

SitOnIt • Seating®



## 2013 Social Responsibility Report



## *ABOUT OUR REPORT*

Thank you for taking the time to look through our first Social Responsibility Report!

SitOnIt Seating® and IDEON® are proud to announce our Sustainability Initiative and plans to achieve the Business and Institution Furniture Manufacturing Association's (BIFMA) level® certification in several areas covering Materials, Energy & Atmosphere, Human & Ecosystem Health, and Social Responsibility. We will be assessing our products' conformance to the ANSI/BIFMA e3-2012 Standard.

Our efforts to obtain this certification will be audited by a third party certifying body, Underwriters Laboratories (UL), upon completion of final documentation (anticipated Fall 2014). This report is an opportunity for us to communicate to our stakeholders our efforts as we move towards becoming a more sustainable business while growing our operations, and continuously improve our sustainability performance.

We have identified our stakeholders to be our owners, employees, dealers, end-customers, suppliers, community, trade organizations, governmental and regulatory agencies, certifying bodies, and consultants. The list was developed upon considering all groups who have influence over Company decisions and those who are impacted by Company decisions.

We have written this first report for the 2013 calendar year and intend to publish future reports every other year. In the years to come, we aim to provide our stakeholders with data and performance indicators that can be monitored over time and that are material to our operations.

This report contains Standard Disclosures and Performance Indicators from the GRI G4 Sustainability Reporting Guidelines. More information about the Global Reporting Initiative (GRI) can be found at [globalreporting.org](http://globalreporting.org). To learn more about BIFMA level® certification, visit [levelcertified.org](http://levelcertified.org).

We hope that you find our disclosures informative. We welcome any comments, feedback, or suggestions for improvement that you may have. You can do so by e-mailing us at [customersupport@sitonit.net](mailto:customersupport@sitonit.net).

Thanks again, we appreciate your interest!

## *LETTER FROM OUR PRESIDENT*

At SitOnIt Seating® and IDEON®, we understand how important it is to get what you want; to have an idea and see it created.

We built a company to help you do just that.

SitOnIt Seating® is the leader in custom, affordable build-to-order seating. We offer dozens of models, hundreds of options, and thousands of textiles so you can get exactly what you want. Every single time. Our chairs are made with world-class style for maximum comfort by renowned designers and engineers ... at a price that is much lower than you would expect.

We also know that when you decide what you want, you want it fast. Our innovative build-to-order system means your custom creation ships in 2, 5 or 10 days – a promise unmatched in the industry. Because our products meet the highest industry standards, we stand behind them with a lifetime warranty. That's part of our outstanding customer service experience before, during and after each sale.

We're a California company and have proudly manufactured our products here since 1996. Our state faces monumental environmental challenges, as do other parts of North America: air pollution, severe drought and declining space in landfills are part of our everyday challenges.

We have committed ourselves to being part of the solution, not part of the problem.

Our GREENGUARD Gold certified products protect indoor air from harmful emissions. We use less water to make a chair than we did five years ago. Material waste including fabric scraps and other components are collected, sorted, and given to local recyclers to use in post-consumer products. We've implemented a complete Design For Environment program (DFE) addressing renewable and recyclable materials, end of life management, water management and energy efficiency. In 2014 we will achieve ANSI/BIFMA level® certification, the ultimate recognition of our sustainability efforts.

We'll continue to build what you want, when you want it. Just for you. And we'll continue to build a cleaner California, and a better, more sustainable world.

Paul DeVries  
Founder & CEO



# WHO WE ARE

## Company Overview

Exemplis Corporation, the privately held parent company of SitOnIt Seating® and IDEON® was founded in 1996 in Orange County, California with the goal of providing outstanding design, comfort and value in office seating. SitOnIt Seating® has 16 task/conference and 10 guest/multipurpose seating lines. IDEON® has three soft seating lines as well as an occasional table line. For more than 17 years, we've successfully worked in a variety of markets including corporate, healthcare, higher education and federal, state and local government. We are considered the largest seating-only commercial furniture manufacturer in the United States, and our growth has exceeded 50% over the past two years. Our focus is design, customization and speed -- with value pricing.

