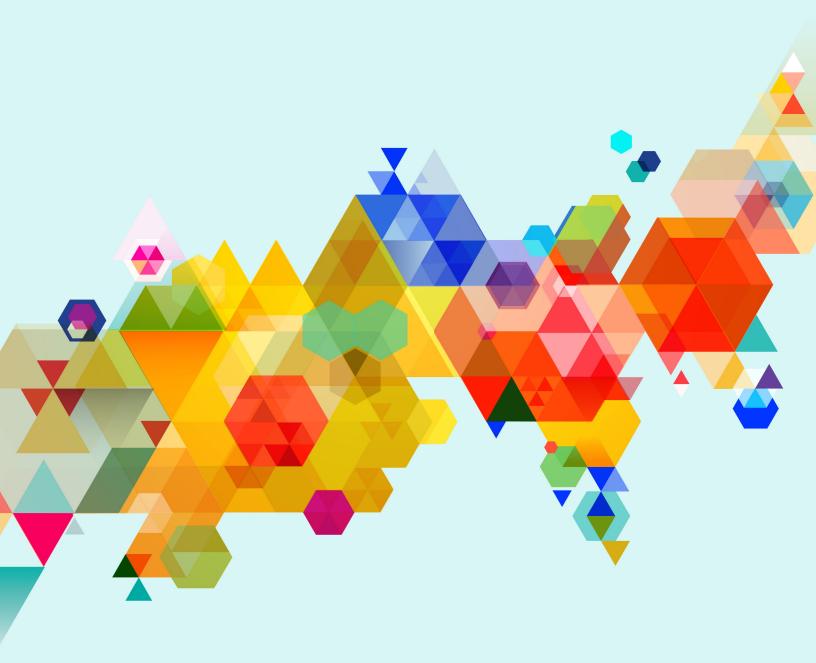
Promise + Progress



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Steelcase has been in business for over a hundred years. We know staying in business for another hundred will depend on our ability to remain agile and grow sustainably. Sustainable growth initiatives protect our people and our planet, and I'm delighted they're integral to our business strategy.

We live in a fast-paced world with trends that move quickly, blur lines and disrupt ecosystems. People are drawn to what's new, bigger, better, brighter. This is certainly true in our industry. Product quality and life cycle performance can often be sacrificed in the name of a quick fix or a new trend. But we don't think customers should have to make those tradeoffs. We're working hard to build literacy around these issues, and to play a role in bringing sustainability to everything people need in today's workplace.

That's one reason we invest deeply in global standards, including alignment with LEVEL® by BIFMA parameters measuring material health, material optimization and reutilization, renewable energy, water stewardship and social fairness. These investments are just some of the ways we seek to deliver on our promise — and create the conditions for people to thrive.

Here are a few of the highlights of some of this year's efforts:

- Launched new products and materials designed for circularity such as Steelcase Series 1, New Black and Planked Veneer.
- Invested in our communities with over 46,000 employee volunteer hours and \$4 million in donations, including \$470,000 in matching gifts.
- Employee inclusion groups grew to over 20 diverse networks of people and topics including multi-cultural, veterans, wellbeing, young professionals, women, pride, social responsibility committees and more.
- Expanded our end-of-use services to help customers with their own sustainability goals and divert millions of furniture items from the landfill.

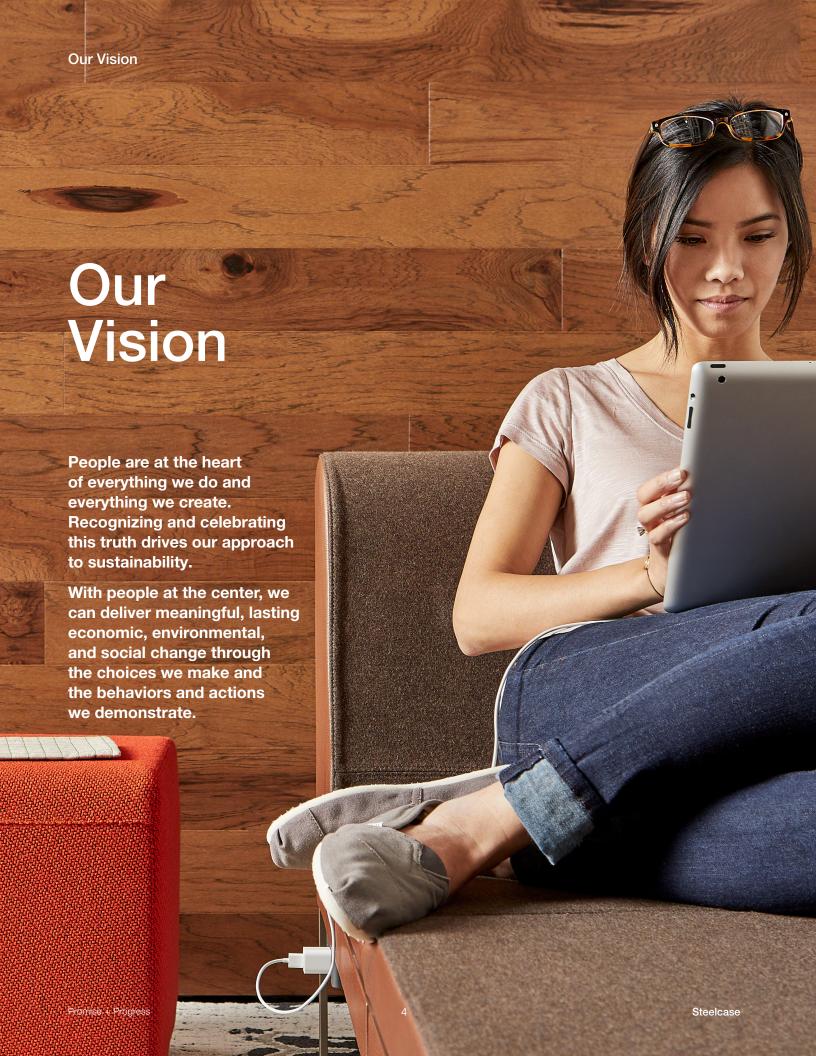
As we focus on growth, we continue to identify new opportunities to help organizations better manage their space and resources. Commercial buildings consume a tremendous amount of energy, yet they're often only 50-60% utilized. Our developments in software and data can help organizations create harderworking spaces – by optimizing their real estate and energy footprint, delivering value to employees, customers and shareholders.

Helping organizations use space more effectively enhances the worker experience and boosts engagement. By creating spaces that allow people to be productive and enjoy their workday, they return home as better partners, parents, friends and community members.

Some may think of Steelcase as a furniture company, but we're really in the people business. Our mission is to unlock human promise. We're pursuing this mission creatively, passionately — and sustainably.

Thanks for reading this year's report.

James P. Keane President and CEO



Sustainability In Action

- Strengthening sustainable development in our global operations and those of our supplier partners, including a focus on environmental and human health, social responsibility and economic prosperity.
- Working to ensure our operations protect the environment and health of employees, neighbors and customers through actions that conserve resources, reduce waste and promote closed loop business systems.
- Investing in education to increase stakeholder and employee engagement.
- Engaging with suppliers, dealers, customers, researchers and environmental agencies to share and distribute best practices and discover new ideas.

Holding Ourselves Accountable

Sustainable business and circular economy is core to our strategy. There are three important groups governing our activities:

- Our Board of Directors, a hardworking combination of proven business leaders including third- and fourthgeneration founding family members, set the tone for our company's future.
- Our Executive Leadership team is committed to our mission to unlock human promise by transforming work, worker and workplace, deliver long-term shareholder value and drive sustainable business fitness.
- Our Global Sustainability
 Steering Committee is
 responsible for building
 a culture of sustainable
 innovation, and developing
 communication and processes
 to advance our value
 proposition, brand reputation
 and business performance. The
 Committee is charged with:
- Driving explicit connections between sustainability, corporate resilience and growth
- Sponsoring key initiatives to design our company's roadmap forward
- Fueling deeper engagement across multiple levels and disciplines within the organization.

The formal governance structure is important to drive accountability. However, each and every Steelcase employee is responsible for the integration of social and environmental sustainability in his or her particular role. No matter their title or responsibilities - they are empowered to innovate and drive sustainable change, expected to be responsible stewards and contribute to the overall safety and wellbeing of fellow workers. their communities and the natural world.

Our Sustainability Promise

We unlock human promise by transforming work, worker and workplace. Delivering on this purpose takes continuous and coordinated efforts. We believe our actions can help create the social, environmental and economic conditions that allow people and communities to thrive. We're putting those beliefs into action.

Our Corporate Values

Every day — from Michigan to Malaysia, Dongguan to Cluj, Munich to Pune our values frame our beliefs and inform our actions:

- Act with integrity
- Tell the truth
- Keep commitments
- Treat people with dignity and respect
- Promote positive relationships
- Protect the environment
- Excel.

Sustainability Beliefs

- Businesses, communities and people are inextricably linked and more powerful when they act with a shared purpose.
- When you tell the truth, you become part of the solution. We work hard to be transparent and authentic with others and with ourselves.
- Sustainability is a lens for innovation and growth, contributing to the overall financial wellbeing of our company.
- There is no greater design challenge than building a more sustainable, circular economy.
 It demands systems-level design thinking in all aspects of our business.

We have an opportunity to use our assets and influence to create significant, positive change in the world. By fully leveraging our assets to this end, we will become an even stronger partner and an increasingly better-performing company.

People are at the center of sustainability; we begin and end our product, application and service efforts with a commitment to human-centered design and sustainability.



Key Actions

- Identified sustainability aspects material to our business to help us advance our social and environmental performance to align with the expectations of our many stakeholders, shareholders and partners.
- Conducted a circular economy-readiness assessment to understand current state, and developed an eight-year roadmap to drive towards a more sustainable, circular economy.
- Surveyed our customers and studied their inquiries to understand their corporate sustainability priorities relating to our business.
- Partnered with leading organizations to understand and explore emerging issues and opportunities — as broad as circular economy and as critical as advanced materials.
- Empowered employees through education and partnerships to understand their role in advancing the mission and goals of our company — as well as those of our partners, customers and communities.

