#### Owr Pledge 2024

### Let's furnish the world better



### **Our sustainability** pledge 2024

Alistair Jough



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As we continue to grow, so does our impact on the world. Our sustainability strategy, based on the UN Sustainable Development Goals, aims to minimise any negative impact, and continue to strengthen the positive impact we have on society and the environment.

We view society as everyone from our employees to our customers, our suppliers, as well as our local and global communities. We understand the huge responsibility we have as an international company, and our sustainability pledge aims to highlight how we are supporting good, ethical business.

Please join us in working towards a more sustainable furniture industry.

Everything we do as an organisation and as individuals affects societies and the environment. For us, identifying and measuring our impacts is good business practice. We strive for positive change by addressing key challenges in our operations, products, and services.

Since 2018, we have framed our sustainability efforts within the United Nations Sustainable Development Goals (UN SDGs) to ensure they align with global priorities. This year, we created four sustainability objectives that translate those long-term ambitions into our business strategy. They will guide us in the development of clear and measurable targets and direct our actions toward responsible practices.

Our Sustainability Pledge 2024 highlights our achievements so far, but also the journey that is ahead of us. We aim to be as transparent as possible about our actions and plans and will share our knowledge along the way.



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# Our commitment to the UN SDGs

Ocee & Four Design, part of the Ocee International group, pledged to tackle four of the 17 UN SDGs where our products and business can have the greatest impact. They guide our sustainability efforts and align them with global priorities to ensure contribution towards a more sustainable world.

#### The 17 UN Sustainable Development Goals



The 17 UN Sustainable Development Goals were established as a blueprint to achieve a better and more sustainable future. These goals consist of 169 interconnected targets, offering a holistic approach to the intricate linkages between social progress, economic development, and environmental protection.

# Our sustainability objectives

#### Transition to a circular economy

The linear "take-make-dispose" model has resulted in growing challenges of resource depletion and waste cycles. As a manufacturer of new furniture, we know we are part of the problem. The aim of this objective is to promote more sustainable consumption and production practices by designing our products according to sustainable design principles, conducting life cycle assessments, and offering end-of-life solutions to our customers.

#### B Ensure a responsible supply chain

A responsible supply chain promotes human rights and fair labour conditions and encourages sustainability. This objective intends to promote ethical and sustainable practices by monitoring suppliers for ethical conduct and initiatives to reduce the environmental footprint of the supply chain overall.





#### 2 Achieve net zero emissions

Climate change is one of the most pressing issues of our time, with changes in temperature and weather patterns resulting in threats to food and water security, heightened risk to health and well-being, and increased displacement. This objective seeks to combat climate change by creating GHG inventories across Scope 1, 2 and 3, improving energy and water efficiency, minimising and appropriately managing waste, transitioning to renewable energy, and optimising transportation routes for efficiency.



#### Promote social responsibility & corporate citizenship

No organisation exists in isolation, and contributing to a more equitable and just society is part of good business practice. This objective targets the promotion of employee wellbeing, engagement in philanthropic initiatives, and implementation of ethical business practices.



### Our company certifications

Certifications confirm compliance with standards, regulations, and best practices. They validate our processes and systems to safeguard our people and the planet, demonstrate our commitment and push us to continuously improve.

#### **ISO 9001**

The ISO 9001 certification signifies our dedication to operational excellence and promise to consistently deliver quality products and services. It represents stringent international standards that guide our quality management, from establishing robust quality control processes to fostering a culture of excellence, reducing errors, enhancing efficiency, and ultimately driving customer satisfaction.

#### ISO 14001

The ISO 14001 certification is a testament to our commitment to environmental stewardship and responsible business practices. It demonstrates adherence to international standards for effective environmental management, reducing our environmental footprint, conserving resources, and minimising the impact of our operations on the planet.

#### **FSC**<sup>®</sup>

The Forest Stewardship Council (FSC®) certification is a globally recognised standard for responsible forest management. It signifies that forest-based products, such as timber and paper, are produced in an environmentally and socially sustainable manner. FSC®-certified forests adhere to stringent principles that promote conservation, biodiversity protection, and respect for the rights and well-being of indigenous communities and workers. We obtained FSC® certification to ensure we are preserving forests, mitigating climate change, and promoting ethical and environmentally sound sourcing.

#### **FISP**

Created in 2006, FISP is recognised as the benchmark for sustainable practices in the UK furniture industry. It is an independently certified sustainability programme and promotes best practise to drive social, economic, and environmental change, via continual improvement of members' business operations. We have been certified since 2012 and are audited every 2 years to re-assess our compliance with the FISP scheme.