## Manufacturing Location & Capacity

A California-based manufacturer, SitOnIt Seating® and IDEON® ship over 3,800 units daily and over 1,000,000 units annually. Our 240,000-square-foot manufacturing facility is located in southern California.

## Lead Times

We offer the fastest delivery in the industry – in fact, our entire line can be considered “quick ship.” We offer 2-day, 5-day and 10-day production, depending on the fabric. You select the size, control, arm, fabric and quantity. Some poly colors require three weeks and larger orders may require additional lead time.

## Buy American

We are dedicated to supporting the local and national manufacturing that the Buy American Act was designed to protect. We employ hundreds of people at our Southern California manufacturing plant and hundreds more in a sales force that crisscrosses the nation from Southern California to New England.

## Product Customization

SitOnIt Seating® and IDEON®'s unique mass customization process allows the designer and the client to tailor each and every chair to their exact needs. Select from different sizes, finishes, arm styles and functions, bases and other options to make your solution one-of-a-kind.

## Fabric Selection

SitOnIt Seating® and IDEON®'s carded textile program features more than 1,000 selections including lines such as

Maharam, Momentum, Designtex, ArcCom, CF Stinson and Greenhides as well as extensive graded-in selections from over 60 textile companies. In 2011, we began collaborating with our vendors to offer an expanded selection of fabrics in our own SitOnIt Seating® Fabric Collection.

We are also always COM friendly.



# OUR PRODUCTS



@Work



@Work



Achieve



Amplify



Anytime



Anytime



Anytime



Anytime



Focus Executive



Focus Side



Focus Side



Focus Work



Focus Work



Freelance



Freelance



Glove



InFlex



InFlex



InFlex



InFlex



Knack



Knack



Leader Knit Back



Non-Stop



OnCall



OnCall



OnCall



OnCall



Prava



ReAlign



ReAlign



Relay



Rowdy



Social



Sona



Swirl



Torsa



TR2



TR2



Volley



Volley



Volley



Volley



Wit



Wit

SitOnIt • Seating®

Arioso



Benches



Aviera



Mezzanine Tables



Composium



Visit



**IDEON<sup>®</sup>** soft seating  
VISUALIZE. DESIGN. CREATE.

## ***ENVIRONMENTAL ACCOUNTABILITY***

SitOnIt Seating® and IDEON® are dedicated to sustainability from the fabrics we select, the way we manufacture and how we run our corporate offices. Our efforts have been recognized by *Managing Automation*, which listed us as one of its “Progressive 50”. We work hard to minimize the impact of our manufacturing and support a healthy workplace – for our employees and our planet. Our lean manufacturing practice provides the foundation of our sustainability strategy by linking elimination of waste, conservation of resources and responsibly-designed products for durability and extended life.

### **Materials**

---

From the very beginning, our design and material selection process supports sustainability. Our fabric selection includes a variety of choices made of 100% recycled material. We manufacture with 10-20% recycled material and have earned the LEED-CI Recycled Content Materials and Resources Credit.

### **Manufacturing**

---

During assembly, our team uses environmentally friendly water-based adhesives. Our precision design and state-of-the-art cutting machines minimize waste during production. And each month, we collect material waste like leather and fabric scraps, plastic drums, cardboard and metal and recycle them at local recycling centers.

Most SitOnIt Seating® and IDEON® products have been tested and verified by the GREENGUARD Environmental Institute and meet their GREENGUARD Gold standards for indoor air-quality emissions.



### **Corporate**

---

We run our business with sustainability in mind. From recycling office equipment and donating reusable seating to local schools to employees using their own mugs for coffee, keeping it green runs deep in the company.