Our Year in Focus

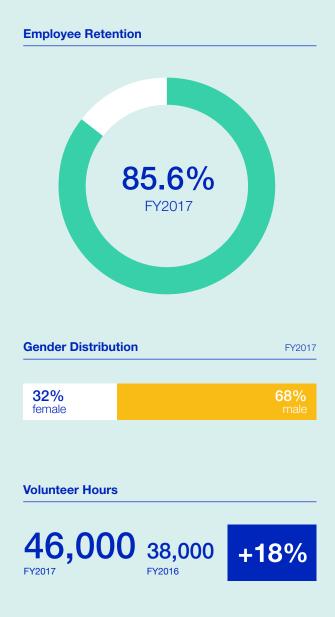
Our sustainability aspirations are ambitious, especially as we work to drive value in a more circular economy. Everyone must be actively engaged in strengthening our performance and reaching our goals.

This year, Steelcase celebrates how innovation drives growth for our people, our customers, our communities and our organization. We're highlighting grassroots employee initiatives that deliver on our purpose — from product development to employee wellbeing to customer service.

Targets + Performance

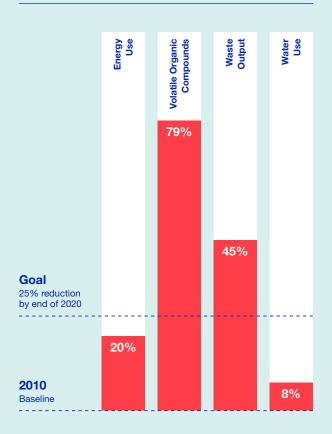
We've set our sights high as we think about what it means to create holistic value as a globally-integrated company operating in a globally-connected world.

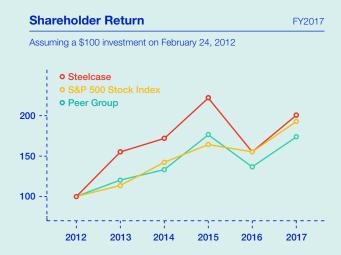
Across our global footprint, we're measuring our progress against our sustainability goals. We strive to enhance our reporting and refine our metrics, using our progress to inspire change and drive our performance.



Investments in clean energy technologies are equivalent to 100% of our global electricity use.

Progress Toward Environmental Goals CY16





Monetary + In-Kind Donations

\$1.3 Million \$4.0 Million Steelcase FY2017 Steelcase Foundation

Revenue

FY2017

CY2016

\$3.0 Billion

33.3% margin

Net Income

FY2017

\$124.6 Million



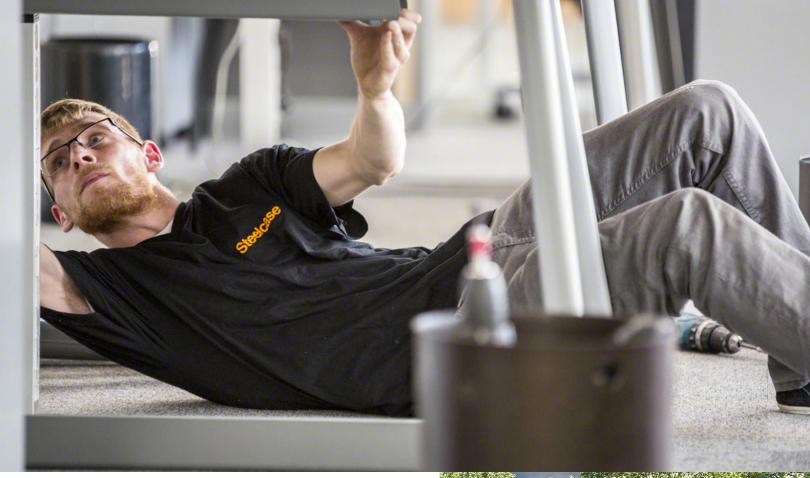


Change doesn't always have to come from the top: employees are critical partners in driving personal and community wellbeing. In our new Learning and Innovation Center (LINC) in Munich, Germany, grassroots, employee-driven committees for sports and wellbeing, corporate social responsibility and employee experience bring people together around common interests and help bridge gaps across cultures, languages and backgrounds. These employee groups are particularly important because only half of our Munich-based employees are German, with team members representing 25 nationalities.

At the company level, programs are available to help connect employees to the Munich community, to emerging ideas and to each other. These include options like Live at the LINC, where employees can hear from speakers on an array of topics, and Language Breakfasts, where employees can practice their German or English in a relaxed setting. Additionally, sports and outdoor activities (including community soccer matches, skiing, running groups, swimming and on-site yoga classes) give all LINC employees a chance to get involved and share their hobbies and knowledge with co-workers.

With so much diversity, LINC Munich is strengthening the Steelcase community in Europe — and around the world.

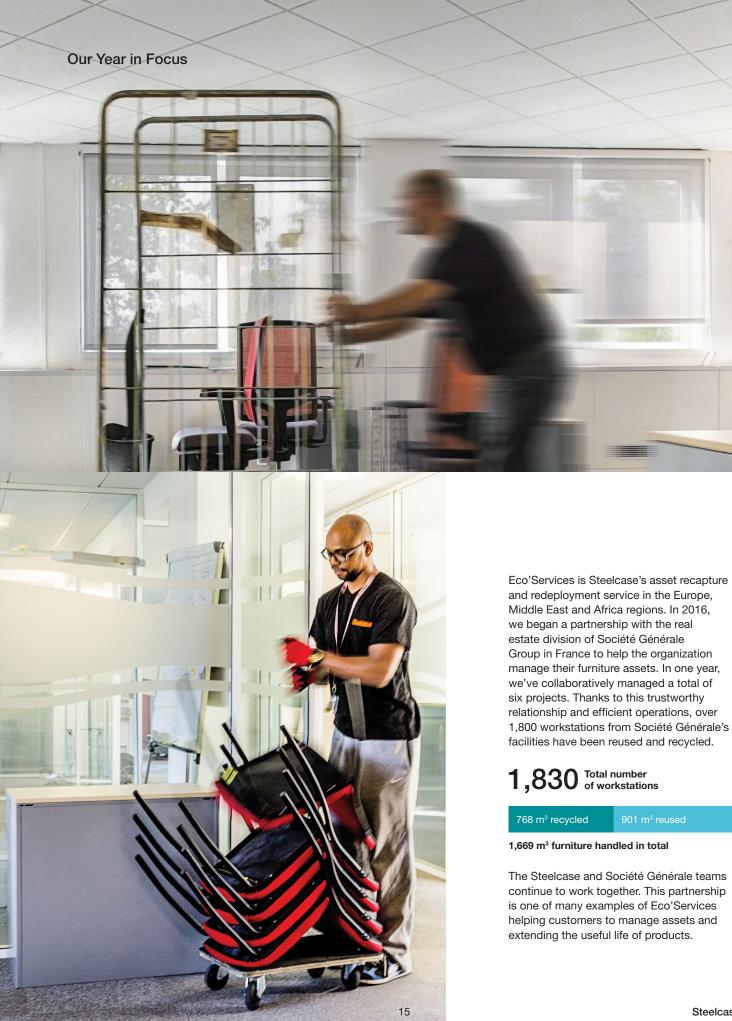




Société Générale: Extending Value



High quality furniture deserves a second life.







Since 2014, Steelcase has invested in clean energy equivalent to 100% of our global electricity consumption.

In 2016, we continued our commitment to investing in clean energy technologies by announcing a twelve year virtual power purchase agreement (VPPA) for 25 megawatts of wind power from Southern Company subsidiary Southern Power's Grant Plains Wind Facility in Oklahoma.

The Grant Plains Wind Facility officially began production in December 2016.



Boyce Middle School: New Active Learning Classroom Advances STEAM Education







Steelcase Education has a passion for understanding how learning takes place, and how smarter, active learning spaces can help improve student engagement and success.

Boyce Middle School near Pittsburgh, Pennsylvania was a recipient of a Steelcase Education Active Learning Center grant. Boyce used grant funds to incorporate mobile, adaptable furniture and space design to propel their STEAM Design program and increased students' learning opportunities in the core STEAM disciplines: science, technology, engineering, arts and math.

"The STEAM design classroom gives kids the freedom that we can't quite give them in a traditional classroom," said Matt Henderson, STEAM Design Instructor, Boyce Middle School. "With the versatility of the furniture, I can quickly move things around to set up for various activities. Plus, multiple outlets allow components to be plugged in anywhere throughout the room which helps our robotics and computer science run smoothly."



New Black: Scrap Fabric Weaves Award-winning Textiles

In our manufacturing operations, even scraps are valuable.
A unique collaboration with suppliers helped one of our manufacturing facilities find a way to recover leftover material. The fabric was transformed into an elegant, durable and sustainable fabric called New Black.

The New Black collection gives life to previously used materials, and works toward designing textile waste out of the system. To create New Black, we devised a method that uses scrap panel fabric from our Athens, Alabama panel manufacturing facility.

This fabric is melted down and mixed with PET from recycled bottles to create yarn, which is then dyed black and woven into the New Black textiles. The 100% recycled material is available in five patterns which bring a warm, comfortable, human feeling — and thoughtful, sustainable design — to the workplace. It's just another way closed-loop thinking drives innovation and sustainable solutions.

The industry recognized New Black with an innovation award at NeoCon 2016.

Steelcase Series[™] 1

The Steelcase Series 1 chair demonstrates how thinking backwards can lead to innovation breakthroughs. Instead of starting with a design concept — and then discovering later in the process it couldn't meet the performance and value goals — the Series 1 team tried a different approach, convening engineering, materials, marketing and global supply chain experts at the forefront of the project.