# 1. Transition to a circular economy

### Reducing the environmental impact of our furniture

A fundamental pillar of our sustainability pledge is to reduce the environmental footprint of our products and, in turn, contribute to a more sustainable built environment. Part of this includes our work to enhance the sustainability elements of our products by:

- Maximising efficient resource use
- $\boldsymbol{\cdot}$  Developing innovative and solution-based designs
- · Increasing our offering of certified products with relevant standards
- Providing product data to increase transparency
- Offering end-of-life solutions



### Our sustainable design principles

Our purpose is to turn good spaces into great experiences by creating furniture solutions with Function, Design and Aha (our FDA).

We design flexible, multi-purpose furniture with clever spatial designs, aiming to reduce redundant spaces. For example, our <u>FourReal® A</u> can be used for socialising, eating, group meetings, or solo creative work. Its flexibility replaces singular concept pieces, such as the traditional desk. Space is used more efficiently, and less furniture is needed, lowering the amount of floorspace required and, ultimately, the carbon footprint per user.

In addition to these core criteria, our Sustainable Design Principles direct the product development process with respect for the environment and each other. They focus on environmental impact reduction, circularity, and overall health and well-being considerations for both people and the planet.

#### 1. Low-impact materials

Our commitment to sustainability begins with the selection of materials. We prioritise natural, renewable, recycled, and recyclable materials where possible, and aim to offer full transparency on the type of materials and substances used. By opting for materials with a minimal environmental footprint, we can reduce the strain on natural resources.

#### 2. Safer chemistry

To promote healthy and safe indoor environments, we diligently avoid hazardous chemicals and substances of concern. This ensures that our products not only enhance your space, but also promote the well-being of those who interact with them.



#### 3. Material- and transport-efficiency

We understand the importance of resource conservation. Through intelligent design choices we minimise resource consumption, both by the materials we use and the transportation of our products. This not only reduces waste but also lowers our carbon footprint, contributing to a more sustainable planet.

#### 4. User-centric design

We strive to ensure that our furniture solutions adapt seamlessly to your needs and preferences. Our commitment to user-centric design means that we prioritise comfort and ergonomics to build inclusive spaces where everyone can thrive.

#### 5. Modularity and adaptability

Flexibility and customisation are at the core of our design philosophy, our FDA. Our furniture is designed to be modular and adaptable, allowing you to easily customise your space to suit changing requirements. This ensures that our products remain relevant and functional for years to come.

#### 6. Made to last

We believe in designs that stand the test of time. Our dedication to quality, durability and longevity means that our products are crafted to last, reducing the need for frequent replacements. Extending the lifetime of a product reduces its environmental impact and conserves resources in the long run.

#### 7. Life cycle considerations

Our commitment to sustainability extends beyond manufacturing. We design for disassembly, to allow for upgradability, reparability, and recyclability of our furniture. This allows for easy modifications during use and ensures that our products can be responsibly recycled at the end of their life cycle, creating less waste and reducing the risk of improper disposal.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

### Environmental impact assessments

We are conducting life cycle assessments (LCAs) to understand the environmental impact of our products, from raw material extraction to disposal (also known as cradle-to-grave). Having this information available offers numerous benefits:

#### Transparency

LCAs capture information on the exact material composition of a product and the processes involved in bringing it to life, as well as providing credible evidence for its environmental impact. We will share this information with our customers, increasing transparency.

#### Environmental impact evaluation

The assessment will uncover impact hotspots, which will enable us to target improvements and effectively reduce resource consumption, waste, and emissions.

#### Sustainable design and innovation

By integrating the data collection process into product development, we can consider the environmental implications of different design choices across the whole product life cycle. This allows us to reduce impact right from the start.

**Decision support for procurement** Having the information available allows us to engage with our supply chain, driving demand for more sustainable solutions.

With the data collected for the LCAs, we can assess the environmental impact of each item. The results are obtained using the <u>MÅLBAR software</u>, which uses the Product Environmental Footprint (PEF) methodology. The PEF standard was initiated by the European Commission to improve validity and comparability between products and offers the most standardised assessment to date. One of the outputs is the climate impact, or carbon footprint, measured in CO2e. Carbon footprint calculations are inherently complex and involve various assumptions, uncertainties, and limitations. Results should be used as a general indicator and not considered as absolute values. We will provide an estimate of the carbon footprint associated with our furniture and raise awareness about its environmental impact.

