Global Reporting Initiative (GRI) Index

The Global Reporting Initiative (GRI) Index is a sustainability reporting framework that allows companies the opportunity to self-report on a variety of material subject areas. The GRI Index provides increased transparency and accountability when it comes to economic, environmental, social and governance information.



Partially Reported

Fully Reported







Strategy and Analysis



Welcome address

Letter from CEO: 2014 CSR p. 3



Description of key impacts, risks, and opportunities

Annual Report pp. 6-9
Our Sustainability Promise: CSR pp. 4-5

Organizational Profile



Name of the reporting organization

Steelcase Inc.



Primary brands, products, and/or services

Annual Report pp. 1-3



Operational structure of the organization

Annual Report pp. 1-3



Location of organization's headquarters

Steelcase is headquartered in Grand Rapids, Michigan, U.S.A.



Number of countries where the organization operates

Steelcase Locations

2.6	Nature of ownership, legal form	Steelcase Inc. (SCS) is a publicly traded company listed on the New York Stock Exchange.
2.7	Markets served	Annual Report pp. 1–4
2.8	Scale of reporting organization	Annual Report Intro
2.9	Significant changes during the reporting period	In July 2013, James P. Hackett, Chief Executive officer of Steelcase for nearly two decades, announced his plans for retirement. Hackett remained CEO until February 28, 2014, the end of the company's fiscal year and reporting period. At this time, Hackett took a new position as vice chair for an additional year.
		In October 2013, Steelcase announced the appointment of James P. Keane, President and Chief Operating Officer, to Chief Executive Officer. Keane officially succeeded Hackett in March 2014.
		We continue to identify opportunities to improve the fitness of our business and strengthen our long-term competitiveness. In 2013, we opened a new manufacturing facility in Pune, India. Also in 2013, we substantially completed a two-year project to close three North American manufacturing facilities and move production within those facilities to other Steelcase locations in North America. In 2014, we initiated procedures related to the closure of a manufacturing facility in Germany and the establishment of a new manufacturing facility in the Czech Republic.

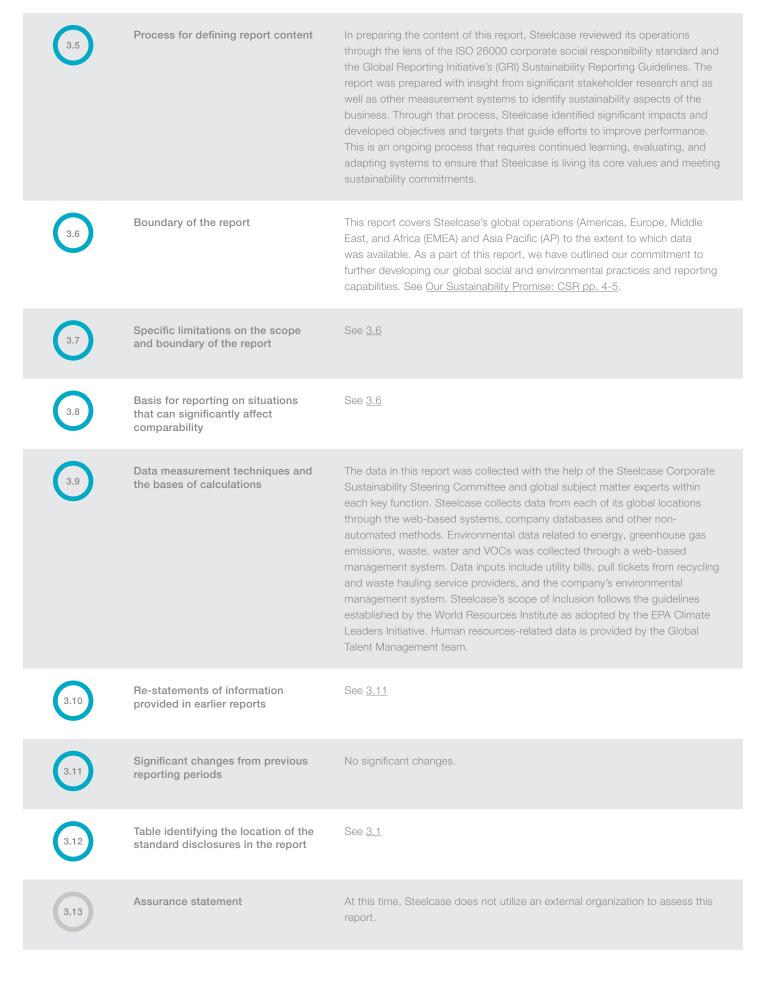
Awards received

regarding the report or its contents

<u>Awards</u>

Report Parameters

3.1	Reporting period	This report covers the calendar year 2013 (CY2013), spanning January 1, 2013, to December 31, 2013 and the company's fiscal year 2014 (FY2014), spanning February 25, 2013, to February 22, 2014. Key environmental impact metrics (energy, GHG emissions, VOCs, water and waste) are tracked on a calendar year basis for 2013 (CY2013).
3.2	Date of most recent previous report	The most recent Steelcase Corporate Sustainability Report was published in November 2013 and covered calendar year 2012 (CY2012) and Steelcase's fiscal year 2013 (FY2013 – February 23, 2013 to February 28, 2014).
3.3	Reporting cycle	Steelcase publishes a corporate sustainability report annually.
	Contact point for questions	sustainability@steelcase.com



