360° Thinking

CORPORATE SUSTAINABILITY REPORT 2012



Seeing the big picture



t Global Contract, it means integrating our efforts to sustain the earth, air and water into our entire corporate culture, at all levels, in all operations. 360° thinking means that at every stage of every product's life, from conceptualization through manufacturing to reclamation of resources at the end of its life, we ensure that it has the smallest possible negative impact on human well-being and the environment.

360° thinking means going beyond our own walls and working with our suppliers, customers and the broader community to achieve more than we could alone. It means building on past successes and developing new technologies to take us into the future. It's about seeing the results of our efforts in the world around us and knowing that we have laid the foundation so that future generations can carry our success even further.

COMMITMENT | COMPLIANCE

Commitment An environmental mindset

hen Global Contract's employees come to work each day, whether to the executive offices or to the factory floor, they bring with them a belief that proactively protecting the health of the environment and of their co-workers is the right thing to do. We believe that for environmental programs to succeed, a deep, genuine and ongoing commitment to sustainability must be integral to every aspect of the company's business.

Our commitment includes comprehensive environmental and health protection initiatives and the dedication of financial and human resources to carry them out. We are committed to choosing and creating materials that support our initiatives and to developing products that embody our beliefs.

We've made these commitments because we believe they are truly important. We know that when we put our beliefs into action, the environment, our employees and our customers all benefit - and so will future generations.

Protecting Human Health and the Environment

Global Contract has made a commitment to our customers, our employees and the community as a whole to protect the environment and human health. To enable us to do that, we have created an environmental and health & safety policy that guides everything we do. We will:

- Protect the health of our employees and of the end users of our products We're committed to making certified low-emitting products and to employing production processes that produce few pollutants.
- Create intelligent, long-lasting products We are committed to using reclaimed materials to make award-winning products with meaningful lifespans. To keep our products out of landfill sites, we make them durable and easy to maintain and we supply products compatible with those purchased years ago so furniture can be kept longer. We use manufacturing processes and materials that use fewer natural resources and create fewer pollutants and less waste.
- Comply with environmental and health & safety regulations and standards Global Contract goes beyond minimum legal environmental requirements. We look at the philosophy behind legislation and embrace the spirit as well as the letter of the law. We proactively pursue



compliance with all voluntary environmental and health and safety standards, including ISO 14001 and OHSAS 18001.

- Ensure the resources we use come full circle and re-enter the manufacturing cycle We employ on-going analysis of the resources we use to ensure that virtually all waste produced during manufacturing, as well as resources used in products, are reclaimed and reused.
- Require our suppliers to meet our sustainability commitments We choose environmentally responsible suppliers. We enable our suppliers to develop new sustainable materials and processes by creating a market for these innovative products.
- Carry out research and development to forward our environmental goals We believe products and manufacturing processes need to change as we learn and as technology changes. In every operating budget we make a significant financial commitment to developing new and better ways to conserve resources and protect the environment.
- Provide a first class working environment for employees by supporting SA8000 standard on Social Accountability Global Contract Inc. is an equal opportunity employer, hiring individuals based on qualifications to perform the function required. Employees from a vast number of countries worldwide make up our workforce and this diversity, over the years, has brought new skills and unique contributions to the success of our business. We actively promote feedback from our employees and annual recognition to support excellence in current roles within the company.

Chanoch Friedel PRESIDENT **C** We are convinced that it is our social responsibility to help protect the environment for future generations. Our environmental principles and policies are not only the right thing to do from a moral perspective; they also make good business sense and must be pursued vigorously. **99**

Global Contract has reduced VOC (Volatile Organic Compounds) emissions by 63% in 5 years.

COMMITMENT | COMPLIANCE

Walking the Talk

OUR FINANCIAL COMMITMENT

Investments in environmental programs are part of the normal cost of doing business for Global Contract and we include them in every operating budget. To succeed, environmental programs must be supported by meaningful financial commitments. Those commitments are investments in our people and our future livelihood, and in the future of our planet. Investments in sustainability are good business, too. Our savings in raw materials and utilities are so significant that major environmental investments have paid for themselves in as little as two years.

OUR HUMAN COMMITMENT

Environmental programs succeed when committed people carry them out. Global Contract's people genuinely believe in our environmental programs and know they have a role to play in making our programs successful. Our collective responsibility for protecting the environment is embodied by the Global Contract Environmental Committee.

The committee was formed a decade ago and charged with creating environmental programs and monitoring the development of international environmental standards. Made up of representatives from a cross-section of departments, the committee has the authority to ensure that Global Contract's culture of environmental responsibility is carried through all our operations.