## Energy & Greenhouse Gas Emissions

We are committed to improving energy conservation and efficiency, which includes reducing our overall energy consumption and greenhouse gas emissions. It is our policy continuously to improve upon and regularly monitor our energy performance and to act in accordance with – if not exceed -- all current and future local, state, and national legislation required of our operations in this area. We will set objectives and targets directly related to energy conservation which will be reviewed at least annually. To hold ourselves accountable to these internal goals, we will be transparent with our performance metrics, reporting our performance to our stakeholders through publicly available, voluntary reporting outlets.

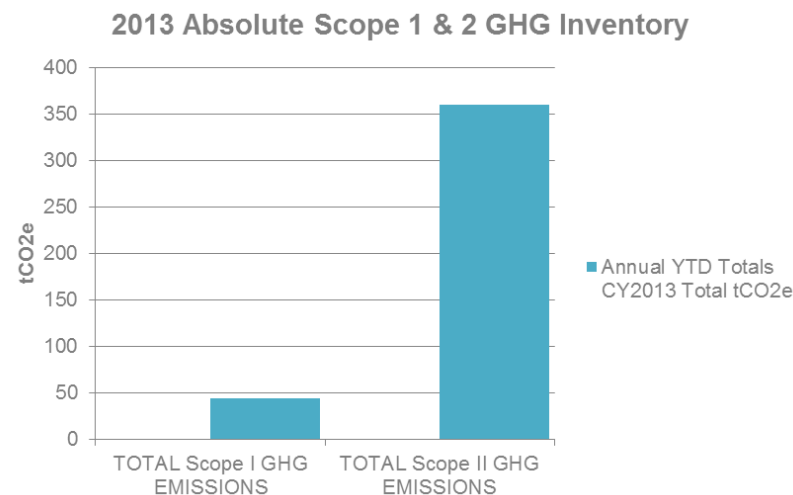
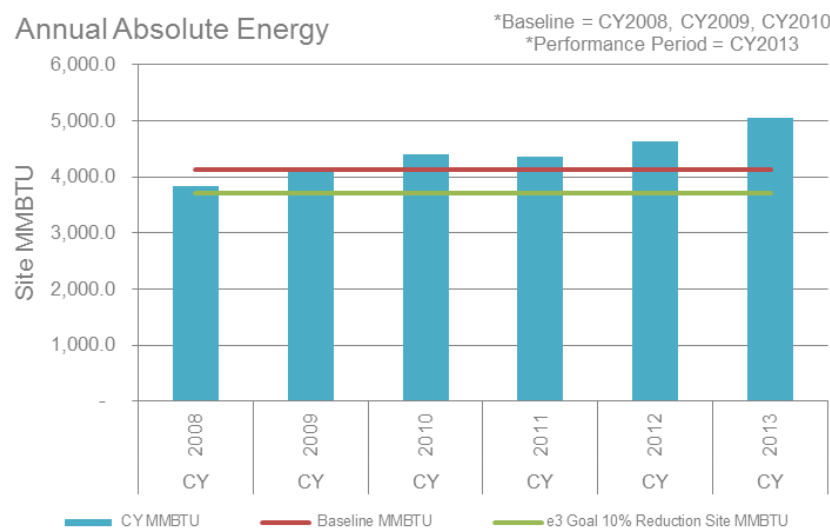
SitOnIt Seating® and IDEON® have set a 10% reduction goal for absolute energy consumption at our facility where manufacturing and final assembly occur. We are hopeful we will reach this target by the year 2020. In order to achieve this, we have begun, and will continue, to implement energy savings projects to reduce our energy consumption. See the metrics we use to track both our energy consumption and greenhouse gas emissions (GHGs).



