

THE BETTER EFFECT

A SUSTAINABILITY REPORT FROM THE KINNARPS GROUP

Kinnarps | Drabert | MartinStoll | Materia | NC Nordic Care | Skandiform



WE MAKE SUSTAINABILITY SIMPLE

- ▷ **WHAT SHOULD I THINK ABOUT IN A PROCUREMENT PROCESS?**
- ▷ **WHAT IS IMPORTANT IN LEED CERTIFICATION?**
- ▷ **HOW DO I KNOW WHERE THE PRODUCT WAS MANUFACTURED?**
- ▷ **HOW DO I KNOW THAT NO ONE HAS COME TO HARM ALONG THE WAY?**
- ▷ **WHICH MATERIALS SHOULD I AVOID?**
- ▷ **HOW CAN I ARGUE IN FAVOUR OF ECO-LABELLED PRODUCTS?**

WHEN THE SUBJECT OF SUSTAINABILITY ARISES, IT CAN ALL TOO EASILY BECOME REALLY COMPLICATED. WE WANT TO MAKE IT SIMPLE. WHEN YOU CHOOSE PRODUCTS FROM THE KINNARPS GROUP, YOU CHOOSE PURE MATERIALS AND WELL THOUGHT-OUT, RESPONSIBLE DESIGN. THIS IS THE START OF A CHAIN REACTION. FOR YOU AND FOR OUR EARTH.

WE CALL IT "THE BETTER EFFECT".



A modern interior space featuring a staircase with light-colored wooden steps and a wall of dark green acoustic panels. The ceiling is white with recessed lighting. The floor is light-colored with a subtle grid pattern.

CONTENT

THE BETTER EFFECT INDEX	16
RAW MATERIALS AND RESOURCES	22
CLIMATE	28
PURE MATERIALS	34
SOCIAL RESPONSIBILITY	42
REUSE	48
ERGONOMICS	54
THE KINNARPS GROUP	62
OUR TRADEMARKS	72
GLOSSARY	92

“RESOURCE MANAGEMENT IS PART OF KINNARPS’ DNA”

“My parents were farmers’ children. They grew up on farms not so far from Kinnarp. Our values have their roots in the old farming culture – a culture characterised by work, taking responsibility and managing resources,” says Sibylla Jacobsson, Chair of the Board of Kinnarps Holding AB.



"If we could combine business with pleasure, we did. Our Sunday days out and our holidays consisted mostly of visiting customers and suppliers. I particularly remember one summer holiday in Finland and northern Sweden. On the way home we visited every single police station along the Norrland coast. We'd supplied them with furniture, and my father wanted to check that everything looked good. It was entirely natural for us."

ACTIVE OWNERSHIP

Kinnarps was founded in 1942 by Jarl and Evy Andersson. We are still a wholly-owned and owner-led family business, and many of Jarl and Evy's children and grandchildren work for the company. Sibylla, Jarl and Evy's daughter, is one of many family members who are active in the company. Today, the Kinnarps Group is one of Europe's leading suppliers of interior design solutions for offices, with sales operations in more than 40 countries. Europe is our major market, and where we aim to continue developing. Kinnarps' vision is, with a holistic view, to create inspiring and effective workspaces, which lead to prosperity. We contribute towards creating a good working environment for a large number of people – with the help of our products but also in our own operations and those of our sub-suppliers. Once again, it's a matter of efficiency and coordinating resources, in close cooperation with our customers.

LONG-TERM RESPONSIBILITY

"In everything we do, we take a long-term view. We have formulated Kinnarps' overall goal in our ownership directive. We want Kinnarps to thrive as a successful company which everyone can take pride in. We will ensure that the name 'Kinnarps' and our other brands continue to command a high reputation. We will do this by following our core values and acting responsibly towards people and towards the environment around us. We will be active in seeking new ways of managing resources, for example by always striving for efficient processes. An example of this is our production process, which was developed at an

early stage on the basis of the individual customer's order, and which we extended to include delivery, with reusable packaging, direct to the customer's offices. For us, thinking economically has always been the same thing as managing resources."