Working with the committee is our Director of Quality and Environmental, a senior company officer who oversees all environmental programs including maintenance of management systems for ISO 14001, OHSAS 18001 and other standards, for ensuring Global Contract's compliance with environmental regulations and for tracking our environmental impact.



Our cardboard packaging is 100% recycled materials. We also use biodegradable plastic bags for packaging our panel systems. When possible, we ship products flat-packed and blanket wrapped to reduce the carbon footprint.



Karen Worthy

DIRECTOR. QUALITY

& ENVIRONMENTAL

Sustainability



The World Commission on Environment and Development has defined sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."¹ A consortium of other international groups defines it this way: "Improving the quality of human life while living within the carrying capacity of supporting ecosystems."²

C We are committed to providing customers with products that, through their entire life cycle, minimize the negative impact on the environment. We continually adapt to changing environmental and social priorities, which ensures that our corporate environmental and sustainable development vision is translated into concrete objectives and targets.

START

Closing the Loop: 360° Manufacturing

The cornerstones of Global Contract's environmental program are reducing waste and maximizing the use of reclaimed materials. We have developed manufacturing processes that produce almost no waste. The small amount of waste that does occur is reclaimed for reuse instead of going to landfill. This is closed-loop manufacturing: we believe that once raw materials enter our manufacturing stream, we are responsible for them throughout their life cycle.

For example, we introduced a digital process for cutting fabric at our panel plant to maximize use of each bolt of fabric. A computer determines how to arrange the cuts from multiple product orders to minimize waste. The few scraps that are produced are sold and repurposed – the automotive industry uses them as carpet underlay and acoustic insulation, for instance.

SUSTAINABLE CHOICES: ALUMINUM

To achieve our sustainability goals and ensure that resources stay in the manufacturing loop, we choose materials that lend themselves well to 360° manufacturing. For metal, that means aluminum, which can be recycled repeatedly without loss of quality and for which a well-developed recycling infrastructure exists. Aluminum is three times lighter than steel, which greatly reduces shipping costs and shipping-related pollution. Using reclaimed aluminum saves 95% of the energy needed to smelt new aluminum and reduces smelting emissions, waste going to landfill and bauxite mining. Aluminum resists corrosion and readily lends itself to powder-coat finishing.

More than 15 years ago we began developing products to take advantage of aluminum's properties. The first was the Boulevard office system. Building on Boulevard's success, we created our Viceversa product line and the Diet system. Our latest aluminum-based system is Bridges, which continues to prove that aluminum is the best material for the foundation of an office system. Together, these systems account for 75% of Global Contract's products.

As a result of our reclamation efforts, we now recycle approximately 100 tonnes of aluminum every year, shipping it to a mill where it is melted down and sold to extrusion companies, including our own suppliers. Approximately three-quarters of all aluminum produced to date is still in use.



Yuval Popper GENERAL MANAGER EVOLVE SYSTEMS

START

66 We've been asked over and over what we're doing about the process. Dealers need to know what we do differently from other people. When they see what we're doing, they're very impressed. ??



SUSTAINABLE INNOVATION: EVOLVE SYSTEMS

Global Contract's commitment to sustainability drove us to find a way to use more reclaimed resources to produce the panels at the heart of every office system. We also wanted to ensure that those resources could be reclaimed at the end of the panel's life and used again. The result of our research is the embodiment of our culture of sustainability: the Evolve office system.

Our sister company, RT Technologies, developed a totally new material for the panel frames – a unique wood-plastic composite made from our own wood scraps mixed with reclaimed polypropylene that would otherwise have been landfilled. Global Contract and RT Technologies pioneered a lowpressure injection moulding system to make the panel frames, an industry first. We sought reclaimed resources for other panel components to ensure the entire system was sustainable. Panel interiors are made of a 75% recycled kraft-paper honeycomb. The acoustic insulation inside the panels is a mineral board composed of steel slag (a steel production byproduct) and basalt (a common rock). The painted portions of Evolve are finished using a 100% powder-coating process that has minimal environmental impact.

The Evolve system is widely recognized as an environmentally preferred product. The plant is ISO 14001-registered and the products are Greenguard- and EcoLogo-certified.



66 It's a very good feeling for us as employees to know we're providing our customers with a very green product. We have to think about our children's future.



| COMMITMENT

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COMMITMENT

OUR 360° COMMITMENT

With 360° thinking, Global Contract brings our culture of sustainability to everything we do. We demonstrate our commitment to the environment by using reclaimed resources and sustainable processes to make products that last. We ensure the success of our environmental programs by making financial and human resources support for them a routine part of our budget. We formalize our commitment by complying with tough environmental and health and safety standards. We've built a successful business on the foundation of our environmental commitments. That success confirms our deep belief that protecting human health and the environment is both good business and the right thing to do.



