking and analyzing our performance enables us to identify and implement initiatives that reduce our environmental impact and improve efficiency to benefit our triple bottom line – good for people, planet and profit.

Chemicals of Concern

We have developed a strategy to improve public and environmental health by reducing the use of materials and processes with significant lifecycle impact. By developing a master list of more than 1,800 chemicals of concern, we can work towards reduction

and/or elimination. Our master list is aligned with BIFMA level/Annex B, ROHS Reach, Conflict Minerals, Cradle 2 Cradle, Prop 65, Declare Red List, and Healthier Hospitals Healthy Interiors and includes chemicals such as TRIS, formaldehyde, perfluorinated compounds (PFC), polyvinyl chloride (PVC), antimicrobials and flame-retardants that we are actively working to reduce or eliminate in our products.

Air Quality

Our products are GREENGUARD certified for low chemical emissions, thus improving the quality of the air in which our products are used.

9,649
days combined
No lost time across
12 manufacturing &
warehouse facilities

first
Manufacturer to
remove formaldehyde
from glue in our
Wood division

Key Performance Indicators

GHG EMISSIONS

Reduction from baseline in GHG emissions in our seating division since 2011

-30%

NATURAL GAS CONSUMPTION

Reduction from baseline in natural gas consumption in our seating division since 2011

-20%

ELECTRICITY CONSUMPTION

Reduction from baseline in electricity consumption in our seating division since 2011

-11%

WATER CONSUMPTION

Reduction from baseline in water consumption in our seating division (manufacturing) since 2011

-24%



Sustainability Highlights:

Safer Glue

Close to 20 years ago, we were the first manufacturer in Canada to switch from urea-formaldehyde glue to water-based PVA glue in our wood veneer products. Working with our supplier over a six-month period we helped adapt a formaldehyde-free version of the glue that was appropriate for the contract furniture market, enabling us to adhere veneer to particle board substrates without sacrificing quality or durability. The positive effects of this collaborative effort are multi-fold; not only did we implement a safer, less toxic glue; we were able to share our knowledge with others, including another leading furniture manufacturers that we competed with – all this to benefit everyone. Now we are also able to wash our glue press with water and reuse the run-off to create brine that is used to melt snow around our facilities in winter.

