# Sustainability report









A swe close out another year, I wanted to take a moment to express my gratitude for all that this company has accomplished. We've done some fantastic things as an organization, and we've also done some great things as individuals within this organization. It has been an extraordinary year, full of challenges and uncertainties that have affected us all. However, despite these challenges, I am so proud of the way we continue to come together as a team to take them on.

I have seen a lot of hard work and dedication. That has been truly inspiring, and I am grateful to be a part of such a talented and hardworking group of individuals. We have not only continued to operate and grow our business, but we have also made a positive impact on our customers, our colleagues, and our communities.

OFS has always approached our business operations and long-term sustainability by focusing on people first. In the coming year, we are committed to continuing to invest in the business and our team. The investments will not only help us to overcome the challenges of the present, but also position us for long-term success in the future. As always, we are also committed to continuing to find ways to reduce our impact on the environment and work towards a more resilient future.

The following is a detailed report on key topics regarding our sustainability strategies, challenges, and impact areas. We hope it illustrates our extended efforts to positively impact the areas in which we work and live, as well as the people that we work and live with. I feel we are where we are today because of the relationships and trust we've built over time. Our recent past has tested the resilience of our people, company, and those relationships. The best way to combat the uncertainty of the future is to provide clarity around our purpose. We will always move forward with intention and as responsible stewards of nature and community.

Sincerely,

Hank Menke CEO

# Company overview

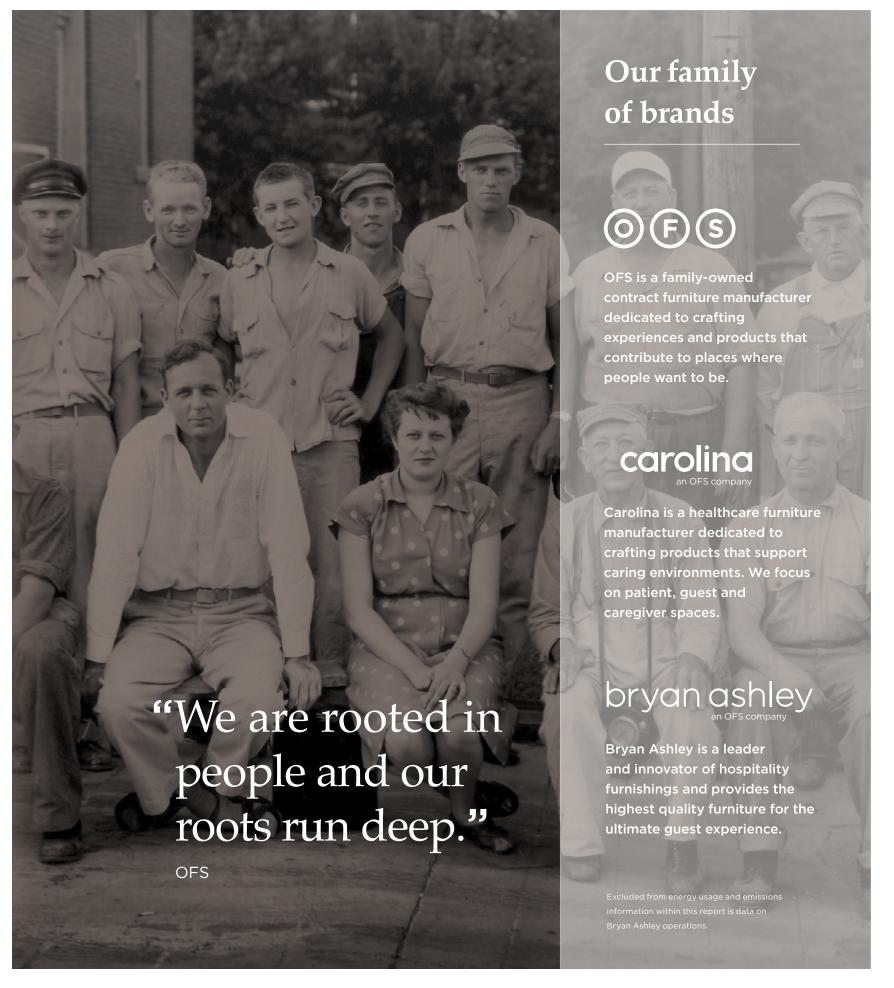
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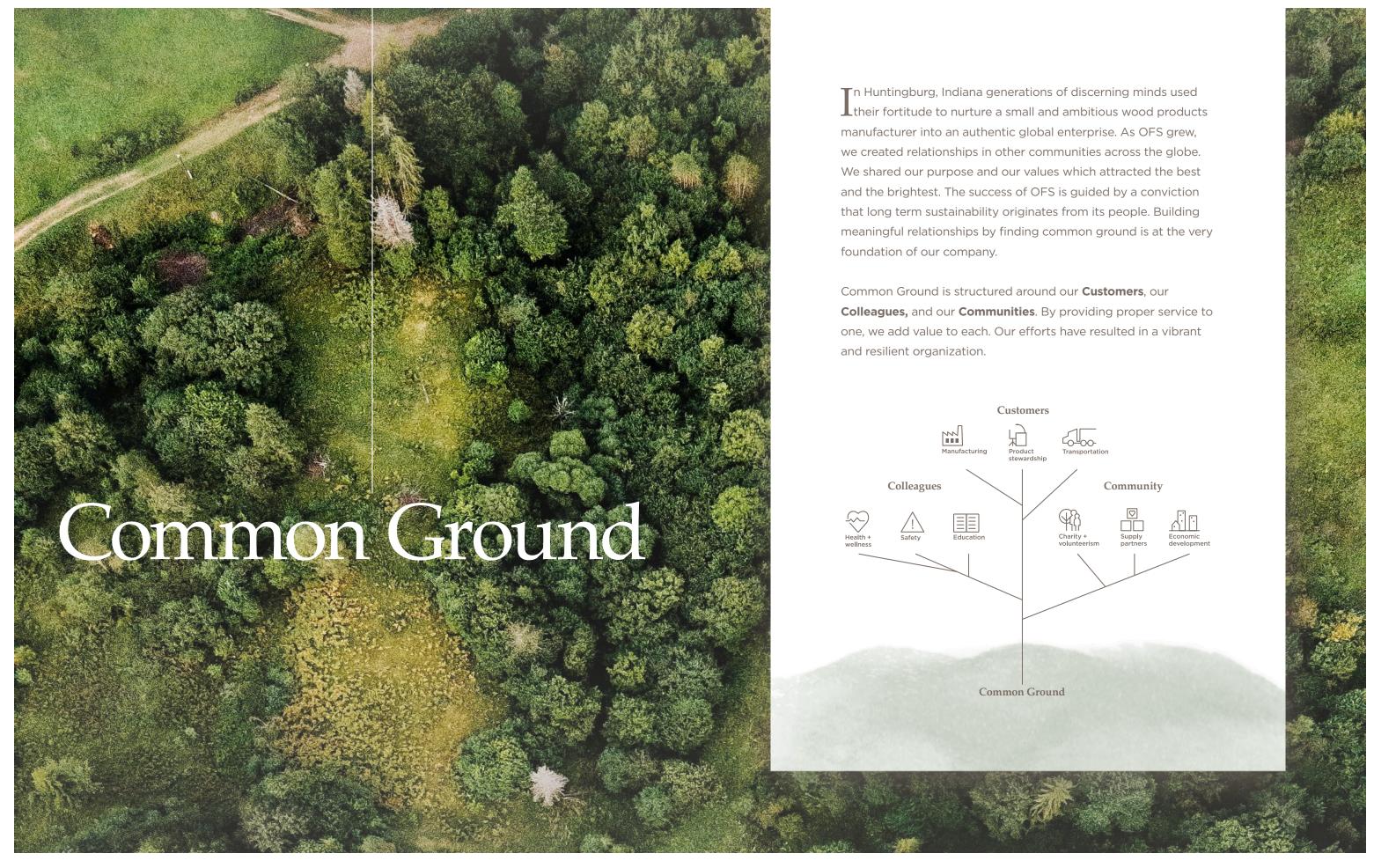
OFS is a privately held, family-owned company celebrating over 86 years of manufacturing exceptional furniture and wood products. We have emerged as a leader in the contract furniture industry by driving the re-engineering of the modern workplace, hospital, classroom and public space with exciting new product platforms that are designed to address today's institutional environments across the globe.

We design and manufacture furniture solutions that help our clients to be agile and responsive to the changing needs of their associates, patients, students and visitors. Our expertise includes, but is not limited to the following:

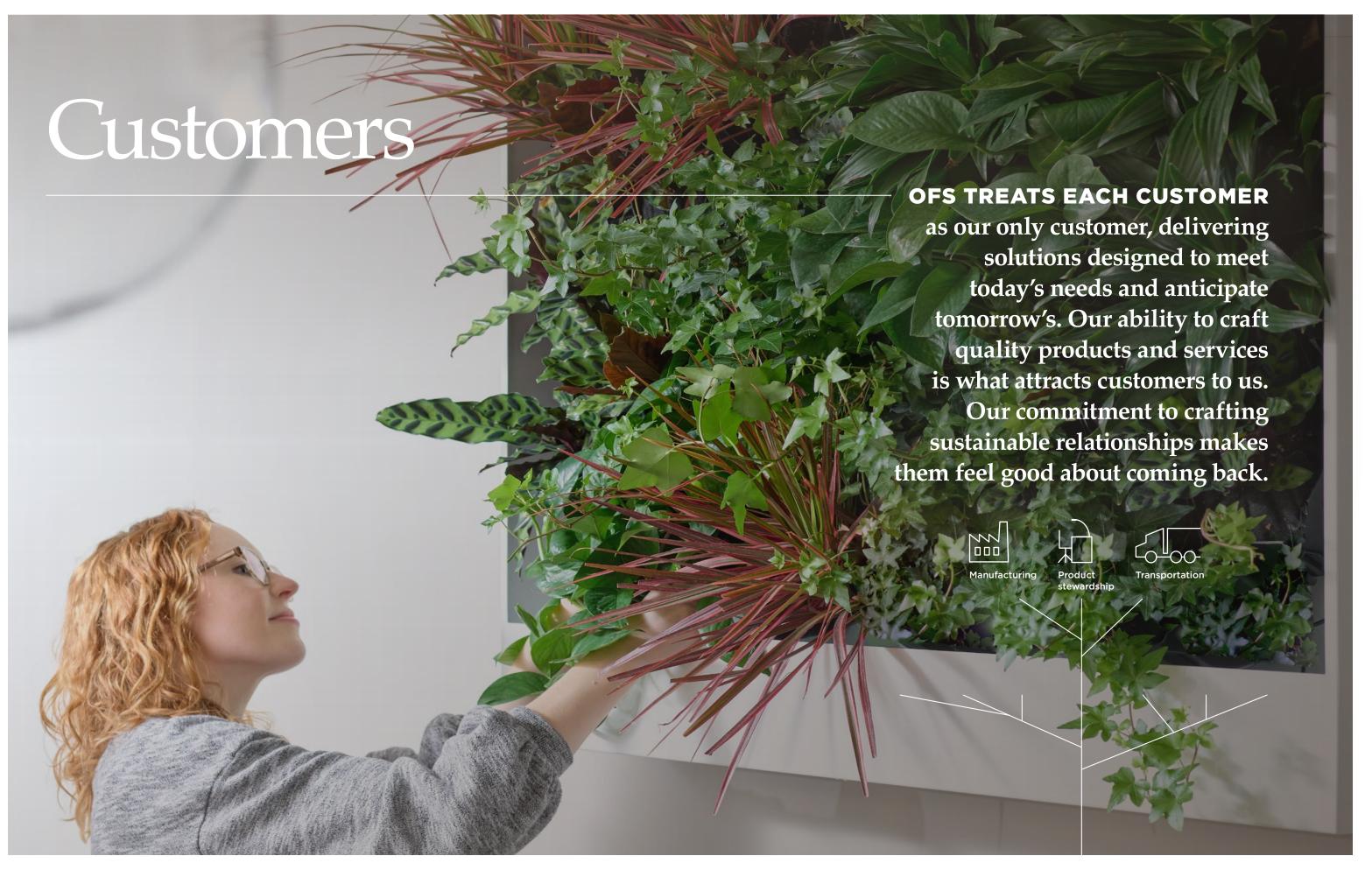
- Office furniture for individual and group work spaces
- Conferencing furniture for formal and informal meeting spaces
- Patient centric products to assist in the healing process from admitting spaces to treatment rooms
- Hospitality solutions for cafes, lobbies and private rooms
- Lounge furniture for informal or casual group spaces
- Technology support furniture for individual focused work and group meeting spaces
- Conventional furniture including task seating, desks, side chairs, filing and storage units and accessories