Global Contract recycles paper, wood, plastics, aluminum, fabric, leather, steel, cardboard, printer cartridges, foam, fibre and electronic equipment – virtually everything.



New Life for Old Resources

Global Contract believes in a resource life cycle. Analysis follows the path of resources used in making a product from the time the resources are taken from the earth until the product is discarded. But if all the resources the product contains are reclaimed and reused, resources begin the manufacturing cycle again, and the grave of an old product becomes the cradle of a new one.

Compliance Commitment in action

lobal Contract stands behind its commitment to sustainability by complying with federal and provincial legislation and voluntary environmental and health and safety standards. The benchmark environmental standard is ISO 14001. Global Contract has gone beyond ISO 14001 compliance to conform to other standards, including Greenguard, EcoLogo, FSC and OHSAS 18001.

Global Contract proactively seeks compliance with all third-party standards as they emerge, making them part of the way we do business as quickly as possible. The newest standard Global Contract has embraced is the ANSI/BIFMA e3 Furniture Sustainability standard.

ISO 14001: Supporting Sustainability

Complying with a demanding international standard such as ISO 14001 confirms for our customers, suppliers, employees and the community at large that Global Contract's environmental policies are substantial and meaningful.

The International Organization for Standardization created the ISO 14001 Environmental Management System Standard to encourage companies to protect the land, air and water. The standard provides a framework businesses can use to develop sustainability goals. Rather than establishing specific environmental protection targets, the standard sets out the requirements for the creation of an Environmental Management System (EMS) unique to each company. An EMS enables an organization to identify and control the environmental impact of its activities and products. It guides the company in developing policies and meeting objectives for protecting the environment.

Global Contract voluntarily met the requirements for ISO 14001 beginning with our seating plant in 1999, just three years after the creation of the standard. Other divisions came into compliance in 2002 (Global Contract), 2003 (Evolve Systems) and 2005 (Global Contract Casegoods).

ISO 14001 has seven main requirements:

- Develop an environmental policy. Global Contract developed our environmental policy in 1998 with the aim of minimizing the negative impact on the environment of everything our company does.
- 2 Establish an environmental management system. Global Contract established our EMS in 1999. It is now part of a combined Environmental Health and Safety (EHS) Management System

that meets the requirements of ISO 14001 and OHSAS 18001. Highlights of the management system include:

- Global Contract's environmental and health and safety policies and objectives
- How to verify the implementation, effectiveness and continuing suitability of the EHS system, including how to conduct audits and prepare audit reports
- How to identify, respond to, investigate and measure potential lack of conformity to the EHS system, and accidents and emergencies that could occur
- The responsibilities of the people managing the EHS system and the training needs of personnel whose jobs could have an environmental impact



Renewal Fabric

Global Contract produces a proprietary recycled fabric, called Renewal. This textile is Eco-Pop fibre, created from some of the 2.4 billion plastic beverage bottles saved from landfill annually. The bottles are melted down, spun into cotton-like fibre and woven. The resulting fabric is soft, comfortable, inexpensive and extremely durable. Renewal fabric is a great choice for our customers - and for the environment.

Signing on to ISO 14001 and OHSAS 18001 provides a structure in which to work.
 It sets the bar and holds you to something tangible, as opposed to having grand ideas and no framework within which to work.

John Cuda Plant Manager



- 4 Meet legal and other environmental requirements. Global Contract conforms to the Canadian Environmental Protection Act and provincial environmental regulations, complies with voluntary standards and has its products certified under third-party environmental programs.
- 5 Set corporate environmental objectives and goals. Global Contract's goals for 2009 to 2014 include:

Global Contract's commitment extends even further by annually conducting a compre-

Canada. We know we can reduce our carbon footprint without hurting our business -

hensive Greenhouse Gas (GHG) inventory with voluntary reporting to Environment

we've proven we can make intelligent products sustainably. The international

- Greenhouse Gas (GHG) Emission -10% reduction
- Water consumption reduction by 25%
- Reducing electricity consumption by 10%
- Increasing the amount of waste we divert from landfill to 100% diversion
- 6 Create programs to carry out the company's environmental health and safety policy.
 - Resource Conservation. Global Contract continues to conserve resources by using reclaimed aluminum, wood, plastic and more. We are lowering our power consumption by installing high-efficiency light fixtures, motion detector-controlled lighting and a capacitor to increase electrical power efficiency.
 - *Waste Reduction.* Between 2000 and 2007, we reduced by 73% the amount of waste we sent to landfill per unit manufactured, from 2.49 kilograms to just 660 grams. We divert 85% to 90% of all waste we produce. We will continue to reduce waste by reclaiming more electronic waste, plastic, paper, fabric and wood, and by recovering more products at the end of their lives.