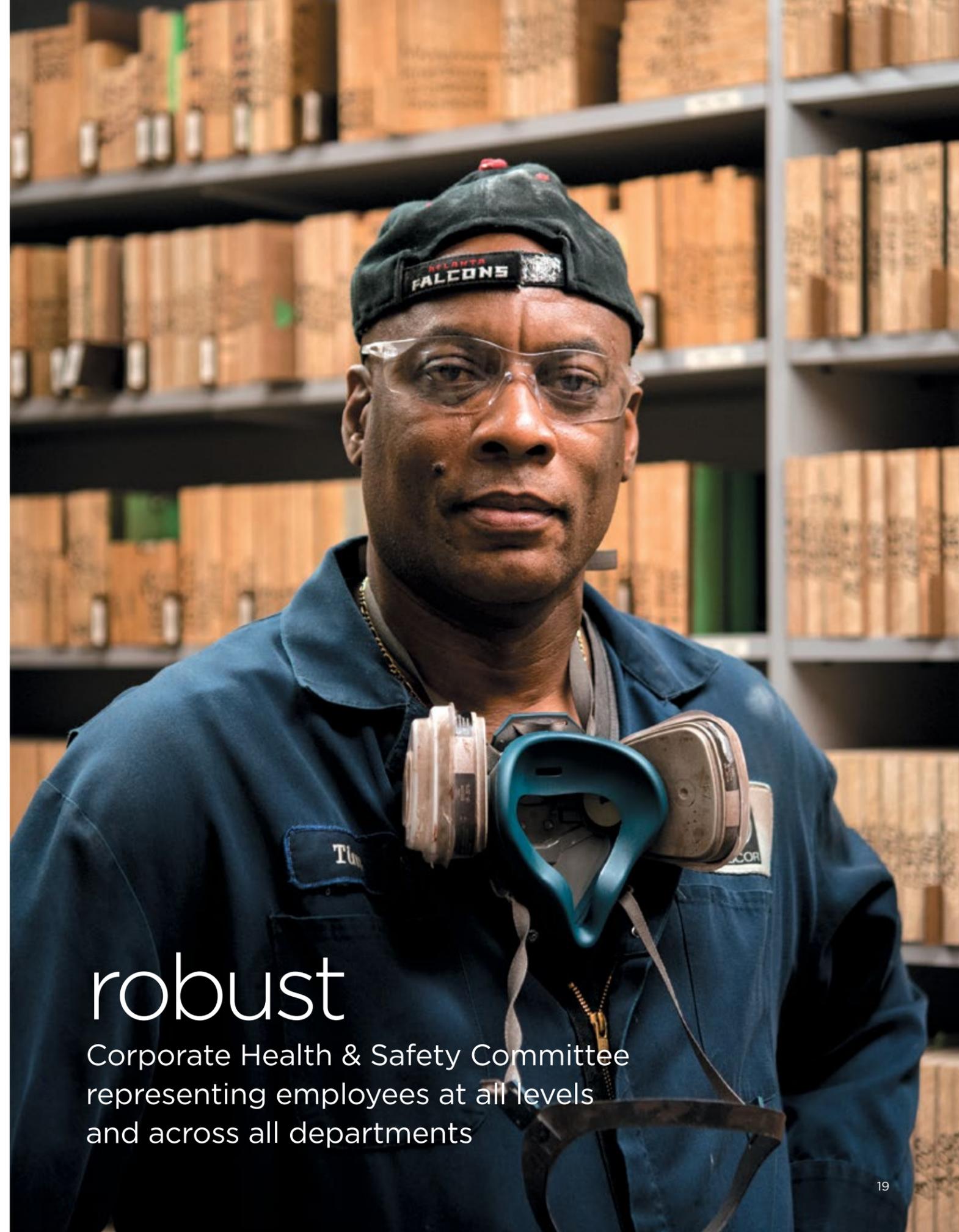
Safer Workplaces

By adopting a health and safety program that is proactive, as opposed to reactive, we have gone beyond simply tracking lost time, to fostering a work environment that promotes and encourages the reporting of workplace “near misses”. Adopting a health and safety program that is focused on prevention has enabled us to achieve results that exceed industry norms across targeted facilities. A highly engaged Joint Health and Safety Committee (JHSC) consisting of more than 20 certified members aids in the development of preventative workplace measures to keep our employees healthy and safe across all our facilities.



Award Winning Efficiency

Our Global Wood division is dedicated to improving energy efficiency. They have previously received the Canadian Industry Program For Conservation (CIPEC Leadership Award in the category of Integrated Energy Efficiency Strategy. CIPEC’s role across all industrial sectors in Canada is to promote the adoption of energy-efficient technologies and practices and to recognize and reward those Canadian industries that lead the way in reducing energy costs and improving productivity.