OFS employs approximately 1904 people and is headquartered in Huntingburg, IN with facilities in Highpoint, NC, Leitchfield, KY, and Deerfield Beach, FL. We operate as three distinct brands: OFS, Carolina, and Bryan Ashley. We also operate Styline Logistics, the largest logistics fleet in the contract furniture industry. We are dedicated to our mission with a culture that supports our core values of Empathy, Simplicity, Teamwork, Accountability, Appreciation and Stewardship.









# Quality & craftsmanship

The people of OFS have an inherent sense of pride in our ability to craft quality products, quality relationships and quality service. Anything built with the intention of having the highest quality is ultimately built to be lasting and sustainable.

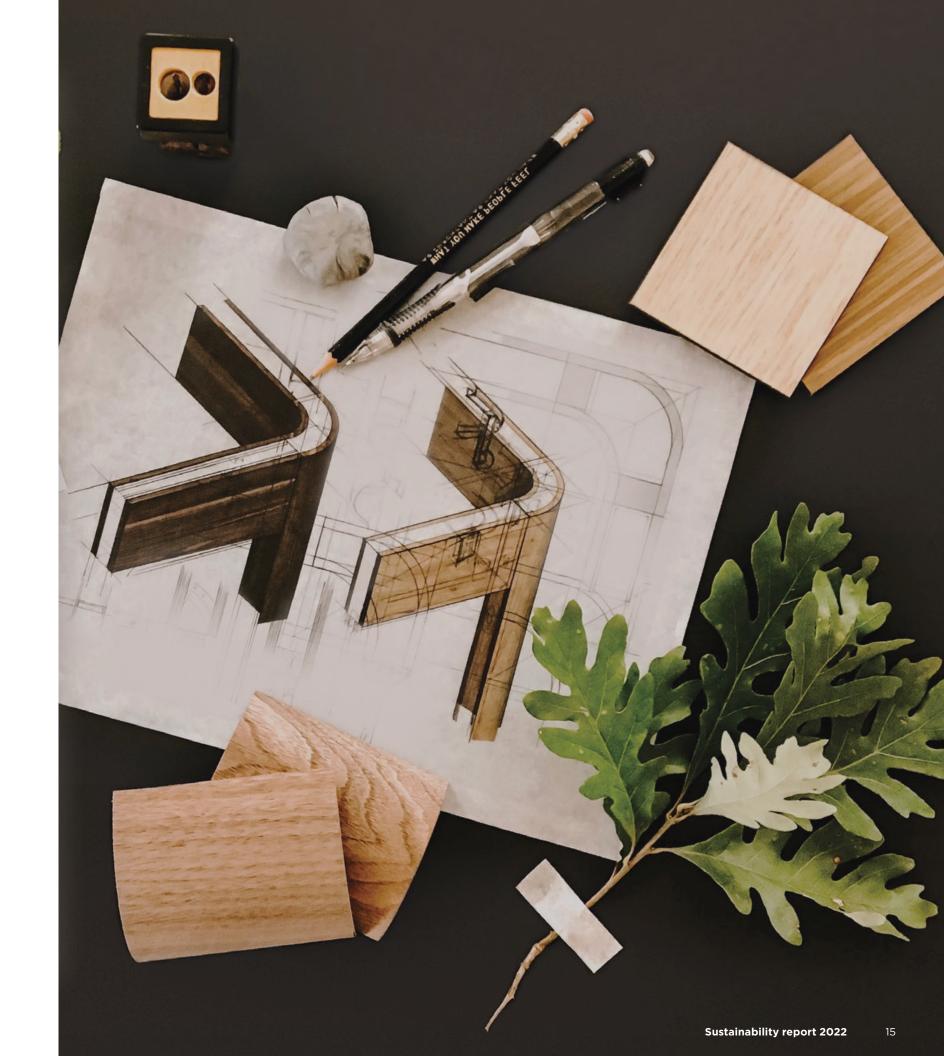
#### **Product design & development**

OFS collaborates with interior and industrial designers to develop innovative furniture that exceeds the functionality requirements of the user while minimizing the amount of materials required for production. This Design for the Environment approach greatly reduces the amount of material required to produce our furniture products, while also incorporating some of the core principles of green building design.



Considering aesthetics, functionality, and environmental performance into each product design we are able to satisfy customer demand while offering products that meet strict 3rd party environmental certifications.

OFS has also initiated research into Chemicals of Concern avoidance within our furniture products. Following both Government and Non-Government Organizations' determinations of hazardous substances, along with the BIFMA e3 Sustainability Standard's Chemicals of Concern listing, we have initiated work with our supply chain partners to identify potential hazards within the composition of our products. It is the intention of OFS to identify these chemicals, report on any inclusion into our products, and work to replace potential hazards with safer alternatives. These efforts have resulted in the development of Health Product Declarations for some of our highest volume products.



# imagine a place



Imagine a Place is a journal, podcast, and video series that explores the powerful role that place plays in our lives by gathering and sharing authentic voices, insightful perspectives, and visuals of places designed to inspire, support, and connect people.

Imagine a Place reinforces our belief that people and how they design and interact with places can create spaces and ideas that inspire and benefit other people. It explores how we create relationships with each other and with our environments to help make the world a better place.

#### **Product durability**

Test Lab Operations

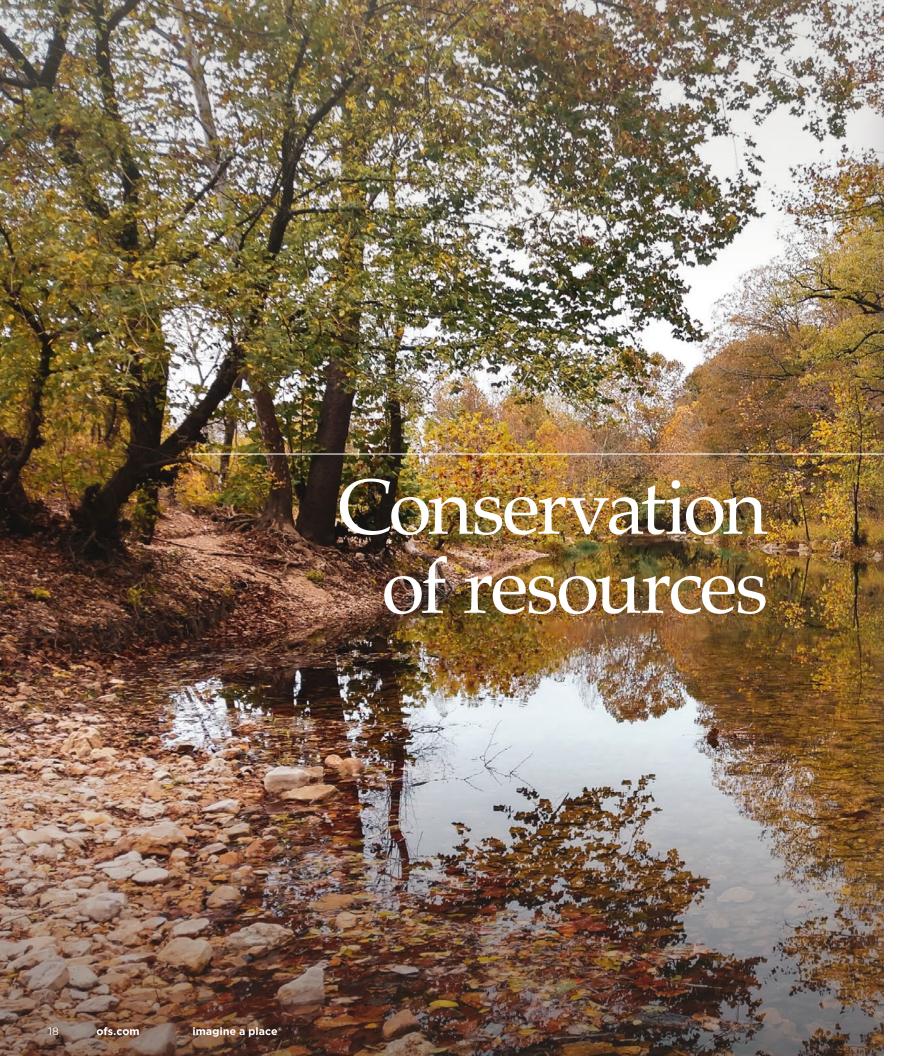
OFS operates its own in-house testing lab. This test lab is A2LA accredited (Test Certificate No. 3337.01). The accreditation assures our customers that our test equipment is accurate and we are following all required procedures. Having an in house testing lab has many benefits including the ability to quickly test new product developments or different aspects of a given furniture unit. This ensures us that a unit will meet specific requirements before the product design is completely finished. This ability alone can potentially save hundreds of hours of design and engineering time and facilitates new product introductions. All OFS products meet the recently released requirements within the BIFMA Compliant program.