By knowing the embodied carbon for each product, we gain an understanding of our Scope 3 carbon emissions and can help our customers understand theirs. The data we collect will enable us to implement positive changes to lower the environmental impact of our portfolio, which is essential in the <u>Race to Net Zero</u>.



### EU Ecolabel certification

A Danish First! FourSure® was the first non-wooden chair to receive the EU Ecolabel Certification in Denmark.

The EU Ecolabel promotes responsible, sustainable production, consumption, and disposal. The certification is awarded to products with a reduced impact during their entire life cycle, making it a symbol of environmental excellence.

EU Ecolabel criteria mandates the use of safe materials with a lower environmental footprint, resource efficient manufacturing processes, and design for durability, reparability, and recyclability. These interconnected requirements form a comprehensive approach that guarantees EU Ecolabel-certified furniture meets stringent environmental standards, making it a more sustainable choice.

Currently, three of our product ranges (FourSure®, FourCast® and Share) have EU Ecolabel certification. Going forward, we are treating the certification requirements as the gold standard for sustainable furniture and will consider them in all new product developments in order to add more EU Ecolabel certified products to our ranges.





#### Product spotlight

### ourSure® ourCast®

FourSure<sup>®</sup> and FourCast<sup>®</sup> have proudly earned the prestigious EU Ecolabel certification, a testament to their reduced environmental impact. Here's why they stand out:

black and anthracite versions of FourSure® and FourCast®

Engineered for sustainability These chairs feature minimal components. The frame and shell seamlessly clip together with four rubber locks, designed for easy disassembly to facilitate recycling.

#### Crafted with care

The frame is composed of recycled steel, and the shell is made from 50% recycled plastic. The inner mould utilises recycled plastic pellets, while the outer mould is formed from virgin plastic, providing the flexibility and durability needed. Plus, they are 100% recyclable.

#### Tested for 50 years!

Did you know that FourSure<sup>®</sup> 44 has undergone testing equivalent to 50 years of use? Explore the durability and resilience of these chairs at our website.





Product spotlight

### Share chair



#### An embodiment of sustainable seating.

Intelligent design for a

Our chairs not only grace your

space with style but also con-

tribute to a healthier planet.

With a stackable design and

prioritise material and trans-

port efficiency, reducing our

optimised packaging, we

environmental footprint.

greener tomorrow

#### Built to last, easy to renew

Embrace the longevity of Share chairs with easily replaceable parts, ensuring durability over time. When the chairs have served their purpose, rest assured that each component can be efficiently recycled, completing the circle of a sustainable life cycle.

#### Environmentally sound construction

Crafted with care, our chairs feature a frame made from recycled steel and recyclable plastic, free from glassfibre. The wood elements are meticulously crafted from FSC<sup>®</sup> certified wood, ensuring a green foundation.

Product spotlight

### FourPeople family



Smarter, customisable design



#### Built for longevity and flexibility

The FourPeople collection is proud to be EU ecolabel certified, reflecting our commitment to environmental sustainability. The products are designed for disassembly, which enhances their longevity by allowing easy replacement of materials. This adaptability enables the products to be customised for different settings, extending their useful life. Please refer to our website to find out more about which products in this collection are EU ecolabelled.

#### Designed to last

Deliberately crafted for disassembly, the FourPeople series ensures a simple removal of foam and fabric. This thoughtful design allows for easy separation of parts, promoting seamless recycling and a mindful approach to sustainability.





#### Glue? Not anymore!

With our latest design update, we've bid farewell to traditional gluing — the beam now effortlessly detaches from the top, ensuring easy disassembly. It's not just a table; it's a step forward in simplicity and sustainability.

FourReal® tables

Re-designed for disassembly



## Packaging

Intelligent design choices at the product development stage, e.g., through lightweight materials or stackable designs, aim to reduce the amount of packaging required and the impact of transport.

When it comes to packaging, our main priority is to avoid damages during transport, as damages can reduce quality and, thereby, the product's lifespan. We reduced the use of virgin materials and source recyclable packaging where possible:

- Our cardboard contains a minimum of 30% recycled content and is 100% recyclable and FSC<sup>®</sup> certified.
- Our plastic bags are made from recycled plastic and are fully recyclable.
- Our bubble bags, shrink wrap and stacking foam are 100% recyclable.
- Our main pallet supplier crafts our pallets from reclaimed wood, reducing the demand for virgin timber.