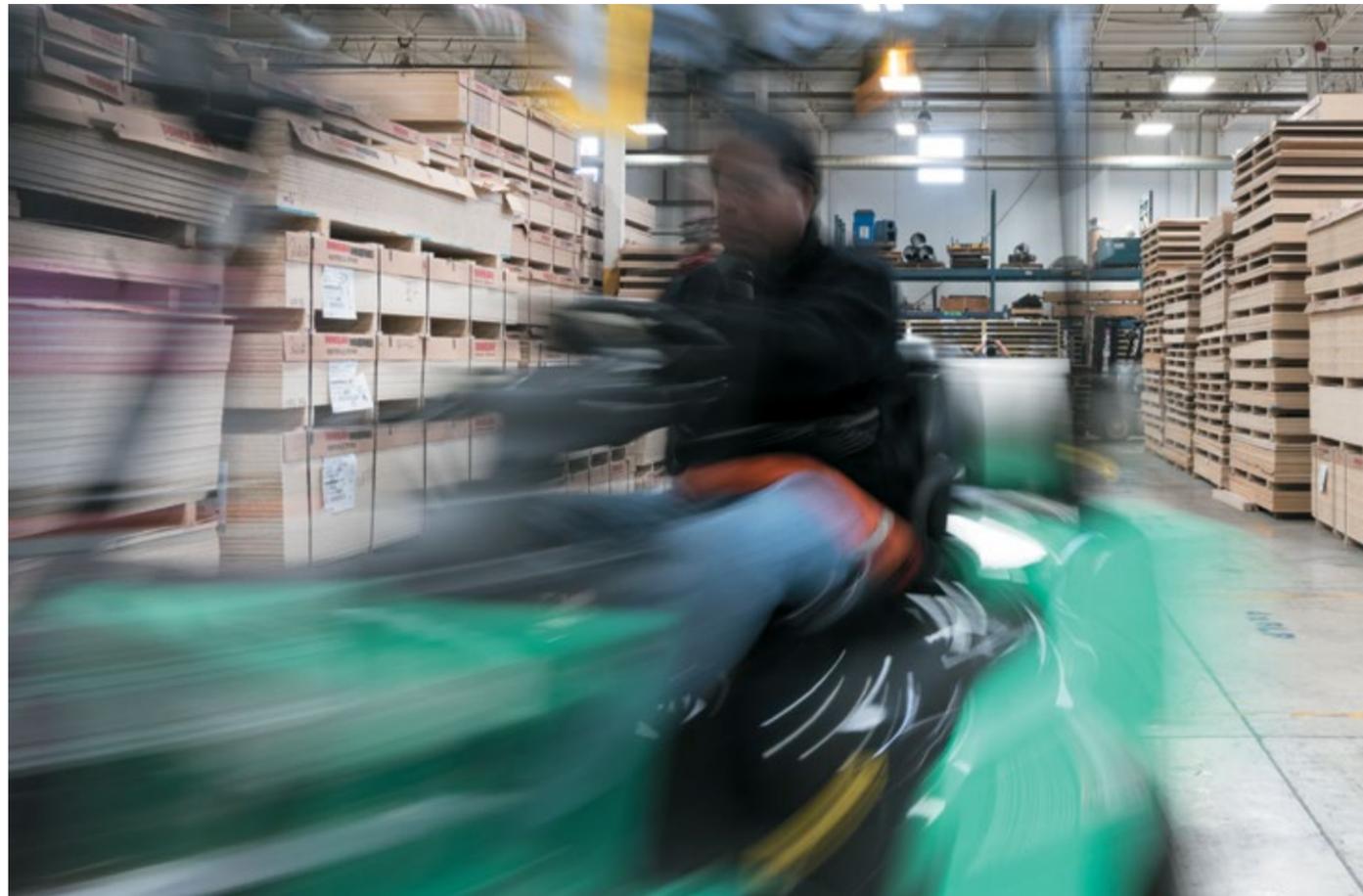


robust

Corporate Health & Safety Committee
representing employees at all levels
and across all departments

4. logistics + transportation

We have the largest distribution network in North America, including more than 40 showroom and distribution centers and vehicle fleets that we control. This network enables us to ship product locally, saving our customers time and money. Since the majority of our manufacturing occurs in a centralized location we are able to plan and schedule customer requirements to full load utilization by using our cross dock facility, consolidating loads. This means we have 100% capacity on all inbound and outbound truck loads.