Governance, Commitments and Engagements

-		
4.1	Governance structure of the organization	Corporate Governance
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	The Steelcase <u>Board of Directors</u> is chaired by Robert C. Pew III. He is not an <u>Executive Officer</u> .
4.3	Independent and/or non executive Board Membership	The Steelcase Inc. Board of Directors has 13 members, 10 of whom are independent.
4.4	Mechanisms to provide recommendations to the Board	Board of Directors Contact Form
4.5	Link between executive compensation and sustainable performance	2014 proxy statement, pp. 26-37
4.6	Process to avoid conflicts of interest	Business Conduct Policy
4.7	Board qualifications and expertise	2014 proxy statement, pp. 4-7
4.8	Missions, values, codes of conduct and principles	Global Business Standards
4.9	Process for overseeing economic, environmental and social performance	Corporate Governance Principles; Governance: CSR p. 32
4.10	Process for evaluating board performance	Corporate Governance
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	Steelcase takes a precautionary approach toward environmental management. History tells us that if we wait for absolute proof, or wait for governments to act, it is often too late. We follow insights gained from decades of research, leverage partnerships with leading companies and organizations, and our experiences and feedback from customers, giving us valuable guidance and perspective. It is for these and many other reasons we have taken a leading role in finding creative and responsible ways to operate and design products and applications. See the <u>Customers: CSR pp. 7-11</u> and <u>Environment: CSR pp. 23-30</u> sections for details.



Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses Steelcase participates in the following initiatives:

- AFNOR NF Environment certification program
- BIFMA level® certification program
- Blue Angel certification program
- Carbon Disclosure Project
- Cradle to Cradle® certification program
- Eco-Management and Audit Scheme (EMAS)
- Forestry Stewardship Council Chain of Custody certification
- Global Reporting Initiative (self-declared)
- ISO 14001
- ISO 26000
- LEED® certification program
- OEKO-TEX® certification program
- OHSAS 18001
- Programme for the Endorsement of Forest Certification
- SCS Indoor Advantage[™] certification program
- U.S. EPA Green Power Partnership
- UN Global Compact (Europe)



Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization:

- Has positions in governance bodies
- Participates in projects or committees
- Provides substantive funding beyond routine membership dues
- Views membership as strategic

There are a number of organizations around the world that we are members and active partners in. Here are a few:

- BIFMA
- Business Leaders for Michigan
- Business Roundtable
- Design Industry for Fighting Aids (DIFA)
- Gilda's Club, Leadership and Incubation
- Grand Rapids Community College Diversity Speaker Series Sponsor
- K&L Gates LLP
- Michigan Manufacturing Association
- Michigan Minority Supplier Development Council
- National Association of Manufacturers
- National Association of World Affairs, Executive Leadership Council,
 Diversity Executive
- National Civil Rights Museum
- National Minority Supplier Development Council
- Student Advancement Foundation
- Talent 2025
- United Way
- University Prep Academy
- West Michigan Center for Arts & Technology, WMCAT
- West Michigan Environmental Action Council



List of stakeholder groups engaged by the organization

The stakeholder groups we engage with are customers, the architectural and design community, employees, academic and research institutions, dealer partners, supplier partners, governmental agencies, industry organizations, NGOs, community partners, nonprofits, investors and media. See Supplier Partners: CSR p. 13.



Basis for identification and selection of stakeholders with whom to engage

Our Sustainability Promise: CSR pp. 4-5



Approaches to stakeholders engagement, including frequency of engagement by type and by stakeholder group Steelcase regularly conducts research to understand our stakeholder expectations around sustainability. We use the results of these research projects to drive our business strategies and engage with stakeholders addressing the topics that are most relevant to their priorities. We will continue to engage with stakeholders, moving forward through informal discussions, surveys, focus groups and social media. For more information, see Our Sustainability Promise: CSR pp. 4-5.



Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting

Our Sustainability Promise: CSR pp. 4-5

Economic



Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments

Please see the following resources for this information:

- Operating Costs: <u>Annual Report, p.16</u>
- Employee & Executive Compensation: Annual Report, pp. 64-65, 87
- Donations/Community Investments: <u>Social Investment: CSR p. 16</u>;
 Employee Impacts: CSR p. 17
- Retained Earnings: Annual Report, p. 42
- Payments to Capital Providers and Governance: Annual Report, p. 42



Financial implications and other risks and opportunities for the organization's activities due to climate change

Climate change poses many potential risks to the environment, business, people and the communities in which we work, live and serve. At this time, these risks are difficult to predict and quantify. However, we work to minimize our impact on the climate through a global initiative to reduce our emissions and measure our performance through a metric-based system. Steelcase monitors its global greenhouse gas emissions and has several goals in place for continuously improving our reduction rates. In addition, we invest in renewable energy technology purchasing Renewable Energy Credits (RECs) equivalent to 100% of our global electricity consumption. See our Energy Use and Efficiency: CSR p. 27 and Renewable Energy: CSR p. 26 sections for more information.