# **Manufacturing abilities**

In 2022 OFS operated under approximately 2,148132 sq. ft. of manufacturing space within 17 different manufacturing, warehousing, and transportation facilities. Out of those 17 facilities, 13 are manufacturing facilities. We currently operate 4 as raw materials or supply factories. These 4 plants provide the cut veneer, dimensional lumber and cut core material used in the production of our products. One facility is an intermediate supply plant that receives multiple raw materials from our other supply plants and vendors, conducts veneer/laminate layup and edgebanding operations, machines components and ultimately supplies ready to assemble components to our finished goods facilities. The 9 remaining manufacturing facilities currently operating are finished product plants. Generally, these plants specialize in specific product types or categories due to different requirements for consolidation, material types, machine capabilities, capacity, employee expertise, etc.



While each of our finished goods facilities produces their primary products, they also have the unique ability to produce another plant's primary product when required. This occurs when over capacity of a single plant becomes an issue, expedited lead times are necessary for a customer, maintenance issues arise, we are exploring potential efficiency gains, or a number of other scenarios that would require this action. This flexibility in manufacturing attests to the deep understanding and crafting skills that our employees have for our each of our products. It is also evidence of the innovative management of our operations and the willingness and ability of all associates to adapt in the face of change. This cultivates an atmosphere open to innovation and promotes an entrepreneurial spirit, new ideas and increases the job satisfaction of our hard working employees.



At OFS, we are all part of a culture with a deep respect for the natural world. We understand that our prosperity depends on the health and availability of our resources. Protecting our natural places, facilitating biodiversity and reducing energy, water and material use are essential factors to our continuous growth and sustainability.

#### Forestry practices & habitat restoration

OFS founder, Bob Menke, created a culture of environmental consciousness dating back to the 50's, years before most people were concerned about protecting our natural resources. He and his wife Phyllis—inspired by their



love for Audubon Camps, moved by the writings and lectures of Rachel Carson—are widely recognized for their contributions to preserving natural areas and encouraging multi-purpose forestry. Bob was intrinsic in establishing Indiana University's School of Public and Environmental Affairs, and lectured on campus at the first Earth Day in 1970.

Throughout Bob's life his writings on forestry management and wildlife

preservation were widely published. He believed we must preserve and learn from natural systems, minimize the impact of chemicals, and consider the potential for human activity to disrupt ecosystems, all at a time when most were scared to speak these thoughts.

Bob and Phyllis' views on land stewardship and restoration continued into the next generations. From stories of Hank recruiting college friends to plant trees on worn out agricultural lands, to donated time and resources for community and industry education on the importance of ecosystem health, we continue to see the fruits of this labor.

- OFS has forest management certifications through the American Tree Farm Program and Forest Stewardship Council® (FSC® C004808) of well over 7,000 acres of family owned forestland. Specific parcels have additionally been enrolled in the Indiana Classified Forest and Wildlands Program.
- In 2010, OFS granted two plots of land to the Hardwood Tree Improvement and Regeneration Center [HTIRC], a collaborative regional research, development and technology transfer effort between industry, university, private, state and federal entities to advance the science of hardwood tree improvement, genomics, physiology, protection and utilization.
- At OFS's Educational Campus, Cool Springs, we continually host local and regional educational activities for groups ranging from grade school field trips, and community groups to industry and government organizations.

#### **Energy, water & water management**

OFS has an established recycling and reuse program. This program was created to divert as much solid waste from landfill disposal as possible, with an ultimate goal of 100% solid waste diversion. Additionally, we track all water and energy usage.

#### Lean manufacturing & material efficiencies

Lean manufacturing projects focus on reducing wastes and non-value added activities. Non-value added activities are defined as anything the customer is not willing to pay for. Lean Manufacturing activities can range from improvements to the shop floor flow to promotion of multi-functional associates who support flexibility and can quickly adapt to changing customer demands.

Reductions in waste are quickly realized during our manufacturing processes. Through the use of our optimizing software, we are able to create the best possible yields on a job-to-job basis, while cutting our raw board material. This initial process in the manufacturing of our furniture creates yields of approximately 75% for all cut board material. We also utilize off-fall from our board cutting processes to produce minor parts/components as well as pallets used to transport materials throughout our multiple manufacturing facilities. This DfE approach to our processes creates gained efficiencies and promotes a culture that enables all employees to participate in continuous improvement and waste reduction innovations.

# ONE TREE PLANTED PARTNERSHIP



OFS began our partnership with One Tree Planted in January of 2020 in an effort to help reforest areas throughout the world. This partnership allows us to scale and have much more impact than we could create on our own. One Tree Planted gives us the opportunity to utilize their existing network of tree planting organizations and access to projects across the globe. It also allows us to plant

enough trees to offset all of our Scope 1 and Scope 2 Greenhouse Gas emissions. These are emissions from all of our building electricity and natural gas usage as well as Styline transportation fuel usage and all of OFS company owned vehicles.

It is estimated that one tree growing through a lifespan of approximately 60 years will sequester approximately 1 metric ton of carbon dioxide. Our total scope 1 and scope 2 emissions in recent years is generally between 50 - 55 thousand metric tons annually. This is the basis for our goal of planting 60,000 trees per year. This essentially offsets our annual emissions over time. Another benefit of our partnership with One Tree Planted is that each planting is done in areas with active forest management. This helps to ensure that ongoing maintenance and monitoring is conducted and tree survival rates and lost tree replacements are prioritized.

Currently, planting trees is the number one climate change solution. Not only does this activity absorb harmful carbon from the atmosphere, it also helps clean the air we breathe of harmful pollutants, filter the water we drink and provide habitat to over 80% of the world's terrestrial biodiversity. Forests provide jobs to over 1.6 billion people, help prevent soil erosion, and provide key ingredients in 25% of all medicines.

60,000 Planted per year

# Our progress

#### **Voluntary carbon reporting**

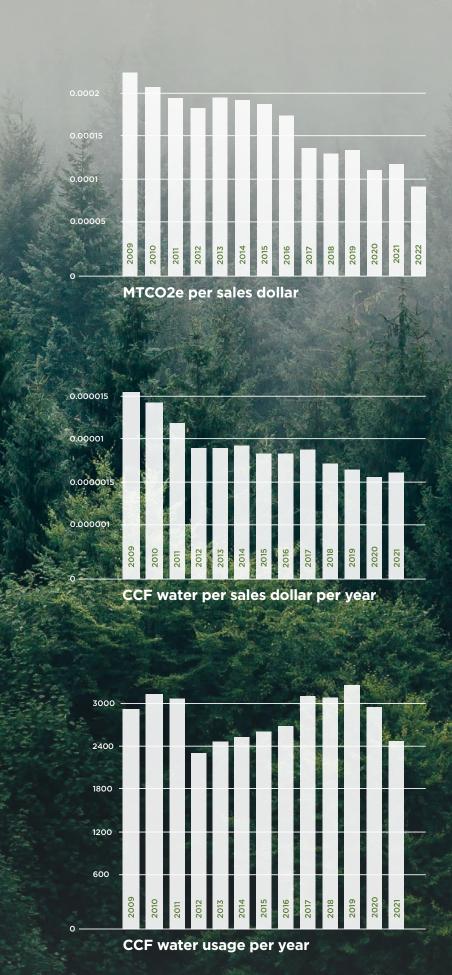
OFS voluntarily reports its Greenhouse Gas emissions through the Carbon Disclosure Project (www.cdp.net). Annually, we inventory our GHG emissions and report to the CDP. This practice increases transparency to our customers, colleagues and communities, and helps us to identify risks, opportunities and areas where we can improve in terms of climate change mitigation.

#### **Energy**

OFS reports electricity, natural gas, bio-fuel, diesel fuel and gasoline usage to the Carbon Disclosure Project. These are our main sources of energy and all are tracked continuously through the shared measurement of metric tons of carbon dioxide equivalent emissions (MTCO2e).

#### **Workforce development**

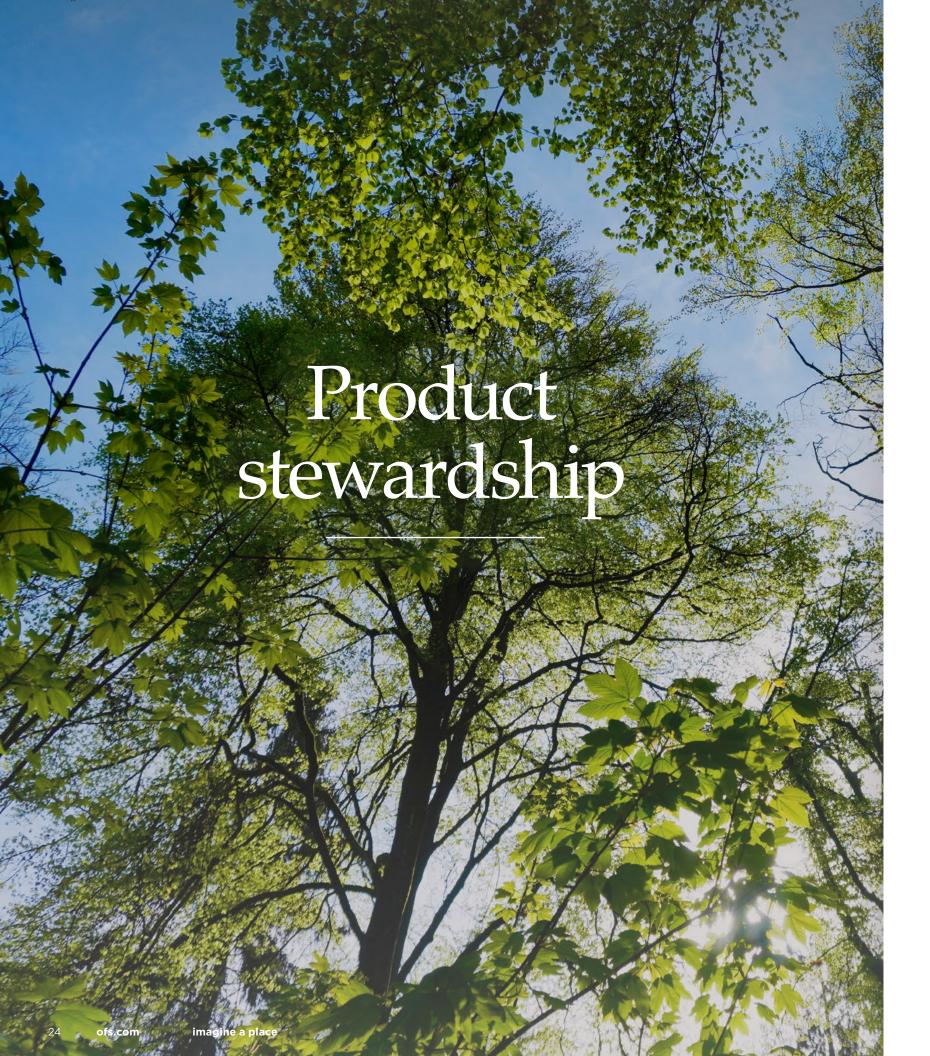
Conservation is not just about material resources. At OFS we understand the importance of conserving human resources as well. Continuing education, investments towards vocational training, internships and on the job training are just a few examples of our commitment to our colleagues and their professional development. If our colleagues are advancing they bring the company and the community with them.



