

Steelcase strives to bring value to all our stakeholders: customers, employees, shareholders, partners, communities and the environment.

We do this every day, in every location around the world by designing products and solutions which benefit workers and support wellbeing—delivering goods and good. We partner with customers to help them achieve their sustainability goals. We consult and collaborate with experts, pioneers and visionaries across disciplines. And we do this while living our most foundational values to tell the truth and treat people with dignity and respect.

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Steelcase was founded on a set of values that continue to guide our strategic choices, anchor innovation and inform the way we conduct our business. More broadly, those values lead us to connect people with their potential, and we're privileged to do that around the world for our employees, customers and communities.

Historically, we've focused our efforts around ecological advances. That's a good start, but we believe by leveraging the strength of our people, we can do more. As we talk about social innovation, we're thinking about how we can champion responsible resource use and positively impact people. We're exploring ways to support environmental and economic systems while improving life for people in the places we live and work. By partnering with businesses and organizations with creative approaches to systemic issues, we can help everyone accomplish their mission. This is what it looks like to unlock human promise.

One community partner helping us do this is Public Thread, a small-batch sewing company in Grand Rapids. Their upcycling program has diverted Steelcase and DesignTex fabric from the landfill, and they've transformed our scraps into one-of-a-kind, handmade items.

By training underemployed people and paying a living wage, they've built an inspiring, sustainable business model with positive social, economic and environmental value. You can read more about Public Thread in this report.

Here are some other highlights from 2017:

- Selected as a finalist for the Circulars Awards alongside international leaders in circular economy services
- Leveraging solutions which incorporate big data + customized workplace performance tools and systems like Smart + Connected to help our customers reach their business and sustainability goals
- Continuing to expand our furniture as a service model and helping customers with their own sustainability goals to divert millions of furniture assets from the landfill

#### Welcome

- Making progress in many of our environmental footprint goals: reducing energy, VOCs and water use and continuing to invest in 100% renewable energy
- Investing in our communities with over 92,000 employee volunteer hours over the last 3 years

Despite the great things we accomplished this year, sustainability is hard, and sometimes we experience setbacks. Due to several external factors, we sustained a temporary increase in landfill waste and anticipate reporting another increase in next year's report before we're back on track to reach our 2020 goals. To keep that 2020 goal within reach, our teams are pushing hard, clearing hurdles and approaching waste reduction creatively. You can read more about this in the Waste + Water section of this report. We remain committed to reducing waste of all kinds not merely to say we reached a goal - but because it's the right thing to do.

We're reminded every day that the work we do and the decisions we make directly impact our customers, employees and shareholders, and take seriously the opportunity to leverage our scale and resources for positive, sustainable change. I hope you'll turn the page to learn more.

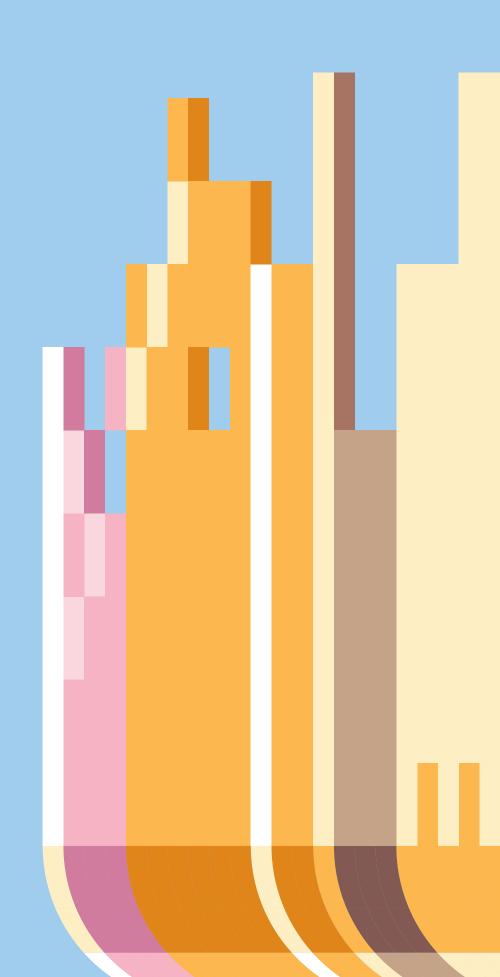
J. K.

James P. Keane President and CEO

## Our Vision

People are at the heart of everything we do and everything we create. This truth drives our approach to sustainability.

With people at the center, we can deliver meaningful, lasting economic, environmental and social change through the choices we make and the behaviors and actions we demonstrate



#### Sustainability In Action

- Across all stakeholder groups, Steelcase is working hard to bring sustainability performance to today's workplace.
- We're continuing to develop innovative products, spaces and circular services for our clients, and providing them with sustainable procurement strategies.
- We're sharing ideas and communicating best practices with all our partners — from suppliers and dealers to customers, researchers and environmental agencies.
- We're fostering sustainable development in our global operations and in those of our supplier partners, including a focus on environmental and human health, social responsibility and economic prosperity.
- We're applying insights, leveraging scale, and committing human and financial resources to projects and partnerships to create positive, lasting progress.
- We're investing in education to empower and support employees and celebrate their contributions
- We're 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.

#### Holding Ourselves Accountable

Three important groups govern our activities:

- Our Board of Directors, a hardworking team of prove business leaders (including some third- and fourthgeneration founding family members), sets the tone for our company's future.
- Our Executive Leadership
  Team delivers long-term
  shareholder value and enables
  sustainable business fitness
  through our mission of
  unlocking human promise.
- Our Global Sustainability
  Steering Committee cultivates
  a culture of sustainable
  innovation by advancing
  our company's value,
  brand and performance.
  The Committee is charged
  with sponsoring key initiatives
  designed to fuel progress and
  foster connections across
  multiple levels and disciplines
  within the organization.

While a formal governance structure is helpful for accountability, every Steelcase team member is responsible for thinking and acting sustainably. From the smallest daily choices to the largest, resourcesaving investments, our employees are empowered to innovate. By working individually and together, they act as stewards of our shared resources and contribute to an environment of safety and wellbeing for themselves, colleagues, communities and the world.

SATION TACTICS

ATE THE 176HT PECTATIONS

ITINGENCY PLAN

VERSIPY CHANNELS

ASURE AND REACT

## Our Sustainability Promise

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





#### **Sustainability Beliefs**

By working individually and in groups, by acting as a business and as an integral part of our local and global communities, we can use the lens of sustainable business to help guide us into the future. We believe:

- Any solution begins with finding

   and sharing the truth. 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 systemslevel design thinking in all aspects of our business.

#### **Our Corporate Values**

We expect every team member, in every location, to live our shared Steelcase values.

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

We recognize each individual is integral to the growth, stability and structure of our entire sustainability effort. When we share the same goals and purpose, we can develop a sense of collective meaning in our work.

By fully engaging every team member in our shared beliefs and sustainable business goals, we become an even stronger partner and an increasingly better-performing company.

## Our Year in Focus Sustainability at Steelcase is dynamic and always evolvingneeds. This year, we continued to focus on deepening our understanding of stakeholder internal teams and our business continues to fuel our social, environmental and economic progress — as well as our circular economy journey.

- Refined sustainability aspects
  material to our business that
  advance our social and
  environmental performance
  and align with the expectations
  of our many stakeholders,
  shareholders and partners.
- Initiated an eight-year roadmap to drive toward a more sustainable, circular economy.
- Continued to collaborate with customers and study their inquiries to understand how their corporate sustainability priorities relate 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.
- Surveyed our employees to understand the sustainability issues most relevant to them
- Continued to empower our stakeholders through education and partnerships to understand their role in advancing sustainability for our company, our communities and society at large.

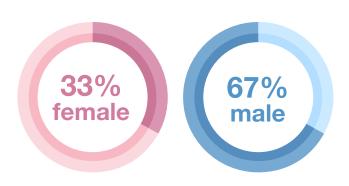
# Targets + Performance

Steelcase measures progress against our sustainability goals as well as across a broad range of metrics. Here we look at top-level measures of our sustainability efforts, from growing shareholder value to strengthening employee wellbeing and engagement, from reducing our environmental footprint to amplifying the impact of our community service.

**Employee Volunteerism** 

## 92,000 volunteer hours since 2015

**Gender Distribution** 



**Employee Retention** 





# Investments in renewable energy are equivalent to 100% of our global electricity use.



## The Home Depot Builds Reuse Into Its Asset Management Program

As the world's largest home improvement retailer, The Home Depot sources products and promotes ideas to help millions of customers reduce their environmental impact by using less energy and generating less waste in home improvement projects. The Home Depot underscores this commitment by continuously monitoring and improving its own energy efficiency and waste reduction efforts.

Last year, The Home Depot partnered with Steelcase and Dekalb Office, an authorized Steelcase dealer, to develop a comprehensive asset management and decommissioning strategy for their office and administrative furniture. Together, the teams evaluated their existing furniture assets to identify opportunities to recycle and resell items in order to extend their use and material value.