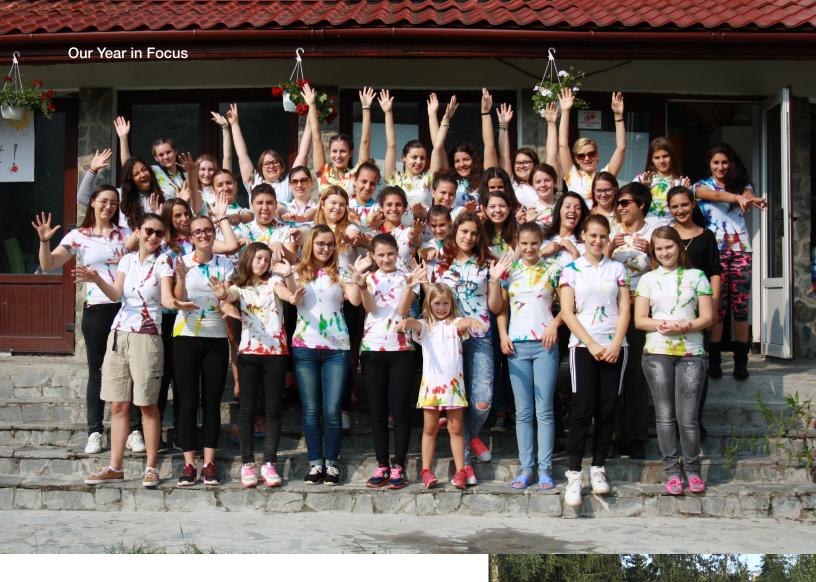
Working collaboratively, they rapidly brainstormed ideas and concepts for how a chair could be created to meet demanding criteria for quality, ergonomic comfort, aesthetics, price accessibility and sustainability.

In the process, they proved that what are often considered design constraints are really untapped opportunities for creative discovery.

Drawing on our deep expertise in circular product design, sustainability was intentionally designed into the Series 1 chair:

- Eliminating glue making refurbishing and recycling easier
- Undergoing a life cycle assessment
- Targeting five product certifications globally
- Up to 95% recyclable
- Up to 23% recycled content.





Girls Leading our World Cluj, Romania

Our Year in Focus

In July 2016, 25 teenage girls and 10 Steelcase facilitators from Cluj, Romania participated in Camp GLOW (Girls Leading Our World). A global gender empowerment initiative founded in 1995 by the Peace Corps, GLOW aims to build self-confidence, help girls develop communication and teamwork skills and create an understanding of how to lead positive change in their communities and the world.

The same model was applied to an all-boys camp, Camp BRO (Boys Reaching Out) in 2015. This year's Camp GLOW in Cluj included a working session where both camps sent a video to each other, so they could learn from one another. Alexandra Moldovan, the Steelcase leader who headed the camp this year, had previously experienced GLOW as a teenage camper and a counselor. "Sharing my experience and knowledge to help these motivated and determined young girls become the positive change they want to see in the world was an experience of a lifetime."

Steelcase plans to continue supporting youth leadership development through the Cluj GLOW camp and facilitated a BRO camp during the summer of 2017.

Steelcase works with GLOW to help girls build confidence and learn how to lead change.



Our Promises + Progress

Every day around the world, we work to bring lasting value to our customers, employees, shareholders, partners, communities and the environment.

We do this by designing products and solutions to benefit people, consulting with customers to help meet sustainability goals, collaborating to further the science and practice of sustainability and operating in a socially responsible way.

Innovative Products + Spaces

PROMISE

Provide innovative products, materials and applications to create more resilient working, learning and healing spaces that support human and environmental wellbeing.

PROGRESS

Continued leadership in designing products for a circular economy — through materials innovation, life cycle performance and proof of performance through third-party certifications.

For over 105 years, we have been turning insights into innovations that unlock the promise of people at work. We use three strategic lenses when we design products: we carefully select materials, optimize lifecycle performance, and enable life extension and end-of-use strategies. We pair sustainable products with an ecosystem of spaces designed to adapt and evolve over time, optimizing real estate while fostering higher levels of employee engagement.

Understanding Our Materials

Steelcase takes a comprehensive approach to understanding what goes into our products. As a leader in our industry, we've assessed over 1,800 materials in our portfolio and are actively working with our supply chain to phase out materials of concern, even developing suitable alternatives where they may not yet exist. We continuously promote better chemical standards through public policy advocacy and research partnerships with leading universities and institutions.

Life Cycle Performance

Using closed-loop thinking and Life Cycle Assessments (LCA), we use metric-based insights to drive innovation opportunities and deliver value at every step of the product lifecycle — from product design and manufacture to delivery, use and end-of-use options. We conduct research and uncover insights along the way, sharing our findings with partners, industry groups and leading organizations to maximize shared successes.

Closing the Loop

Steelcase products reconfigure to work in new ways as a customer's needs change. Many disassemble with ease to replace worn parts. And if our products outlast a customer's need or desire, Steelcase offers end-of-use options to optimize material recovery or product redeployment.

Head over to the Circular Services section on pp. 30–31 to learn more about how we extend the value of assets through resale, refurbishing, donating or recycling.

A Resilient Ecosystem of Spaces

Steelcase is redefining the office by crafting work spaces that inspire new ways of working and fueling creativity. We're blending design and materiality without compromising performance. Through ongoing research, exploration and behavioral prototyping, Steelcase has uncovered key insights to help organizations create resilient, cost-effective workplaces that engage employees:

- Designing workplaces to support the holistic wellbeing of people can amplify employee engagement and satisfaction
- Creating a workplace ecosystem that provides individuals and groups with a range of options within the workplace can support employee wellbeing.

Partnerships to Drive Change

We aim to drive change beyond our own operations and industry, so we're advocating for better sustainability standards, and partnering with academia and leading companies to find answers to complex challenges. Last year, we began a joint research project with the Biomimicry Institute exploring biomimetic alternatives to pervasive materials of concern. We have also engaged young minds around the topic of green chemistry to spark interest and energize the next generation of progress. We continue to invest in research to advance innovation around materials innovation, social life cycle assessments, technology in the workplace, employee engagement and satisfaction and wellbeing.

We led a cross-value-chain collaboration to convert fabric scraps into new fabrics — Steelcase Redeem + Retrieve, Designtex® Loop to Loop and New Black fabric lines.



Third-Party Certified

We work with leading certification programs around the world to demonstrate authenticity and validate our progress in delivering sustainable solutions, including:

- AFNOR NF Environment certification program
- LEVEL® by BIFMA certification program
- Blue Angel certification program
- Cradle to Cradle Certified™ Products Program
- Forestry Stewardship Council Chain of Custody certification
- Programme for the Endorsement of Forest Certification
- SCS Indoor Advantage[™] certification program.

For a full list of our partners, see GRI Indicator G4-15.

50+

More than 50 products certified under the Cradle to Cradle Certified Products Program, including some of our best-known product brands like Answer®, Brody®, Think® and Thread®.

45+

Environmental Product Declarations (EPDs)

Steelcase wins Best of NeoCon Awards + More

- Surround™ won Best of NeoCon Gold in Healthcare Guest/Lounge Seating and Finalist for the Best of NeoCon award
- The Biophilia Collection by Designtex won Gold in Best of NeoCon Healthcare, Fabrics & Textiles
- Casper™ Cloaking Technology by Designtex won Best of NeoCon Silver and Innovation Award for Technology-Integrated Solutions
- Verb® Active Media Table by Steelcase Education was awarded Best of NeoCon Silver in the Education Solutions category.

1,800+

More than 1,800 materials in our product portfolio evaluated against a variety of human and environmental indicators.

Sustainable Procurement Strategies

PROMISE

Help organizations achieve their sustainability goals.

PROGRESS

Continued to forge strong partnerships with customers by delivering products, performance metrics, certifications and services to support human, environmental and organizational health. When organizations engage with Steelcase for their workplace solutions, they're relying on our products, applications and services to help drive their sustainability progress forward. We foster strong relationships early to better understand corporate and project-related objectives, and consult on goal setting and decision making. These collaborations result in work environments that promote wellbeing for workers and deliver the value customers expect.

Designing for Circularity

Our design approach begins with closed-loop thinking about the product lifecycle. We work to measure and maximize positive impacts at every stage, from product design and manufacturing to delivery, use and end-of-use options. In partnership with our suppliers, we target narrow and large-scale opportunities, from the optimization of chemical profiles to the adaptability and reuse of furniture over time.

Check out the Innovative Products + Spaces section on pp. 26–27 to learn more about our approach to product design and application development.

Services for a Circular Economy

We're imagining a more holistic approach to workplace flexibility: an ecosystem of spaces and services designed to support an organization's changing needs. We have multiple circular product-service systems including an end-of-use removal and redeployment program, pay-for-experience services, sensor-based offerings and alternative-to-



ownership offerings. We continue to iterate and scale services and test new models, deepening the value we provide and helping organizations thrive.

Head over to the Circular Services section on pp. 30–31 to learn more.

Environmental Metrics Reports

Good information drives better decision making. Steelcase provides customized Environmental Metrics Reports so customers can evaluate past purchases and make informed decisions about future purchases. The resulting metrics are often used to drive customer decisions and demonstrate sustainability performance with their employees and stakeholders.

Third-Party Certified Products

Steelcase works with respected third-party certifiers to independently validate sustainable product performance attributes like air quality, materials, health, closed-loop textiles and sustainably-harvested wood. While we're proud to earn these endorsements, our goal is always centered around delivering

the highest value and performance through sustainable design and giving our customers the assurance they need to make informed, confident choices.

Building Certification Contributions

We help customers leverage our product performance in the certification of their buildings in global and regional standards, including the LEED® green building rating system and the WELL Building Standard™.

	LEED Certification	WELL Building Standard
	Steelcase products contribute to LEED certification through:	Steelcase products support WELL concepts of:
	- Materials and resources	- Air - Light
	- Ergonomics - Social equity in the supply chain	- Fitness - Comfort - Nutrition - Mind
	- Innovation in design - Low-emitting	
	materials	

346

Environmental metrics reports for companies spanning 19 industries

300+

Product Environmental Profiles

Product Environmental
Profiles (PEPs) document
the environmental
attributes of a product,
including recycled content,
product recyclability
information, sustainability
certifications and more.
PEPs can be found on
our website in the
Resource Center.