Our 2030 goal is to reduce MTCO2e by 50% from our 2016 levels. As of 2022, we are only 2.1 percentage points away from that goal.

95.8% complete

imagine a place<sup>®</sup> Sustainability report 2022



We have learned a lot about our products through multiple studies and supplier conversations regarding all aspects of developmental processes and material components. This constant research has enabled OFS to achieve various environmental certifications and recognition for our stewardship. Continuous and consistent research into our products will give us the ability to produce the most sustainable and healthy products now and well into the future.

#### **Health Product Declarations**



We currently offer twelve Health Product Declarations for higher volume products that represent larger product categories. The creation of these HPDs is only the beginning of our initiative to provide chemical transparency and get a better understanding of what

chemicals, and the volume of those chemicals, are within our products.

This initial work provided the foundation for our future work with goals of additional HPDs and reductions of potentially harmful chemicals. The Health Product Declaration® (HPD) Open Standard is the most widely used transparency and material health reporting method in the building industry."

# We currently offer HPDs for:



- Heya Lounge
- Genus Task
- HB Side
- Applause Tables
- Wyre Tables



- Intermix Conference
- Impulse G2/Pulse Workstations
- Staks Workstations



- Bistro Side
- Voyage SideFlexxy Guest
- Coact Lounge

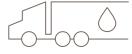
To search any of our HPD's, visit the HPD Public Repository here: https://hpdrepository.hpd-collaborative.org/Pages/Results.aspx#k=OFS

#### Materials

In 2020 we made a decision to slim up our work surface panel sizes. Historically OFS has used 1.125 inch thick worksurfaces for the majority of our products. We made a slight adjustment and reduced this size to 1 inch. Although the adjustment was slight, the impact is great. Reduced consumption is a major component to any sustainability strategy. We continued to see similar material improvements in 2022 and will into perpetuity.

- Reducing 3,000 lbs from a truck could save 200-500 gallons of fuel per year (EPA Smartway statistic)
- Our reduction of weight being transported equates to 109,324 273,309 gallons of biofuel per year being saved.
- The change to 1 inch board will save approximately 290,911 727,275 kg of CO2e, or 331 - 727 MTCO2e, per year.
- 1,639,656 lbs of reduced wood consumption

200 - 500 gal.



fuel saved per truck, per year 1,639,656 lbs.



reduced wood consumption

331 - 727 MT



CO2e conserved per year

109,324 - 273,309 gal. biofuel saved per year



The decision was also made to switch to 2mm edge banding from our standardized 3mm. Looking back to 2019 we used 22,333,128 linear inches of 3mm banding at 1.125 inches thick. Using that number as a baseline OFS will consume approximately 75,374 lbs. less plastic (polypropylene) by switching to 1 inch 2mm from 1.125 inch 3mm banding. This is a big step in reducing plastic use and contributing to the issue of micro-plastic buildup in the environment.

#### **Emissions reductions for change in banding:**

- 5025-12562 gallons of fuel saved for inbound transport
- 13,371 kg 33,427 kg CO2 saved in inbound transport



# CERTIFICATIONS



#### **Indoor Air Quality**

It has been shown that Americans spend approximately 90% of our time indoors and that our indoor air is 2 to 5 times more polluted than the air outside. These statistics alone are enough for OFS to commit to providing the lowest emitting interior furniture products possible.

All of OFS furniture products have achieved SCS Indoor Advantage and SCS Indoor Advantage Gold Certifications. Indoor Advantage Gold certification is SCS Global Services' highest level of indoor air quality performance for furniture. The certification assures that furniture products support a healthy indoor environment by meeting strict chemical emission limits for volatile organic compounds (VOCs). To be certified, products must be tested by independent labs for compliance with the ANSI/BIFMA X7.1, and either ANSI/BIFMA e.3 or CDPH/EHLB Standard Method V1-1 for VOC emissions of concerns. A complete list of certified products and our product certificates can be found on SCS Global Services website: http://www.scsglobalservices.com/certified-green-products-guide.



#### **BIFMA LEVEL®** certification

The BIFMA e3 Sustainability Standard, which provides the foundation for the LEVEL® certification, is the multi-attribute, sustainability standard and third party certification program for the furniture industry. For more information on the LEVEL® certification program and to view our certifications please visit levelcertified.org.



#### **FSC® COC certification**

To promote and support our commitment to responsible forest management OFS offers all casegoods and tables as FSC° COC Certified (Forest Stewardship Council®). The FSC Standards represent the world's strongest system for guiding forest management toward sustainable outcomes. fscus.org

FSC certified products are manufactured with material that comes from managed forests that are traceable from the time the logs are cut to the time the final project is installed and are recorded by way of COC or chain of custody claim on all invoices.

The demand for certified forest products has grown significantly in recent years. OFS's goal to act as a responsible steward of the environment encouraged us to pursue our FSC Chain of Custody (COC) certification back in 2007. This enabled us to procure and process wood fiber based materials that are certified under the most recognized global certification standard for responsibly harvested and/or recovered wood material. This provides our customer (Dealer, A&D community and end-users) the added reassurance that they have purchased furniture that meets the strict requirements of the FSC COC Standard

FSC certification is optional on many, but not all, OFS product lines. Please contact OFS Customer Service for information in regards to which of our product lines are available as FSC certified, and what the necessary procedures are for ordering FSC certified products from OFS. OFS's FSC license code is FSC-C004808.

#### **MEMBERSHIPS**



#### **USGBC & LEED**

OFS is an active member of the U.S. Green Building Council. The USGBC is the nation's foremost coalition of leaders working to transform the way buildings and communities are designed, built and operated, enabling an environmentally and socially responsible, healthy, and prosperous environment that improves the quality of life.

As a member of the USGBC, OFS promotes the development of the LEED green building certification program. We offer products that contribute to LEED Certified projects and have committed to LEED certification of multiple OFS locations throughout the country.



#### **WELL**

OFS is involved in the International WELL Building Institute (IWBI) membership program as a Cornerstone member. OFS joins like-minded companies from across the globe that are committed to enhancing buildings and communities to help people thrive.

The membership program at IWBI convenes, celebrates and fosters collaboration with companies and organizations who are leading the movement to advance human health in buildings and communities around the world. This dynamic framework allows OFS to tap into IWBI's expansive resources and knowledge and demonstrates OFS's alignment with IWBI's mission.

WELL is focused exclusively on the ways that buildings and communities, and everything in them, can improve our comfort, drive better choices, and generally enhance, not compromise, our health and wellness. IWBI convenes and mobilizes the wellness community through management of the WELL AP credential, the pursuit of applicable research, the development of educational resources, and advocacy for policies that promote health and wellness everywhere.

As part of our continuous efforts to bring materials into our offerings with sustainable attributes, OFS also introduced two new fabrics to the OFS Collection. These two fabrics, Allure and Roam, are produced with Repreve recycled fiber. Repreve transforms recycled bottles to make amazing fiber, used by the world's leading brands. Each yard of Allure fabric contains 31 recycled bottles and each yard of Roam contains 21 recycled bottles. As we expand our proprietary OFS Collection it is our intention to continue offering fabric options produced using Repreve recycled fibers.

Allure fabric: **31 recycled bottles**Roam fabric: **21 recycled bottles** 



#### **Material & operational transparency**

OFS is committed to the development of product Life Cycle Assessments. Using LCA studies as input into product development, or possible re-development, has given us insight into the best and worst aspects of our furniture products and their impacts on the environment. While we have learned a lot, we realize we have much more to learn. It is the intention of OFS to compile the information we have and create Environmental Product Declarations that we can share with our customers.

We have also initiated conversations with our supply chain to begin researching and compiling information on chemical composition of the materials we source. This data, along with data from our LCA studies will help to develop Health Product Declarations and identify possible opportunities to replace harmful chemicals with safer alternatives. This work has allowed OFS to offer all of its upholstered seating products as Flame Retardant free, and has allowed our products to meet the strict requirements for LEED credit contribution, the Healthier Hospitals Initiative, and many other procurement standards.

#### Regulatory compliance & international trade

It is imperative to the long term sustainability of OFS that we closely monitor and communicate with each other the ever changing regulations that can affect our ability to conduct business. To properly comply with the many environmental and international trade laws we must have an acute understanding of the composition and origins of the materials that go into our products as well as the processes we use to produce them. Close communication with our suppliers and tools such as LCA are essential to OFS reducing risks of non-compliance and preparing for future regulatory impacts.

imagine a place Sustainability report 2022 Successfully operating a global business requires an incredible amount of logistics. The sheer number of inbound and outbound deliveries that affect our ability to conduct business requires intense planning and a streamlined management system. The orchestration of a high-performance, and well-tuned logistical system is essential to sustaining satisfied customers, operational optimization and access to new and emerging markets.

#### **EPA SmartWay partnership**

In 2004, Styline Logistics became the first company in Indiana to join the U.S. Environmental Protection Agency's SmartWay Transport Partnership. The partnership is a voluntary program with the U.S. EPA that shows how shippers and carriers can gain economic benefits while mitigating their environmental impact.

To meet the SmartWay challenge to eliminate unnecessary truck engine idling, Styline Logistics employed many different policies, procedures and technologies that included auxiliary power units (APUs), reduced maximum speeds, automatic engine shutdown, automatic tire inflation systems, bio- and low-sulfur diesel fuels and new incentive programs. Since our partnership began in 2004 we have reduced our Carbon Dioxide [CO2] emissions by nearly 18,000 metric tons (32%), our particulate matter emissions by 3,000 metric tons (58%) and NOx gases by 113 tons (82%).

This is yet another story in the long line of success the partners have achieved to live and prosper in a clean environment, while enjoying and preserving our natural resources.