In addition, SitOnIt Seating® and IDEON® have committed to purchasing Renewable Energy Certificates (RECs) to offset a portion of the energy consumed from our manufacturing operations on an annual basis. For 2013, 300 MWh of Green-e certified RECs were purchased to account for a little over 20% of our electricity consumption. To learn more

about RECs, please visit [epa.gov/greenpower/gpmarket/rec.htm](http://epa.gov/greenpower/gpmarket/rec.htm).

The normalized reductions we achieved from our 2008-2010 established baseline for energy consumption and greenhouse gas emissions for the 2013 reporting year were 25.8% and 25.4%, respectively.





## **Transportation**

---

SitOnIt Seating® and IDEON® are committed to reducing transportation related emissions through idling reductions, carrier selection, and reductions in unnecessary intercompany movement. Attention is given to environmental criteria when selecting 3rd party carriers for inbound and outbound products and materials.

## **Solid Waste Management**

---



SitOnIt Seating® and IDEON® have implemented a Zero Waste-to-Landfill goal. We will continuously work to achieve this goal by employing waste reduction and recycling strategies that will, over time, divert all waste from our manufacturing operations from being sent to a landfill.

We are in the early stages of identifying our waste streams and their current method of disposal. We know we have a long way to go and some potentially tough work ahead of us. Therefore, we are giving ourselves an appropriate deadline of 2025 to divert all our waste streams from the landfill.

## **Environmental Management**

---

SitOnIt Seating® and IDEON® are committed to environmental leadership. We are dedicated to improving our environmental performance to reduce local and global water, air, land and human impacts. Our approach includes implementation of pollution prevention measures and continuous improvement as well as, at a minimum, compliance with all local, state, and national environmental regulations.

# ***PRODUCT RESPONSIBILITY***

Our dedication to green processes begins with smart manufacturing and continues through every stage of our product's lifecycle. During manufacture, we maximize material usage and minimize or recycle waste. Our products are GREENGUARD or GREENGUARD Gold certified, protecting your office environment from harmful emissions.

But our commitment to green production doesn't end there...

## **Design for Environment**

Reducing the environmental impacts of our products begins with our new product development process. All new products or major design modifications on existing products go through our Design for Environment process which seeks to incorporate energy and water efficiency, renewable, recycled, recyclable and biodegradable materials, and to account for end of life impacts.

## **Design for Durability / Upgradeability**

SitOnIt Seating® and IDEON® products are engineered to achieve the highest levels of durability and upgradeability. Our products are designed to have a long and useful life and are manufactured to withstand repeated service, repair and handling. To facilitate maintenance, servicing and reassembly, replaceable components are standard features of our products, making them easy to refurbish and upgrade for multiple uses by the original or future users.

## **Chemical Management**

We are committed to reducing the human and ecosystem health impacts of our products and processes through regularly evaluating our chemical management and hazard communication plans. We will continuously evaluate and monitor the chemicals used in our facility and maintain current Safety Data Sheets through an electronic filing system. Using this process we will build a chemical inventory system to identify and track all existing chemicals within and leaving our facility, as well as all future purchased chemicals that are not currently in our system.

## **Product Take-Back Program**



SitOnIt Seating® and IDEON® offer the Take-Back Program to minimize product waste and make environmental responsibility easy for our customers. To honor this, we have partnered with the nonprofit environmental organization ANEW to offer a return program for surplus product – regardless of condition.

Where possible, ANEW matches the used products and materials otherwise destined for landfills with local non-profits and public agencies. The remainder is recycled or considered for energy-from-waste to avoid deposit in a landfill. Visit [www.anewfound.org](http://www.anewfound.org) to find out more.

We are committed to making this relationship a part of our sales strategy and are proud to recommend ANEW to customers who wish to recycle their furniture for the good of the community and the environment.

# SOCIAL RESPONSIBILITY

Our core values are Honesty, Integrity and Trust, Ethics, Customer Focus, Drive for Results, Problem Solving, and Communication.