Kinnarps' core values are a compass for the Group's employees.

"In the Board, we have been very clear about what we want. Of course, we can't then go in and give detailed guidance – we have to rely on our ambitions being understood and lived up to. But I think it helps that we are involved in the day-to-day operations. For example, all new employees are given basic training in which I myself take part, lead and establish our values."

Kinnarps' business strategy aims to create a good, stable profit margin and profitable growth through efficient resource management. But it isn't only a matter of profitability – it's also important that we can be proud of what we do. Kinnarps has ambitious sustainability goals. In many areas we have made a lot of progress, while in others there is still work to do.

"Running the Kinnarps Group as we do means that we take responsibility for more than just ourselves. Through our operations, we want to contribute to a better society in the long run."

BACK TO THE CIRCULAR

The environment, society and our customers all demand circular business models which focus on longer service life, the possibility of reuse and total recycling of materials. During the year we have started work on developing and reshaping our business model so that we as a company can also help our customers to manage resources.

"We're now returning to the circular business model which I grew up with and which was natural in the old farming society. As owners of Kinnarps, managing resources as economically as possible has always been our guiding principle. Now we are taking a step further by doing what we can to develop the model. We have embarked on this work with an attitude which is typical of the Kinnarps Group. We are positive and creative. We see opportunities. We want to develop and improve."

THE UN'S 17 NEW GLOBAL SUSTAINABLE DEVELOPMENT GOALS, ADOPTED IN SEPTEMBER 2015, WILL - FROM 2016 - BUILD FURTHER ON THE MILLENNIUM DEVELOPMENT GOALS IN THE WORK OF THE GLOBAL COMPACT. THESE 17 GOALS NOW CONSTITUTE THE WORLD'S SHARED VISION FOR THE YEAR 2030, AND APPLY TO ALL COUNTRIES AND ALL STAKEHOLDERS, FROM STATES TO CITIES, COMPANIES AND ORGANISATIONS.

READ MORE AT WWW.UN.ORG



SUSTAINABLE DEVELOPMENT GOALS



ABOUT THE REPORT This sustainability report relates to the Kinnarps Group for the fiscal year ending 31 August 2017. The previous report was published in May 2017. We follow a two-year reporting cycle. Key figures for the next accounting year will be updated on our website. The report is inspired by GRI G4, and our ambition for the future is to report entirely in accordance with this system. The report has not been reviewed by any external party.



LAUNCH OF THE BETTER EFFECT INDEX

In 2017 we launched our sustainability indicator tool, The Better Effect Index. The index is a tool that states the sustainability properties of our products in six important areas. By showing openly and clearly how we work with sustainability, we make it easier for our customers to make sustainable choices. You can read more about The Better Effect Index on page 16.



Materia's Neo Lite chair, designed by Fredrik Mattson, has a total score of 2.13 in The Better Effect Index.

SPARE-TIME JOB IN TROLLHÄTTAN

Bees are important for food production in the world, as they help with pollination. Bee populations are currently declining in many areas including Europe. Kinnarps in Trollhättan are doing their bit to help out. In summer 2017 we moved two bee colonies onto the premises. The honey they produce is appreciated both by our employees and by our customers.



PROPORTION OF PROCURED FSC-CERTIFIED WOOD RAW MATERIAL

34%

(26% 2016)

FSC®-certified wood means that the forest is managed in a responsible manner with regard to environment, economics and social responsibility.

PROPORTION OF HIGH-RISK SUPPLIERS INSPECTED WITH AN AUDIT

88%

(79% 2016)

Suppliers who we judge to be high-risk suppliers are followed up on-site. This is an important component of our work with social responsibility.



RENEWABLE FUEL FROM THE FOREST

All internal transportation in the Materia Group now uses 50% biodiesel. The biodiesel is based on tall oil, a natural by-product of wood pulp manufacture. This means that the fuel is 50% renewable and contributes to reducing our climate impact. Kinnarps' own lorries, the so-called 'Blue trucks', have already been running on this type of diesel for some time.