In the initial project phase, over 290 metric tons of furniture were diverted through reuse, recycling and charitable donation. The Home Depot continues to partner with Steelcase and Dekalb Office to take advantage of our Phase 2 program, responsibly relocating, reselling, recycling and charitably donating furniture.

## 322,222

The 290 tons of furniture
The Home Depot diverted from
the landfill is **equivalent to**322,222 five-gallon Homer
Buckets—The Home Depot's
iconic DIY necessity.





# A Triple Threat: Public Thread Improves the Social, Environmental and Economic Landscape

Steelcase is committed to reducing the waste we generate and partnering with new voices who bring fresh approaches and new solutions. In our Michigan manufacturing facilities, high-quality scrap fabric is being sent to an innovative for-profit social enterprise, Public Thread.

Public Thread designs and makes small batches of sewn products from repurposed and upcycled textiles. Public Thread gives this fabric new life—and creates new opportunities for employees, who represent diverse and underrepresented communities, empowering them with marketable job skills and a living wage.

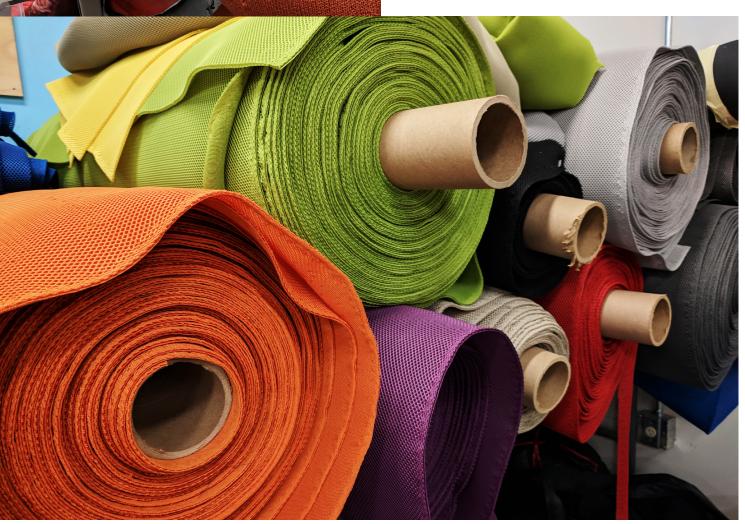
Steelcase is proud to partner with Public Thread, creating meaningful work in our local community, diverting usable materials to a second life and supporting the local economy.





## 1000 pounds

In the first nine months of partnership, Steelcase successfully diverted over 1000 pounds of usable scrap fabric to Public Thread.









Leading organizations around the world recognize the need to pursue reinvention, focusing on performance to drive growth and innovation. Three components — people, place and technology — must work together to support new, creative ways of working.

The Smart + Connected workplace equips organizations with tools, data and insights to optimize workspaces and support productive, engaged and satisfied employees, and help companies make the most of their real estate. Intuitive Smart + Connected mobile apps and scheduling systems empower employees to easily find individual and collaborative workspaces that can accommodate their personal needs-including preset preferences for height-adjustable desks, and reminders to change posture and track activity toward wellbeing goals.

When data reveals certain usage patterns, small fixes can drive big changes in employee engagement and utilization.

19



#### Micro Changes, Macro Improvements

Smart + Connected workplaces give facilities teams data-driven methods to maximize real estate investments and minimize wasted time through small, incremental improvements.

To demonstrate to customers how these changes can have a big impact on utilization over time, Steelcase used its Grand Rapids and Munich locations to conduct several studies.

One study at the Learning and Innovation Center in Munich, where conference spaces and meeting rooms are spread over three six-story buildings and cover over 140,000 sq. ft of space, looked at how we might understand and optimize employee space navigation. Using Smart + Connected applications saved employees an average of 10 to 15 minutes, four to five times per day by proactively identifying available meeting spaces. This time savings roughly translates to an annual financial savings of \$810,000 based on the average salary of all 270 employees in Munich.

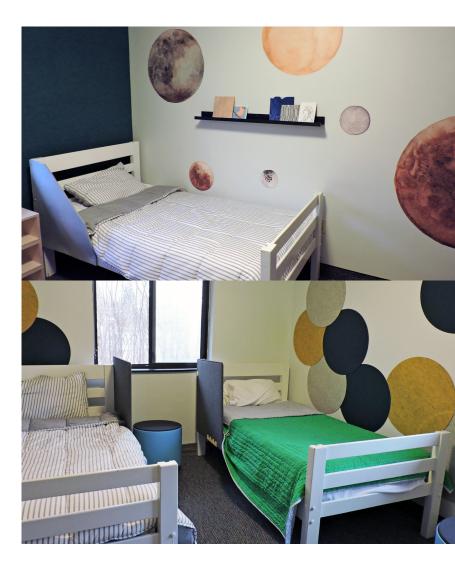


#### **Spotlight**

To be a force for good across our global footprint, Steelcase strongly believes in investing in communities. This year, Steelcase worked alongside several local businesses and competitors on a special redesign project at The Bridge at Arbor Circle in Grand Rapids, Michigan.

A safe shelter for young people facing homelessness or considering running away, The Bridge offers a stable, accessible place to stay where they can find support, connect with peers, learn new skills and determine how to reconnect with their families, schools and community.

Steelcase worked with local partners to secure donations of furniture, décor, paint and skilled labor for seven unique bedroom redesigns. Steelcase designers created teams to tackle each room with the goal of creating safe, welcoming spaces that evoke a sense of personal security and comfort, while also nurturing connections to each other and the community.



"Steelcase actively supports team building efforts — allowing us to create a meaningful impact in our communities and also spend quality time as a design studio. It's a total win-win."

Addy Madorsky, Lead Designer, Steelcase Global Interiors



# 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**

Exciting innovations in applied materials science for our SILQ™ chair launch, new datadriven solutions and continued commitment to lifecycle performance and validation through third-party certifications.

Helping people and organizations realize their full potential means supporting their wellbeing. We do this through thoughtful product design, careful materials selection, optimized lifecycle performance and continuous improvement of life extension and end-of-use strategies. Our innovative use of technology helps organizations adapt their spaces to evolving needs, maximizing their real estate investment and supporting employee engagement and wellbeing.

#### Uncovering New, Innovative Materials

Steelcase's Material Innovation Exploration group has developed a digital library of 200+ potential suppliers of new, innovative materials. This new tool gives our designers and product engineers a complete view of all available, reviewed materials to better determine how and where they can be utilized. This library reflects our commitment to include new and ever-more-sustainable materials in our product portfolio.

#### Life Cycle Performance

Primary research, metrics from Life Cycle Assessments (LCA) and closed-loop design thinking help us deliver value at every step of the product lifecycle-from product design and manufacturing to delivery, use and end-of-use options. The insights we gain through this process are shared with partners, industry groups and other leading organizations. This year, Steelcase worked with many universities and non-profit organizations to share our learnings with students through sustainability curricula at the university level.

#### Preparing the Next Generation for Sustainable Thinking

Students from The Technical University of Denmark's Design and Innovation program partnered with Steelcase on their master's thesis research. This joint initiative explored new opportunities to inspire deeper development engagement processes to drive more innovative solutions throughout our portfolio.

#### Innovative Products + Spaces

#### Closing the Product Lifecycle Loop with Smart + Connected Insights

Customer workplaces continue to evolve, and Steelcase Smart + Connected tools and data are supporting this evolution like never before. Based on usage data, or changing business needs, customers may need to adapt spaces and the furniture within them. When redeploying products within the customer footprint doesn't make sense, Steelcase offers end-of-use options to optimize material recovery alongside services to support circular economy efforts, including product resale.

Read the Steelcase Smart + Connected Workplace feature story on pp. 18–19 to learn more about how we're equipping ourselves and our customers with the tools, data and insights to optimize their workspaces and support productive, engaged and satisfied employees.

#### Steelcase Wins Best of NeoCon Awards + More

- SILQ™ by Steelcase Design Studio won an Innovation Award in the Seating Ergonomic Desk/Task category.
- Mackinac<sup>™</sup> by Steelcase won an Innovation Award in the Furniture Collections for Collaboration category.
- Embold™ by Steelcase Health won Gold in the Healthcare Guest and Lounge Seating category.
- Surroundings<sup>™</sup> by Designtex won Gold in the Healthcare Fabrics & Textiles category.
- The Celliant® Collection by Designtex won Gold in the Textiles: Upholstery category.
- Designtex + Coalesse Collection was named Editors' Choice in the Textiles: Upholstery category.

This year, we joined the board of the American Center for Life Cycle Assessment (ACLCA), a nonprofit membership organization bringing together diverse organizations with a stake in the implementation and advancement of LCA application.



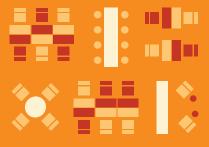
## Roundtable for Product Social Metrics

Traditionally, LCAs have only quantified environmental impacts of products and services. The Roundtable for Product Social Metrics is working to expand the scope of LCAs beyond the environmental aspects to include social aspects of product lifecycles as well. For the past four years, Steelcase has been working closely with organizations across industries to research, evaluate and develop a handbook and methodology for measuring and managing social impacts of the product lifecycle.