## Social Responsibility

We demonstrate our belief in being a good corporate citizen by constantly looking for ways to reaffirm the beneficial social impact of our operations locally and globally. We are committed to maintaining high social responsibility principles, and we act vigilantly to be as fair as possible with our customers, employees and manufacturing partners and to be a benefit to the communities in which we operate.

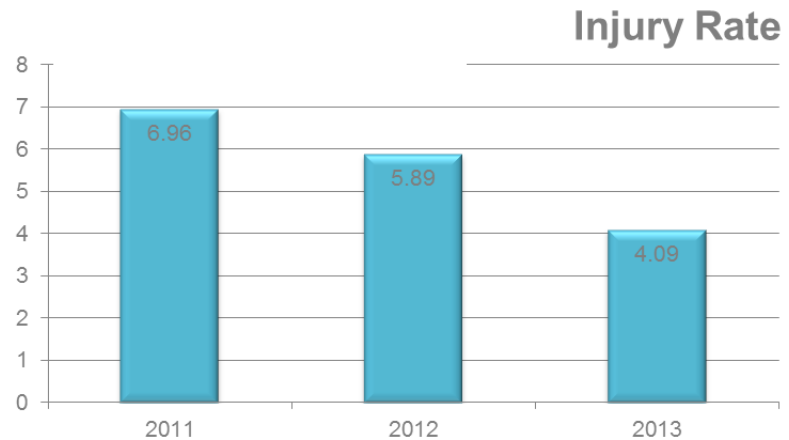
## Corporate Ethics

We understand the importance of credibility and trustworthiness to our success as a business. All officers and employees are expected to conduct their business affairs in accordance with all applicable laws of the United States and to observe the highest standards of business ethics, acting with integrity while considering the impact of their decisions on our stakeholders, with whom we communicate openly and effectively.

## Health & Safety

Our employees are our most important asset. We are very mindful of their well-being and have put into place an extensive Safety program and hold a wellness fair every year in order to meet this end. Employees are provided safety and company orientation training as well as departmental training as needed.

SitOnIt Seating® and IDEON® are committed to accident prevention and do everything possible to protect the health and safety of our employees. We comply with legislated health and safety requirements as outlined by the Occupational Safety and Health Administration (OSHA) laws and regulations to maintain a safe workplace. In fulfilling this commitment, we strive to eliminate all foreseeable hazards that may result in actual or potential threats to our employees', and our company's, well-being.