- Pollution Prevention. Global Contract has reduced its air emissions by 29% (from 17.6 tonnes in 2003 to 12.4 tonnes in 2006). We will continue to reduce CO₂ and VOC emissions, and other pollution, by reducing natural gas consumption – doing so is the primary driver of CO₂ reductions. We will replace all remaining solvent-based and hot-melt adhesives with water-based or lower-emitting products. We will continue protecting water by using waterless printing for literature and price lists.
- 7 Evaluate and improve the environmental and health and safety management system. Global Contract performs annual audits of our environmental and health and safety procedures to ensure compliance with ISO 14001 and OHSAS 18001. We verify that we are carrying out our environmental protection programs as intended. In addition, the Canadian General Standards Board audits our operations annually to ensure our compliance with ISO 14001 and OHSAS 18001.

100% of Global Contract's obsolete electronic equipment is recycled.

community addressed business and government concerns in December 2007 by developing the less-stringent "Bali road map" to succeed the Kyoto Protocol, but Global Contract will continue to meet our environmental goals.



Greenguard: Healthy Interiors

Complementing Global Contract's ISO 14001 compliance is Greenguard certification. Greenguard certification confirms that our products have low chemical and particle emissions (off-gassing) and contribute to good indoor air quality. Certification makes it easier for architects, designers and specifiers to select environmentally preferable products and to design healthy interiors for LEEDcertified buildings.

The voluntary Greenguard program is administered by the Greenguard Environmental Institute, an industry-independent, not-for-profit organization. Rigorous testing is carried out following protocols outlined by the US Environmental Protection Agency and measures emissions such as formaldehyde, volatile organic compounds and carbon monoxide.



98% of Global Contract's products are Greenguard-certified,



Rick Galbraith VP SALES GLOBAL GROUP 66 We're proud to have Greenguard certification. We see tenders now that ask, 'are you Greenguard certified?' If you don't have Greenguard certification, you're not a player. ??

including the following:

- Boulevard Panel Systems
- Evolve Panel Systems
- Licence Casegoods
- Viceversa System
- Descor
- Floorplay
- All Global Group seating

TIMELINE

EcoLogo: A Symbol of Sustainability



Global Contract has chosen to have its products certified under the Environmental Choice Program. The Government of Canada created the program in 1988 to identify environmentally preferred products. End users can recognize certified products by the EcoLogo symbol. For office furniture, some of the certification gualifications are:

• It must have low emissions of VOCs and formaldehyde and be manufactured without foam using CFCs or HCFCs

- It must include recycling codes on plastic components
- It can use wood harvested only in accordance with the Convention on International Trade in Endangered Species
- It must include information on repairing the product

On our paint line, 99% of over-sprayed paint is recovered and reused.

These Global Contract products are EcoLogo-certified:

- Boulevard Panel Systems
- Evolve Panel Systems
- Licence Casegoods
- Viceversa products
- Global Contract seating
- DOC-IT



Most of Global Contract's products have painted components. Powder-coat painting is our first choice for metal finishing because it doesn't have the negative environmental effects of conventional wet-line painting.

In wet-line painting, most of the paint doesn't stick to the item being sprayed but instead is vented to the air. Powder coating is a clean electrostatic process that provides a superior finish without the waste and pollution created by conventional painting. At Global Contract, 99% of over-sprayed paint powder is recovered and reused. This reduces our costs as it reduces pollution – there is no environmental discharge and no CFCs are used. No solvents or water are used through the entire painting process.

Adopting this process has helped us reduce emissions, pollution and waste; comply with ISO 14001 and OHSAS 18001; and keep the air in our plants clean to protect our employees.

OHSAS 18001: Healthy Workplace, Healthy Workers

Part of our culture of environmental protection is our focus on protecting human health and safety. Global Contract's most recent effort in this area is certification under Occupational Health and Safety Assessment Series OHSAS 18001. This British standard was created in 1999 by more than a dozen international standards and certification bodies, specialists and consulting organizations, including the British Standards Institute. It was designed to be compatible with ISO 14001.

Making OHSAS 18001 part of our company policies means controlling and minimizing risks for our employees and for others who visit our facilities. The standard helps us identify and monitor risks so we can prevent accidents and dangerous or unhealthy situations. Conformance with OHSAS 18001 will help us comply with legislative and regulatory requirements and develop policies that foster good health and safety practices, in balance with our business needs. Global Contract has integrated the elements of OHSAS 18001 into our environmental health and safety management system, including identifying hazards of all equipment and meeting employees' ergonomic needs.