20+

Steelcase participates in over 20 third-party-verified sustainability performance programs and certifications covering operations, facilities, materials, and products, globally.

Circular Services

PROMISE

Offer an ecosystem of spaces and services designed to support an organization's changing needs.

PROGRESS

Expanded existing offerings and piloted new services to support ever-changing space needs and pave a path towards a more sustainable, circular economy.

At Steelcase, we're imagining a more holistic approach to workplace flexibility: an ecosystem of spaces and services designed to support an organization's changing needs.

This circular mindset decouples economic growth from resource consumption. It goes beyond diverting furniture from landfills to presenting new, innovative uses for hundreds of thousands of products through resale, redistribution, repair, refurbishment, remanufacture and material recovery.

We're exploring ways to leverage technology and emerging purchasing models to help customers quickly adapt their spaces to constantly changing business needs.

Finding New Beginnings at End-of-use

Each year, over 8.5 million tons of office furniture find their way into landfills across the globe, permanently removing useful materials from the value stream. Our goal is to intercept used furniture assets, working collaboratively with organizations and dealers to redirect assets toward productive uses and closed-loop systems.

Asset Recapture + Redeployment

Eco'Services + Phase 2

Through our Eco'Services program in France, Belgium, Switzerland and Luxembourg, and our Phase 2 program in North America, Steelcase helps customers assess furniture inventory and create optimized redeployment plans. These programs employ an extensive network of partners to help with redeployment, refurbishment, resale and donations or transport to licensed recycling facilities for material recovery.

ReMarket™

In North America, the ReMarket program redeploys customers' leased assets through our dealer network, cleaning and repairing gently-used furniture. This offering makes high-quality furniture available to a broader set of markets and customers at affordable prices.

Customers Circular Services

Performance Management

Our Performance Management team serves large organizations with multiple locations, through a strategic approach to managing complex facility needs. Through a single point of accountability, we apply our experience and processes in furniture and asset management to maximize real estate utilization. This includes strategic approaches to furniture acquisition, moves and maintenance and decommissioning solutions. This partnership guarantees customers a measurable and consistently high level of service and accountability.

Alternatives to Ownership

For over 20 years, Steelcase has offered financing programs with options to own or return assets. These alternative-to-ownership options help organizations conserve capital, preserve borrowing power, manage balance sheet and offer flexibility to change.

As we explore new and better ways to serve organizations through product-service systems, we are testing and piloting new business models including subscription-like offerings and pay-for-experience models.

Event Experiences

Today, organizations and meeting planners are required to deliver high-impact experiences. In the development of events, the spatial experience is key. Steelcase event experiences helps transform event spaces through experience design and premium quality furniture to create powerful, purposeful events. This circular-economy inspired business model is in its third year of operation and continues to grow.



Managing Assets at Every Step of the Customer Lifecycle

Eco'Services has a long-standing partnership with the French Ministry of Ecology, and continued their work with them in 2016. Over the course of one month, Eco'Services specialists managed a team of 26 people to remove 2,200 workstations from three different ministry buildings. In total, it represented over 12,000m³ of furniture removed and diverted from the landfill.

Check out the Our Year in Focus section on pp. 14–15 to learn more.

2016: 5,320 workstations SINCE 2008: 55,000+ workstations

Last year, Eco'Services redeployed more than 5,000 workstations. Since the service began in 2008, over 167,700m³ of furniture, or the equivalent of 44 Olympic pools, has been redirected.

\$4.4 Million

Saved by organizations through reuse of existing furniture assets. Performance Management executed more than 1,400 requests for decommissioning projects in 2016.

Dealer Network

PROMISE

Serve organizations around the world through a network of dealer partners and deliver work environments that promote the wellbeing of people, organizations and the planet.

PROGRESS

In partnership with our thriving global network of established, diverse dealer partners, we delivered global solutions to customers, contributed to community development, and cultivated knowledge exchange.

Most Steelcase dealerships are independent businesses, owned and operated by people deeply invested in the communities they serve. In addition to providing Steelcase products and resilient spaces, our dealers offer a range of value-added services for customers including space planning, design, installation, technology and audiovisual integration, moving services and more.

Global Teamwork

To meet the needs of our global customers, Steelcase works closely with our dealer network to help them meet their business goals and meet customer needs through coordinated cross-regional support for projects and installations around the world.



Knowledge Sharing

A dedicated Steelcase team works closely with dealers to share insights and help them secure a leadership position in the markets they serve. Steelcase also assists with financial services, talent management and diversity and inclusion practices. Globally, regional dealer councils provide feedback to Steelcase on market dynamics and emerging needs, and offer suggestions and recommendations on future investments. Dealers can access the knowledge and expertise of dealers across the globe through electronic platforms, communities of practice and peer-to-peer workshops.

Dealer Diversity

We continue our drive for diversity within our dealerships by providing programs for talent management and leadership in the U.S. and Canada. Steelcase assists dealers with securing minority council certifications, facilitating strategic alliances with minority-and non-minority-owned dealers, and recruiting women, veteran, disabled and disadvantaged dealer candidates, among other activities.

Recognizing Premier Performance

Every day, our dealer partners deliver best-in-class Steelcase experiences to customers across the globe. Our dealer partners meet our high standards for quality and performance thanks to a number of practices and policies we implement around the world. In the U.S. and Canada, the "Blue Book" outlines the respective expectations, rights and obligations of both Steelcase and Steelcase dealers. In all other markets, we have formal agreements with our dealers.

800+

Steelcase dealers globally

15%

Steelcase U.S. dealers are minority-owned, women-owned and veteran-owned businesses

Dealer Diversity in the United States

WBE	19
MBE	8
HUBzone	3
Veteran/DSVO	8

95 Years

Our oldest dealer partnership has been in place since 1922.

Supplier Relationships

PROMISE

We work with our suppliers – and our suppliers' suppliers – ensuring the materials and services they provide meet our strict standards for quality, performance and sustainability.

PROGRESS

Established global guidelines, tools and knowledge exchange programs to ensure we deliver the best value to our stakeholders through a diverse set of suppliers.

Our suppliers help ensure we provide inspiring and innovative solutions for our customers by delivering superior materials, technology, expertise and reliable performance. We expect them to adhere to the highest standards for safety, quality and sustainability.

Global Alignment + Collaboration

As Steelcase operates in an increasingly interconnected world, promoting our common values helps encourage consistent behaviors. Together with our suppliers, we exchange best practices through our global supplier conference. We work with our suppliers to monitor and grow performance through a system of common metrics on a daily, weekly, monthly and quarterly basis.

To set consistent standards globally, we communicate our expectations through a Supplier Code of Conduct. The code outlines requirements for organizational governance, human rights, labor practices, environmental stewardship, fair operating practices, consumer issues and community involvement and development. Steelcase suppliers are required to comply with the code under the terms of their global contract with Steelcase. Suppliers are evaluated through questionnaires and select site visits. We continue to partner with them to continuously improve their performance in areas addressed within the code.



Supplier Diversity

Resiliency and success can only happen when we cultivate a diversity of perspectives, experiences and ideas. For more than 25 years, the Steelcase supplier diversity program has focused on promoting the growth and development of minority-owned, women-owned, service-disabled veteran-owned and HUBzone businesses in the U.S. We continue to invest in these business relationships, which comprise just over 10% of all supplier relationships. We place emphasis on infrastructure and reporting, communication, networking, supplier development and mentoring.

Partnering to Drive Innovation

We continue to engage with multiple levels of our supply chain to innovate all aspects of product and business systems. For example, a key area of focus is understanding the composition of materials, avoiding chemicals of concern and determining alternatives. Where suitable alternatives don't exist, we partner together to find solutions. This deep work leads to innovations in sustainability like our New Black fabric collection and Steelcase Series 1 chair.

Head over to the Our Year in Focus section on p. 21 to learn more.



10%

Steelcase suppliers in the U.S. are minorityowned, women-owned and veteran-owned businesses

First-of-Its-Kind

Steelcase extended our corporate discount on renewable energy to our suppliers — believed to be the first program of its kind

Social Investment

PROMISE

Together, we join forces with our employees to share our time, skills and resources to create lasting change in communities where we live, work and serve.

PROGRESS

Expanded our global community involvement. In 2016, our employees reported over 46,000 hours of volunteer work, and Steelcase Inc. and the Steelcase Foundation donated over \$5.3 million to organizations around the world.

To be a force for good and affect positive change in our communities, we work closely with community organizations to extend their offerings and further their impact. We invest in the following areas:

- Human service
- Health
- Education
- Community development
- Arts
- Environment.

Employee Impacts

Steelcase employees are encouraged to volunteer and support the causes they care about. Global volunteer hours reported in 2016 are up more than 18% from the previous year, with employees giving their time to more than 160 community organizations. And as a direct result of employee giving, the Steelcase Foundation donated over \$470,000 in matching gifts.

Meaningful Engagement

Our long-standing involvement in communities and charitable organizations continues to produce powerful results. At Steelcase locations around the world, social responsibility committees identify pressing local needs and respond with time and resources. The effects of those investments have not only impacted our communities but also our business growth. We are proud to be recognized as one of "The Civic 50" for the third year in a row, an honor given to the most community-minded companies in the nation1.

¹Awarded by Atlanta-based Points of Light, for companies with annual revenues of at least \$1 billion

\$5.3 Million

Together, Steelcase and the Steelcase Foundation donated over \$5.3 million to more than 100 organizations around the world.

Communities Social Investment

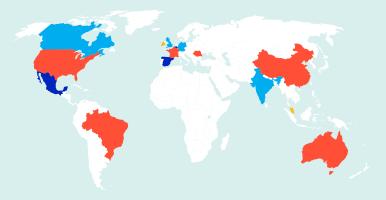
Growing Steam for STEM at Cook Museum of Natural History

To encourage careers in science, engineering and advanced manufacturing, Steelcase has increased its emphasis on STEM education, focusing on underserved geographies. A \$125,000 investment in the new Cook Museum of Natural History in Northern Alabama will provide science-centered professional development, helping local resource-strapped schools inspire the next generation of young people to pursue science- and mathbased careers. Scheduled to open in 2018, the museum is projected to attract an added \$50 million a year to the local economy.