#### On time & damage free

Styline Logistics has always provided quality transportation and logistical services for all the furniture manufacturing divisions of our parent company plus many other furniture shippers. We have years of experience in providing specialized handling for various types of furniture, from high-end office products to delicate home furnishings. This attention to quality and care is available to meet all your furniture delivery needs. To ensure damage-free handling we have well-trained loading teams utilizing hand trucks and special furniture handling equipment plus a fleet of air-ride trailers and experienced company delivery drivers to provide damage-free delivery services to your customers. All of our efforts are reflected in an industry leading 99.987% damage-free delivery performance for our customers.



# Our progress

#### Fuel consumption & CO2 equivalent emissions

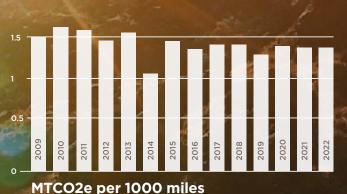
In 2022 Styline Logistics continued its reductions in CO2 emissions. Styline observed a 10.2% reduction in MTCO2e per 1000 transportation miles from 2009 level. We continued to improve our fuel economy as well, realizing a 11.3% increase from our 2009 levels. This was accomplished by the continuation of a number of initiatives. The most prominent being the replacement of older, less efficient, vehicles with newer models and the implementation of a driver performance bonus program that incentivizes our drivers to operate as efficiently as possible. Through our transportation operations we emitted 18,350 MTCO2e in 12,562,122 miles in 2022 and used 1,806,140 gallons of fuel.

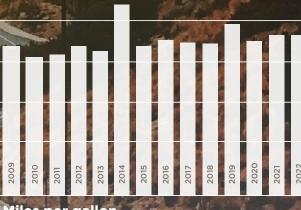
10.2%

**Reduction in MTCO2e** emissions since 2009

11.3%

**Increase in MPG fuel** economy since 2009

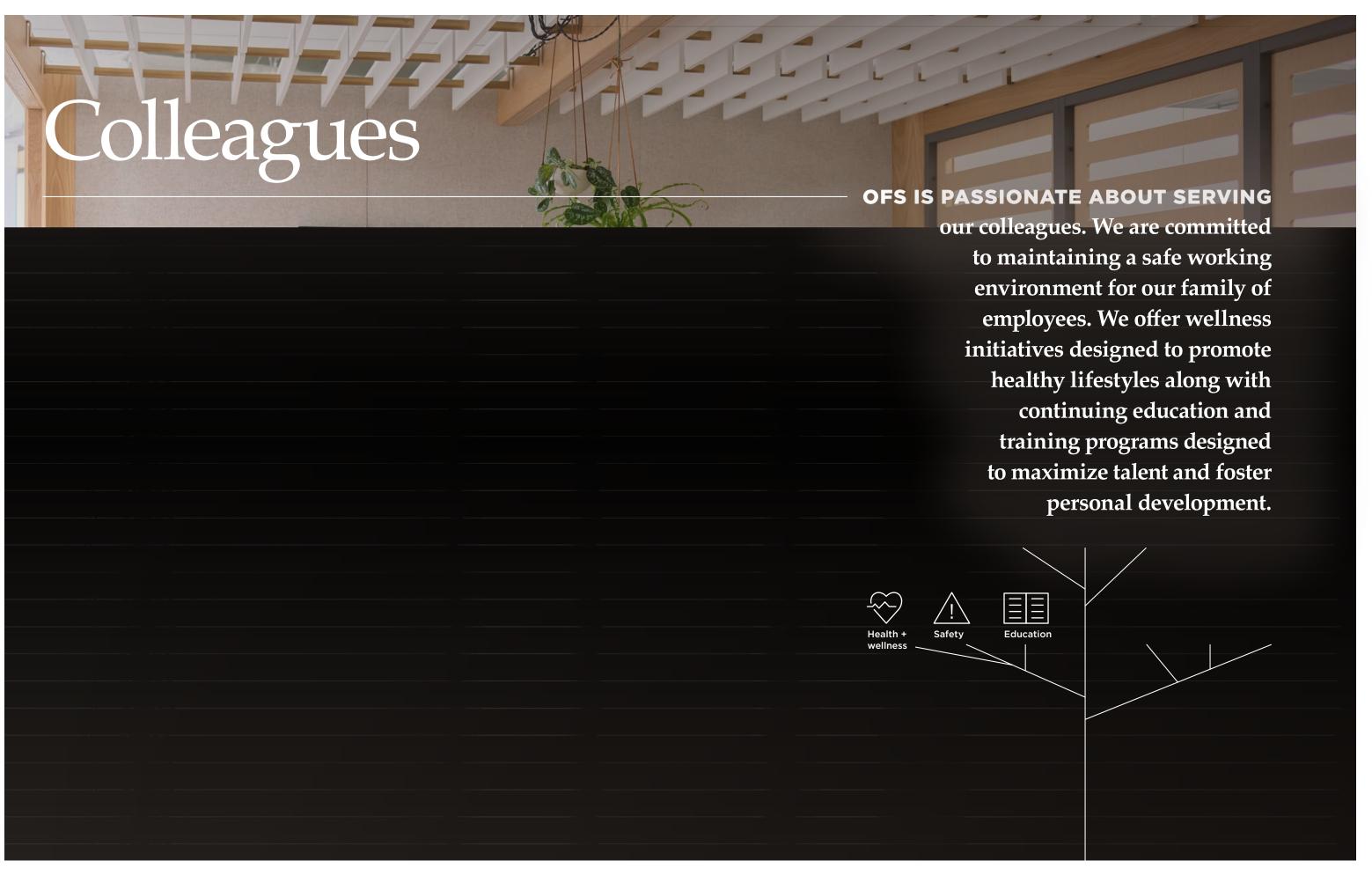




26.3

#### Fun fact: Trips to the moon

In 2022 Styline Logistics traveled 12,562,122 miles delivering furniture and back hauling other products. This is equivalent to 505 times around the earth, and almost 1.5 times around the earth every day of the year! It is also equivalent to approximately 26.3 round trips to the moon!



# Health & wellness

Offering a state of the art Corporate Fitness Center, a fitness instructor, multiple fitness programs, & healthy lifestyle education to all OFS employees exemplifies the company's commitment to the well-being of its people. Offering these options is an opportunity for OFS to help create healthy habits for its most valuable resource.

#### **WELLv2 Platinum**<sup>™</sup> Certification

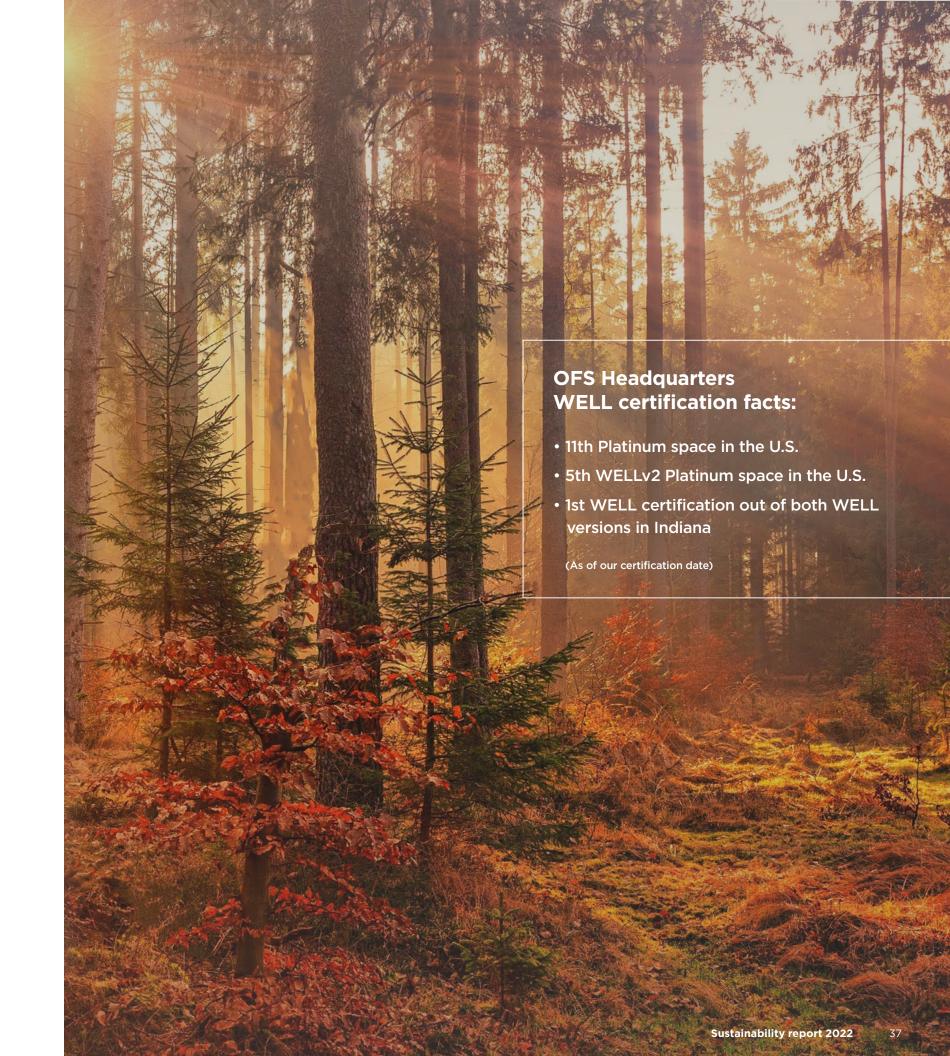
In July of 2017 OFS set off on a multi-year journey to create a wellnessfocused workspace that would benefit all employees that work within



our Corporate office as well as any visitors. We began this project knowing the challenges we would face and the costs that we may have to incur. However, the end goal was something we felt was too important not to pursue. By providing a space that promotes holistic wellbeing we couldn't be happier to positively impact the lives of the employees that allow this company to operate. In December of 2020 we were awarded

WELLv2TM Platinum certification by the International Well Building Institute (IWBI).

Platinum certification is the highest designation a project can receive from the IWBI's Well Building Standard. Our 49,000 square-foot headquarters is the first in Indiana to receive the leading health and wellness certification. At the time we were awarded our certification, we were one of only 12 Platinum spaces in the US overall and one of only six platinum spaces under the more recent WELLv2 standard.



# **OUR JOURNEY TO WELL**



RENOVATION PLANNING & DESIGN
During phase 1, discussions with
architects occurred to provide the
vision for our renovation. Floor
plan drawings were presented
with conceptual furniture and
built-in locations.