Compliance: An Ongoing Process

For Global Contract, compliance with voluntary standards is a way of going beyond laws and regulations. It's a way of bringing our environmental protection commitments to life, a way of demonstrating and maintaining our culture of sustainability. As new standards and certification programs are developed, we strive to include them in our 360° thinking. Standards compliance confirms for our clients that we're producing intelligent products, sustainably.







66 There's an acknowledgement that the employees play a major role in ensuring that all of this comes together. You can have grand ideas but if you don't have everyone on board, it becomes an issue. **29**

John Cuda Plant Manager

START

V-Line

CLARK

COMMITMENT

COMPLIANCE

| CORPORATE SOCIAL RESPONSIBILITY

| TIMELINE

Corporate Social Responsibility 360° Cooperation

s a large corporation, Global Contract has an obligation to take our culture of sustainability outside our own four walls and into the community. We extend our environmental programs to include our suppliers and customers by:

- Taking responsibility, as a manufacturer, for the resources we use and the products we create through analysis of resources and a product take-back program
- Providing sustainable Greenguard-certified products to help developers, architects, designers and planners achieve LEED certification for new buildings
- Using our purchasing power to support third-party suppliers in their innovation of sustainable products and technologies
- Taking our core values for environmental health & safety management and including our commitment for social responsibility.

360° Thinking

Global Contract Inc. defines corporate social responsibility (CSR) as the balanced integration of social and environmental considerations into business decisions and operations.

Global Contract Inc. supports and promotes social accountability standards and applies these guidelines and requirements to the organization to help achieve its sustainability goals and business aspirations, thereby improving social and environmental conditions. Our social responsibility policy is a core part of our commitment to support and develop a sustainable future for the company, while balancing social dimensions in our local communities.

Global Contract Inc. is committed to social responsibility, and as such, we strive to uphold our social, ethical and environmental conduct as outlined in our Social Responsibility Guidelines:

LABOUR AND HUMAN RIGHTS

Global Contract Inc. shall comply with and uphold all applicable standards, laws and regulations related to human and labour rights. We shall comply with all applicable child labour laws, including those relating to young workers, minimum age limits, limitations of hours worked, and prohibitions against certain types of work, including forced and compulsory labour.

DIVERSITY, EQUITY AND INCLUSION

Global Contract Inc. is committed to being an equal opportunity employer and will treat our employees with respect and dignity. We shall promote employee diversity within our operations via the Employment Equity Committee and will not tolerate any forms of discrimination, harassment or abuse. Global Contract Inc.'s goal is to work toward an environment of inclusiveness for all of our people, regardless of culture, race, colour, sexual orientation and gender identity, family status, age, disability, or faith and religion.

VALUES, ETHICS AND INTEGRITY

Global Contract Inc. shall strive to maintain highest ethical standards and strictly comply with all laws and regulations on prohibited business practices. The company will strive to demonstrate good corporate governance, transparency, and accountability, including business codes of conduct. We lead by example, at all levels acting in a way that exemplifies what we expect of each other. We work collectively, bringing out the best in each other and creating a strong and successful working relationship. We respect the people we work with on a day-to-day basis for who they are and for their knowledge, skills, and experience as individuals and as teams. We aim to manage all situations professionally, constructively and with candor. Above all, we act with integrity, constantly striving to be open and honest in our communication, sharing information, advice and insight.

We lead by example. We work collectively bringing out the best.



START

COMPLIANCE



COMMUNITY OUTREACH AND INVOLVEMENT

Global Contract Inc. takes great pride in our community outreach and involvement throughout our company and supply chain management processes. We are committed to our communities acting as responsible corporate citizens and broadening our skills, experience, and perspectives through work in our communities. Our ongoing goal and commitment is to continually perform as a good corporate citizen, making a difference in how we do business and making a positive contribution to benefit our company, our employees and their families, the environment and the community at large.

The Company gives tens of thousands of dollars on an annual basis to a variety of charities, institutions and groups. These bodies include, but are not limited to, the following;

- Health care facilities, such as Hospital for Sick Children, Mount Sinai Hospital
- Children's aid, such as Starlight Children's Foundation of Canada, Ronald McDonald House
- Nationally recognized charitable organizations, such as Heart and Stroke Foundation, Canadian Cancer Society and Canadian Red Cross
- World Wildlife Fund (WWF) donated a Zooey chair for auction
- Socially active charitable organizations, such as the Salvation Army and the United Jewish Appeal

The Company also directly makes charitable donations, employees contribute with fund-raising initiatives, such as "Casual Fridays", with money being collected, cheque's issued to charities in the Greater Toronto Area and these donations are reported on the Company's intranet and employee newsletter. Recipients of these employee charitable acts include: World Wildlife Federation, Crohns and Colitis Foundation, Multiple Sclerosis Foundation and Prostate Cancer Research Foundation and the Save the Children Fund.