Global Youth Forum

This year, eight Steelcase leaders in five countries participated in the annual Global Youth Forum, a seven-week design challenge that connects teens with their peers around the world to improve skills in strategy, communication and teamwork. Students from France, Germany, Mexico, Romania and the U.S. worked together to answer the question, "How might we design a public transit stop to be a place for deeper connections with others?" At the conclusion of the program, they presented their solutions to business and community leaders in Grand Rapids, Michigan. Munich-based Steelcase leader Andrea Morais said "The whole experience was amazing! It was a great opportunity to connect with new people from different countries and backgrounds, [and] a chance to develop new skills and be in touch with brilliant minds."

46,000+ volunteer hours



In over 16 countries

- Australia
- Belgium
- Brazil
- Canada
- China (Hong Kong)
- France

- Germany
- India
- Ireland
- Malaysia
- Mexico
- Romania

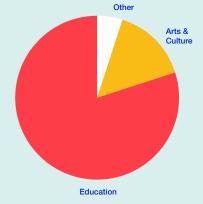
- Singapore
- Spain
- United Kingdom
- United States

\$1 Million

Based on Independent Sector's estimated average value of a volunteer hour, Steelcase employees saved over \$1 million USD for charities and nonprofits around the world this year

2016 Employee Matching Gifts

Total	\$470,658
Education	\$378,216
Arts & Culture	\$71,502
Other/Environmental & Conservation	\$20,940



Employee Health + Wellbeing

PROMISE

Create and maintain a safe, healthy and enriching workplace. Provide ongoing opportunities for all employees to improve their physical, cognitive, emotional and financial wellbeing.

PROGRESS

Created work environments to support the multidimensional nature of wellbeing and safety, engaged employees in proactively planning for safety, and launched programs targeting nutrition, exercise, life coaching, stress management and financial planning. Good health, quality of life and sound safety practices are as important to us as production efficiency and quality. To enhance the health, safety and wellbeing of all Steelcase employees in a meaningful way, we are proactive in embedding standards and creating initiatives throughout our organization. We regularly engage our employees in the creation of programs and the measurement and evaluation of our progress through surveys, focus groups and interviews. For example, senior executives host regular meetings with groups of employees to listen to their stories and experiences working for Steelcase. These roundtables complement research efforts and uncover insights insights we translate into initiatives to improve the employee experience.

Balancing Act

Steelcase understands that work and home continue to intersect and overlap. We've taken proactive steps to support aspects of our employees' lives.

- Each of our global locations integrates wellbeing activities. Some examples include on-site yoga classes, access to company bicycles, language tables, hosting speakers on a variety of topics, and facilitating after-work outdoor activities and team sports.
- Work/life balance groups for grief support, working moms and elderly care offer Steelcase employees opportunities to connect with coworkers.
- In the U.S. all employees have a \$100 wellness reimbursement account to encourage healthy habits, like joining a gym or trying out kickboxing classes.
- In addition to standard family medical leave and existing maternity leave programs, all parents in the U.S. and Canada are given three additional weeks of paid bonding leave following the birth or adoption of a child.

Proactive Approaches

We believe protecting and enhancing the health and safety of our employees is multidimensional and holistic. That's why we're enacting a variety of measures aimed at involving employees in supporting positive behaviors and promoting clear lines of communication.

Our hard work and continual improvement is paying off. We're proud to report our injury and lost time rates are almost half the industry standard. In fact, thanks to our safety efforts, we've been able to reduce our workplace incidents by 40% over the past two years. To achieve this, we engage with employees about the importance of identifying and reporting unsafe conditions and behaviors before they become injuries.



10+

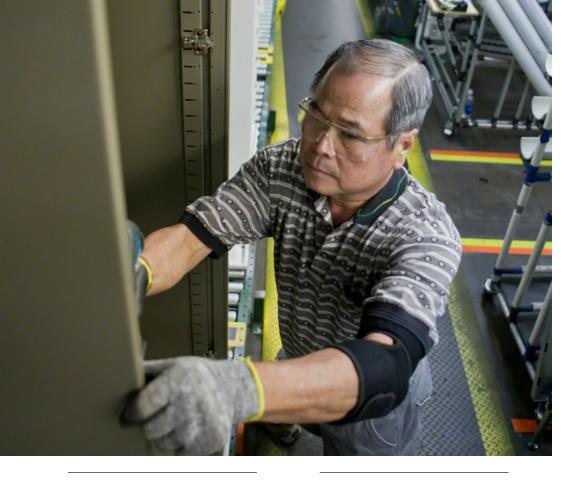
Vendor partners available to help employees navigate and improve their physical, mental, financial and nutritional wellbeing

\$170,000

1,700 employees took advantage of the \$100 wellness reimbursement.

170+

More than 170 employees took advantage of Steelcase's paid bonding leave.



Emphasizing the Incident-free Workplace

Our people are our priority. Learning from near-misses (instances where accidents could have happened, but didn't) are crucial in preventing future injuries. Building off of a successful pilot project two years ago, we issued a challenge to five U.S. regional distribution centers (RDCs) last year: whichever RDC could identify, report and fix the most near-misses before they turned into more serious situations would win lunch on the company. Zone leaders were tasked with recording detailed descriptions and photos of any nearmisses in their plant. The challenge was a success, helping employees recognize how recording near-misses creates a safer work environment for all - moving us closer to an incident-free workplace.

Phased Retirement Works for Employees and Business

This year, 47 Steelcase employees elected a phased retirement plan, reducing their hours to ease the transition into retired life. Phased retirement plans are a win-win for employees and teams, allowing valuable skills and knowledge to be transferred gradually while hobbies and new opportunities for the future can be more thoroughly explored — and enjoyed.

Learning + Development

PROMISE

Unlock the human promise of all our employees by offering learning and development programs.

PROGRESS

Expanded learning opportunities and introduced a new coaching-based model to drive employee development.

Steelcase's approach to learning fosters an environment where we all teach — and we all learn. We provide the tools, processes and strategies that enable employees to take ownership of their learning and develop their skills and competencies.

Across our global footprint, we spread learning and teaching through:

- Classes and online courses
- Social learning
- Speaker series
- Conferences
- Lunch and learn events
- Mentoring and coaching.

Steelcase Learning Group

The Steelcase Learning Group offers a variety of training and development courses and programs on campus and online. This enables employees around the world to take courses 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, networks and develop action plans to achieve their goals.

We offer a retirement program to help employees plan their career transition, including financial planning. 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. We provide learning programs to increase employability outside Steelcase.

Leadership at Every Level

In an ever-changing business climate, we recognize the need for leadership throughout all parts of the organization. In addition to existing knowledge- and skillsharing opportunities available to all employees, a new program called CONNECT was launched to help inspire employees to lead where they are - wherever they are in the organization. With cohort groups in all global regions, CONNECT brings together high-performing, motivated contributors through a series of three in-person modules: Connecting to Purpose, Growing your Influence, and Leading with Impact.



New Coaching Approach

We believe advancing our culture requires our people to engage in new ways. One example of this is transitioning from annual performance reviews to impact coaching, which engages employees and leaders in frequent, purposeful dialogue to inspire continuous achievement and growth. These conversations shift focus away from the mindset of simply meeting goals and expectations to creating goals and advancing development. Impact coaching emphasizes:

- Building a strong partnership between leaders and employees
- Collaborating on the employee's performance and development objectives
- Engaging in ongoing coaching and feedback
- Reflecting upon the employee's key accomplishment, challenges and growth opportunities.

Meaningful Progress

We make progress when we disagree or when we fail in new and interesting ways, but only if we learn from our mistakes. At our Kentwood, Michigan plant, a community of employees has been forming around GTD: David Allen's method of "getting things done." They are committed to improving their own productivity, but also tracking group progress in tangible way. This movement is building momentum, and in the past four years they've taken over 1,000 people through a customized training program to help others get more done, too. By celebrating progress and emphasizing continued learning, we unlock the human promise of our people and ensure the future fitness of our company.

94,000+

Training hours for employees, contractors and temporary workers



91%

Employees who engaged in Impact Coaching conversation(s) said the time they spent engaging in the new process was valuable

30+

Thought Leaders Hosted

Thought leaders spoke to employees about topics such as digital transformation, human performance, culture, design thinking, biomimicry, and social innovation through our Curious Minds program.

500+

Learning Programs

Covering the topics of business acumen, human resources, languages, process quality, computer skills, policy and compliance, quality, leadership and interpersonal skills, to name a few

Culture + Engagement

PROMISE

Create and advance a culture that embraces diversity and inclusion across our workforce, within our partnerships and throughout our communities.

PROGRESS

Developed initiatives to encourage and honor diverse perspectives, emphasize inclusivity across our global footprint and ensure a promising future for our employees and our company.

In our company, we're fortunate to have as many different perspectives and passions as there are people. We celebrate this diversity — it's what allows us to challenge one another, build upon each other's ideas and innovate together.

A Culture of Engagement

To support employees as we continue building a culture which embraces innovation, inspiration and inclusion, Steelcase introduced five principles to act:

- 1. Speak up and take action
- 2. See the big picture
- 3. Follow the user
- 4. Chose inclusion
- 5. Start small, learn quickly... and try again.

These principles serve as a guide for our culture, encouraging each individual within our organization to seek higher levels of accountability, foster collaboration and encourage experimentation.

Diversity

We foster an environment that supports understanding and openness to ideas and cultural approaches different from our own experiences, creating opportunities for people to work well across those differences and be better because of them.

But valuing diversity as a business driver isn't enough. We must embrace it as individuals, and this is difficult, deliberate work. One of the ways we do this is by offering global awareness training in order to better understand other cultures' behaviors and norms. The interactive sessions are available to employees worldwide, providing a framework to encourage dialogue and help dispel stereotypes.

Building a culture which encourages each member of our organization to broaden horizons, think critically and uncover opportunities to integrate new, diverse thinking is the first step in achieving new, more ambitious goals.