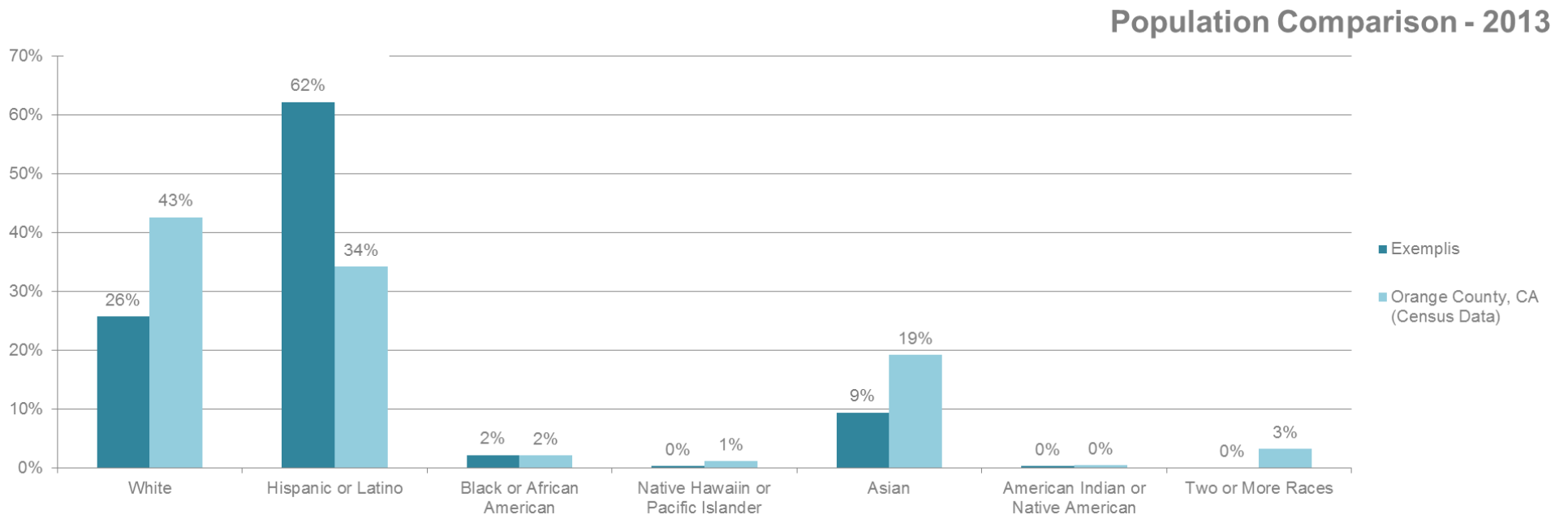


## Inclusiveness

We comply with US Equal Opportunity Employment laws and regulations during hiring, training, retention, promotion, and termination of employees, and we do not discriminate on the basis of race, ancestry, place of origin, color, ethnic origin, citizenship, creed, sex, sexual orientation, gender identity, gender expression, age, marital status, family status or disability. We are committed to treating all of our employees and associates with dignity and respect, encouraging collaboration, teamwork and the active involvement of all employees.

We encourage our employees to show trust and respect to all people regardless of their background, race, religion, gender identity, or sexual orientation and have an affirmative action plan that is updated annually with hiring and promotion goals for inclusion.

We hold periodic town hall –style meetings in which Management communicates how the company is doing and fields employee questions. All employees are encouraged to communicate with their managers. Our CEO is also very accessible to all employees. Collaboration is encouraged and employees are empowered to make suggestions and voice opinions. Our CEO will often involve both management and employees when making decisions that impact our business and our people.



## Labor and Human Rights

At SitOnIt Seating® and IDEON®, the employee is the most important asset. Being a leader in our industry can only be accomplished through the collaborative efforts of our employees and each employee must live up to high expectations. Along with these high expectations, however, comes high reward. We have an aggressive salary and bonus structure, along with competitive benefits. Employees may also participate in approved seminar training as requested. We also strive to recognize achievements through company sponsored events and employee rewards.

It is our policy to protect and respect the basic human rights of our employees and associates. We commit to providing decent work hours, wages, and conditions as well as upholding all local, national, and global regulations prohibiting forced, compulsory, and child labor. To meet this end, we have surveyed supply partners that make up more than 75% of our direct material spend as a means for them to assess their own operations for social responsibility criteria. The results of this survey are displayed here:

To what extent does your company meet the following internationally recognized social responsibility criteria?



## Community Involvement

We seek out activities that contribute to the communities in which we operate. Activities may include volunteerism, donations, and sponsorship opportunities, among others. We will make every effort to involve our employees in these decisions and encourage their participation.

We sponsor an event every year benefiting The Common Thread for the Cure, a non-profit organization uniting the furniture industry in the battle against breast cancer. We also hold an annual companywide food drive and collect Toys-4-Tots during the holiday season. Following are some details of the impact of our efforts:



- The Common Thread for The Cure – In 2013, SitOnIt Seating® and IDEON® donated \$39,925 to The Common Thread for The Cure Foundation. The Common Thread for The Cure Foundation has been established to unite the furnishings industry in the battle against breast cancer. Breast cancer affects the living — people who work and have children and household responsibilities that do not go away just because breast cancer strikes; and their families. To learn more about The Common Thread for The Cure, please visit [commonthread.info](http://commonthread.info)
- Second Harvest Food Bank – In January of 2014, we donated over 5600 pounds of food to the Second Harvest Food Bank, whose mission is to end hunger in Orange County, California. Second Harvest Food Bank reaches out to the community for donations, grants, fundraising, food drives, food rescue, harvesting, and volunteers to help provide food, education and advocacy for the hungry. The organization is committed to finding innovative and sustainable ways to end hunger in Orange County. To learn more about the Second Harvest Food Bank, please visit <http://feedoc.org/>.