The Company and its employees have also donated monies to the United Way, Red Cross and other organizations following major catastrophes overseas such as the catastrophic Tsunami in South-East Asia (for its employees of Tamil origin from Sri Lanka) and for a devastating earthquake in central Italy (also for its employees of Italian origin).

Donations of products – chairs and filing cabinets are made to a broad range of charitable and community groups. Recently the following donations were made:

- Health-related: The Kidney Foundation of Canada, Ferrari Maserati of Ontario Rally for Sick Kids (hospital), Baycrest Pro-Am Hockey Tournament, Brain Tumour Foundation
- Education and rehabilitation-related: The Angel Foundation for Learning, Sanfilippo Research Foundation, Reach for the Rainbow and the Herbie Fund

PRIVACY AND CONFIDENTIALITY

Global Contract Inc. will protect the privacy and confidentiality of employees and information in compliance with applicable privacy legislation, irrespective of the source of the information. We shall consider all non-public information to be confidential. The company shall abide by all laws governing privacy matters (eg. PIPEDA).

HEALTH AND SAFETY

The health and safety of our employees, contractors, suppliers and visitors is of the utmost importance to Global Contract Inc. We ensure that company policies and procedures and communicated to and adhered to by all persons working for and on behalf of the organization. Global Contract acknowledges the need for the industry to be environmentally responsible for the welfare of future generations as well as providing a work environment that is safe and healthy and free from violence and harassment for all employees.

SUPPLY CHAIN DEVELOPMENT

Global Contract Inc. encourages its suppliers and subcontractors to share this commitment and to improve their practices and performance on social, ethical and environmental issues. We encourage our suppliers and subcontractors to exhibit leadership in social responsibility through communication, their activities, and goods and services while maintaining a competitive position in the market.

We are committed to our communities, making a difference in how we do business.

START

Closing the Circle: Our Take-Back Program

Businesses like Global Contract must support the public recycling infrastructure by creating programs to recycle their own products at the end of their lives. As a leader in our sector, we have embraced our responsibility. We take an approach to resources by offering a take-back program to an increasing range of clients. Through this program, components can be returned to Global Contract when clients no longer require them and we will refurbish the products for resale or break them down and reclaim the resources they contain, ensuring that resources come full circle, re-enter the manufacturing cycle and begin life again in new products.

Responsibility for sustaining our environment extends 360° across the community. Governments have created a range of successful recycling and other environmental programs, but governments cannot do it alone.





Bruce Parratt GOVERNMENT SALES

We refurbish used products for resale or break them down and reclaim the resources.

66 A lot of government procurement contracts have very stringent requirements in terms of the environment. We have won major contracts with the federal government based on our environmental initiatives. **99**



Our Commitment to Non-Obsolescence

Global Contract's commitment is to continue to innovate and provide continuity to our product lines. Global Contract will commit to a continued supply of products compatible with those purchased today for as long as the original customer owns the product or 25 years in the case of a corporate purchaser.



LEED: Partnerships for Healthy Buildings

The Leadership in Energy and Environmental Design (LEED) Green Building Rating System is a voluntary standard for sustainable buildings. Created in the United States, the system has been adapted for Canadian climates, building codes and construction practices by the Canada Green Building Council, of which Global Contract is a member.

The program enables architects and designers to decrease the impact their structures have on the environment, save energy and water and increase worker productivity. LEED certification works on a point system, and by providing certified lowemitting products, we enable our clients to obtain points for good indoor air quality – LEED specifies using Greenguard-certified products as one option. Certified interiors are rated certified, silver, gold or platinum. By providing a clear, stringent certification standard, LEED eliminates uncertainty over what a "green" building is.



Taking the LEED: Global Contract Partnerships in LEED-Certified Buildings

Atlantic Canada's first Silver-rated LEED-certified building is Nova Scotia Community College, opened in Dartmouth in 2007. Designed by Barrie & Langile Architects in association with Moriyama & Teshima Architects, the five-storey structure features Boulevard, Licence and Viceversa products from Global Contract.



St. Gabriel's Passionist Parish – Gold LEED Rating Canada's first Gold-rated LEED-certified church is St. Gabriel's Passionist Parish in Toronto.

START

IMELINE

Supporting Sustainability: Supplier Partnerships

Global Contract chooses environmentally responsible suppliers. We require our suppliers to provide products that meet our sustainability standards. Our purchasing power supports and encourages industry segments that are often new or small, but are vitally important to expanding the sustainability infrastructure. Global Contract's support of these businesses helps ensure a continued supply of sustainable products and continued innovation of new sustainable materials, processes and products.