Inclusion Groups Foster Deeper Connections

Steelcase employees are encouraged to take ownership of diversity and inclusion. Employees with common interests or at similar life stages come together to discuss challenges and opportunities, conduct educational sessions and communicate among themselves and across the organization. Some peer groups include:

- Multicultural and inclusive communities
- Steelcase Pride
- Social responsibility
- Employees near retirement age
- Veterans
- Women's Innovative Network
- · Young professionals.

Many groups have a Steelcase Senior Executive Team (SET) sponsor. In addition to being on the committee, the SET member shares feedback and ideas generated by these groups, continuing to shape a culture of inclusion at Steelcase.

Check out our feature story:
"New Hub for Innovation, Wellbeing
and Community" on pp. 12–13 to
learn more.

Women's Innovative Network

Launched in our Schiltigheim,
France location, the goal of the
Women's Innovative Network (WIN)
is to welcome, inspire and support
women working at Steelcase.
Though a series of networking
events, mentorship programs and
skill-sharing opportunities, WIN is
spreading awareness and building
competencies of employees around
the world.

Since its founding in May 2016, WIN has grown by 66% globally. In addition to creating regional chapters, WIN has focused on developing its external network through partnership with leading organizations to network, share experiences and highlight insights.

20%+

Steelcase was recognized as a Winning "W" Company by 2020 Women on Boards, a national campaign to increase the percentage of women on U.S. company boards to 20% or greater by the year 2020 for six consecutive years.

For the third year in a row, Steelcase earned a perfect 100 score in all categories on the Human Rights Campaign's Corporate Equality Index, and was named one of their "Best Places to Work for LGBT Equality".

20+

Inclusion Groups, Thousands Engaged

Over 20 grassroots inclusion groups represent thousands of perspectives, passions and progress looking forward



25

Nationalities

Represented in our new Munich office

Energy + Greenhouse Gas Emissions

PROMISE

Reduce our global greenhouse gas emissions and cut our energy use by 25% by 2020¹, while continuing to invest in 100% renewable energy equivalent to our global electricity consumption.

¹Based on 2010 baseline

PROGRESS

Reduced our global energy use by 20% since 2010 by carefully measuring and managing our energy consumption. Continued our investments in renewable energy. We take a comprehensive approach to optimizing energy by continuously improving tracking systems, honing in on efficiency efforts and investing in renewable energy. While we've made great progress on our reduction activities, we continue to challenge ourselves to do more.

Driving Efficiency

We're actively tracking the energy use of 150+ offices, showrooms and manufacturing facilities worldwide. One of the many strategies we're pursuing to meet our energy goals is rolling out a new software program to track our global energy consumption. In collaboration with third-party consultants, we are able to collect, analyze and report our global energy data more quickly and accurately than ever before. This allows us to respond to any issues and accurately gauge our progression toward our goals.

In 2016, we initiated a project at our wood plant in Michigan to replace more than 1,300 energy-intensive light fixtures with 1,250 energy-efficient LED lights. To further maximize energy and cost savings, we paired the new fixtures with an advanced, cloud-based control system, allowing us to remotely schedule, monitor and control light conditions. This has translated into energy savings by dimming fixtures when appropriate and turning off entire sections when they are not needed.

Investing in Renewables

Steelcase continues its commitment to invest in renewable energy equivalent to our global electricity usage in the regions where we operate.

What started nearly a decade ago as a collection of regional investments is now a global, cohesive clean energy portfolio in the form of Renewable Energy Credits (RECs) and a Virtual Power Purchase Agreement (VPPA). In 2016. Steelcase executed a 12-vear VPPA for 25 megawatts of wind power from Southern Company subsidiary Southern Power's Grant Plains Wind Facility in Oklahoma. This new clean energy facility came online in 2016 and has a capacity of 147 megawatts. This purchase represents nearly half of our global renewable energy investments.

Check out our renewable energy story featured on pp. 16–17 to learn more.

Expanding our Impact

One of our biggest opportunities to drive energy efficiency is through the millions of square feet of space we furnish globally each year for our customers. As a human-centered company, we spend considerable time and resources researching and designing products and spaces which help companies get the most from their real estate, even when space is compressed. An optimized real estate footprint is a more sustainable one - with less construction cost and impact, less energy use and fewer greenhouse gas emissions.

Top 30

We're now the 26th largest 100% Green Power User in the U.S., according to the EPA's Green Power Partnership.

Market-based and Location-based GHG Emissions

In accordance with updated reporting guidelines from the World Resources Institute, we're sharing our GHG emissions using both market-based and location-based methods. The market-based method reflects emissions from electricity purchased, and includes REC purchases. The location-based method relies on average emissions data for the local energy grids where electricity consumption occurs.

SCOPES	MARKET-BASED		LOCATIO	LOCATION-BASED		
(tonnes CO2e)	2010	2016	2010	2016		
Scope 1	56,216	46,698	56,216	46,698		
Scope 2	90,164	0	109,526	97,293		
Total Scope 1 and Scope 2	146,380	46,698	165,742	143,991		
% Change*	-68.10%		-13.1	12%		

^{*}From base year

2016 Total Energy Consumption

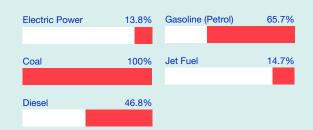
Fuel Type	MWh
Natural gas	224,787
Propane	1,769
Electric Power	190,144
Coal	_
Diesel	13,216
Gasoline	470
(Petrol)	472
Liquefied Petroleum	
Gas (LPG)	2,962
Jet Fuel	
(Jet A or A-1)	18,293
Steam	2,601
Total	454,244



100% Renewable Energy

Steelcase has invested in 100% clean energy equivalent to global electricity usage.

Reduction of Fuel Since 2010





20% Reduction in global energy use since 2010

Waste + Water

PROMISE

Measure, manage and reduce our waste and water use by 25% by the year 2020¹, and meet or exceed all applicable codes, laws and regulations wherever we work.

¹Based on 2010 baseline

PROGRESS

Reduced our waste output by 45% and water consumption by 8% since 2010 thanks to the creativity of our employees and our global Environmental Management Systems.

For more than fifteen years, Steelcase has had global goals to reduce the environmental footprint of our operations. Thanks to the efforts of countless employees around the world, we've experimented and implemented initiatives to reduce water consumption and waste output at all of our owned and leased facilities globally.

Each Steelcase facility pursues initiatives to reduce waste and water use in accordance with their Environmental Management Systems registered under ISO 14001. Some plants in Europe also having an additional EU Eco-Management and Audit Scheme (EMAS). As insights and successes are uncovered, they're added to a library of best management practices shared by all locations, so we can quickly implement and scale efforts to drive results.

Since 2010, we've reduced waste by 45% and water consumption by 8%. This is our second round of 25% footprint reduction goals, having met our first set of goals in 2012. New thinking, new initiatives and creative solutions are necessary to drive success in these areas. Reducing by 25% yet again is infinitely more difficult — but we remain optimistic and are committed to meeting our goal.



Planked Veneer

In our Michigan wood plant, high standards and specifications meant wood with knots or uneven grain wasn't always able to be used in finished products, and had to be recycled or resold. Two members of the Steelcase operations team were searching for how to utilize this extra wood, and began experimenting with a simple table design. At the same time, a customer requested a unique table. The prototype planked oak table was shared with the customer, and it happened to align with their design aspirations perfectly. The team turned concept into production in a matter of weeks, and their work led to a new material offering using this previously discarded wood which is now available for everyone.

Environment Waste + Water



Scrap Supports Shipments

We continue to identify ways to reduce material inputs and reuse, recycle, compost or donate materials for new use at nonprofits. One notable example of creative reuse came from the Steelcase wood plant in Michigan: operations team members were looking for opportunities to use excess melamine at the same time the packaging team was looking to better support a finished product during shipment. The teams realized they could use leftover melamine to build better pallets on-site. In addition to repurposing materials, the new pallets have improved support and protection for the product during shipment.



Clean Corporate Citizen Designation

Notably in FY17, Steelcase Michigan locations achieved the "Clean Corporate Citizen" (C3) designation from the State of Michigan. This designation recognizes that we have consistently demonstrated a strong environmental ethic and stewardship to carry out our environmental protection responsibilities. The C3 program requires environmental performance in three areas including **Environmental Management Systems** (EMS), pollution prevention and environmental compliance related to air quality, water quality and waste management programs.

Check out our feature story on p. 20 to learn more about how we're using scrap material to create beautiful new products.



45%
Reduction in waste output since 2010



8%Reduction in water use since 2010

\$1 Million

Using planked veneer helped save over \$1 million and 400 trees.

Transportation + Packaging

PROMISE

Deliver our products and our people safely to their destinations with intentional focus on efficiency and reducing environmental footprint.

PROGRESS

Ongoing efforts to refine product packaging and delivery approaches. Recognized for leadership in commuter-friendly and sustainable transportation options.

Steelcase continuously refines its packaging and transportation strategies to ensure products arrive quickly, efficiently and safely. We rely on research, experienced logistics and packaging specialists, and partnerships with dealers and transporters to inform our approach and scale initiatives and improvement. And we apply these same insights as we consider employee commutes, business travel and more.

Moving Products with Care + Efficiency

As our global footprint expands, we remain committed to optimizing delivery routes to shorten travel distances and minimize fuel usage. Steelcase transportation models take into account unique weather and transportation considerations for nearly every continent and country, from Australia to Iceland, Ecuador to China. Our incident management system allows real-time visibility into weather and road conditions, enabling adjustments that minimize idle drive time.

Steelcase packaging is subjected to a rigorous testing model, determining tolerances for temperature changes, vibrations, crush tests and drops. At times, we'll use a simulation track to mimic actual road conditions, whether they're open country roads or bustling city streets. We're exploring new packaging options and materials to uncover innovative solutions and methods to ensure products arrive safely to our customers.

Check out "Scrap Supports Shipments" on p. 47 in Waste + Water to learn more.