Coverage of the organization's benefit plan obligations

Annual Report pp. 28, 64-72



Significant financial assistance received from government

We have not received significant financial assistance from the government.



Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation Steelcase pays all entry level employees wages that are equal to or exceed the local legal minimum wage at the significant locations of operation.



Policy, practices, and proportion of spending on locally-based suppliers at significant locations There are a number of factors involved in the evaluation and selection of our supplier partners. Quality, performance, safety, price, location and social and environmental impact are all weighed. Our value-based supplier assessment process aims to consider all factors in order to make the best possible decision for Steelcase, our customers and the environment. Local suppliers are often selected. See <u>Supplier Partners: CSR p. 13</u> and visit our <u>Supplier Overview</u> page for more information.



Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation As a global enterprise, Steelcase supports a diverse workplace. Our goal is to attract and retain the best talent around the world. To accomplish this goal, we engage with local recruitment sources to provide top candidates. Every Steelcase global location has identified and works directly with these sources to attract the best local talent. Currently, we do not track the proportion of locally hired senior management.

We are implementing a new sourcing tool and are exploring the reporting capabilities. This tool will give us the opportunity to identify the location of hire when this information is disclosed.



Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement

Social Investment: CSR p. 16



Understanding and describing significant indirect economic impacts, including the extent of impacts

Steelcase and The Steelcase Foundation make donations to support various art, education and environmental organizations in the geographies where Steelcase operates. See <u>Social Investment: CSR p. 16</u> for details.

Environmental



Materials used by weight or volume

Due to the complexity of manufacturing Steelcase products, material weight and volume vary significantly by product type and options selected. Steelcase calculates materials used by products on an individual basis.

Some of the key materials we use in our products are:

- Aluminum
- Fabric
- Fiberglass
- Foam
- Glass
- Laminates
- Paint
- Plastic parts
- Steel and steel parts
- Woodcore

In the Americas, see <u>Product Environmental Profiles</u> (PEPs) for more information. In the Europe, Middle East and Africa, PEPs and Environmental Product Declarations (EPDs) can be provided by request. In the Asia Pacific region, PEPs can be provided by request.



Percentage of materials used that are recycled input materials

Steelcase uses a broad range of materials in its products – many of which contain recycled materials. Percentages of recycled content in products are reported in Product Environmental Profiles. The primary materials used that contain recycled content are steel, aluminum, composite wood and select textiles. For information on products in the Americas, see Product Environmental Profiles. Product Environmental Profiles available by request in Europe, Middle East and Africa and Asia Pacific regions. Where available, Environmental Product Declarations can be provided by special request. See Innovative Products and Applications: CSR pp. 24-25 for more information.



Direct energy consumption by primary energy source

See Energy Use and Efficiency: CSR p. 27 and Renewable Energy: CSR p. 26 for more information.

SCOPE 1 TERAJOULES

Natural Gas 581.49

 Propane
 2.91

 Coal
 258.84

 Diesel Fuel
 61.72

 Gasoline
 2.47

 Jet Fuel
 84.80



Indirect energy consumption by primary source

See Energy Use and Efficiency: CSR p. 27 and Renewable Energy: CSR p. 26 for more information.

INDIRECT CY2013 GIGAJOULES TONNES CO2 EQV

Electricity 622,290 119,539



Energy saved due to conservation and efficiency improvements

At the beginning of 2012, the company set a goal to reduce its environmental footprint by 25% by the end of 2020 using 2010 as a baseline. Through 2013 energy use has increased 1%. Since the company began tracking progress in 2001, Steelcase has reduced its energy use by 59%. See Energy Use and Efficiency: CSR p. 27 and Renewable Energy: CSR p. 26 for more information.



Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives Most Steelcase products do not consume energy, but the company is optimizing products that impact energy in the use phase, such as lighting. Steelcase conducts life cycle assessments on key products to understand the impacts of their whole life cycles. This effort offers insights in the development of new products and helps the company develop action steps to reduce the embodied energy in all phases of the products life including the use phase. See Energy Use and Efficiency: CSR p. 27 and Innovative Products and Applications: CSR pp. 24-25 for more information.



Initiatives to reduce indirect energy consumption and reductions achieved

Energy Use and Efficiency: CSR p. 27 Renewable Energy: CSR p. 26



Total water withdrawal by source

Globally, Steelcase used approximately 130 million gallons (492,104 cubic meters) of water in 2013. The primary sources of water are the municipal water systems where Steelcase facilities are located.