We also used the Initial Project Assessment tool provided by WELL and determined that our building was a strong candidate for WELL certification. WELL v1 registration occurred in July of 2017.



REVIEW OF WELL BUILDING STANDARD™

Phase 2 included a review of the WELL

Building Standard™ and the individual

features that we felt were achievable. Initial

estimates of costs were reviewed and a

project certification plan was developed.



DEMOLITION & CONSTRUCTION

This phase included construction work, document creation, policy adjustments & food service planning. Sit-to-stand desking, tambient lighting, and a live wall were installed. Our respite room, social hub, & cafe spaces were also completed.



©FS + WELL
In December of 2020, OFS

In December of 2020, OFS Headquarters became WELL Platinum Certified!



 The performance verification process occurred & building testing was conducted. ADJUST & RE-REGISTER TO UPDATED WELL V2 STANDARDS

For phase 4, we reviewed the new WELL v2 standards and adjustments were made. Steril Aire UVC Fixtures were also installed in our air handling units to help eliminate microbial growth. We submitted all project information to the International WELL Building Institute™ and Green Business Certification Inc.

Following renovations in 2018, the OFS corporate office earned the distinction based on ten categories of building performance – air, water, nourishment, light, movement, thermal comfort, sound, materials, mind, and community. Significant features include:



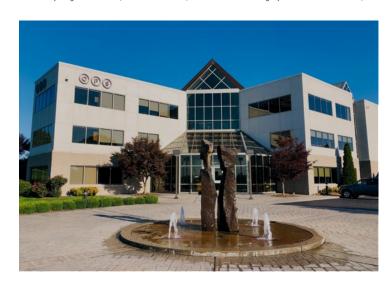
- A social hub where employees can collaborate and socialize in a central location.
- An expansive fitness center with exercise equipment, saunas and a lap pool with adjustable current.
- Top-of-the-line air filtration with microbe and mold control and UVC filters.





- Options for nutritious food and beverages.
- Access to the outdoors.
- Nursing room to support new mothers.
- New furniture that incorporates safe and non-toxic materials with height adjustability and ergonomic features.

WELL is the premier building standard focused on enhancing people's health and wellness through the buildings where we live, work, and play. Created through years of rigorous research and development working with leading physicians, scientists, and industry professionals, the WELL Building Standard



is a performance-based certification system that marries best practices in design and construction with evidence-based scientific research. This certification was achieved by a vision to always put people first and a lot of hard, meticulous work to get the details right and repeatable.

Sustainability report 2022

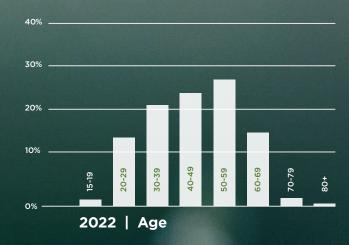
# Employee demographics

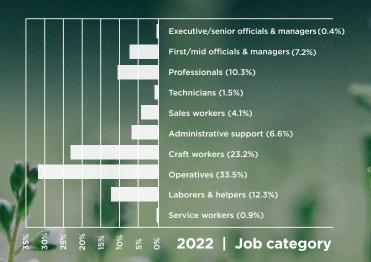
#### 2022 Race & ethnicity

74.6% White
17.0% Hispanic
5.6% African American
0.3% American Indian/Alaska Native
1.0% Asian
0.1% Native Hawaiian/Pacific Islander
1.4% Two or more races or ethnicities

#### **Safety**

Our commitment to keeping our people safe in the workplace is an ongoing investment that helps to secure sustainable and trusting relationships. This is vital to the quality of life of our people and their peace of mind on the job. We believe that safety is necessary for the implementation of sound business principles and business sustainability. Our goal is always to completely eliminate workplace injuries.





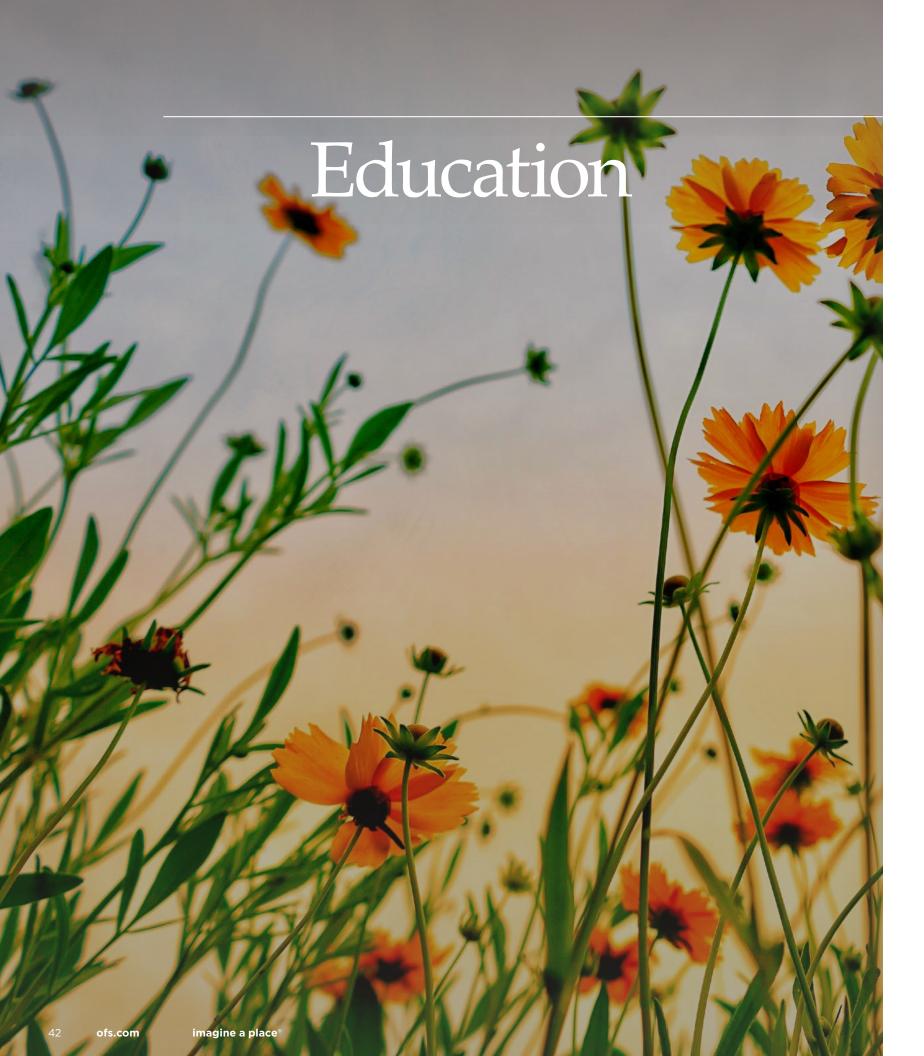
Gender | Female

42.8% of 2022 employees

Gender | Male

57.2% of 2022 employees

**Combined company OSHA rating comparison** 



Education is essential to personal and organizational growth. It is a necessity in creating clear understanding and communication between colleagues. Aspects that affect the way we conduct business can change rapidly and OFS believes that continuing education for our employees, partners and customers will help to sustain our relationships and our future growth. We promote lifelong learning.

#### **Education**

In 2022, OFS offered a number of different CEU courses for our customers. These included The WELL Building Standard, From Forest to Furniture: Understanding the Role of Wood Based Materials in Sustainable Design, Heart of the Hardwoods: Sustainable building materials through responsible forest management, First Do No Harm: Healthy Building Interiors for Healthcare, and others.

At OFS Educational Campus, Cool Springs, we continuously host local and regional educational activities for groups ranging from grade school field trips, and community groups to industry and government organizations.



We feel the best way to educate people about our values, how we operate and the attention to quality that we put into our products is by inviting them to personally experience. We have invested a lot into the "customer" experience. This experience incorporates many different aspects including, informative nature hikes with our forester where he discusses forest management and timber harvesting, manufacturing facility tours that reveal the amount of

human touch received by our products in an ever more automated world, and an always intriguing stop at our Veneer Studio where our experts give a crash course on how to present the beauty hidden within our hardwood trees. Even our corporate office is a learning center; acting as a showroom displaying our latest products and their many applications.

This experience is not just limited to our customers. The corporate "tour" process is also incorporated into on-going training for our employees and interaction with our communities and local schools.

## **Equity Steering Committee charter**

Equity is the guarantee of fair treatment, access, opportunity, and advancement for all while striving to identify and eliminate any barriers that prevent the full participation of any individual or groups of individuals based on such factors as race, ethnicity, gender identity, sexual orientation, age or physical abilities.

#### Mission & purpose

At OFS, we recognize that people and their diversity are our greatest asset and as a result we are committed to promoting policies, procedures and programs that provide equal access and opportunity to all associates while fostering an organizational culture that recognizes and values the diversity and inclusion of every individual.

The purpose of the Equity Steering Committee is to develop and promote strategies, programs and best practices for diversity, equity and inclusion within the realms of racial, social, sexual orientation and gender. The ultimate goal of this committee is to provide for the betterment of OFS, OFS employees, their families and our communities and to build upon the OFS family culture so that everyone is provided with a holistic professional and inclusive experience.

#### **Structure & membership**

The Equity Steering Committee is established with the following terms and considerations:

- One member of senior leadership shall serve on the committee.
- A Chair of the Committee shall be selected by senior leadership.
- The Committee shall consist of a minimum of 7 members and a maximum of 9.
- The Committee shall reflect the desired diversity of OFS and shall consist of a minimum of 60% of members of underrepresented minority populations.
- Each committee member will serve a one-year term with an option for renewal based on contributions and impact.
- Vacancies on the Committee will be filled by a process of nomination and approval by the Committee.

#### Responsibilities & scope

The Equity Steering Committee shall be responsible for guiding and supporting progress on equity at OFS and shall perform the following duties.

- Be a thought-partner to foster open and transparent communication with senior leadership, working to promote and make progress on strategic priorities related to equity and inclusion at OFS.
- Promote connections and alignment of needs, priorities and goals of associates, managers and senior leadership across the organization, stressing the importance of his work.
- Be accountable to each other, and to the organization, to carry out the charge our company has given us to realize the vision of the Diversity and Equity Charter and make good on our commitments.
- Review and guide policies and communications to identify and address diversity, equity, and inclusion shortfalls and considerations. Make recommendations for best practices and principles with regard to building an equitable organization.

The Committee shall consist of a minium of

60%



of members of underrepresented minority populations.

- Be committed to engaging in vigilant self-awareness and promoting open dialogue about inequities and engaging senior leadership and, when warranted, other members of management in discussions regarding identified shortfalls and challenges.
- Set the example of behavior for OFS by treating each other with respect, being welcoming to all, speaking about personal experiences, letting go of judgment and abandoning stereotyping, discrimination and prejudice in all forms.