#### Spotlight on Third Party Certifications

170+

**BIFMA level Certified products** 



**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®, Steelcase Series 1TM and Thread®.

350+

**SCS Indoor Advantage certificates** 

For a full list of our partners, see GRI Indicator 102-12

45+

**Environmental Product Declarations (EPDs)** 

1,800+

More than 1,800 materials in our product portfolio evaluated against more than 20 human and environmental health indicators

## Sustainable Procurement Strategies

#### **PROMISE**

Help organizations achieve their sustainability goals.

#### **PROGRESS**

Working in partnership with our customers, we continue to ensure our products, performance metrics, certifications and services support their human, environmental and organizational health.

When organizations engage with Steelcase for their workplace solutions, they're relying on our system of products, applications and services to help drive their sustainability progress forward. Because we are stronger together, we build relationships early to better understand corporate and project-related objectives and consult on goal setting and decision making. These collaborations result in work environments which promote wellbeing for workers and deliver value customers expect.

#### **Designing for Circularity**

Our design approach begins with closed-loop thinking and measurement of product lifecycle impacts through Life Cycle Assessments. Using metric-based insights, we measure and maximize positive impacts at every stage, from product design and manufacturing to delivery, use and end-of-use strategies. In partnership with our suppliers, we seek opportunities to improve furniture performance outcomes, from the optimization of chemical profiles of materials to the ability to be reused and adapted over time.

See the Innovative Products + Spaces section on pp. 24–25 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. In addition to our end-of-use removal and redeployment programs, our Circular Services team works closely with customers to pilot programs for pay-for-experience services and other alternatives to ownership models. Our work in designing these new business models helps realize a vision of holistic performance and experience-based interactions with our clients. 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. 28–29 to learn more.

#### **Beyond Product Sustainability**

Our customer partnerships go beyond just meeting product-related sustainability goals. In addition to providing Circular Services, Steelcase partners with customer procurement teams on strategies to meet their broader corporate sustainability goals. With a greater understanding of a customer's sustainable business goals, we can develop custom solutions that combine products and services to meet those goals.

Check out our feature story: "The Home Depot Builds Reuse Into Its Asset Management Program" on pp. 14–15 to learn more.

#### Strategic Purchasing Strategies

Our customers include leading organizations who seek the latest research and insights. We partner with them to tailor our offerings to the standards and specifications they require to meet their sustainability goals - whether it's a certification, a material health list, a building standard or a more strategic partner model. With our dealers, we share our learnings and collaborate with customers to regularly review their purchases against a variety of sustainability objectives to ensure we continue to meet their highest aspirations.

#### **Building Certification Contributions**

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

#### **LEED Certification**

Materials and resources
Ergonomics
Social equity in the supply chain
Innovation in design
Low-emitting materials

#### **WELL Building Standard**

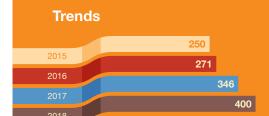
Air
Light
Fitness
Comfort
Nutrition
Mind

#### **BREEAM**

Indoor air quality
Acoustic performance
Environmental impact of materials
Responsible sourcing of materials
Material efficiency
Waste management

#### Sustainable Procurement Strategies

#### **Environmental Metrics Report**



400

Customized environmental metrics reports (EMRs) for companies spanning more than 20 industries

11

Data points provided per product in every EMR including sustainability certifications recycled content and potential for LEED contributions, empowering customers to track their own sustainability progress

## 350+ Product Environment Profiles

Product Environment 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 Design Resources page.

20+

Cross-industry collaborations, including C2C Built Positive, World 50, GreenBuild Sustainable Brands, the CE100, GBEN and Renewable Energy 100

## Circular Services

#### **PROMISE**

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

#### **PROGRESS**

Expand existing offerings and evolve services to support ever-changing space needs and move toward 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 new business models that promote the flow of assets through extended use, resale, redistribution, repair, refurbishment and material recovery.

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

#### **Creating a New Economy**

The circular economy is the new industrial revolution—and product-service systems will be central to the shift.

We are excited about the opportunity to introduce new ways of doing business in a globally-integrated marketplace, extending both the value and lifecycles of our products. We're taking practical steps to prepare our company for new ways of doing business and engaging with our customers, however they may define circularity.

#### **Building New Traditions with Steelcase Workplace Services**

We serve leading companies who dream, think and plan big, and are envisioning what's far beyond traditional end-of-use services.

These customers, working closely with our Circular Services experts, are helping us develop new ways of thinking about the product lifecycle, and how new services, financial infrastructure, product strategies and customer experience models could support this new vision.

Together, we're redesigning the sales process for more efficient and sustainable transactions.

#### **Seating Trade-Up**

Trade-Up is a value-add service offered with our task chairs (Amia, Leap, Gesture, Think, SILQ and Series 1). This program gives customers an opportunity to partner with our ReMarket team to responsibly dispose of unneeded office chairs—even non-Steelcase chairs. Steelcase partners with brokers across the country to manage unneeded assets and redeploy them appropriately.

#### ReMarket™

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

#### Phase 2 Program

Decommissioning is what happens to your furniture when it leaves your workspace. Crafting and executing an outstanding decommissioning service on behalf of our customers requires operational expertise from Steelcase and our partner network. We exchange best practices and work closely with dealers and service providers to monitor and grow performance using standard operating procedures and key performance indicators. In fact, we have been a pioneer in this field for nearly a decade, offering the industry's most comprehensive decommissioning service available in the US and Canada.

#### **Eco'Services**

Our strategy to advance our circular economy solutions-alongside increasing interest from global customers—continues to inspire us as we expand and evolve our Eco'Services offering. Our asset recapture and redeployment service originated in French-speaking countries in Europe, but we're working to pilot and scale service capabilities in neighboring markets. This includes the development of a new, sustainable pricing model for customers and an incentive system for our dealers. Through our partnerships, we continue to improve the service experience for dealers and empower them to better serve customers through responsible handling of end-of-use assets.

When our Eco'Services team learned about a local children's hospital in Paris, France in need of new furniture for their waiting area and offices, they worked with a local dealer and a Steelcase partner on a decommissioning project to redeploy high-quality, gently-used seating and desking solutions to the hospital's facilities.

## Steelcase Named a Circulars Finalist

The Circulars, presented by the World Economic Forum and the Forum of Young Global Leaders in collaboration with Accenture, is the world's premier circular economy award program. The awards showcase advances driving innovation and growth while reducing dependence on scarce natural resources.

#### **Circular Services**

#### **Eco'Services**

#### **Workstations Redeployed**

**60,000+** since 2008



**5,000+** since 2017

46

Circular Services projects completed in 2018

167,700+

Cubic meters of furniture redirected through Eco'Services since it began in 2008. An equivalent of 44 olympic pools.

Phase 2

594.32

Metric Tons diverted from landfill in 2018

1654.6

Tons of Co2E GHG - avoidance in 2018

## Dealer Network

#### **PROMISE**

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

#### **PROGRESS**

Continuing to deliver solutions with our global network of dealer partners which contribute to strong, stable communities. We work closely with dealers to help them secure an enduring leadership position serving Steelcase customers.

Most Steelcase dealerships are independent businesses, owned and operated by people deeply invested in the communities they serve. By providing effective, engaging workplaces, our dealers can employ a variety of workers from their local communities to deliver Steelcase products and spaces, as well as a range of value-added services including space planning, design, installation, technology and audiovisual integration, moving services and more.

#### Global Teamwork and Next Generation Transitions

Steelcase collaborates with our dealer network to meet the needs of our global customers. Together, we support their business goals and offer coordinated cross-regional support for projects and installations around the world.

As Baby Boomers retire, many dealer principals are transitioning their businesses to younger generations or new partners. Steelcase supports these teams to help ensure uninterrupted customer service and seamless transfer of knowledge. One recent dealer transition welcomed two experienced business people to the office furniture industry: Eric Grisham and Trey Clark. They purchased OSCO, Inc., the Steelcase dealer in Huntsville, Alabama. Clark shared his enthusiasm for the opportunity, remarking,

"We are passionate about empowering our employees and supporting the local communities that we serve throughout Alabama and we're very excited about the tremendous team at OSCO, the products and services it provides, and the legacy and brand recognition it has built across the past 50 years."

#### **Dealer Diversity**

We continue to strive for diversity within our dealerships by providing programs for talent management and leadership in the U.S. and Canada. Steelcase helps support 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.

#### **Dealer Network**

#### **Knowledge Sharing**

The Steelcase approach to learning—we all teach, we all learn—extends to peer-to-peer dealer relationships and connections with Steelcase teams.

- Globally, regional dealer councils provide feedback to Steelcase on market dynamics and emerging needs and make 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 peerto-peer workshops.
- A dedicated Steelcase team regularly connects with dealers to share research insights, provide financing options, talent management strategies and inclusion best practices.