We continue to investigate and explore the feasibility of other recycled and reusable options to lower the impact on the environment. By regularly re-evaluating our packaging process, we aim to find the right balance between minimising the amount of packaging used whilst keeping our products protected during transport. Our delivery & installation team can take back any packaging, which will either be reused or disposed of in the appropriate recycling stream.



### Take Back Scheme

The issue of furniture waste has reached alarming proportions. Every year, countless desks, chairs, and tables end up in landfills, contributing to depletion of valuable resources and environmental degradation. The linear "take-makedispose" model has resulted in a cycle of waste, with perfectly good furniture being disposed of prematurely.

As a manufacturer of new furniture, we know we are part of the problem and understand our responsibility to provide an alternative. For our UK customers (and non-customers), we have implemented a Take Back Scheme to divert furniture from landfill. In collaboration with our Take Back Scheme partner, we can redistribute furniture to over 1300 organisations in the UK. We can also offer rebate, rework, and recycling services. If you are interested, please visit <u>our website</u> or contact our <u>sustainability manager</u>.

The scheme is currently only available in the UK. We are planning to expand the scheme across Europe and are investigating the options available to us.

#### Re-use

Since November 2019 we have helped to divert 68.8 tonnes of furniture from landfill, saving the equivalent of 171.84 tonnes of CO2.

That's enough CO2 as the equivalent of powering almost 64 homes for a year.







### 2. Achieve net zero emissions

### Carbon footprint calculations

#### 2019-20 emissions

We partnered with <u>Trees for Cities</u>, a UK based offsetting organisation. Their purpose is to plant trees in areas that need increased amounts of vegetation, which will benefit the environment and the surrounding community. To overcome the issue around tree survival, the project plants four times the number of trees necessary.

#### 2020-21 emissions

Purchasing 300 tonnes worth of carbon credits, we supported the <u>Fortaleza Ituxi REDD Project</u> in Brazil which focuses on protecting a section of the Amazon from deforestation by working with local communities. In 2019, the release of carbon in the Amazon overtook sequestration due to deforestation. By investing in this scheme, we hope to contribute to the protection of the Amazon, increasing the absorption of carbon whilst providing jobs to communities in rural areas.

#### 2021-22 emissions and beyond

Starting with our 2021-22 emissions, we will work with <u>Planet Mark</u> to calculate our Scope 1, 2 and part of Scope 3 emissions as part of their <u>Business Certification</u>. We are in the process of confirming our emissions with them and are working on a system to continuously monitor our data going forward.

Acquiring full transparency and setting binding targets to reduce our impact on the environment is vital in the <u>Race to Net Zero</u>. To retain our certification with Planet Mark, we commit to and must achieve a reduction of 2.5% CO2 emissions annually. We will continue to offset what we were unable to reduce at the end of each financial year.



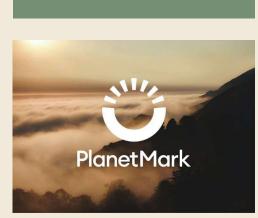
Number of trees planted to offset our carbon emissions

472

300

#### 2019-2020

Total carbon emissions to be offset through carbon avoidance schemes





### Our manufacturing facility

Manufacturing plays a critical role in achieving net zero emissions by adopting sustainable practices.

Our annual ISO 14001 audit certifies our environmental management system to continuously reduce our manufacturing impacts.

We adopt a made-to-order approach and maintain limited stock to prevent overconsumption and resource waste. By investing in a CNC machine, we were able to lower our fabric waste by 15% compared to manually tracing & cutting fabrics.



#### Electricity

Our Danish and European HQ have solar panels on their roofs. On average, they contribute 30% of our annual energy consumption. For the remaining electricity, it is partially provided by renewable energy. We aim for 100% of our electricity to be produced by renewables by 2024.





#### Waste

We consider the waste hierarchy when handling our waste. All our waste gets diverted from landfill.

We collect recyclable materials in separate bins to contribute to more sustainable resource management.

We dispose of what can't be reused or recycled in general waste, which follows the Waste to Energy routes.

We aim to redistribute waste from our production that is still of use to others, where possible. For example, we have donated fabric cut offs to local schools and community groups.

Hazardous waste is managed by specialist companies to avoid improper handling and any negative environmental impacts.

#### Transport

Transporting orders to our customers increases the product carbon footprint. However, we have taken steps to keep the impact as low as possible.

In Europe, we use logistic partners that plan their routes efficiently.