#### **Procedures & administration**

#### Meetings

- The Equity Steering Committee will meet at least quarterly, or as deemed necessary, to meet responsibilities in appropriate time frames.
- In addition to regularly scheduled meetings, the Committee shall communicate regularly in order to maximize impact.
- A majority of the members of the Committee will constitute a quorum for the transaction of business.
- The affirmative vote of a majority of those present shall be necessary for any action by the Committee.
- The Committee will keep minutes and such other records of its meetings as it shall deem appropriate.
- Meeting minutes must be approved by the Committee.
- Members will be mindful and respect the safe space created by the formation and structure of the Committee. The thoughts and ideas of members are theirs to share - confidentiality and trust among the group must be maintained with a consideration on the impact of actions rather than a focus on intentions.

#### **Sub-committees & advisory councils**

- The Committee may form one or more subcommittees as it deems appropriate.
- The Committee may form an Equity Advisory Council consisting of a mix of external members and Committee members as it deems appropriate.
- Non-Committee members seated on an Equity Advisory Council as non-voting members will be determined by a process of nomination and approval by the Committee.

#### Reports to senior leadership

- The Committee will report regularly to senior leadership
- Committee meeting minutes will be recorded by a minute taker as designated by the Committee.
- The minute taker will formally present any suggestions for equity shortfalls and resolutions to the senior leadership for approval.

#### Charter

At least annually, the Committee will review and reassess the adequacy of this Charter and recommend any proposed changes to senior leadership.

### **EQUITY DEFINITIONS**

#### Diversity

The full range of individual and/or organizational differences and similarities. This range includes the personal dimensions of diversity related to, but not limited to, ethnicity, race, gender identity, sexual orientation, age, and physical ability.

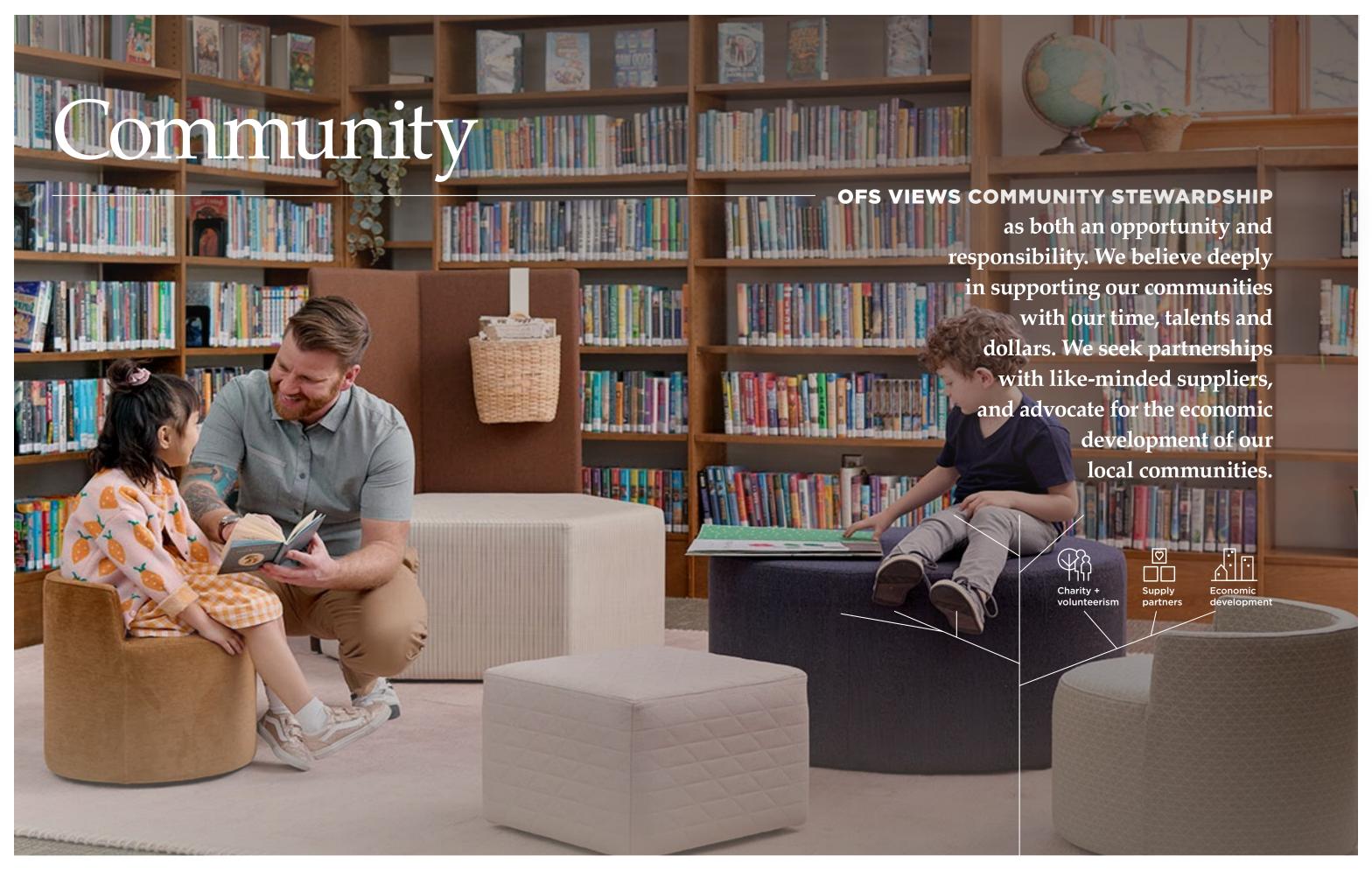
#### **Equity**

Fairness and equal access with regard to the utilization of practices, policies, and systems maintained by OFS. In seeking equity, OFS must identify and resolve any disparities which result in differences with regard to the application of those practices, policies, and systems.

#### Inclusion

The process of engaging and leveraging a diverse population across the wide range of dimensions and creating an organizational environment that makes each individual feel welcomed, valued, and respected so that they can contribute as their full selves in achieving the mission of culture at OFS.

"At OFS, we recognize that people and their diversity are our greatest asset."



# Charitable contributions

OFS, its employees and its founders have given countless charitable contribution dollars to help support local, regional and global community development. Giving back to the communities that support and have given so much to us creates opportunities for better quality of life, optimism and sense of togetherness.

#### **Fresh Artists**

In 2022 OFS further developed our relationship with Fresh Artists by helping to promote their mission through our networks and marketing channels to help them reach a larger audience. Fresh Artist is a nonprofit organization that serves America's underfunded public



schools and children through creative art programming and providing the support of art supplies.

Opportunity can change a life. Exposure to physical and emotional trauma, violent crime, and inadequate schools often translates to a high number of high school students dropping out, which makes

upward economic mobility difficult. For a child who grows up in this environment, it's nearly impossible to imagine a place different from their current reality. Fresh Artists realizes the power that exposure to broader opportunities and careers can have on disadvantaged youth and combats this issue with strategic art programming.



# DESIGN YOUR WORLD



Planning of the Design Your World program began in 2020 and launched in mid-2022. OFS agreed to be a founding sponsor for the program and to provide marketing resources to help tell the story to a wider audience within the industry. This commitment continued through 2022. The hope is to bring in more partnerships and increase the progam's existence in other cities throughout the US for increasing impact.



The world we design for has many different facets. Yet the lens we design through is myopic when it comes to diversity within the profession. A new program geared toward high school students seeks to widen that lens and explore the possibilities that could exist in the future of the commercial design industry, and the world.



As part of a long-term commitment to expose a diverse community of students and emerging professionals to design through learning and engagement, IIDA in partnership with the non-profit After School Matters® (ASM) have launched a new 6-week, after school program for high school students known as "Design Your World."



In alliance with ASM, presenting sponsor OFS, and supporting sponsors 3form, Mannington Commercial, and Configura, IIDA is producing a design program and framework for future replication and expansion in other cities that will grant educational design opportunities, while tackling diversity in design at the source.

The Design Your World program offers a well-rounded curriculum that covers topics such as material selection, color theory, creating space plans, as well as working with various types of design firms and sectors.

According to IIDA Executive Vice President and CEO Cheryl S. Durst, Hon. FIIDA, "The goal of the program is to demonstrate that design is accessible to all, both as a career and as a necessary component of life."

Keisha Hudson, director of campaigns at the Justice Collaborative Institute, serves on the Fresh Artists board. "Fresh Artists works with students who typically come from disadvantaged neighborhoods. Many of the students have difficult and stressful lives outside of school," Keisha said. "Rote learning and memorization don't always provide these kids the space they need to breathe. Art, however, gives them that room and time to express themselves, and I truly believe that directly translates into better emotional well-being for these children."

The non-profit serves thousands of underserved children through the support of art supplies and creative art programming. Their unique model of circular



philanthropy elevates young artists and their work through corporate installations while also raising funds to purchase art supplies for underfunded schools.





The act of altruism and living out of empathy is a lesson that Fresh Artists impart to children. They come to understand that by putting their voice out in the world, through their artwork and their actions, it is not only heard, but it's giving people joy and delight. And that feels good. Doing good not only gives us a greater sense of purpose, it also lifts our spirit. Moving about in the world becomes a bit easier, we

feel healthier, lighter, and less burdened by the baggage we may have been born with. Have grace in all that you pursue, and it will come back to you in abundance. When we feel good, we do better.

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Every year OFS employees band together to raise money for Make-A-Wish. This effort has become an organization-wide commitment with multiple fundraising events held throughout the year and is one of our largest group exercises in giving. Since 2003, OFS employees have raised more than \$335,000 for the Make-A-Wish Foundation and granted more than 55 wishes to children, mostly in our local area. For more information on our Make-A-Wish chapter please visit their website at **oki.wish.org**.

#### **University of Evansville scholarship**

In 2014, the creation of two University of Evansville scholarships benefiting Dubois County, Indiana, residents were established. The Phyllis and Robert H. Menke, Sr., Dubois County Endowed Scholarship and the OFS Endowed Scholarship were made possible by a gift of \$2.1 million from the Menke family.

#### **Furniture Donations**

As a furniture manufacturer we find ourselves with many opportunities to donate furniture products to assist certain organizations. Some notable donations have been given to Furniture for Kids, Designs for Dignity and A Kid's Place. In 2022, OFS donated over \$88,412 worth of furniture to various organizations both locally and across the nation.