4. logistics + transportation

Reducing Packaging

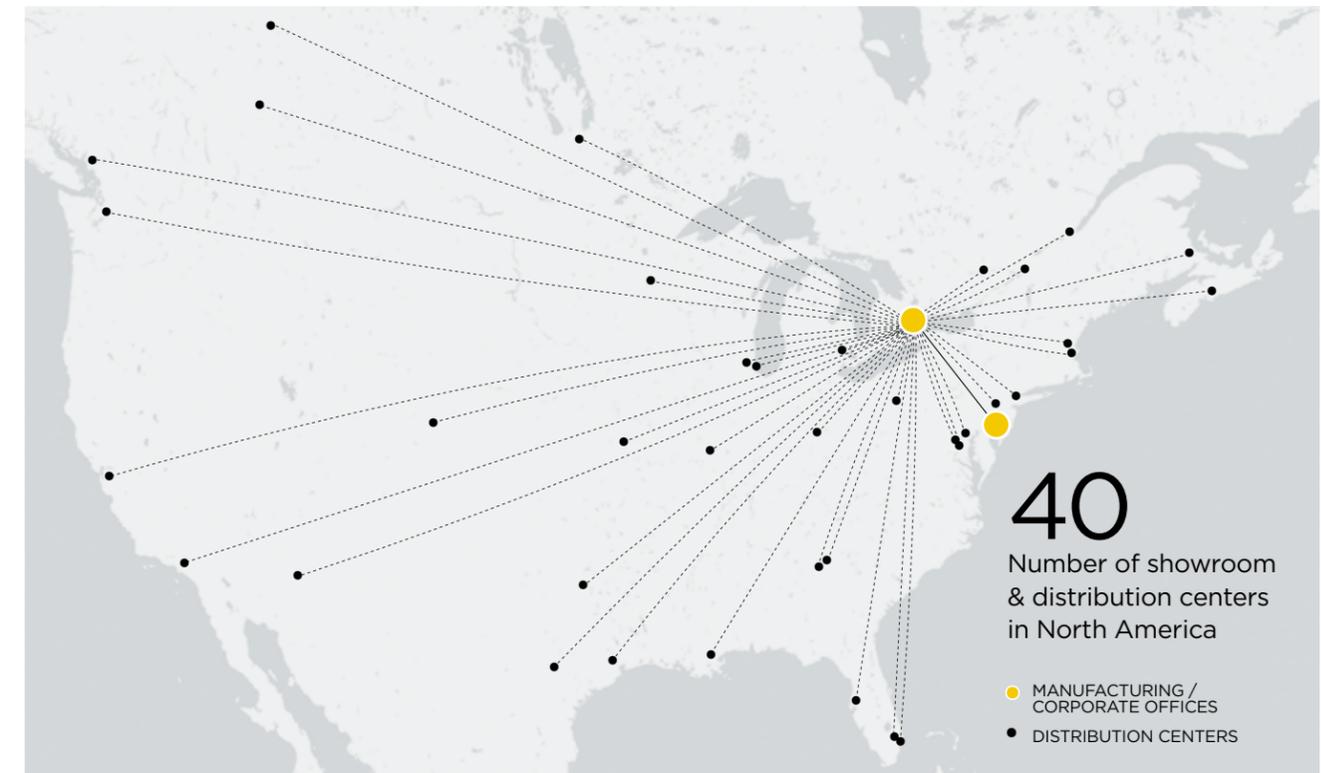
Packaging impacts the environment throughout its entire lifecycle, including raw material usage, transportation and waste disposal. We perform International Safe Transit Associate (ISTA) testing to determine the best strategy for eliminating material waste and optimizing freight efficiency. We flat pack product whenever possible to maximize efficiencies in transportation. Items such as panels and chairs are blanket wrapped to reduce packaging, ensuring our product arrives damage-free. All of our cardboard packaging contains a minimum of 80% recycled material.

Efficient Transportation

We use Smart Ship software to manage the packing of trailers and shipping routes, allowing us more efficient planning of our transport process. Higher-space utilization and optimized routes decrease the transport mileage, reduce fuel consumption and reduce carbon dioxide emissions associated with ground transportation.

hub + spoke
Methodology used to get us closer to the farthest places first, reducing mileage, fuel and carbon emissions

1.6 mpg
Improvement in our trucks' fuel mileage over the past 15 years*
*US division





Sustainability Highlights:

Socking it to Packaging

Concerned with the amount of packaging used during the shipping process, we created custom fit “socks” from fabric scraps to protect painted frames during transport. These socks, which are returned to our facilities for reuse after shipping, eliminate the need for paper packaging and the glue used to manufacture the packaging. Socks are tailor-made to fit individual components and product lines, providing better protection during transit and reducing potential shipping damage.



80%

Minimum amount of recycled material
in our cardboard packaging

5. product specification + utilization

Taking a more restorative approach to the built environment, we are expanding our efforts to include methodologies for actively improving environmental health and human wellbeing.