#### Recognizing Premier Performance

Every day, our dealer partners deliver best-in-class Steelcase experiences to customers worldwide. Our dealer partners meet our high standards for quality and performance thanks to a number of practices and policies we implement together globally. This includes, the "Blue Book" in the U.S. and Canada, which outlines the respective expectations, rights and obligations of both Steelcase and Steelcase dealers, in addition to formal agreements with our dealers in all markets.



#### Working Together, Delivering Sustainable Value

Our dealers are key partners in delivering value to our customers.

Check out our "Leveraging Partnerships" on p.46 in Transportation + Packaging to learn about our partnership with dealers and customers to pilot new packaging and waste reduction efforts.



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









Dealer Diversity in the United States

HUBzone 3 WBE

Veteran/DSVO

3

мве 8

**800**+

Steelcase dealers globally

96 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**

Continue to deliver the best value to our stakeholders through a diverse set of global suppliers, sharing knowledge, tools and standards for quality, performance and sustainability.

Adapt and improve global guidelines, tools and our knowledge exchange program ensuring we continue delivering the best value to our stakeholders through a diverse set of suppliers.

Steelcase Suppliers are Important Partners. Steelcase works closely with suppliers to provide customers with new and inspiring solutions 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 interactions and performance. Together with our suppliers, we exchange best practices through our supplier conferences. Steelcase works with 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 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 partner with them to continuously improve their performance in areas outlined 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 supporting the growth and development of minority-owned, women-owned, veteran-owned, service-disabled veteran-owned and HUBzone businesses in the U.S. We work to increase our investments in these business relationships, which are consistently exceeding 10% of U.S. supplier relationships. We emphasize infrastructure and reporting, communication, networking, supplier development and mentoring.



### Partnering to Drive Innovation

Steelcase partners with suppliers to understand current innovations and future innovation potential, collaboratively exploring new opportunities like increasing recycled content in packaging.

Our Code of Conduct, and other supplier resources, including our Environment, Health and Safety Handbook and START manual, are available online at Steelcase.com/our-suppliers/#resources. We promote global understanding, by maintaining our Code of Conduct in French, German and Spanish on country level steelcase dotcom supplier pages.



## New + Expanded Supplier Partnerships

To best meet the evolving needs of customers and dealers, we announced new supplier partnerships with leading companies including FLOS, a renowned Italian lighting group with a collection of finely crafted decorative lighting, and Mitchell Gold + Bob Williams, a leading luxury home and hospitality furnishings brand in the U.S., to provide expanded product offerings in a consolidated distribution network. Now, dealers can deliver FLOS and Mitchell Gold + Bob Williams in the same order as other Steelcase products.

Additionally, we expanded our partnership with Microsoft, to help organizations harness big data to create better workplaces for people through our Smart + Connected offerings.

Learn more about how the Steelcase Smart + Connected Workplace can maximize real estate utilization and increase employee engagement in our feature story on pp. 18–19.



Steelcase U.S. suppliers are minority-owned, 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.

#### Building Better Business Through Associations and Advocacy

Steelcase participates in trade shows, conferences, networking events, customer showcases and meetings of associations representing diverse businesses to share information about Steelcase and to identify potential suppliers. We also maintain relationships with diverse business associations, as well as small business associations, including:

- National Minority Supplier Development Council
- Michigan Minority Supplier
   Development Council (MMSDC)
- Michigan Chamber of Commerce
- Michigan Manufacturers Association
- The Right Place
- Inforum Michigan
- Business Leaders for Michigan
- The Grand Rapids Area Chamber of Commerce
- National Veteran-Owned Business Association
- West Michigan Project One

# Social Innovation

#### **PROMISE**

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

#### **PROGRESS**

Continue our global community involvement by donating our time, talents and resources. Since 2015, Steelcase employees have reported over 92,000 hours of volunteer work, and Steelcase and the Steelcase Foundation donated over \$4.7 million to organizations around the world.

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

- Art + culture
- Urban education
- Diversity + inclusion
- Economic development
- Environment.

#### **Employee Impacts**

By being free to support causes meaningful to them, Steelcase employees can create a significant impact in their communities. All employees are encouraged to volunteer. In 2017, employees gave their time to many community organizations all over the world. And as a direct result of employee giving, the Steelcase Foundation donated over \$515,000 in matching gifts, up almost 10% from last year.

#### **Small Grants, Big Hearts**

The Small Grants, Big Hearts program is designed to support and encourage employees to volunteer by giving them access to funding to do good and make a sustainable impact for an organization serving their community. Grants of up to \$2,500 are available to all Steelcase employees who actively volunteer with a qualified organization. All grant applicants must take the lead on organizing, leading or participating in the implantation of the project.

#### **Expanding Disaster Relief**

As long as there are communities in need of aid during a crisis or disaster, there will be members of the Steelcase community ready to pledge their support. Until recently, employee disaster relief efforts were not matched with aifts from the Steelcase Foundation. Now, individual employee donations are eligible to be matched up to \$10,000 per year to support eligible disaster relief organizations before, during or after a crisis. This matching gift program is in addition to the existing \$10,000/year matched to individual donations to art/culture, conservation and education efforts.

#### Social Innovation

#### Steelcase Foundation Amplifies Impact

Steelcase founders and original Foundation trustees, Walter Idema and David Hunting Sr., established the Steelcase Foundation as an independent trust to support charitable causes. Today, the Foundation focuses on the areas of human service, health, education, community development, the arts and the environment.

Last year, Steelcase Foundation provided over \$3.46 million in grants, including \$515,000 in matching grants.

#### 300 hours

Steelcase Malaysia employees spent more than 300 hours last year volunteering at a local orphanage and in a home for abandoned, homeless and handicapped seniors

See how Steelcase employees helped homeless and at-risk teenagers feel more at home at The Bridge at Arbor Circle on pp. 20–21.



#### Saving Water and Supporting Farmers

This year, a team of 23 Steelcase volunteers banded together with the Watershed Organization Trust to help mitigate the impacts local farmers were experiencing due to severe drought condition in the Maharashtra region of India. Periods of severe drought often leave farmers extremely impoverished and feeling stressed and anxious which for some, can lead to suicide. Drought relief efforts included raising awareness in local villages and a publicity campaign to draw more supporters to the cause plus two water-saving efforts to relieve stress for local farmers.

In India, the annual rainy season lasts for 30 days on average. Both activities of Save Water, Save a Farmer lead to an annual water savings of 87,177 gallons.

#### Steelcase Foundation 2017 Giving



Total	\$3,463,249
Education	\$1,190,000
Matching Gifts	\$515,267
Arts & Culture	\$394,000
Health	\$225,000
Other	\$191,200
Community & Economic	\$120,000
Development	

\$515,000 Steelcase Foundation 2017 employee matching gifts

**92,000** Volunteer hours since 2015.

## 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**

Intentional focus on motivating worker wellbeing and safety through a wide variety of self-serve and customizable physical, social and emotional supports and programs. The health of our company is quite literally a reflection of the health of our employees. So, helping our employees function best at work sometimes means supporting topics outside of the office. That's why we work carefully to promote personal and family health, safety and wellbeing in a meaningful way, from highly utilized traditional health benefit programs to innovative onsite wellbeing services. Using surveys, focus groups, interviews and other qualitative measures, we can refine and enhance the way we support our employees to live their healthiest lives.

#### A Holistic Approach

Employee health isn't just physical, it's also emotional. Our proactive programs encourage overall wellbeing and provide support when an employee or family member is ill or having challenges. A sampling of some holistic offerings includes:

- The Grand Rapids Wellbeing Hub
  offers several physical health supports,
  from access to a dietician and personal
  trainer to tele-medicine and an
  onsite vision clinic and quick blood
  pressure checks. A free, secondopinion service is one of the most
  highly-used programs.
- Our free mental and emotional health services are available for people who are struggling with relationships, financial troubles, addiction, anxiety, depression or even suicide.
- Pregnant women and expecting fathers can take free classes to help them understand and navigate their benefits and identify successful return-to-work strategies.
- An innovative ergonomics class helps employees reduce back stress and improve overall workplace health.
- Financial wellbeing classes, which include the basics of budgeting, investing, tax-saving strategies and even estate planning, help employees stay fiscally healthy.
- Fun and social classes, including yoga and cooking demonstrations, are also offered.



#### **Proactive Approaches**

We believe protecting and enhancing the health and safety of our employees is multidimensional and holistic. Throughout our manufacturing facilities, we've enacted a variety of measures aimed at involving employees in supporting positive behaviors and promoting clear lines of communication.

Our continuous improvements are 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 employees about the importance of identifying and reporting unsafe conditions and behaviors before they become injuries.

#### Small Changes, Big Results

Through the Steelcase Wellbeing Hub, Arnold, a Zone Leader in our Kentwood, Michigan plant, lost more than 100 lbs. Utilizing the Vida health coaching app, our onsite dietician + personal trainer, workout space and classes, Arnold received the assistance he needed to help him make small adjustments to his lifestyle with big results. "The changes I made where small and the rewards were huge. Slow and steady, and don't worry if you stall-stay at it," Arnold advises. He also shares that the benefits he's seen extend beyond himself. "I want everyone to know that the programs that Steelcase offers to us are reaching more than their employees. This has been a help to my family, friends and my church family."