Moving People, Too

Steelcase considers employee transportation, from commuting to business travel, as part of its footprint reduction initiatives. This year, Steelcase's offices in Grand Rapids received a Silver-level Bicycle Friendly BusinessSM award from the League of American Bicyclists for making workplaces and communities safer, happier, healthier and more sustainable. To encourage two-wheeled commutes, Steelcase employees have access to bike racks, locker rooms and shower facilities.

Through our videoconferencing technology and alternative work strategies, we're minimizing employee travel and reducing our environmental footprint. In addition to reducing travel costs and emissions, it's an important part of supporting the work/life balance, health and wellbeing of our people.



In our new Munich location, company-owned bikes are available to visitors and residents.

65

Since 2015, Steelcase Transportation has completed over 65 projects in our air, rail, road and water transportation activities which have led to a reduction in both cost and emissions.

8,514

Because of these 65 initiatives, Steelcase was able to reduce greenhouse gas emissions associated with these transportation activities by **8,514** metric tons — equivalent to the energy use of **1,276** homes for one year.

Global Reporting Initiative Index

Steelcase has publicly reported our vision, goals and progress related to our sustainability initiatives for over a decade. The GRI Index provides stakeholders with additional information related to our sustainability strategy and progress.

We are continually evolving our sustainability reporting practices to increase transparency, communicate authenticity and best reflect our corporate goals, standards and objectives. We do this while remaining consistent with external guidelines and expectations.

Sustainability Materiality Overview

Steelcase's sustainability materiality assessment covers environmental, social and governance issues. Areas identified as material are those which significantly impact our ability to meet its strategic goals and/or significantly influence the decisions and evaluations of stakeholders. The process for identifying material issues and defining reporting content is outlined in the following sections. It generally follows GRI guidelines and adheres to the Principles for Defining Report content.

Identification

A list of potentially material sustainability issues is maintained through internal and external research, including benchmarking and reviewing relevant reporting standards. The Steelcase Sustainability Steering Committee validates this list, taking into account the business and sustainability strategy.

Prioritization

Each potentially material issue is evaluated based on the following criteria:

- Influence on external stakeholders' decisions and assessments
- Impact on the business.

on primary and secondary research including surveys, interviews and workshops, many of which have been conducted the relationships of material issues to business impacts and influence on stakeholders' decisions and assessments. Methods to engage with and collect input from internal and external stakeholders are continually integrated into ongoing engagement activities. The sustainability materiality assessment is updated as additional research is conducted and new data and insights become available.

Validation

Key internal senior decision makers validate the sustainability materiality issues included within this report.

Review

The sustainability materiality assessment results and supporting research is reviewed annually. These findings inform future assessments and ensure alignment with stakeholder expectations and the business context.

General Standard Disclosures

Strategy + Analysis

G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	Corporate Sustainability Report p. 3 (Welcome from Jim Keane)
G4-2	Description of key impacts, risks,	Annual Report pp. 1–10

Organizational Profile

G4-3	Name of the reporting organization	Steelcase Inc.
G4-4	Primary brands, products, and/or services	Annual Report pp. 1–3
G4-5	Location of organization's headquarters	Steelcase is headquartered in Grand Rapids, Michigan, U.S.A.
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	www.steelcase.com
G4-7	Report the nature of ownership and legal form.	Steelcase Inc. (SCS) is a publicly traded company listed on the New York Stock Exchange.
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	Annual Report pp. 1–4
G4-9	Report the scale of the organization.	Annual Report Intro

G4-10

- a. Report the total number of employees by employment contract and gender.
- b. Report the total number of permanent employees by employment type and gender.
- c. Report the total workforce by employees and supervised workers and by gender.
- d. Report the total workforce by region and gender.
- e. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as selfemployed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors.
- f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).

EMPLOYEES BY EMPLOYMENT CONTRACT AND GENDER

	Americas	Asia Pacific	Europe, Middle East + Africa	Total
Female Hourly	810	119	198	1126
Female Salaried	1466	363	623	2451
Female Total	2276	482	820	3577
Male Hourly	3476	370	661	4506
Male Salaried	1918	394	1072	3384
Male Total	5394	764	1733	7891

PERMANENT EMPLOYEES BY EMPLOYMENT TYPE AND GENDER

	Americas	Asia Pacific	Europe, Middle East + Africa	Total
Female Dealer				
Employee	-	-	74	74
Female Employee	2228	470	613	3311
Female				
Non-Employee	48	12	133	192
Female Total	2276	482	820	3577
Male Dealer				
Employee			94	94
Male Employee	5259	758	1317	7335
Male Non-Employ	ee 134	6	322	462
Male Total	5394	764	1733	7891

TOTAL WORKFORCE BY REGION AND GENDER

	Americas	Asia Pacific	Europe, Middle East + Africa	Total
Female	2276	482	820	3577
Male	5394	764	1733	7891
Total	7669	1246	2553	11468

G4-11

Report the percentage of total employees covered by collective bargaining agreements. Approximately 100 employees in the U.S. are covered by collective bargaining agreements. Outside of the U.S., 1,900 employees are represented by workers' councils that operate to promote the interests of workers.

Americas:

- Steelcase Transport 100%
- PolyVision 65%
- Designtex 32%

France, Germany, Czech Republic, France, Germany, Czech Republic, and Spain: 100%

Mexico: 80%

G4-12	Describe the organization's supply chain.	Annual Report pp. 4–5
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	None
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	Steelcase takes a precautionary approach toward environmental management. 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. Please see the Corporate Sustainability Report, pp. 26–31 (Customers) and pp. 44–49 (Environment).
G4-15	List externally developed economic,	Steelcase participates in the following initiatives:
	environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	AFNOR NF Environment certification program
		 LEVEL® by BIFMA certification program
		Blue Angel certification program
		• CDP
		Circular Economy 100 (CE100)
		• Civic 50
		 Cradle to Cradle Certified[™] Products Program
		• Eco-Management and Audit Scheme (EMAS)
		 Forestry Stewardship Council Chain of Custody certification
		Global Reporting Initiative
		• ISO 14001
		• ISO 26000
		LEED® certification program
		 OEKO-TEX® certification program
		• OHSAS 18001
		 Programme for the Endorsement of Forest Certification
		Renewable Energy 100 (RE100)
		 SCS Indoor Advantage[™] certification program
		• World 50
		U.S. EPA Green Power Partnership
		UN Global Compact

G4-16

List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: Holds a position on the governance body, 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:

- Business and Industrial Furniture Manufacturers Association (BIFMA)
- Business Leaders for Michigan
- Business Roundtable
- Circular Economy 100 (CE100)
- Design Industry for Fighting Aids (DIFA)
- · Gilda's Club, Leadership and Incubation
- Grand Rapids Community College Diversity Speaker Series Sponsor
- Greenbiz Executive Forum (GBEN)
- 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
- Renewable Energy 100 (RE100)
- Sustainable Brands
- Student Advancement Foundation
- Talent 2025
- United Way
- University Prep Academy
- West Michigan Center for Arts & Technology (WMCAT)
- West Michigan Environmental Action Council

For more information on our partnerships and commitments, please see our Corporate Sustainability Report, pp. 36–37 (Communities), and the <u>Community Relations</u> page on our website.

Identified Material Aspects and Boundaries

G4-17 a. List all entities included in the organization consolidated financial statements or equivalent documents.		Please see our Not applicable	Annual Repoi	<u>rt</u> .			
	 Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report. 	Not applicable					
G4-18	a. Explain the process for defining the report content and the Aspect Boundaries						
	 Explain how the organization has implemented the Reporting Principles for Defining Report Content. 	Please see the	Sustainability	Materiality	Overview on p	o. 51 of this	report.
G4-19	List all the material Aspects identified in the process for defining report content.	Business Integrity, Consumer Health + Safety, Diversity, Inclusion + Equal Rights Employee Wellbeing + Development, Energy + Emissions, Sustainable Business Integration, and Waste					
G4-20	For each material Aspect, report the Aspect Boundary within the organization.	All material aspects apply to all Steelcase operations.					
•	For each material Aspect, report the Aspect Boundary outside the organization.	Business Integrity	CUSTOMERS	PARTNERS X	COMMUNITIES	EMPLOYEES X	ENVIRONMENT X
		Consumer Health + Safety	х	x	х	х	
		Employee Wellbeing + Development	Х	х		х	
		Energy + Emissions	х		х	х	Х
		Diversity, Inclusion + Equal Rights	Х	х	х		
		Sustainable Business Integration	X	х		х	х
		Waste	x		х	х	х
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	There are no restatements of information provided in previous reports.					
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries	No significant o	hanges.				

Stakeholder Engagement

G4-24	Provide a list of stakeholder groups engaged by the organization.	The stakeholder groups Steelcase engages with are global businesses and organizations (customers), the architectural and design community, employees, academic and research institutions, dealer partners, supplier partners, governmental agencies, industry organizations, Non-governmental Organizations (NGOs), community partners, nonprofits, investors and media. Please see Corporate Sustainability Report, pp. 6–7 (Our Sustainability Promise).
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	Stakeholder groups were defined and identified based on their connection to Steelcase's business. The degree of engagement depends on the potential impact each group has on the business.
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	Steelcase regularly conducts research to understand our stakeholder expectations around sustainability. We use the results of this research to drive our business strategies and engage with stakeholders on the topics that are most relevant to their priorities. We continue to engage with stakeholders through informal discussions, surveys, focus groups and social media. For more information, please see our Corporate Sustainability Report, pp. 6–7 (Our Sustainability Promise).
G4-27	Report 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. Report the stakeholder groups that raised each of the key topics and concerns.	Corporate Sustainability Report pp. 6–7 (Our Sustainability Promise).