Suppliers that share our vision of sustainability include Cascades Inc., which provides the recycled kraft-paper honeycomb used in our Evolve panels, and Victor Innovatex, which provides recycled polyester fabric for our seating and panels. Victor's Eco Intelligent Polyester (EIP) fabrics are made from recycled plastics and are recyclable; they do not contain heavy metals, chlorine or other toxic chemicals. Cascades and Victor Innovatex have included ISO 14001 certification in their environmental initiatives.

Panolam, which produces melamine for Global Contract's casegoods, is a three-time winner of the Recycling Council of Ontario Award for Excellence for its Reduce-Reuse-Recycle program. Flakeboard, which provides Masonite for our Boulevard system and our tackboard material, has achieved ISO 14001 and other certifications. Flakeboard's entire product array is made from waste wood diverted from landfill.

Other suppliers have achieved Greenguard certification for their products, including Formica and Wilsonart International, which provide Global Contract with laminate for our casegoods. Fibrex Insulations Inc., supplier of the mineral board insulation used in our Evolve panels, received the top Canadian Council of Ministers of the Environment Pollution Prevention Award in 2005 for overall pollution prevention.

Our purchasing power supports new industries that are vital to the growth of the sustainability infrastructure.



The Future: A 360° Vision

Global Contract's initiatives for the future include continued life-cycle analysis for all materials we use in manufacturing. This kind of 360° thinking ensures that virtually everything comes full circle and re-enters the manufacturing cycle. We are keeping our customers informed about the sustainability of our products through new environmental data sheets. We are aiming to further improve our waste diversion rate and to reduce our power use and carbon footprint. We are expanding our product take-back program.

One of our most important achievements recently was FSC certification for our wood casegoods and level[™] certification to the ANSI/BIFMA e3 furniture sustainability standard. This standard was developed to harmonize sustainability standards for





the office furniture industry to help distinguish environmentally preferable products. But we won't stop there. 360° thinking demands that we embrace new standards as they are developed, whether they pertain to the environment or to human health and safety. Our customers, our suppliers and our own employees – our community – expect nothing less.

Our environmental programs have no finish line. As we look to the future, we continue to strive for improvement; we continue to look for ways to create intelligent products more efficiently and sustainably. As new technologies are developed, we find ways to incorporate them. We will continue to invest in a sustainable future.

Our environmental programs have no finish line. We will continue to invest in a sustainable future.



Gerry Bell DIRECTOR, PRODUCT MANAGEMENT I think what makes Global Contract a great company is the entrepreneurial attitude that people have. It's people taking control and really having a passion for what they're doing.



COMMITMENT | COMPLIANCE

Successes and Future Targets

CORPORATE LONG TERM ENVIRONMENTAL TARGETS

Aspect #	Environmental Aspect	Baseline - Amount and Year		Target - Amount, % and Year		
		Amount	Year	Amount	Target	Year
1	Waste diversion from landfill - production	98.0%	2009	100%	100% diversion	2014
2	Electricity consumption	3,369,981 kWh	2009	3,032,982 kWh	10% reduction	2014
3	Greenhouse gas (GHG) emissions	2,372.35 tonnes CO2e	2009	2,135.11 tonnes CO2e	10% reduction	2014
4	Water consumption	42,089 m ³	2009	31,566 m ³	25% reduction	2014

IMPLEMENTATION AND REDUCTION PLAN

Aspect #1: Waste Diversion from Landfill



- Source recycler of miscellaneous plastic components to
- Source recycler or re-use for vinyl off-cuts
- Source recycler or re-use for powder paint waste
 Investigate wood chipper for all wood waste generated
 to ease in increased recycling
- Use fabric scraps generated from manufacturing as webbing for support in our interior seating components

Aspect #3 - GHG Emissions

			GHG	Emissions	(tonnes C	(02e)		
2010 2009 2008						-	.	
2007 2006 2005								
2004	00	500.00	1,000.00	1,500.00	2,000.00	2,500.00	3,000.00	3,500.00

The majority of GHG emissions at Global Contract's facilities come from the use of natural gas, therefore, the reduction points are directly related to the reduction of natural gas

- Re-configure existing single paint line oven into two separate oven areas, one for bake and one for dry-off
- Use of waterless print technology for our literature and price lists
- Change the cleaning chemical used on the paint line in the wash stage to reduce the temperature required
- Increase efficiency of our air make units by installing heaters and/or automatic controls, which will reduce the stress on the plant heating units

Aspect #2 - Electricity Consumption



- Ineplace all metal nalide light fixtures in the plant with 18 light fixtures, which consume 60% less electricity and will increase illumination by 50%
- Install motion detectors in infrequently used areas of the plant and office
- Installation of a capacitor on the buildings main electrical input, which will increase the power factor correction to 95% efficiency from 75% efficiency