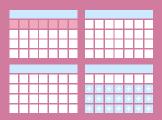
## Employee Health + Wellbeing

## 160+

More than 160 employees took advantage of Steelcase's onsite tele-med services, a partnership with Spectrum Health, to receive assistance from their doctor over the phone for minor medical ailments like rashes, coughing, sore throat and sinus pain.



Reduction in addictive behavior from employees who used Steelcase Workit Health addiction support services



#### 3 Weeks

In addition to standard family medical leave and existing maternity leave programs, all parents in the U.S. are given three additional weeks of paid bonding leave following the birth or adoption of a child.

10+

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

## Learning + Development

#### **PROMISE**

Unlock the human promise of all our employees by continuing to improve and expand our offering of innovative and empowering learning and development programs.

#### **PROGRESS**

Expanded learning opportunities and evaluated results of new coaching-based model to determine its effectiveness in driving employee engagement.

Steelcase's approach to learning fosters an environment where we all teach—and we all learn. We provide the tools, processes and strategies to 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.

#### Purposeful Coaching Makes an Impact

In 2016, Steelcase introduced a new employee development strategy, impact coaching, in place of traditional annual performance reviews. This new strategy was intended to engage employees and leaders in frequent, purposeful dialogue to inspire continuous achievement and growth.

Unlike annual performance reviews which can feel paternalistic and backward-looking, impact coaching is designed to be real-time and collaborative, helping individuals cultivate a growth mindset and achieve their own personal goals while contributing to the overall organization. This year, we evaluated impact coaching to determine its effectiveness after one year:

- 78% of employees report having at least one impact coaching conversation in the last month
- Of those employees 74% are satisfied with the frequency of their discussions.

While anyone at Steelcase can initiate impact coaching conversations, leaders are encouraged to engage in these types of conversations with every team member. From the feedback received, Steelcase made plans to improve the impact coaching program moving forward:

- Survey team leaders to gather baseline data on quantity and quality of conversations
- Redesign leader training to include pre- and post- learning support
- Introduce new technology to analyze collected data
- Reward engagement with positive recognition.



## Leveraging Talent through Steelcase Networks

What happens when teams identify emerging business needs but lack the immediate skills or resources to directly address the issue?

Using sustainability as a design lens encourages us to turn inside first, to leverage the value of our existing networks and strengthen them at the same time. That's why Steelcase launched Loop, an internal global talent marketplace, to identify existing skills within our organization. Using Loop, an employee may post a request for support-such as access to a particular skill or resourcesand all employees are welcome to respond if they have the requisite skills and bandwidth. It's win-win: employees have new opportunities to contribute, expand their networks, showcase their talent, teach their craft, and develop new skills.

## **Creating Our Own Innovation Loops**

Backed by our research into internal career paths and reinforced by external signals - including shifting power dynamics, increased speed of change, rapid onset of available technology and the need to develop cross-functional talent and emerging methods for talent deployment— Steelcase decided to build an experiment, named Loop, to rethink traditional ways of applying talent to business problems. Loop is in its second iteration, and actively drawing on insights gained from its first implementation.

- 265 active users as of March 1, 2018
- 10% of users posted project work
- 58% completion rate
- 3.9/5 overall satisfaction
- 100% skills match
- Most Project Owners had less than five years tenure
- Top participating regions:
   USA, Mexico, Germany, Malaysia,
   Romania, Hong Kong

## Learning + Development

## 12,000

There are nearly 12,000 people working at Steelcase — each with their own story. Our most important partners our employees, represent a diversity of perspectives, backgrounds and subject matter expertise that helps us innovate and explore.

## Dedicated to Employee Development

Steelcase is dedicated to the learning and professional growth of every employee, and we do that by:

- Providing competitive salaries and benefits
- Offering career counseling and professional training programs
- Believing in sharing profits
   with employees
- Being mindful about wellbeing
- Creating the conditions that allow people and communities to reach their full potential.

## Culture + Engagement

#### **PROMISE**

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

#### **PROGRESS**

Build on initiatives that embrace and honor diverse perspectives, emphasize inclusivity across our global footprint and ensure a promising future for our employees and our company.

Steelcase, like most global organizations, faces a great challenge—to respond quickly to changes in the market and continue thriving in our core business. In order to meet these challenges, we need top talent, and we need that talent to be highly engaged. In our company, we're fortunate to have as many different perspectives and passions as there are people. We work diligently to create a culture which honors and embraces those perspectives, so we all can come together to collectively challenge and build on each other's ideas.

#### 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. Choose inclusion
- 5. Start small, learn quickly... and try again.

These principles serve as a guide for our culture, driving everyone within our organization to seek higher levels of accountability, collaboration and experimentation.

## Empowering Authenticity + Erasing Bias

An open and inviting working environment—one that inspires authentic diversity and inclusion—is at the core of the Steelcase culture. Through reassurance and validation, we cultivate spaces where employees feel comfortable engaging in conversations and sharing their unique perspectives.

To ensure equal access and outcomes for all current and potential employees, Steelcase is actively reviewing and improving how we attract, engage and develop our talent. Through data analysis and bias training, we've identified where our biases currently exist and established strategies for expelling them. This includes incorporating new technology to remove language from resumes that may bias hiring.

This year, Steelcase employees hosted the first-ever Bias Week in the Grand Rapids Wellbeing Hub—a chance for employees to join team dialogues, ask questions, play games and listen to presentations on identifying and overcoming bias.

The team identified four categories of bias and used workplace scenarios to drive conversations.

#### A few examples included:

"Face time" bias—Co-workers may stereotype colleagues who work remotely and don't put in long hours of face time as unproductive, uncommitted or both. Working parents with flexible arrangements face discrimination.

**Conformity bias**—A tendency to take cues for proper behavior in most contexts from the actions of others rather than exercise our own independent judgement.

Projection bias—Overestimating the degree to which other people agree with us. People tend to assume others think, feel, believe and behave much like they do.

Authority bias/bandwagon effect—The tendency to attribute greater accuracy to the opinion of an authority figure (unrelated to its context) and be more influenced by these opinions.

### A Network of Diversity + Inclusion

Championing authentic diversity and inclusion is not a choice, it's a solution. We foster spaces that support 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. Our global network of inclusivity leaders plays an active role in promoting these ideas and encouraging dialogue to help dispel stereotypes and bias.



## Crafting for the Community

Without a permanent place to house their belongings, homeless youth often carry what they have in plastic bags. A recent study released by Covenant House International and Loyola University found 91% of the homeless youth surveyed had been approached with "work opportunities" which turned out to be fraudulent, or worse. Replacing those plastic bags with "made-withlove" tote bags helps eliminate this identifier from the eyes of predators.

In 2017, Steelcase Pride and the Young Professionals groups teamed up to raise money for homeless and runaway LGBTQ youth in Grand Rapids. Employees assembled tote bags from discarded fabric roles from the Steelcase Test Lab. They also held a donation drive, collecting donations and toiletries for HQ and Arbor Circle of Grand Rapids.

Employees donated two carloads of toiletries and decorated dozens of repurposed fabric bags to help homeless youth in the community.

## Culture + Engagement



Steelcase was proud to earn another perfect 100 score in all categories on the Human Rights Campaign's Corporate Equality Index for the fourth year in a row.

## 3000

Steelcase hosted a global, online Strategy Jam session to give employees around the world an opportunity to bring ideas and observations forward. The 36-hour event drew more than 3,000 comments from employees at all levels, encouraging dialogue, inquiry and deeper connections.



For the seventh year in a row, 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.

# 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.

<sup>1</sup>Based on 2010 baseline

#### **PROGRESS**

Lowered our global energy use by 21% since 2010 through careful measurement and management of our energy consumption. Continue growing our investments in renewable energy. Reducing our global greenhouse gas emissions is a process of continuous improvement.
Our comprehensive energy-optimization approach includes improving tracking systems, refining efficiency efforts and investing in renewable energy.

## Decentralized Approach Drives Localized Efficiency

We launched new programs and systems in 2017 to allow our operations teams to get more involved in tracking energy optimizations in their own locations. For our Kentwood and Wood plants in Michigan, this approach included the integration of smart meter technology and has resulted in more frequent and higher-quality reports.

This year we continued integrating advances to our lighting systems as a part of our ongoing goal to decrease energy consumption. Using cloud-based technologies to remotely control more targeted areas in our Kentwood and Caledonia, Michigan facilities has resulted in a 22% and 9% electricity reduction in these buildings, respectively.

2017 was the first full year Steelcase's Virtual Power Purchase Agreement (VPPA) for 25 megawatts of wind power in Southern Power's Grant Plains Wind Facility in Oklahoma was fully online, producing at full capacity—147 megawatts of clean, renewable energy.