5. product specification + utilization

Supporting LEED

We have more than 1,800 Environmental Data Sheets (EDS) published on our website, highlighting how our products help customers meet LEED criteria through GREENGUARD certification, recycled content, materials chemistry and other initiatives. We also support the advancement of knowledge through promotion of LEED Accredited Professionals (LEED AP) within our organization, who support our employees, partners and customers with input on how our furniture contributes towards LEED certification.

WELL Alignment

We are in the process of aligning our products with the WELL Building Standard to support a more human-centered approach to building design.

Ergonomics & Mobility

Global is actively involved in shaping standards and education through industry leadership and knowledge sharing. We are a key player in developing ergonomics guidelines for the ANSI/BIFMA standard. We also provide continuing education courses (CEUs) on the role of ergonomics within the built environment and the importance of active workplace design.

1,800

Environmental Data Sheets (EDS) published on our website

100%

Product lines containing GREENGUARD certified options



360

Number of Level certified seating products we offer





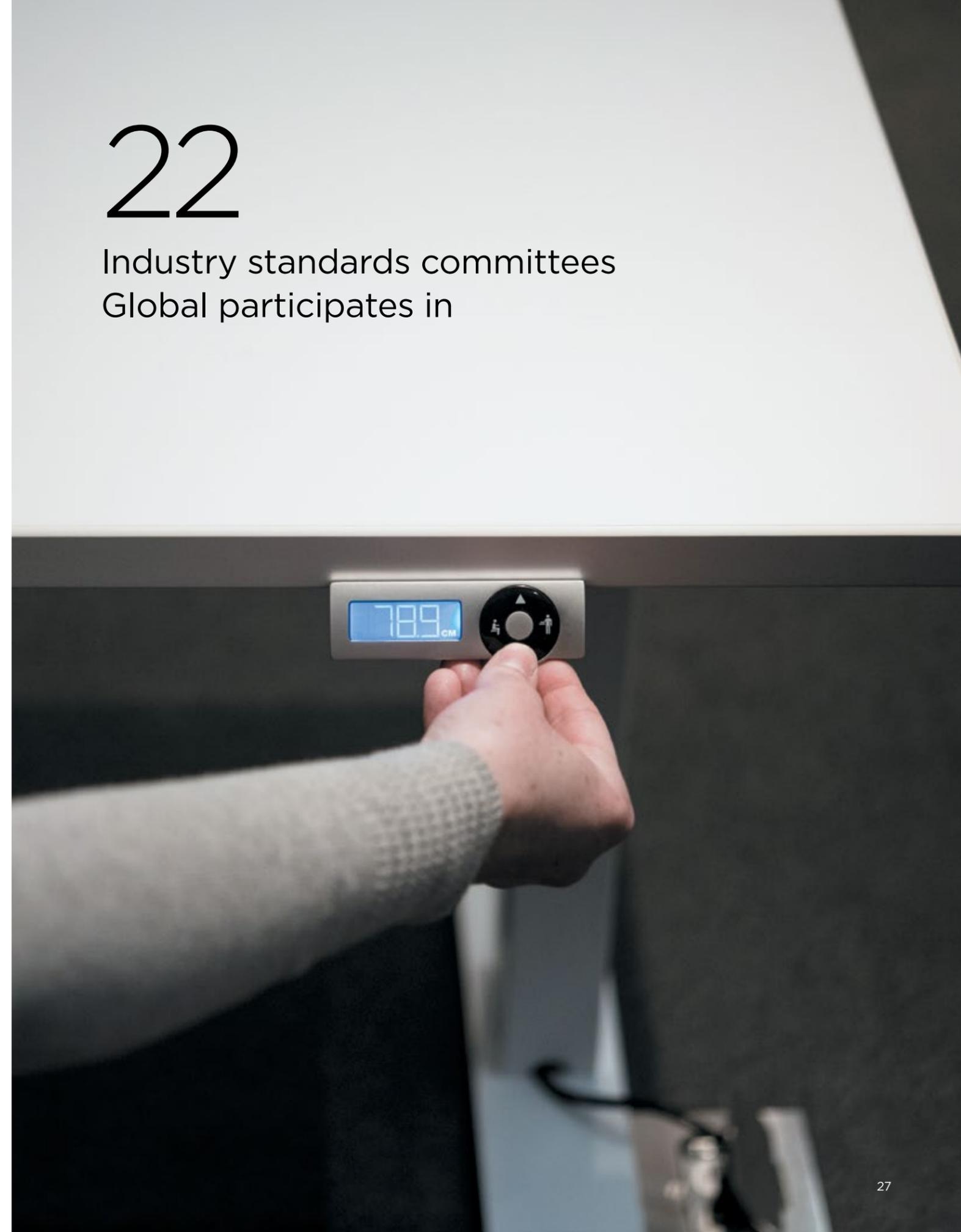
Sustainability Highlights:

Creating Benchmarks

As the Chair of the CSA Technical Committee on Office Ergonomics, our ergonomist, Lucy Hart (pictured right), helped write the ergonomics guidelines developed by the Canadian Standards Association (CSA). A seminal document, it sets the benchmark for many ergonomics standards by considering the entire functional workplace, not just the chair at the desk. Lucy continues to guide ergonomics efforts at Global, while helping the industry raise the bar for creating healthy workplaces.

22

Industry standards committees
Global participates in



6. recycling + end-of-life management

We analyze the resources used at Global to ensure that virtually all waste produced during manufacturing, as well as resources used in products, are reclaimed and reused. This closed-loop manufacturing approach has enabled us to divert 100% of our manufacturing waste from landfill. While Global's products are designed for durability via modular and flexible design and non-obsolescence policies, we provide a range of options to disassemble, reuse, recycle or dispose of product responsibly at the end of its life.



RT Technologies

Global was committed to recycling long before it became standard industry practice. In 1993, we established our own recycling facility, RT Technologies, which employs a proprietary technology that combines wood and plastic waste from our facilities and others within our community. This new composite material is injection molded and redeployed back into our products, from panels to chair components. Not only does this make our products more sustainable, but it is also a very strong material, that creates a more durable product for our customers. This innovative reclamation technology enables us to divert 7.5 tons of plastic and wood waste per day from landfill, which translates into over 3,500 US tons/year. In fact, this technology has been so successful that RT is expanding its reach and capabilities to include rubber industry waste to the tune of over 3,000,000 lbs. per year up-cycled into retail items like garden and home products.

Extending Product Life

Working with our dealer network and a collection of national and international organizations, we can help our customers determine the best lifecycle channel for furniture that has reached the end of its useful life within their facilities. This includes options to resell, donate, recycle and/or dispose of redundant product in socially and environmentally responsible ways. This process ensures resold furniture provides financial returns, donated furniture is matched to local and international charities (tax receipts can be provided), recycled components enter appropriate streams and disposed materials can be matched with carbon offset purchases. Reporting is also provided to measure the results and impact of each action taken

3 million lbs.
Amount of rubber processed into home/garden products like floor tiles

100%
Percentage of obsolete electronic equipment recycled*
*Systems division

<p>75% Amount of aluminum produced that is still in use at our systems division</p> 	<p>recycled kraft-paper honeycomb What our panel interiors are made of</p> 	<p>90 tonnes Amount of textiles Echoes in the Attic has upcycled since inception</p> 
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Sustainability Highlights:



Turning Scrap into Style

A significant aspect of our textile recycling program includes our partnership with the local eco-retailer, Echoes in the Attic™. This partnership was inspired by the handywork of our skilled seamstresses and their initiative to sew handbags for family and friends from textile scraps generated in Global's seating facility. Their handywork inspired management to reach out to Echoes in the Attic, a local retailer that upcycles discarded textiles into beautiful, small batch, eco-bags. To date, we have helped Echoes in the Attic divert 90 tonnes of fabric scraps since the program's inception (160,000 lbs.).



11,800,000 lbs.
Plastic and wood upcycled yearly

community + employees

We continuously build and enhance our inclusive culture, creating an environment where each of us feels safe, engaged and valued.