Aspect #4 - Water Consumption



- Water used in the cooling process for welding re-used on the paint line
- Install curtains in the insulation and honeycomb cutting area to reduce dust and contamination during painting
- Efficient fixtures and toilets in washrooms/lunchrooms
- Install system to re-use rinse water via new EPP green system on Paint Line

COMMITMENT | COMPLIANCE

| CORPORATE SOCIAL RESPONSIBILITY

Successes and Future Targets

KILOGRAMS OF WASTE TO LANDFILL PER UNIT PRODUCED



Increase the recycling of plastic to include small, flexible plastic off-cuts • Source recycler for insulation waste and vinyl off-cuts • Source recycler or re-use for powder paint waste • Investigate wood chipper for all wood waste generated to ease in increased recycling • Use fabric scraps generated from manufacturing as webbing for support in our interior seating components



Replace all metal halide light fixtures in the plant with T8 light fixtures, which consume 60% less electricity and will increase illumination by 50% • Install motion detectors in infrequently used areas of the plant and office • Installation of a capacitor on the buildings main electrical input, which will increase the power factor correction to 95% efficiency from 75% efficiency

GHG EMISSIONS, TONNES CO²e



The majority of GHG emissions at Global Contract's facilities come from the use of natural gas, therefore, the reduction points are directly related to the reduction of natural gas • Re-configure existing single paint line oven into two separate oven areas, one for bake and one for dry-off • Use of waterless print technology for our literature and price lists • Change the cleaning chemical used on the paint line in the wash stage to reduce the temperature required • Increase efficiency of our air make units by installing heaters and/or automatic controls, which will reduce the stress on the plant heating units

WATER CONSUMPTION, CUBIC METRE 60000 50000 0 40000 0 6 0 \mathbf{O} 0 ()0 ٥ 6 6 10000 2007 2004 2005 2006 2008

Water used in the cooling process for welding re-used on the paint line • Install curtains in the insulation and honeycomb cutting area to reduce dust and contamination during painting • Efficient fixtures and toilets in washrooms/lunchrooms • Install filtration system to re-use rinse water via new Permatreat EPP green system on Paint Line

1 United Nations World Commission on Environment and Development. Our Common Future. Oxford: Oxford University Press, 1987.

2 International Union for Conservation of Nature and Natural Resources / United Nations Environment Programme / World Wide Fund for Nature. Caring for the Earth: A Strategy for Sustainable Living. Gland, Switzerland: IUCNNR/UNEP/WWFF, 1991.

START

FOOTNOTES

Global Contract Environmental Committee formed Iso 14001 environmental management systemInternational launch of Evolve Panel System, which is made almost entirely of recycledCertified; in the first year of certification, Global Contract diverted from landfill 275 tonnes of aluminum, 200 tonnes of wood, 70 tonnes of cardboard, 35 tonnes of paper and bottles and 28 tonnes of plasticMost Global Contract products Greenguard-certified for indoor air qualityGlobal Contract products Greenguard-certified for indoor air qualityGlobal Contract products Global Contract products Greenguard-certified for indoor air qualityGlobal Contract products Greenguard-certified for indoor air qualityGlobal Contract products Global Contract products Global Contract products Global Contract products Global Contract products Global Contract products Global Contract products Greenguard-certified for indoor air qualityGlobal Contract dev environmental analysis for all mate in manufacturingKont Global Contract products amandement systemInternational launch of Evolve Panel System, which is made almost entirely of recycledEvolve System launched in CanadaMost Global Contract products Global Contract products Greenguard-certified for indoor air qualityGlobal Contract imp analysis for all mate in manufacturingGlobal Contract products in CanadaInternational launch of Evolve Panel System, which is made almost entirely of recycledEvolve System swins silver award for sustainable design at IIDEX/NeoCon CanadaAll plant lighting replaced with fixtures that consumeOHSAS 18001 certification planne	Iata sheets ANSI/BIFMA e3 Furniture ners about Sustainability standard f its products Task and lounge seating implements Children's & Schools naterials used certification
implemented at Global materials using ecologically Global Contract begins using Contract Seating low-impact technologies water-based, solvent-free glues Green Building Council 50% more light certification to ISO	Global Contract partners with 'waste2wonder'; an environmentally s 3rd party responsible solution to
1993 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 20	2009 2010
to bring to specifiers and end users the philosophy of value and quality that has been part of the Global Contract, including moste elimination programs founding in 1966programs implemented at Global Contract, including waste elimination programs and powder-coat paint lines that eliminate solvents and 	Global Contract reduces electricity consumption by 36% and natural gas consumption by 9% in the last 5 years Global Contract sets aggressive long term environmental targets including 100% waste diversion

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