## Combatting Climate Change

Steelcase continues expanding efforts to reduce our global energy footprint by partnering with leading energy companies, universities, consultants and government entities to help us implement, advance and evolve our energy initiatives:

- RE100 We partner with RE100, a global initiative uniting more than 100 influential businesses committed to 100% renewable electricity, working to massively increase demand for—and delivery of renewable energy.
- Business Climate Leaders (BCL) –
   We work with BCL, which engages
   American business organizations in effective non-partisan climate advocacy.
- Green-e Steelcase is committed to producing certified, reliable Renewable Energy Credits (RECs). This year, we worked with Center for Resource Solutions, a leading third-party energy certification program, to ensure our RECs from our VPPA were verified in the U.S.
- Science Based Targets We are exploring science-based targets and broadening our greenhouse gas emissions goals to include reductions in our Scope 3 emissions. Over the next year, we'll be taking a closer look at our long-term energy reduction goals.
- We Are Still In Local, state and business leaders, including Steelcase, signed the We Are Still In declaration to promise world leaders we would honor our commitments to reduce emissions and eliminate the causes of climate change. The bipartisan coalition includes over 3,500 representatives from all 50 states.

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

## **Top 30**

We are the 30th largest 100% Green Power User in the U.S., according to the EPA's Green Power Partnership.

-21%

Total Energy % Change from 2010 to 2017

150+

We actively track the energy use of over 150 offices, showrooms, manufacturing facilities and distribution centers worldwide.

## 2017 Total Energy Consumption

Fuel Type	MWh
Natural gas	230,179
Propane	122
Electric Power	182,523
Coal	
Diesel	13,076
Gasoline (Petrol)	447
Liquefied Petroleum Gas (LPG)	2,700
Jet Fuel (Jet A or A-1)	18,954
Steam	1278

## 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 (tonnes CO2e)	Market-based		Location-based	
	2010	2017	2010	2017
Scope 1	56,216	47,800	56,216	47,800
Scope 2	90,164	0	109,526	79,417
Total Scope 1 and Scope 2	146,380	47,800	165,742	127,217
% Change* *From base year	-67%		-23%	

## 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.

<sup>1</sup>Based on 2010 baseline

#### **PROGRESS**

Steelcase has reduced water consumption by 10% compared with our 2010 baseline. Data and market conditions have impacted waste reduction efforts, causing us to revisit our goals and reevaluate our internal waste reduction processes and reporting methodology.

Nowhere is the concept of collective action stronger than in our work to reduce our environmental footprint. Since our global reduction goals were first published fifteen years ago, employees have worked individually and in groups, within and across teams, to systematically reduce water consumption and waste output at all our owned and leased facilities globally.

Environmental responsibility is at the core of Steelcase's business. Our commitment to sustainability has led us to set lofty goals of reducing our global footprint by 25 percent by the year 2020. We continue to make significant progress toward reaching these goals from our 2010 baseline, with noted success in reducing our volatile organic compounds (VOC) emissions, energy and water usage.

## A Closer Look at Data and Progress

For several years our Corporate Sustainability Report has shared our progress toward reducing our total waste sent to landfills by 25% between 2010 and 2020. We achieved that goal by 2014 through our waste reduction strategy, which includes recycling, composting and sending to waste-to-energy (WTE) facilities.

Unfortunately, we experienced a temporary setback in our progress while we lost access to some WTE facilities beginning in 2016. As a result, our use of landfills increased significantly in 2017, and we expect it to be higher still in our 2018 reporting. We're pleased to say we've recently resolved this problem and expect our results for calendar 2019 to be much improved, and we believe we are again on track to meet our 2020 goal.

The chart in this section shows all of our waste recycled and disposed, by destination. The waste-to-landfill and waste-to-energy data for 2016 reflect a significant reporting correction relative to last year's CSR. Small adjustments were also made in the data for other years, but these had no effect on our overall reduction trend.

#### Waste + Water

#### **Looking Ahead**

As we approach 2020, we are in the process of creating new goals that reflect a modernized and dynamic view of waste reduction. This work includes investigating other efforts to recycle and reuse as we grow our business, and piloting innovative ways to explore and enact positive change in these areas. Today, we are:

- Creating new ways to reuse plastic materials to provide feedstock for new decking products.
- Implementing wood waste initiatives to return pallets to the vendors or reuse pallets internally. Other opportunities are currently being explored, such as innovative reuse opportunities for wood flour in new products or in 3D printing.
- Improving sorting and diversion methods for waste streams and refining internal processes to reduce scrap.
- Expanding the cardboard baling process to increase the value of this waste stream and reduce energy demand on the overall recycling process by reducing the amount of transportation required to recycle.
- Exploring opportunities within the supply chain to reduce packaging and overall waste coming into the manufacturing facilities.
- Aside from some recent acquisitions, all of our manufacturing facilities around the world are ISO 14001 certified. We are beginning the process to bring our new manufacturing facilities in line with ISO 14001 over the next few years.

## Continued Progress in Water Reductions

Steelcase facilities continue to pursue initiatives to reduce water use in accordance with their ISO 14001-registered Environmental Management Systems. Some plants in Europe have an additional EU Eco-Management and Audit Scheme (EMAS) Registration.

PolyVision, a Steelcase company, started reusing water treated in one of their manufacturing sites for cleaning in the plant's grinding room, spraying area, and for lawn watering. Though the system is still being developed, it has already resulted in a significant reduction in the plant's water usage.

At our facility in Pune, India, a shared industrial waste water treatment plant has sparked conversations about water usage. Steelcase is exploring how water from the treatment plant can be a source for industrial flush water to decrease the amount of fresh water cycled through our facility. We also introduced waterless urinals in our two Mexican plants, Reynosa and Amex, saving an average 86,654 gallons of water annually.

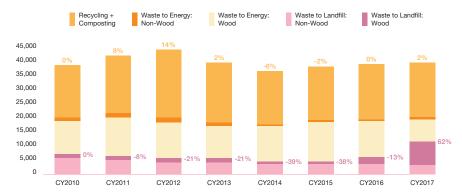


Reduction in water use from 2010–2017



Reduction in Volatile Organic Compounds (VOCs) from 2010–2017

#### Materials Recycled + Disposed (Tons)



## Transportation + Packaging

#### **PROMISE**

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

#### **PROGRESS**

Ongoing efforts to refine product packaging and delivery approaches. Unique partnerships have allowed for quick learning opportunities, saving packaging materials throughout the value stream.

As products move from suppliers to Steelcase to dealers and, ultimately, customers, we ensure they arrive quickly, safely and efficiently. Relying on a system of research and our logistics and packaging expertise, our approach is one of continuous improvement, and we use the same insights to consider how our employees travel—to, from and for work.

#### **Leveraging Partnerships**

Steelcase continues to work with dealers, suppliers and customers to identify new ways to improve packaging and reduce waste. This year, we've launched a pilot program with select dealers to return and reuse black foam corners left over from packaging and repurpose them for surface materials. We also work closely with key clients to better understand how their local dealer manages associated packaging waste from deliveries they receive to expand efforts to reduce, reuse and recycle materials.



Transportation + Packaging

## 5,600+ Products

In a one-month study, two dimensioning machines measured over 5,600 individual products, comprising over 970 different materials. In total, the machines enabled us to modify weight and volume for more than 1,200 different outbound deliveries resulting in more efficient transportation.

## Changing Regulations Create Opportunities

The recent China National Sword Policy passed in China, which bans the import of certain recycled commodities, presents a unique opportunity for organizations and municipalities in the United States to develop more localized recycling solutions. Steelcase is working to find further improvements in packaging and recycling efforts, and partnering with our local recycling providers to find innovative approaches to managing materials, including recyclable plastics and shrink-wrapped materials.

Additionally, we've introduced new initiatives in our plants—including new gaylord balers, and new lids and signage to ensure waste materials are safe for recyclers to handle—to help prevent contamination of recyclable materials. And our long-term goals include exploring innovative materials like seaweed as we integrate new technologies into our packaging options.

## Technology Drives Sustainability

Steelcase IT teams have partnered with our internal Transportation Planning Specialists to continue optimizing shipment planning through improved cube utilization and a reduction in the number of trucks on the road.

In our Grand Rapids, Michigan and Reynosa, Mexico plants, Steelcase team members are using a new machine to make a packaging box exactly fit individual product dimensions, minimizing packaging waste and ensuring more product can be stored in the same amount of space.

Building on this progress, two new dimensioning machines, nicknamed Eugene and Lucille, are intercepting product as it comes off the line to obtain its physical dimensions and weight. Using data from the machines, and cross-referencing it against our internal systems, we're incrementally improving how much product can fit on a semi-truck. This new learning has long-term implications on how we continuously improve logistics and adjust for quality and safety.



Every year Steelcase annually reports on its vision, goals and progress related to sustainability initiatives. The GRI Index offers additional information about our sustainability strategy and progress.