In the UK, deliveries are grouped together, increasing fuel efficiency, and reducing CO<sub>2</sub> emissions per customer delivery. Delivery vehicles are packed efficiently to increase the number of products that can be delivered per truckload. Our transport manager monitors idling, acceleration, speeding and fuel efficiency of company owned delivery vehicles to reduce wasted CO<sub>2</sub>. We have always met our fuel efficiency target of 97% or above. All our vehicles are regularly serviced to reduce inefficiencies.

We assessed the feasibility of switching to electric vehicles (EVs), however, the current infrastructure and technology for HGVs are not sufficient across the UK and Europe to cover the distances we require.



# 3. Ensure a responsible supply chain



#### **Our suppliers**

Our suppliers are essential partners in our shared goal to source materials and products responsibly and ethically. We work closely with them to promote fair labour practices, more sustainable products, and efficient, responsible production methods.

We visit our key suppliers at least once a year. We are in the process of developing a formalised audit process, going beyond mere conformity and certification, but focusing on our suppliers' commitment to sustainability. Through this annual audit, we will monitor the principles upheld by our suppliers and evaluate their values and relationships with their own suppliers. Our objective is not only to identify areas for improvement, but also to collaborate with our suppliers year after year, supporting them in enhancing their performance and transparency.

This approach seeks to cultivate stronger and more transparent relationships that endure over time.



Ocee & Four Design, EU 96% European suppliers, 4% Asian suppliers

Ocee & Four Design, UK 66% UK suppliers, 34% European suppliers

# 4. Promote social responsibility & corporate citizenship

#### **Our family**

People make organisations. We have a passion for people and recruit, develop and recognise, passionate team players who share our culture and values and want to be the best they can be.

We have a history of employing apprentices, university placement students and recent graduates, championing youth employment within our community and local areas. These work opportunities not only facilitate personal growth but also infuse our organisations with fresh perspectives, skills, and talents. Some of these individuals transitioned to full-time positions and are now indispensable members of our work family.

Our managers provide their teams with regular feedback and structured performance reviews to identify employee growth opportunities and tailor development plans. We facilitate the professional development and culture of continuous improvement through guidance, support, and knowledge transfer.

In addition to on demand surveys, we conduct quarterly engagement surveys to gather feedback on various aspects of the workplace, including job satisfaction, communication, leadership, and overall organisational culture. The insights obtained from surveys help us identify areas for improvement and make informed decisions to create a more positive and productive work environment.

Our monthly star awards recognise and reward employees who have demonstrated the living of our values and are nominated by their colleagues.



#### **Our communities**

At the heart of our sustainability journey lies our connection to the communities in which we operate, where we actively engage in initiatives and partnerships to create a positive social impact.

We are a corporate member of <u>The Furniture</u> <u>Makers' Company</u>, the charity for the furnishing industry. We run various activities and events throughout the year to support their activities for education & development, excellence, and welfare.

We engage with the local communities in Northampton and Denmark and support them year-round with donations and gift collections.

Our partnerships with local educational facilities assist the education and development of young people and help introduce our industry as an opportunity for the future.

#### Corporate governance

Our corporate governance sets the foundation for responsible, ethical, and accountable business practices. Ocee & Four Design is governed by its executive board, which consists of management from all relevant areas of the business to balance the interests of our stakeholders, and a nonexec chair. Its performance and effectiveness are assessed monthly, and appropriate action is taken where necessary.

Our policies are outlined in Our Responsibility Framework which establishes guidelines for decision-making and processes for conflicts or issues that may arise in the course of our business operations. They aim to align all employees with our values and objectives and foster a positive work environment. Please refer to the sustainability section of our website for the most up to date policies.



### Next steps

While we have achieved a lot, there is more work to do. Our four sustainability objectives provide a solid framework to continue the assessment of our impact and development of measurable targets and actions plans.

We aim to further reduce our environmental footprint by implementing sustainable practices throughout our operations and making our offering more circular.

Collaborating closely with our supply chain partners, we will enhance our responsible sourcing practices, fostering transparency and ethical standards.

Employee engagement will remain a focal point, with ongoing education and awareness programs to ensure our team is at the forefront of sustainability practices.

Additionally, we will explore opportunities for community involvement and social impact initiatives to contribute positively to the regions where we operate.

As we progress, we will regularly assess our performance, set ambitious targets, and strive to be a leader in sustainable business practices, setting an example for our industry and beyond. Our commitment to sustainability is an ongoing journey, and we are dedicated to making impactful strides toward a more responsible and resilient future. We turn good spaces into great experiences

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