Engaging Employees

Our Quality Starts with Me program supports initiatives on a team level through the implementation of Quality Circles. The Circles meet once a month and are comprised of employees from the shop floor all the way up to management. Their objective is to develop solutions to identified quality issues. Our Quality Circle initiative has empowered every employee along the production line to be directly accountable for the quality of the product. They are able to reject any part or component at any stage of the production or assembly process that does not meet their standards, raising the bar for quality control.

Promoting Ability

We feel our greatest resources can be found within the company, which is why we emphasize internal promotion. Employees are valued based on their potential within the company, regardless of background. They are

given the opportunity and resources to grow within the organization based on their performance and work ethic.

Industry Leadership

Through membership and participation in relevant organizational boards like BIFMA and the American National Standards Institute (ANSI), we engage in dialogue with the industry to develop new and improved standards for sustainability. We are also an active participant in projects with Partners in Project Green, an organization that brings like-minded organizations together to talk about sustainability issues, share creative ideas and success stories, and collaborate on green business initiatives that create real value. By collaborating with our competitors, we share contacts, resources and knowledge to push forward sustainability within our industry. It is not just about sales, it is about doing what is right for the planet and for future generations.



60+

Nationalities represented in our manufacturing and office facilities

Yoga + Ping Pong

Some of the activities we have organized to relieve stress

University of Waterloo

Local university we have partnered with to mentor students

100

Number of charities supported by Global in 2017

Inclusiveness

The foundation of employee programs to create a rich and diverse workplace

Giving Back

The company and our employees consistently donate time, money and product to a broad range of charitable causes worldwide. Ideas for directing our donations come from every level of the company, in keeping with the spirit of individual initiative and cultural diversity.

Mentoring Students

Through our internship programs, students gain valuable industry related experience and skills under the tutelage of Global mentors, while Global benefits from the students' fresh perspectives, new ideas and approaches to problem solving.



Lifelong Learning

Saharat "Golfe" Lasanasut began his career at Global in one of our U.S. distribution warehouses. He exemplifies our strategy for employee advancement. With a desire to move into order entry/customer support, Golfe was able to take advantage of Global's two days of paid professional development time. This allowed him to complete the required training to thrive in this new position. Giving all employees - office and warehousing - in our U.S. division paid time to undertake professional development courses such as software skills, leadership and management training at local community colleges, ensures our employees remain engaged in their work and enables us to promote from within.



Fun, Fitness + Fellowship

The Global Social Committee started small with a handful of employees organizing lunches every three months. It has since grown into a formal planning committee that organizes a myriad of employee activities including yoga, charitable runs, fitness challenges and more. The committee provides employees with the opportunity to interact and socialize outside of their immediate work responsibilities. These activities often extend beyond work hours, a testament to the strong connections this committee has fostered.

Pictured left to right: **Manon Gagne**, Director of Operations and **Jennifer Brennan**, Executive Assistant, Colleagues + Founders, Global Social Committee

rooted in the future

The success of our sustainability program is founded on long-term thinking and accountability. As we look to the future, we continue to explore new ways to manufacture products more sustainably at every step along the value chain, while ensuring our employees have an accessible, safe and healthy work environment free from violence and harassment. We achieved our target of 100% of manufacturing waste diversion from landfill in 2015 at our seating division, and are working towards significant reductions in our natural resource consumption, greenhouse gas emissions (GHG) and volatile organic compounds (VOC). We continually strive to achieve zero lost time accidents through our rigorous safety and training programs.

We are both proud of our achievements and humbled by the work yet to be done. We continue to push forward our efforts to remove harmful materials from within our supply chain and seek out new ways to further align relevant facility-specific initiatives across all divisions. By supporting the passion and initiative of our people, we will continue to challenge our existing programs, looking for ways to better our environmental health and safety performance and improve the places in which we all work and live. This will be our way forward and our path to continued success.



From left to right:
Dan McGarry
Senior Divisional
HR Manager
Karen Worthy
Director, Quality and
Environmental
Heather Sherman
Director, Environmental
Health and Safety
Nina Khatib
Quality Assurance/
Environmental Health
and Safety Manager



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