We use an approach of transparency and authenticity to underscore our reporting, and continue to refine our reporting practices to help stakeholders understand our 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 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 potential 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 potential material issue is evaluated based on its influence on external stakeholders' decisions and assessments and impact on the business.

on primary and secondary research including surveys, interviews and workshops, many of which have been conducted by third parties. The results are plotted on a matrix to illustrate 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 (102-14 - 102-15)

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. 4 (Welcome from Jim Keane)
G4-2	Description of key impacts, risks, and opportunities	Annual Report pp. 1–10

## **Organizational Profile**

102-1	Name of the organization	Steelcase Inc.
102-2	a. A description of the organization's activities.	Annual Report pp. 1–2
	<ul> <li>b. Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.</li> </ul>	
102-3	Location of organization's headquarters	Steelcase is headquartered in Grand Rapids, Michigan, U.S.A.
102-4	Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	www.steelcase.com
102-5	Nature of ownership and legal form.	Steelcase Inc. (SCS) is a publicly traded company listed on the New York Stock Exchange.
102-6	a. Markets served, including:	Annual Report pp. 2–4
	<ul> <li>i. Geographic locations where products and services are offered;</li> </ul>	
	ii. Sectors served;	
	iii. Types of customers and beneficiaries.	
102-7	a. Scale of the organization, including:	Annual Report Intro
	i. Total number of employees;	
	ii. Total number of operations;	
	<ul><li>iii. Net sales (for private sector organizations) or net revenues (for public sector organizations);</li></ul>	
	<ul> <li>iv. Total capitalization (for private sector organizations) broken down in terms of debt and equity;</li> </ul>	
	v. Quantity of products or services provided.	

#### 102-8

- a. Total number of employees by employment contract (permanent and temporary),
   by gender.
- Total number of employees by employment contract (permanent and temporary),
   by region.
- c. Total number of employees by employment type (full-time and part-time), by gender.
- d. Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.
- e. Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries).
- f. An explanation of how the data have been compiled, including any assumptions made.

### TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT AND GENDER- TEMPS, CONTRACTORS NOT INCLUDED

Female	3,669
Male	7,504
Unknown	6
Total	11,179

#### TOTAL NUMBER OF PERMANENT EMPLOYEES BY EMPLOYMENT TYPE AND GENDER

	Americas	Asia (APAC)	Europe (EMEA)	Total
Female Dealer	-	-	51	74
Female Employee	2,367	515	736	3,618
Female Non-Employe	ee -	19	75	94
Female Total	2,367	534	862	3,763
Male Dealer	-	-	54	54
Male Employee	5,133	817	1,492	7,442
Male Non-Employee	-	12	193	205
Male Total	5,133	829	1,739	7,701
Grand Total	7,500	1,363	2,601	11,464

#### TOTAL WORKFORCE BY REGION AND GENDER

Americas	Asia (APAC)	Europe (EMEA)	Total
8,830	1,661	3,019	13,510

Self-employed, workers other than employees or supervised workers do not make up a substantial portion of the organization's work.

A description of the organization's supply chain, including its main elements as they relate to the organization's activities, primary brands,

products, and services.

Annual Report pp. 5–6

102-10

- a. Significant changes to the organization's size, structure, ownership, or supply chain, including:
- i. Changes in the location of, or changes in, operations, including facility openings, closings, and expansions;
- ii. Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations);
- iii. Changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.

In November 2017, Steelcase acquired AMQ Solutions, a California-based provider of height adjustable desking, benching and seating for workstations in the open plan, collaborative environments and training rooms. This report does

not include information related to AMQ at this time.

**Annual Report** 

**102-11** Whether and how the organization applies the Precautionary Principle or approach.

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. 24 and 42 (Customers and Environment).

102-12 A list of externally-developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes, or which it endorses.

Steelcase participates in the following initiatives:

- AFNOR NF Environment certification program
- BIFMA level® certification program
- Blue Angel certification program
- CDP
- Circular Economy 100 (CE100)
- Civic 50
- Cradle to Cradle Certified<sup>™</sup> 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<sup>™</sup> certification program
- World 50
- U.S. EPA Green Power Partnership
- UN Global Compact

102-13 A list of the main memberships of industry or other associations, and national or international advocacy organizations. 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. 34-35 (Communities), and the <u>Community Relations</u> page on our website.

102-14

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 its strategy for addressing sustainability.

Corporate Sustainability Report pp. 4-5 (Welcome from Jim Keane) csr.steelcase.com

102-15

A description of key impacts, risks, and opportunities.

Annual Report pp. 1-11

### Ethics + Integrity

#### 102-16

A description of the organization's values, principles, standards, and norms of behavior.

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

#### 102-17

- a. A description of internal and external mechanisms for:
- i. Seeking advice about ethical and lawful behavior, and organizational integrity;
- ii. Reporting concerns about unethical or unlawful behavior, and organizational integrity.

In the Steelcase Global Business Standards 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 may 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.

Global Business Standards

#### Governance

#### 102-18

- a. Governance structure of the organization, including committees of the highest governance body.
- b. Committees responsible for decision-making on economic, environmental, and social topics.

Steelcase Inc. Board of Directors

### Stakeholder Engagement

#### 102-40

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. 8–9 (Our Sustainability Promise).

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%
	Designtex: 45 union employees vs. 250 total US employees = 18%
	Polyvision: 42 union employees out of 82 total US employees = 51%
	130 Work Council employees in Genk out of a total of 135 EMEA/APAC employees = 96%
	France, Germany, Czech Republic, and Spain: 100%
	Mexico: 80%
The basis for identifying and selecting 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.
The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and in indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Key Actions p. 8 GRI Index Introduction pp. 48-49
<ul> <li>a. Key topics and concerns that have been raised through stakeholder engagement, including:</li> <li>i. How the organization has responded to those key topics and concerns, including through its reporting;</li> <li>ii. The stakeholder groups that raised each of they</li> </ul>	Our Vision pp. 6-7 Our Sustainability Promise pp. 8-9 Key Actions p. 8
	The basis for identifying and selecting stakeholders with whom to engage.  The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and in indication of whether any of the engagement was undertaken specifically as part of the report preparation process.  a. Key topics and concerns that have been raised through stakeholder engagement, including: i. How the organization has responded to those key topics and concerns, including through its reporting;

## **Reporting Practice**

102-45	A list of all entities included in the organization's consolidated financial statements or equivalent documents.	Annual Report	
	<ul> <li>b. Whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.</li> </ul>	Not applicable	

102-46	<ul> <li>a. An explanation of the process for defining the report content and the topic Boundaries.</li> </ul>	Please see the GRI Index Introduction on pg. 48-49
	<ul> <li>b. An explanation of how the organization has implemented the Reporting Principles for defining report content.</li> </ul>	
	6.1 When compiling the information specified in Disclosure 102-46, the reporting organization shall include an explanation of how the Materiality principle was applied to identify material topics, including any assumptions made.	
102-47	A list of the material topics 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
102-48	The effect of any restatements of information given in previous reports, and the reasons for such statements.	There are no restatements of information provided in previous reports.
102-49	Significant changes from previous reporting periods in the list of material topics and topic Boundaries.	No significant changes.
102-50	Reporting period for the information provided.	This report covers the calendar year 2017 (CY2017), spanning January 1, 2017, to December 31, 2017 and the company's fiscal year 2018 (FY2018), spanning February 25, 2017 to February 23, 2018. Key environmental impact metrics (energy, GHG emissions, VOCs, water and waste) are tracked on a calendar year basis for 2017 (CY2017).
102-51	If applicable, the date of the most recent previous report.	The previous Steelcase Corporate Sustainability Report was published in December 2017 and covered calendar year 2016 (CY2016) and Steelcase's fiscal year 2017 (FY2017), February 27, 2016 to February 24, 2017.
102-52	Reporting cycle.	Steelcase publishes a corporate sustainability report annually.
102-53	The contact point for questions regarding the report or its contents.	sustainability@steelcase.com
102-54	The claim made by the organization, if it has prepared a report in accordance with the GRI Standards, either:	Steelcase is reporting at the "Core" level for the 2018 GRI report.
	<ul> <li>i. 'This report has been prepared in accordance with the GRI Standards: Core option';</li> </ul>	
	<ul><li>ii. 'This report has been prepared in accordance with the GRI Standards: Comprehensive option'.</li></ul>	

#### 102-55

- a. The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the report.
- b. For each disclosure, the content index shall include:
- i. The number of the disclosure (for disclosures covered by the GRI Standards);
- ii. The page number(s) or URL(s) where the information can be found, either within the report or in other published materials;
- iii. If applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.
- 6.3 When reporting the GRI content index as specified in Disclosure 102-55, the reporting organization shall:
- 6.3.1 Include the words 'GRI Content Index' in the title;
- 6.3.2 Present the completed GRI content index in one location;
- 6.3.3 Include in the report a link or reference to the GRI content index, if it is not provided in the report itself;
- 6.3.4 For each GRI Standard used, include the title and publication year (e.g., GRI 102: General Disclosure 2016);
- 6.3.5 Include any additional material topics reported on which are not covered by the GRI Standards, including page number(s) or URL(s) where the information can be found.