## GRI G4 INDEX

Categories	Subcategories	Aspects	Indicators		Response	Page
<b>General Standard Disclosures</b>	Strategy and Analysis		G4-1	Statement from the most senior decision-maker of the organization	Letter from the President	2
	Organizational Profile		G4-3	Name of the organization	Exemplis, D.B.A. SitOnIt Seating, IDEON	4
			G4-4	Primary brands, products, and services	Our Products	5-6
			G4-5	Location of the organization's headquarters	Manufacturing – Buena Park, CA Corporate Offices - Cypress, CA	
			G4-6	Number of countries where the organization operates	Currently we operate in the United States of America	
			G4-7	Nature of ownership and legal form	Company Overview	4
			G4-8	Markets served	Company Overview	4
			G4-9	Scale of the organization	Company Overview	4
	Identified Material Aspects and Boundaries		G4-18	Process for defining the report content and the Aspect Boundaries	About Our Report	2
			G4-19	Material Aspects identified in the process for defining report content	About Our Report	2
			G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	This is our first Sustainability Report	
	Stakeholder Engagement		G4-24	List of stakeholder groups engaged by the organization	About Our Report	2
			G4-25	Basis for identification and selection of stakeholders with whom to engage	About Our Report	2
	Report Profile		G4-28	Reporting period for information provided	About Our Report	2
			G4-29	Date of most recent previous report, if applicable	This is our first Sustainability Report	
			G4-30	Reporting cycle	About Our Report	2

			G4-31	Contact information for questions regarding the report or its contents		
	Ethics and Integrity		G4-56	Organization's values, principles, standards and norms of behavior	Corporate Ethics	11
<b>Environment</b>		Energy	G4-EN3	Energy consumption within the organization	Energy & Greenhouse Gases (GHGs)	8-9
			G4-EN6	Reduction of energy consumption	Energy & Greenhouse Gases (GHGs)	8-9
		Emissions	G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1)	Energy & Greenhouse Gases (GHGs)	8-9
			G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Energy & Greenhouse Gases (GHGs)	8-9
			G4-EN19	Reduction of greenhouse gas (GHG) emissions	Energy & Greenhouse Gases (GHGs)	8-9
		Compliance	G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	None	
		Environmental Grievance Mechanisms	G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	None	
<b>Social</b>	Human Rights	Non-discrimination	G4-HR3	Total number of incidents of discrimination and corrective actions taken	None	
		Supplier Human Rights Assessment	G4-HR10	Percentage of new suppliers that were screened using human rights criteria	Labor & Human Rights	13



	Labor Practices & Decent Work	Occupational Health and Safety	G4-LA6	Total of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Health & Safety	11
			G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	None	
		Diversity and Equal Opportunity	G4-LA12	Composition of governance bodies and breakdown of employees category according to gender, age group, minority group membership, and other indicators of diversity	Inclusiveness	12
		Supplier Assessment for Labor Practices	G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	Labor & Human Rights	13
		Labor Practices Grievance Mechanisms	G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	None	
	Society	Local Communities	G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	100%	
		Compliance	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations	None	
		Supplier Assessment for Impacts on Society	G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	Labor & Human Rights	13

## *GRI G4 Index*

	Product Responsibility	Customer Health and Safety	G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Design for Environment	10
		Customer Health and Safety	G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life	None	
		Marketing Communications	G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	None	
		Compliance	G4-PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services	None	