Report Profile

G4-28	Reporting period (such as fiscal or calendar year) for information provided.	This report covers the calendar year 2016 (CY2016), spanning January 1, 2016, to December 31, 2016 and the company's fiscal year 2017 (FY2017), spanning February 28, 2016 to February 26, 2017. Key environmental impact metrics (energy, GHG emissions, VOCs, water and waste) are tracked on a calendar year basis for 2016 (CY2016).
G4-29	Date of most recent previous report (if any).	The previous Steelcase Corporate Sustainability Report was published in December 2016 and covered calendar year 2015 (CY2015) and Steelcase's fiscal year 2016 (FY2016), March 1, 2015 to February 27, 2016.
G4-30	Reporting cycle (such as annual, biennial).	Steelcase publishes a corporate sustainability report annually.
G4-31	Provide the contact point for questions regarding the report or its contents	sustainability@steelcase.com

G4-32

- a. Report the 'in accordance' option the organization has chosen.
- b. Report the GRI Content Index for the chosen option (see tables below).
- c. Report the reference to the External Assurance Report, if the report has been externally assured.
 (GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guidelines.)

Steelcase is reporting at the Core level for the 2017 GRI report.

G4-33

- a. Report the organization's policy and current practice with regard to seeking external assurance for the report.
- b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided.
- c. Report the relationship between the organization and the assurance providers.
- d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.

At this time, Steelcase does not utilize an external organization to assess this report.

Governance

G4-34

Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.

Steelcase Inc. Corporate Governance Principles

Ethics + Integrity

G4-56

Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.

Steelcase has developed standards and codes that embody the fundamental principles that govern our ethical and legal obligations. They pertain not only to conduct within our company, but also to conduct involving our customers, dealers, suppliers and other stakeholders. They include:

- Steelcase Global Business Standards
- Steelcase Code of Business Conduct
- Steelcase Code of Ethics for Chief Executive and Senior Financial Officers

G4-57 Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.

Steelcase outlines the policies and resources for employees, including the global numbers for our Integrity Line in our <u>Global Business</u>
Standards document.

G4-58 Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms

or hotlines.

In the <u>Steelcase Global Business Standards</u> document, a general procedure is outlined for employees to follow when they have concerns about anything that might be considered unethical or unlawful. First, employees are encouraged to take their concerns to their manager or team leader. If they are unable to help, or if this is inappropriate, employees can use the Integrity Line. It ensures employees can speak out about situations that have the potential to cause legal, safety, environmental or other problems at work. The purpose of the Integrity Line is to help resolve concerns. Every effort is made to keep this service confidential. The consultant employees speak with is not a Steelcase employee, no recording devices are used and employees are not required to give their name. If an employee chooses to file a report, they will be given a tracking number to check on the status of the report without revealing their name.

Specific Standard Disclosures

Consumer Health + Safety

G4-PR2

Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes

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. In the current fiscal year, Steelcase had no material issues occur related to non-compliance with regulations or voluntary codes concerning the health and safety impacts of products or services.

Waste

G4-EN23

Total weight of waste by type and disposal method

Please see the Corporate Sustainability Report, pp. 30–31 (Circular Services) and pp. 46–47 (Waste + Water).

Steelcase tracks and reports according to the following categories: landfill, incineration, compost and recycle.

Туре	Disposal Method	TONS (2016)
Composting	Composted	154
Hazardous Waste	Hazardous Waste Disposal Facility	470
Incineration/Cogeneration	Incinerated	8693
Coal Ash	Landfilled	0
Enamel Cake Waste	Landfilled	261
Landfill Waste	Landfilled	2982
Non-Steel Recycling	Recycled	13,206
Steel Recycling	Recycled	12,820

Energy

G4-EN3

Energy consumption within the organization

- Report total fuel consumption from non-renewable sources in joules or multiples, including fuel types used.
- b. Report total fuel consumption from renewable fuel sources in joules or multiples, including fuel types used.
- c. Report in joules, watt-hours or multiples, the total:
 - Electricity consumption
 - Heating consumption
 - Cooling consumption
 - Steam consumption
- d. Report in joules, watt-hours or multiples, the total:
 - Electricity sold
 - Heating sold
 - Cooling sold
 - Steam sold
- e. Report total energy consumption in joules or multiples.
- f. Report standards, methodologies, and assumptions used.
- g. Report the source of the conversion factors used.

Learn about Steelcase strategies in our Corporate Sustainability Report, pp. 44–45 (Energy + Greenhouse Gas Emissions). Additionally, Steelcase shares in-depth information related to our energy usage and greenhouse gas emissions in our annual CDP submission. Please see our 2017 CDP response for more information.

G4-EN15 Energy intensity

- a. Report gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent, independent of any GHG trades, such as purchases, sales, or transfers of offsets or allowances.
- Report gases included in the calculation (whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all).
- c. Report biogenic CO2 emissions in metric tons of CO2 equivalent separately from the gross direct (Scope 1) GHG emissions.
- d. Report the chosen base year, the rationale for choosing the base year, emissions in the base year, and the context for any significant changes in emissions that triggered recalculations of base year emissions.
- e. Report standards, methodologies, and assumptions used.
- f. Report the source of the emission factors used and the global warming potential (GWP) rates used or a reference to the GWP source.
- g. Report the chosen consolidation approach for emissions (equity share, financial control, operational control).

Learn about Steelcase energy and greenhouse gas reduction strategies in our Corporate Sustainability Report, pp. 44–45 (Energy + Greenhouse Gas Emissions). Additionally, Steelcase shares in-depth information related to our energy usage and greenhouse gas emissions in our annual CDP submission. Please see our 2017 CDP response for more information.

Diversity, Inclusion + Equal Rights

LA12

Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and others indicators of diversity.

Total average age of all employees:

Global: 42

Americas: 42

Asia: 36

• EMEA: 41

Total gender breakdown globally:

• Male: 68%

• Female: 32%

Estimated U.S. minority breakdown:

Salaried: 11%

Hourly: 33%

• All U.S.: 21%

HR3

Total number of incidents of discrimination and corrective action taken.

Steelcase takes seriously its commitment to maintaining workplaces compliant with applicable anti-discrimination laws and free from any type of discrimination. All Steelcase employees are expected to follow the Steelcase Statement of Values and Global Business Standards which include commitments to treating all people with dignity and respect and creating a culture of inclusion and non-discrimination. In the current fiscal year, Steelcase had no material issues occur related to incidents of discrimination or corrective actions taken.

LA13

Ratio of basic salary and renumeration of women to men by employee category, by significant locations of operations.

Steelcase routinely assesses discrepancies in compensation with the intent of meeting both corporate values and legal requirements regarding equal pay.

Employee Wellbeing + Development

G4-LA5

Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs:

- a. Report the level at which each formal joint management-worker health and safety committee typically operates within the organization.
- Report the percentage of the total workforce represented in formal joint management-worker health and safety committees.

Nearly 15 percent 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.

G4-LA1

Total number and rates of new employee hires and employee turnover by age group, gender and region:

- a. Report the total number and rate of new employee hires during the reporting period, by age group, gender and region.
- Report the total number and rate of employee turnover during the reporting period, by age group, gender and region.

Approximate total new hires worldwide: 3,465.

Approximate turnover rates by region:

Americas: 19.1%Asia: 17.0%EMEA: 6.9%

Approximate turnover rates by gender:

Male: 14.4%Female: 17.6%

Approximate turnover rates by generation:

Boomers: 7.0%Gen X: 8.4%Gen Y: 31%

G4-LA10

Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings:

- a. Report on the type and scope of programs implemented and assistance provided to upgrade employee skills.
- Report on the transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

Please see our Corporate Sustainability Report, pp. 40–41 (Learning + Development) for more information.

Business Integrity

S08

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

As a 100+ year old industry-leading company with global operations, Steelcase Inc. gets involved in periodic legal proceedings including contract disputes and other claims arising from time to time in the normal course of business. Steelcase business practices have been sound throughout our existence, and we believe there is no past, current, or contemplated future situation that would have any material adverse effect on Steelcase's integrity, financial stability or reputation, or that should cause our customers concern regarding Steelcase's overall business practices or continuing ability to serve them.

G4-PR7

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes:

- a. Report the total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by:
- Incidents of non-compliance with regulations resulting in a fine or penalty
- Incidents of non-compliance with regulations resulting in a warning
- Incidents of non-compliance with voluntary codes
- b. If the organization has not identified any non-compliance with regulations and voluntary codes, a brief statement of this fact is sufficient.

During the fiscal year there were no instances identified of non-compliance with regulations or voluntary codes concerning marketing communications.

G4-SO4

Communication and training on anti-corruption policies and procedures:

- a. Report the total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region.
- Report the total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region.
- c. Report the total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region.
- d. Report the total number and percentage of governance body members that have received training on anti-corruption, broken down by region.
- Report the total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.

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 during FY2018. In addition, Foreign Corrupt Practices training is required for sales and other employees where applicable.

Sustainable Business Innovation

EN1	Materials used by weight or volume	Some of the key materials Steelcase uses in products include steel, petroleum-based products, aluminum, other metals, wood, particleboard and other materials and components. 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. For more information on how Steelcase incorporates sustainability in our materials, products and services, please see our Corporate Sustainability Report, pp. 26–27 (Innovative Products + Spaces), pp. 30–31 (Circular Services) and website: csr.steelcase.com	
EN2	Percentage of materials used that are recycled input materials	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. For our operational initiatives and progress, please see our Corporate Sustainability Report, pp. 26–27 (Innovative Products + Spaces), pp. 30–31 (Circular Services).	
		For more detailed information about the recycled content in our products, please reference Product Environmental Profiles which are available in the Document Library of steelcase.com	
EN27	Extent of impact mitigation of environment impacts of products and services	See EN2	
EN28	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. To explore our sustainability product design platforms, including our transportation and packaging strategies, please see pp. 26–27 (Innovative Products + Spaces) and pp. 48–49 (Transportation + Packaging).	
		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. For details on how we help our customers with end-of-use strategies, please see pp. 30–31 (Circular Services).	

Thank You

Our path to sustainable business development is a shared endeavor, touching all levels of our organization, and all of our stakeholders, in all corners of the globe. Our successes come from individual employees, from departments, from regions, from offices, from manufacturing lines, from customers, from our dealers, from our suppliers and from our partners.

The end of this report is just the beginning of what we hope is an ongoing conversation. Please reach out to us at sustainability@steelcase.com and share your sustainability dreams.

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