We provide a complete GRI Standards content index in our Corporate Sustainability Report, starting on pg. 50.

#### 102-56

- a. A description of the organization's policy and current practice with regard to seeking external assurance for the report.
- b. If the report has been externally assured:
- i. A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process;
- ii. The relationship between the organization and the assurance provider;
- iii. Whether and how the highest governance body or senior executives are involved in seeking external assurance for the organization's sustainability report.

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

## Management Approach

#### 103-1

- a. An explanation of why the topic is material.
- b. The Boundary for the material topic, which includes a description of:
- i. Where the impacts occur;
- ii. The organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.
- c. Any specific limitation regarding the topic Boundary.

All material aspects apply to all Steelcase operations, the boundaries of which include all Steelcase owned and leased locations.

As a part of our sustainability reporting and materiality assessment, Steelcase considers a number of external entities, groups of entities and elements which are likely to have a significant relationship with our material indicators. These relationships are considered wherever Steelcase has significant operations which may impact stakeholders.

	CUSTOMERS	PARTNERS	COMMUNITIES	<b>EMPLOYEES</b>	ENVIRONMENT
Business Integrity	х	х	Х	х	х
Consumer Health + Safety	X	х	х	х	х
Employee Wellbeing + Development	х	х		х	х
Energy + Emissions	х		х	х	х
Diversity, Inclusion + Equal Rights	Х	х	х		
Sustainable Business Integration	Х	x		х	x
Waste	x		x	Х	Х

## **Specific Standard Disclosures**

### Consumer Health + Safety

416-2

Incidents of non-compliance concerning the health and safety impacts of products and services

- a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by:
- i. incidents of non-compliance with regulations resulting in a fine or penalty;
- ii. incidents of non-compliance with regulations resulting in a warning;
- iii. incidents of non-compliance with voluntary codes.
- b. if the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.

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.

http://ir.steelcase.com/

#### Waste

#### 306-2

Waste by type and disposal method

- a. Total weight of hazardous waste, with a breakdown by the following disposal methods where applicable:
- i. Reuse
- ii. Recycling
- iii. Composting
- iv. Recovery, including energy recovery
- v. Incineration (mass burn)
- vi. Deep well injection
- vii. Landfill
- viii. On-site storage
- ix. Other (to be specified by the organization)
- b. Total weight of non-hazardous waste, with a breakdown by the following disposal methods where applicable:
- i. Reuse
- ii. Recycling
- iii. Composting
- iv. Recovery, including energy recovery
- v. Incineration (mass burn)
- vi. Deep well injection
- vii. Landfill
- viii. On-site storage
- ix. Other (to be specified by the organization)
- c. How the waste disposal method has been determined:
- i. Disposed of directly by the organization, or otherwise directly confirmed
- ii. Information provided by the waste disposal contractor
- iii. Organizational defaults of the waste disposal contractor

Please see the Corporate Sustainability Report, pp. 28–29 (Circular Services) and pp. 44–45 (Waste + Water).

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

Туре	Disposal Method	TONS (2017)
Sawdust + wood waste	Incinerated	8,472
Steel recycled	Recycled	12,463
Non-steel recycled	Recycled	6,315
Powder recycled	Recycled	972
Composting	Composting	219
Oil	Hazardous and oil	6
Coal ash, sawdust, wood + trash	Landfilled	11,105
Hazardous	Landfilled	732

#### Energy

**302-1** Energy consumption within the organization

- a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, including fuel types used.
- b. Total fuel consumption within the organization from renewable sources, in joules or multiples, including fuel types used.
- c. In joules, watt-hours or multiples, the total:
- Electricity consumption
- Heating consumption
- Cooling consumption
- Steam consumption
- d. In joules, watt-hours or multiples, the total:
- Electricity sold
- Heating sold
- Cooling sold
- Steam sold
- e. Total energy consumption within the organization, in joules or multiples.
- f. Standards, methodologies, assumptions, and/or calculation tools used.
- g. Source of the conversion factors used.
- 2.1 When compiling the information specified in Disclosure 302-1, the reporting organization shall:
- 2.1.1 avoid the double counting of fuel consumption, when reporting selfgenerated energy consumption. If the organization generate electricity from a non-renewable or renewable fuel source and then consumes the generated electricity, the energy consumption shall be counted once under fuel consumption;
- 2.1.2 report fuel consumption separately for non-renewable and renewable fuel sources;
- 2.1.3 only report energy consumed by entities owned or controlled by the organization

Learn about Steelcase energy and greenhouse gas reduction strategies in our Corporate Sustainability Report, pp. 42–43 (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. 42–43 (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.

#### **Emissions**

#### 305-1 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).

See 302-1.

### Diversity, Inclusion + Equal Rights

#### 405-1 Diversity of governance bodies and employees

- a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories:
- i. Gender:
- ii. Age group: under 30 years old, 30-50 years old, over 50 years old;
- iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).
- b. Percentage of employees per employee category in each of the following diversity categories:
- i. Gender;
- ii. Age group: under 30 years old, 30-50 years old, over 50 years old;
- iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).

Total average age of all employees:

- Global: 41
- Americas: 42
- Asia: 36
- EMEA: 41

Total gender breakdown globally:

- Male: 67%
- Female: 33%

Estimated U.S. minority breakdown:

Salaried: 11%Hourly: 33%All U.S.: 22%

#### 406-1

Incidents of discrimination and corrective actions taken

- a. Total number of incidents of discrimination during the reporting period.
- b. Status of the incidents and actions taken with reference to the following:
- i. Incident reviewed by the organization;
- ii. Remediation plans being implemented;
- iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes;
- iv. Incident no longer subject to action

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 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.

#### 405-2 Ratio of basic salary and remuneration of women

- a. Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation.
- b. The definition used for 'significant locations of operation'.

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

#### **Employee Wellbeing + Development**

#### 403-1

Workers representation in formal joint management

- worker health and safety committees
- a. The level at which each formal joint management-worker health and safety committee typically operates within the organization.
- Percentage of workers whose work, or workplace, is controlled by the organization, that are represented by 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.

#### 401-1

New employee hires and employee turnover

- a. Total number and rate of new employee hire during the reporting period, by age group, gender and region.
- b. Total number and rate of employee turnover during the reporting period, by age group, gender and region.

Approximate total new hires worldwide: 2,857.

Approximate turnover rates by region:

Americas: 18.9%Asia: 15.7%EMEA: 6.5%

Approximate turnover rates by gender:

Male: 16.8%Female: 14.6%

Approximate turnover rates by generation:

Boomers: 6.4%Gen X: 7.8%Gen Y: 29.8%

#### 404-2

Programs for upgrading employee skills and transition assistance programs

- a. Type and scope of programs implemented and assistance provided to upgrade employee skills.
- 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, p. 38 (Learning + Development) for more information.

#### **Business Integrity**

#### 419-1

Non-compliance with laws and regulations in the social and economic area

- a. Significant finese and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of:
- i. total monetary value of significant fines;
- ii. total number of non-monetary sanctions;
- iii. cases brought through dispute resolution mechanisms.
- b. If the organization has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient.
- c. The context against which significant fines and non-monetary sanctions were incurred.

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.

- 417-3 Incidents of non-compliance concerning marketing communications
  - a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by:
  - i. incidents of non-compliance with regulations resulting in a fine or penalty;
  - ii. incidents of non-compliance with regulations resulting in a warning;
  - iii. incidents of non-compliance with voluntary codes.
  - b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.
  - 2.2 When compiling the information specified in Disclosure 417-2, the reporting organization shall:
  - 2.2.1 exclude incidents of non-compliance in which the organization was determined not to be at fault;
  - 2.2.2 if applicable, identify any incidents of non-compliance that relate to events in periods prior to the reporting period.

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

- 205-2 Communication and training about anti-corruption policies and procedures
  - a. Total number and percentage of governance body members that the organization's anticorruption policies and procedures have been communicated to, broken down by region.
  - b. 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. Total number and percentage of business partners that the organization's anticorruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations.
  - d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.
  - e. 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**

#### **301-1** Materials used by weight or volume

- a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by:
- i. non-renewable materials used;
- ii. Renewable materials used.

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. 24-25 (End-of-Use Strategies and Innovative Products + Spaces). csr.steelcase.com

#### 301-2 Recycled input materials used

 a. Percentage of recycled input materials used to manufacture the organization's primary products and services. 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. 24-25 (End-of-Use Strategies and Innovative Products + Spaces). <a href="http://www.steelcase.com/resources/documents/?tax[doctype]=product-environmental-profile">http://www.steelcase.com/resources/documents/?tax[doctype]=product-environmental-profile</a>

#### **301-3** Reclaimed products and their packaging materials

- a. Percentage of reclaimed products and their packaging materials for each product category.
- B. How the data for this disclosure have been collected.

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. 24-25 (Innovative Products + Spaces) and pp. 46-47 (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. 28-29 (Circular Services).

## Thank You

The end of this report is just the beginning of what we hope is an ongoing conversation. Please share your sustainability ideas with us at sustainability@steelcase.com.

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