#### **Menke Charitable Foundation**

Bob and Phyllis Menke established the Menke Charitable Foundation in 1961 to pool family resources as a source of philanthropy focused on economic development and community outreach programs. Over the past five decades the impact of this organization has been felt by generations of community members.

#### A Kid's Place

Along with annual monetary donations, OFS donates time and furniture to support A Kid's Place. A Kid's Place is a not for profit organization that exists to provide a safe, developmentally appropriate environment for infant through school age children. Their focus is to provide a stimulating early care and educational experience which promotes each child's social/emotional, physical and cognitive development. Their goal is to support children's desires to be life-long learners. www.akidsplace-huntingburg.org

#### **Backpack Buddies**

OFS has supported two local Elementary Schools, Huntingburg and Holland Elementary since 2019. Numbers can vary on a weekly basis, but OFS donates between 45 - 85 bags per week; helping to keep healthy food options available for young students that may not otherwise have them.

#### **Huntingburg Event Center**

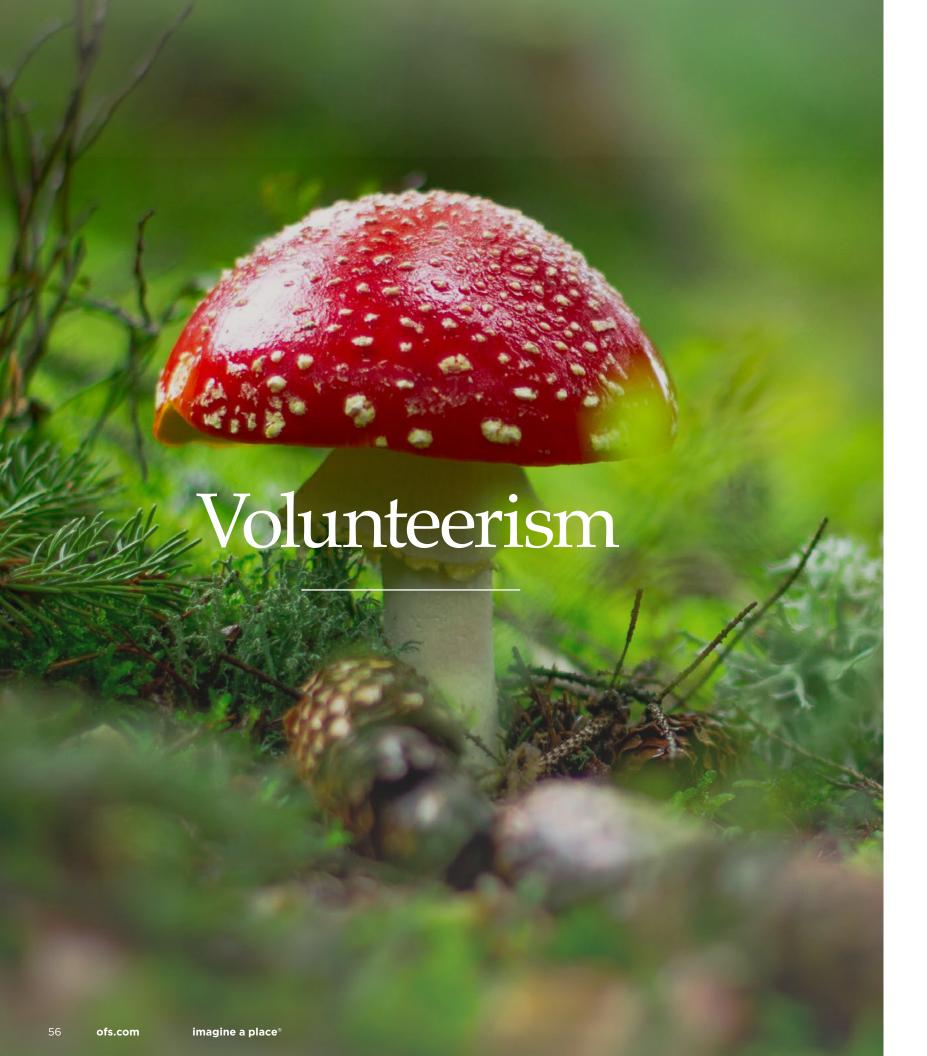
In 2008 the city of Huntingburg completed construction of the Huntingburg Event Center, a 24,000 square foot facility created for the current and future needs of the community. The Event center is utilized for functions including corporate events, trade shows, proms, weddings and any activities that may require a large space in a banquet hall setting. This community center was built through funds raised in and around the community. The fund raising efforts were initiated with donations of over \$1 Million from Bob and Phyllis Menke and OFS. Further donations of time, money and furniture from the Menke family and OFS helped to create the Event Center and an invaluable service to the community. For more information on the Huntingburg Event Center please visit www.huntingburgeventcenter.org.

#### **Huntingburg Old Town Hall Endowment**

In 1992, Phyllis Menke and her mother Marian McMurtrie established the Huntingburg Old Town Endowment. Different from other endowments, this fund didn't focus on awarding scholarships or aiding nonprofits, but recognized the irreplaceable history that was embedded in the building that was Huntingburg's first town hall. Restoring the building using materials from the Old Huntingburg High School, Phyllis and others went to work, refurbishing the building and reinstating the beautiful history it represents. Now, with the annual support of this endowment, the "Old Town Hall" will remain a historical landmark, forever preserving the memories it holds for its community.

#### **The McMurtrie Preserve**

Bob and Phyllis Menke donated the McMurtrie Preserve to the Star Prairie Land Preservation Trust. The 63 acre property is located on the southeast shore of Cedar Lake near Star Prairie, WI. The property contains a diversity of wildlife habitat including wetlands, hardwoods, oak savanna and pine plantations. Preserving tracts of undeveloped land along rivers and lakes is one way to protect water quality and habitat and the Menke family donated the land with these concerns in mind. With the donation they ensure that the property will remain in this natural state forever. The McMurtrie Preserve is available for education programs such as nature walks, photo workshops, science classes and scouting programs. The outdoor activities available are limited only by your imagination. For more information on The McMurtrie Preserve please visit www.starprairielandtrust.org.



One of the most respected ways to serve the community is by sharing time and non-monetary resources. OFS Brands, and its dedicated employees, commit hundreds of hours to the service of their communities. In so doing, loyal relationships are created, goals are exceeded, and appreciation thrives.

#### **Current Blend**

Current Blend, Inc., a nonprofit organization dedicated to creating new business and attracting talent to the region, will be opening the county's first co-working collaborative workspace in May.

Collaborative workspaces are designed to bring entrepreneurs with different skill sets under one roof to promote interaction and business development. Current Blend will feature a beautifully designed space plan with modern, open-concept furniture through a partnership with OFS and the Menke family in Huntingburg, Indiana.

This co-working space is the first step by local business-owners and community leaders to ignite local entrepreneurship and support established businesses. As this group began to formulate their goals and action plans, the historic Parker House building in Huntingburg, purchased by the Menke family for preservation, became available. Cory Menke enthusiastically supported the endeavor by providing access to the Parker House.

#### **Adopt A Highway**

OFS partnered with Indiana Department of Transportation [INDOT] to clean up a portion of State Highway 64 in Southern Indiana.

Our landscape is littered with trash that people throw from their vehicles and this is hiding Indiana's scenic beauty. In joining forces with INDOT, we can significantly help reduce the roadside trash problem. This not only improves the look of our community, but also uncovers some of Indiana's natural heritage.

# Charitable contributions

Being an advocate for continued economic growth within our communities is a practice that supports the sustainable development of OFS. The growth of our economies and improvements to commerce result in added benefits and improved quality of life for our people and their families.

#### **Community partnerships**

OFS is involved with several economic development organizations in our local community. These include the Dubois County Community Foundation, Dubois Strong, and the Huntingburg Chamber of Commerce.

These organizations are committed to the success of, and provide investment dollars and support to, small startup companies, not-for-profits and expanding businesses. For more information please visit their websites at:

www.duboisstrong.com www.huntingburgchamberofcommerce.org www.dccommunityfoundation.org.

#### **Stellar Grant**

In 2014, with help from many volunteers, public figures and community leaders, Huntingburg, IN was designated as a Stellar Community by the State of Indiana. Along with this honor comes a \$10 Million grant to be used for development projects within the city. OFS agreed to donate \$150,000 over the next 5 years to help facilitate project developments. The Menke family and OFS are proud to be part of this successful effort and extremely pleased in knowing that these funds will be available for future infrastructure projects that promote business and community in Huntingburg, IN. www.stellarindiana.org





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# **2022 Sustainability snapshot**

432,540 Pounds of recycled metal, plastic, paper, cardboard.

1332.5 Tons of wood waste used as bio-fuel.

\$54,207 Avoided landfill costs due to recycling efforts.

4077 Pounds of E-waste recycled in 2022

710.6 Metric Tonnes of CO2e reduction based on recycling efforts (excluding

7,100 Number of FSC® and America Tree Farm Program certified acres of company

owned forestland.

Metric tonnes of CO2 held within company owned forestland. 384,910

7,698 Metric tonnes of CO2 sequestered annually within company owned forestland.

44,368 Metric tonnes of CO2 emitted by all OFS facility operations in 2022 through

electricity and natural gas usage.

6.6% Percentage of total mBtu produced through all facility operations created

from renewables.

73.7%% Percentage reduction in gallons of water used per sales dollar from 2008 levels.

47.9%% Percentage reduction in MTCO2e per sales dollar from 2016 levels.

Amount of cash donations given to local, regional and national non-\$306,224

profit organizations.

\$88,412 Value of furniture donations in 2020.

153 Level 1 certified seating products (e3-2019)

76 Level 2 certified casegoods, systems, and tables products (e3-2019)

230 Products SCS Indoor Advantage Gold Certified.

10.2% Reduction in MTCO2e per 1000 Transportation Miles from 2009 levels.

12,562,122 Transportation miles driven in 2022.

11.3% Increase in miles per gallon from 2009 levels.

73.9% Reduction in our combined company OSHA Rating from 1999 levels.

505 Times around the earth our 2022 transportation miles is equivalent to. Nearly 1.5

times around every day of the year.

60,000+ Trees planted in 2022.

290,911 - 727,275 Kilograms of CO2e emissions reduced by switching to 1" thick board

**75**% Yield for all cut board material.

Lbs. of polypropylene not consumed by switching to 2mm 1" banding 75,374

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OFS creates an annual Sustainability Report with consideration given to the core requirements of the Global Reporting Initiative [GRI] Sustainability Reporting Guidelines version G4. This report includes data from fiscal year Jan. 1, 2022—Dec. 31, 2022. Additional organization information, not found within this report, can be located at www.ofs.com.

Questions regarding the content of this report can be directed to:

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