At the beginning of 2012, the company set a goal to reduce its environmental footprint by 25% by the end of 2020. Through 2013 water use has increased 14%. Since the company began tracking progress in 2001, Steelcase has reduced its water use by 70%. See <u>Water Conservation: CSR p. 28</u> for more information.



Water sources significantly affected by withdrawal of water

The primary sources of water are the municipal water systems where Steelcase facilities are located. Globally, Steelcase used approximately 130 million gallons of water in 2013.

As a part of our efforts to reduce our global environmental footprint, Steelcase is committed to reducing our water usage by 25% by the end of 2020. See Water Conservation: CSR p. 28 for more information.



Percentage and total volume of water recycled and reused

At the beginning of 2012, the company set a goal to reduce its environmental footprint by 25% by the end of 2020 using 2010 as a baseline. Through the end of 2013, water use has increased 14%. Since the company began tracking progress in 2001, Steelcase has reduced its water use by 70%. See Water Conservation: CSR p. 28 for more information



Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected Steelcase is committed to investing in and enhancing habitat protection. Refer to Habitats Protected or Restored (EN13) and Strategies, Current Actions, and Future Plans (EN14) for examples of those initiatives.



Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas Steelcase's goal is to minimize potential environmental impacts of our products, services and operations. At this time, biodiversity is not a material issue to our business and operations. For more information about how we consider environmental impacts in the creation of our products, see Innovative Products and Applications: CSR pp. 24-25.



Habitats protected or restored

Steelcase is committed to investing in and enhancing habitat protection. Examples of these programs include:

- Native species plantings and low-impact landscaping at the wood furniture manufacturing plant (LEED silver certified)
- Creating a bioswale utilizing native plants at the WorkLab (LEED Platinum certified) and Innovation Center (seeking LEED certification) in Grand Rapids, Michigan, USA
- Low-impact native landscaping at the company WorkLab in Schiltigheim,
 France



Strategies, current actions, and future plans for managing impacts on biodiversity

By conducting life cycle assessments, Steelcase works to understand the impacts of its key products throughout all stages of their complete life cycle. These insights inspire innovation and new approaches in the development of our products. See EN26 and EN26 for more information.

EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	Steelcase's approach to embedding sustainability into its business systems is holistic, research-based and measurable. Every step of the way – from design, manufacture, delivery and product life cycle – Steelcase considers the impact of its products and processes on human and environmental health. The company's product development process is based on three foundational platforms for sustainable design: materials chemistry, life cycle assessment and end of use. See Innovative Products and Applications: CSR pp. 24-25 for more information.
EN16	Total direct and indirect greenhouse gas emissions by weight	See Energy Use and Efficiency: CSR p. 27 and Renewable Energy: CSR p. 26 for more information.
EN17	Other relevant indirect greenhouse gas emissions by weight	Steelcase follows protocols and reported its GHG emissions through the Carbon Disclosure Project. The CDP approach uses World Resources Institute protocols.
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	Energy Use and Efficiency: CSR p. 27 Renewable Energy: CSR p. 26
EN19	Emissions of ozone-depleting substances by weight	Nearly 20 years ago, Steelcase phased out all ozone depleting substances in the manufacture of its products.
EN20	NOx, SOx, and other significant air emissions by type and weight	These emissions are included in the measurements we track for GHG emissions. Steelcase reports all measurements in CO2 equivalents. See Energy Use and Efficiency: CSR p. 27 for more information.
EN21	Total water discharge by quality and destination	See Water Conservation: CSR p. 28 for more information.
EN22	Total weight of waste by type and disposal method	Steelcase tracks and reports according to the following categories: landfill, incineration, compost and recycle. For waste reduction initiatives, see <u>Waste Reduction: CSR p. 29</u> in the Environment section. For how we help our customers with end-of-use

TYPE	DISPOSAL METHOD	2013 TONS
Composting	Composted	176
Hazardous Waste	Hazardous Waste Disposal Facility	218
Incineration/Cogeneration	Incinerated	9,870
Coal Ash	Landfilled	74
Enamel Cake Waste	Landfilled	208
Landfill Waste	Landfilled	4,559
Non-Steel Materials	Recycled	11,168
Scrap Steel	Recycled	13,995
Waste Powder	Recycled	1,918,838

strategies, see End of Use Strategies: CSR p. 9 in the Customers section.



Total number and volume of significant spills

There were no significant spills during the reporting period.



Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally

Lean manufacturing processes, powder coat finishing operations and improved steel utilization and recycling have contributed to the significant reduction of hazardous waste and the reduction of the amount of waste sent to landfills. The majority of hazardous waste is sent to local treatment facilities, exceptions being where legal standards require export. For waste reduction initiatives, see Waste Reduction: CSR p. 29 in the Environment section. For how we help our customers with end-of-use strategies, see End of Use Strategies: CSR p. 9 in the Customers section.

TYPE DISPOSAL METHOD 2013 TONS

Hazardous Waste Disposal Facility 218



Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff None.



Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation

Steelcase's approach to embedding sustainability into its business systems is holistic, research-based and measurable. Every step of the way – from design, manufacture, delivery and product life cycle – Steelcase considers the impact of its products and processes on human and environmental health. The company's product development process is based on three foundational platforms for sustainable design: materials chemistry, life cycle assessment and end of use. For our operational initiatives and progress, see Innovative-Products and Applications: CSR pp. 24-25.



Percentage of products sold and their packaging materials that are reclaimed by category Designing products for disassembly and recyclability is an embedded approach in Steelcase's product development process. It ensures that Steelcase products, packaging and components can be recycled or repurposed at the end of useful life. To explore our sustainability product design platforms, see Innovative Products and Applications: CSR pp. 24-25.

Steelcase offers a convenient way for businesses to responsibly dispose of furniture and equipment. With options ranging from refurbishing and resale, to donation or recycling, Steelcase has helped extend the useful life of thousands of furniture products and millions of tons of raw materials, dramatically reducing the amount of product waste dumped into landfills. For details on how we help our customers with end-of-use strategies, see <u>Waste Reduction: CSR p. 29</u>.

Steelcase has a comprehensive packaging strategy that focuses on a number of different tactics to reduce, reuse and recycle packaging. We begin by seeking to eliminate or minimize packaging wherever possible. We utilize tools such as blanket wrap and palletizing to minimize the amount required. Next, we look at the types of packaging that are used, seeking materials that contain recycled content and are recyclable. Where packaging is used, we partner with our independent local dealers to assist our customers in getting packaging materials recycled. Some materials such as blanket wraps are returned to us. Other materials are recycled in local markets. For packaging initiatives, see Transportation and Packaging: CSR p. 30.

At present, Steelcase does not have a global system that can track the total percentage of products or packaging that have been reclaimed.



Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations It is a Steelcase Inc. policy to work in full cooperation with the agencies that regulate our business to ensure that it is compliant with applicable laws and regulations. As part of this full cooperation, Steelcase is routinely inspected by various regulatory agencies, including the U.S. Environmental Protection Agency and agencies in other countries where we have operations. To support compliance efforts, Steelcase has dedicated internal compliance personnel who regularly conduct internal environmental reviews of operations as they relate to specific codes and regulations. Should internal reviews identify an item that is a compliance concern, it is Steelcase policy to voluntarily report that concern to the appropriate agency and then work cooperatively with that agency to resolve the matter. Occasionally, this voluntary proactive approach may actually trigger a notice of violation due to the way in which government regulations are structured. Public filings identify any situations that meet reporting thresholds required by the Securities and Exchange Commission. Recent filings with the SEC are available on the Investor Relations section of the Steelcase web site.



Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce

Transportation and Packaging: CSR p. 30; Innovative Products and Applications: CSR pp. 24-25 Scope 1 and 2 GHG resulting from transportation of products and materials are included in our Carbon Disclosure Project filing. We are continuing to work on expanding to include Scope 3 contract carrier product transportation impacts.



Total environmental protection expenditures and investments by type

Steelcase's business strategy is to systematically embed sustainable decision making and investments into all business systems. These investments are integrated into the operations of the company and therefore cannot be reported by line item.

Human Rights



Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening

Our core values are reflected in our <u>Global Business Standards</u>, which embody the fundamental principles that govern our ethical and legal obligations as we do business around the world. All Steelcase agreements and contracts require strict adherence to the laws within each country. In keeping with our core values, Steelcase supports fundamental principles of human rights set forth in the United Nations Universal Declaration of Human Rights and related international covenants in every aspect of our business, each region of the world in which we operate, relationships with our employees, clients and suppliers, and communities where our employees live and work.

In 2013 Steelcase globally launched the Steelcase <u>Supplier Code of Conduct</u>. In FY2014 we signed 198 contracts with suppliers that contain legal compliance to the Steelcase <u>Supplier Code of Conduct</u>. See our <u>Supplier Partner: CSR p. 13</u> section and our <u>Supplier Overview</u> page for details on human rights policies and practices in our supply chain.



Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken

In 2013, we began employing a new process with updated assessment criteria involving these and other code of conduct topics. We received over 400 supplier Questionnaires from suppliers where the supplier commits they have read and will comply with the Steelcase <u>Supplier Code of Conduct</u>, and have begun on-site assessments to validate the implementation of the principles that appear in the Steelcase <u>Supplier Code of Conduct</u>. Refer back to <u>HR1</u>.



Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained Globally, employees are required to take policy and compliance training regarding our <u>Global Business Standards</u>. As of 2013, eighty (80) percent of all employees globally have received this training, for a total of approximately 73,000 employee hours. New employees receive this training as a part of the onboarding process.



Total number of incidents of discrimination and corrective actions undertaken

Per the Steelcase <u>Global Business Standards</u>, any reports of discrimination are investigated and resolved within 48 hours of the complaint. The Steelcase Integrity Line enables employees to make anonymous reports. As such, Steelcase does not disclose this information.



Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights

See <u>HR1</u>. At Steelcase, acting with integrity is a key principle that has guided our individual and corporate business thinking, decisions and behavior for over 100 years. It is a legacy handed down from the founders of our company and remains the cornerstone of our business philosophy today. As outlined in our Global Business Standards and supplier relations document, Steelcase does not tolerate the use of child labor, forced labor or discriminatory practices within its operations or within the operations of affiliated partners. We comply with applicable laws and industry standards on working hours. We respect the right of individuals to form and join trade unions and to bargain collectively. See <u>Supplier Partners: CSR p. 13</u> and <u>Diversity and Inclusion: CSR p. 22</u> for more information.



Operations and significant suppliers identified as having significant risks for incidents of child labor and measures taken to contribute to the effective elimination of child labor See HR5



Operations and significant suppliers identified as having significant risks for incidents of forced labor and measures taken to contribute to the effective elimination of all forms of forced or compulsory labor

See HR5



Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations One hundred (100) percent of our global security personnel are trained in Steelcase's human rights policies and procedures.



Total number of incidents of violations involving rights of indigenous people and actions taken

There are no known incidents involving the rights of indigenous people.



Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments

To date, we have not been subject to any human rights reviews or conducted any impact assessments. See $\underline{\mathsf{HR1}}$



Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms Steelcase provides a variety of mechanisms designed to aid employees in voicing concerns or receiving assistance with sensitive issues in the workplace. They can consult/connect with:

- Leader, if appropriate
- Designated HR business partner
- Global Business Standards (GBS) Integrity Line (see below) confidential service that allows employees to ask questions, raise concerns or clarify issues

Anonymity is crucial to the success of this process; therefore, we do not report on these issues.

Labor Practices & Decent Work



Total workforce by employment type, employment contract, and region, broken down by gender Global total (approximate) of employees: 10,200 Of those employees, 31% are females and 69% are males, and 1.4% are part-time employees.



Total number and rate of new employee hires and employee turnover by age group, gender, and region $\label{thm:continuous} \mbox{Total number of new hires worldwide: 1,978. Estimated attrition rate: 16.5\%.}$

By region:

Americas: 16.2% attrition rate

Europe, Middle East & Africa: 24.1% attrition rate

Asia Pacific: 13.4% attrition rate

By generation: (est.)Silents: 30.8%Boomers: 6.6%Gen X: 11.5%Gen Y: 36.7%

By gender:

Female: 29.4%Male: 70.6%



Benefits provided to full time employees that are not provided to temporary or part time employees, by significant locations of operations Full-time employees working in Steelcase locations in the United States, Mexico and Latin America, Germany, France, Belgium and China have full benefit access to medical, prescription drugs, dental, vision, short- and long-term disability, employee basic and supplemental life insurance, spouse and child life insurance, employee accidental death & dismemberment, spouse and child AD&D, flexible spending accounts for healthcare and dependent day care, education assistance, adoption assistance, employee assistance program, employee discounts and a 401(k) retirement plan. These benefits are also available to part-time employees in these locations, with the exception of China. Temporary employees in Germany and France also have access to these benefits, while the remaining locations have benefits based on the individual temp agency overseeing those employees.



Percentage of employees covered by collective bargaining agreements

Americas:

• Steelcase Manufacturing: 0.5%

PolyVision: 60%Designtex: 32%

France, Germany, and Spain: 100%

Mexico: 80% union



Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements

Minimum notice periods are as follows: In the United States, France and Germany – 60 days. In Belgium, the minimum notice period for white-collar workers is 90 days for every starting period of five years of service. For blue-collar workers, notice is based on the amount of time with the company, starting with 42 days for those serving under five years and up to 196 days for those with the company 25 years or longer. In China and Malaysia, the minimum notice period is 60 days.



Percentage of total workforce represented in formal joint management-worker H&S committees that help monitor and advise on occupational H&S programs Nearly 15% of our total workforce worldwide is represented in formal joint management-worker health, safety and wellness committees. These committees help monitor and advise on occupational health and safety programs.



Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region and by gender Rates of occupational diseases and injuries by region are as follows:

• Americas: 2.5

Europe, Middle East & Africa: 1.9

Asia Pacific: .30

Lost time rates by region are as follows:

Americas: 0.50

• Europe, Middle East & Africa: 0.75

Asia Pacific: 0

There were no work-related fatalities reported during the recording period. Steelcase does not track this information separately by gender.



Education, training counseling, prevention, and risk-control programs in place to assist workforce members, their families or community members regarding serious diseases Each Steelcase employee in the United States has the ability and is encouraged to visit a dedicated site for information on disease prevention, counseling, education and training. In all other countries where Steelcase is located, employees have access to this information through government programs.



H&S topics covered in formal Agreements with trade unions

Not Reported.



Average hours of training per year per employee by gender, and by employee category Not Reported.



Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career ending Steelcase University offers a variety of courses and programs on campus and online, enabling employees around the world to take them and track progress for their personal and professional development. We also provide a Career Development tutorial to guide employees through the process of identifying their career ambitions, strengths, and networks and develop action plans to achieve their goals. Additionally, the university offers a retirement program to help employees think through their transition, financial planning and tools. U.S.-based employees have access to a phased retirement program. For those who exited the company due to position elimination and plant closings, we offer services from a professional outplacement company, including career counseling, tools and techniques for job searching and courses to update skill sets. Furthermore, we support the French requirement to provide learning for employability outside Steelcase. See <u>Training and Development: CSR pp. 20</u> for more information.



Percentage of employees receiving regular performance and career development reviews, by gender Steelcase believes that successful implementation of our corporate strategies requires alignment between our corporate goals and the performance goals of individual departments and employees. This shared and focused direction enables each of our individual and team efforts to truly impact our organizational success.

Steelcase uses a process tool called MAPP – Measurable Annual Performance Plan. The MAPP is a one-year performance plan linked to our annual corporate goals. It addresses three key areas of performance management:

- Goal alignment
- Performance measurement
- Ongoing feedback and coaching
- Employees at Steelcase are encouraged to establish a general career direction and a plan for their next Steelcase job or role. The company's career development process is one about self-discovery, direction setting and decision making.

Annual performance and career development reviews were given to 98.6% of all salaried employees. By gender, 43% were female and 57% were male.

Hourly employees are evaluated using supervisor notes and the Steelcase Employee Performance System (SEPS) as the feedback tools for performance.



Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity Total average age of all employees:

Worldwide: 42Asia Pacific: 34

• Europe, Middle East and Africa: 43

• Americas: 43

Gender breakdown:

Females: 31%Males: 69%

Estimated U.S. minority breakdown:

Salaried: 9.1%Hourly: 28%

• All US Employees: 18.8%



Ratio of basic salary and remuneration of women to men by employee category, by significant location of operation Steelcase routinely assesses discrepancies in compensation with the intent of meeting both legal requirements and corporate values regarding equal pay.



Return to work and retention rates after parental leave, by gender

We strive to help our employees achieve a work/life balance. See <u>Wellbeing:</u> <u>CSR p. 19</u> for more information.

Product Responsibility



Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures Steelcase conducts material assessments and life cycle assessments on key products to understand the impact of our products over their entire life cycles – material extraction and selection, production, transport, use and end of use or next life. We use that information to inform the development of new products. Information is published in Product Environmental Profiles – available on www.steelcase.com/pep for North America, and by request in the Europe, Middle East and Africa and Asia Pacific regions. Environmental Product Declarations are available by request for products that have gone through a life cycle assessment and third-party review process. For more information, see https://www.nnovative-products-and-Applications: CSR-pp. 24-25.



Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes No significant incidents.



Practices related to customer satisfaction, including results of surveys measuring customer satisfaction

In the Americas and Europe, Middle East and Africa regions, we survey our customers regarding their satisfaction in a variety of areas from our products and our representatives capabilities to our performance as a company.

In the Americas, our dealers assisted in our new Customer Experience Measurement (CEM) system, which allows our customers to provide feedback on how we're doing. This system enables clients to provide feedback on various aspects of products and services provided by Steelcase and our dealer network through an online survey. Results are shared with management and key employees both at Steelcase and within the dealer organizations. For 2013, customers provided an average overall satisfaction score of 8.6 out of 10 for Steelcase and dealers combined. When considering Steelcase and dealers individually, both received a score of 8.8.

In our Europe, Middle East and Africa (EMEA) region, various customers throughout the region are surveyed for their satisfaction in a number of areas, such as our portfolio offerings, our representatives and the company's ability to offer workplace solutions. Solution Fulfillment Team reach out the EMEA dealer network on a yearly basis with a Voice Satisfaction Survey. In 2014, the results for those markets are as follows (3.0 = Meets Expectations, and 4.0 = Above Expectations):

- United Kingdom: 3.3
- France: 4.2
- Rest of International: 3.8
- DACH (Germany, Austria and German speaking Switzerland): 3.9

In 2013, we rolled out a formal customer satisfaction process for our Asia Pacific region, which is a direct sales market. This survey was available for our markets in China, Hong Kong, Singapore, Malaysia, India and Australia. Overall, satisfaction in AP scored at 7.5 out of a possible 10.

Learning from these surveys not only helps us improve our performance but also allows us to better understand the needs of our customers as we want to ensure our dealers and customers are not just "served" but are truly satisfied.



Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship. Steelcase communications are prepared in consultation with environmental technical and regulatory specialists knowledgeable of the Federal Trade Commission, Environmental Protection Agency, and other global regulatory standards, accepted practices and requirements for such communications. Communications are submitted to the Steelcase legal department where they undergo an additional review to ensure technical accuracy and conformance with regulatory standards and guidelines.



Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes. None.



Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data None.



Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services No significant incidents.

Society



Percentage of operations with implemented local community engagement, impact assessments, and development programs

Both Steelcase and the independent Steelcase Foundation utilize a process to assess the priority and value of gifts provided. The Steelcase Foundation offers human services, health, education, community development and arts and education. The foundation provides assistance to a broad array of organizations. See <u>Social Investment: CSR p. 16</u> for more information.



Percentage and total number of business units analyzed for risks related to corruption All business units are regularly analyzed by the Internal Audit Department.



Percentage of employees trained in organization's anti-corruption policies and procedures

Globally, all salaried and hourly employees are required to take policy and compliance training regarding our <u>Global Business Standards</u>. We have updated the GBS course materials and plan to roll out training by the 4th quarter of FY 15. In addition, Foreign Corrupt Practices training is required for sales and other employees where applicable.



Actions taken in response to incidents of corruption

There were no significant incidents of corruption during the reporting period. See <u>Code of Business Conduct</u> for practices and policies on the issues of:

- Compliance with Laws, Rules and Regulations (Including Insider Trading Laws)
- Conflicts of Interest
- Financial Reporting and Controls, Records Management and Communication
- Protection and Proper Use of Company Assets
- Confidential Information
- Competition and Fair Dealing
- Payments to Government Personnel
- Corporate Opportunities
- Reporting Illegal or Unethical Behavior
- Waivers of the Code of Business Conduct
- Compliance Procedures



Public policy positions and participation in public policy development and lobbying

Steelcase actively lobbies for public policy issues that impact Steelcase at local, state and federal levels in the United States.



Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country None. Steelcase Inc. does not make financial or in-kind contributions to support political parties.



Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes Annual report p. 10



Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

Annual Report p. 10



Operations with significant potential or actual negative impacts on local communities

We deeply value the communities in which we work, live and serve, and continue to identify opportunities to improve the fitness of our business and strengthen our long-term competitiveness. In 2013, we substantially completed a two-year project to close three North American manufacturing facilities and move production within those facilities to other Steelcase locations in North America. In 2014, we initiated procedures related to the closure of a manufacturing facility in Germany and the establishment of a new manufacturing facility in the Czech Republic.

Actions like these are required for company fitness, but they're never easy because they impact people in those communities. See <u>Social Investment:</u> <u>CSR p.16</u> for ways we are working to positively impact our communities.



Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities

See SO9. See Social Investment: CSR p. 16.

Other KPIs



Percentage of women in management

- Americas: 30%
- Europe, Middle East & Africa: 29%



Percentage of ethnic minorities in the US staff

U.S.: 18% ethnic minorities



Total Recordable Injury Frequency Rate

Total Recordable Frequencies:

- Americas: 2.50
- Europe, Middle East & Africa: 1.9
- Asia Pacific: 0.63



Lost-time injury frequency rate (LTIFR)

Lost time rates by region are as follows:

- Americas: 0.50
- Europe, Middle East & Africa: 0.75
- Asia Pacific: 0



Number of fatal accidents

There have been no fatalities in the time frame being reported.



Employee satisfaction rating

Steelcase conducted an employee survey with its global workforce in March 2012. Over 7,000 employees participated, representing approximately 72% of our global employees.

Based on the insights from this survey, Steelcase created a core Global Culture Team (GCT) to focus on evolving our culture. An extended global team of employees representing various departments participated in workshops designed to tap into what was working in our existing culture, and where we had opportunities to improve. Prototypes were created to enable employees to experiment with new behaviors.

The GCT is now engaged in similar activities with leaders across the organization who are interested in transforming their teams. In addition to these grassroots efforts, the GCT is partnering with executive leaders and Global Talent Management teams to identify opportunities and make necessary changes at the organizational level.



Total giving

\$1.2 Million (Steelcase Inc.)

\$5.3 Million (The Steelcase Foundation)



Global amount of donated hours of volunteer service

6,900 hours



List of countries taking part in volunteer service

- Belgium
- Brazil
- Canada
- France
- Germany (Durlangen, Rosenheim)
- Hong Kong
- Latin America & Caribbean
- Malaysia (Kuala Lumpur)
- Mexico (Monterrey. Tijuana, Reynosa and Mexico City)
- Romania (Cluj)
- Singapore
- Spain
- United Kingdom (London)
- United States



3 year energy consumption trend (normalized to turnover)

From 2010 to 2013, tonnes of Greenhouse Gas Emission equivalents – per \$1,000 of gross sales – declined by 14%.



Percentage of women in the company

Asia Pacific: 43%

• Europe, Middle East, and Africa: 28%

Americas: 30%Overall: 31.2%



Employee turnover rate

Overall estimate of global, salaried turnover: 11.2%



% of contracted suppliers having signed a supplier code of conduct

In fiscal year 2014, we implemented our Steelcase <u>Supplier Code of Conduct</u>. This included supplier communication and training at our three regional supplier conferences, as well as by communication on the <u>Supplier</u> pages in Steelcase. com.



Raw material consumption

See EN1