ASH – A RESPONSIBLE CHOICE

In 2017 we launched ash veneer as standard in the Kinnarps range. The material is FSC®-labelled and comes from responsibly managed forests. We have chosen to work with a white pigmented ash in order to strengthen and retain the wood's original appearance. This means that the material does not yellow with time, but maintains its appearance.



TURNOVER
KINNARPS GROUP (SEK)

4,037,832,439
(SEK 3,813,401,382 2016)

RESULT
KINNARPS GROUP (SEK)

119,195,567
(SEK 18,318,876 2016)

ONGOING INVESTMENTS IN PRODUCTION

Energy-efficient and materials-efficient production is important in enabling us to achieve our sustainability goals. We therefore invest continuously in our production facilities. The result is increased productivity and quality, with less wastage and opportunities for even better resource management. At the same time, we improve safety and ergonomics for our employees.

“SUSTAINABILITY HAS TO BECOME SIMPLER”

A new generation is putting new demands on companies' sustainability work. "More and more people want to make sustainable choices, so we have to make it easier to choose," says Sustainability Manager Johanna Ljunggren.

"The decision-makers of the future won't be satisfied with buying a label. A symbol isn't enough – we also have to show how we arrived at it," Ljunggren argues.

This is also something that will have an impact on procurement processes. It won't be enough for a supplier to tick a box and leave it at that. You have to show that you're in control of the situation.

"The trend is clear all around the world – people want to see what difference they are actually making. They want to know how they can have an influence. Level™ is an environmental label developed by the American office furniture industry. It works as a sort of checklist with various points. The companies using it think it's great, but surveys have shown that the customers aren't at all as enthusiastic. They don't care about the actual point – they want to know how the companies earned it."

"One of the first Swedish players to tell their customers what they're actually buying is the hamburger chain Max. They have a climate index that tells you how much carbon dioxide the product you're buying has generated. When you're standing there waiting to order, it's easy to make your choice."

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THE BETTER EFFECT INDEX

Kinnarps' answer to the growing demands is The Better Effect Index. Products are indexed in six areas which have a big impact on sustainability work: raw materials and resources, climate, pure materials, social responsibility, reuse and ergonomics. Every product is ranked in the various areas, and you can see exactly which criteria they have, or haven't, fulfilled.

"This is important. We report not only our good products but also our shortcomings. The Better Effect Index will also be available as an Open Source, giving everyone – from architects and purchasers to customers and competitors – an insight into how we work with and evaluate products. By being open about what we do, we give the industry opportunities to cooperate in sustainability issues. If we have a shared sustainability agenda, we can together make it easier for customers to make better sustainability choices. A protectionist attitude doesn't benefit anyone – least of all the environment or the people who suffer at work."

FROM LINEAR TO CIRCULAR

Reuse is currently the hot topic in the industry.

"80% of furniture's climate impact is in the material. If we want to have a long-term influence, we have to find new solutions for raw materials and materials. For some time many people, including us, have tried to find various quick fixes, for example in the form of outlets where old products are resold. Second-hand trading is fine, but it doesn't solve the problem of how to deal with processes and materials in the future. We have to develop a material cycle in which products can be recycled and transformed without major addition of new material and energy. And we have to be able to use products and materials longer, so that we don't have to manufacture new ones. Here we are also looking for more pilot projects in collaboration with our customers."

Kinnarps' Corporate Sustainability Manager Johanna Ljunggren has been nominated by the monthly environmental and business magazine Aktuell Hållbarhet as one of Sweden's 33 sustainability talents under the age of 33.



"WE HAVE TO DEVELOP A MATERIAL CYCLE IN WHICH PRODUCTS CAN BE RECYCLED AND TRANSFORMED WITHOUT MAJOR ADDITION OF NEW MATERIAL AND ENERGY."

NEW BUSINESS MODEL

Even though the companies in the Kinnarps Group are proficient at managing resources efficiently, they have previously worked on a linear business model based on products being manufactured, used until they are worn out, and thrown away. This type of model is reaching the end of its life. The environment, society and the customers demand circular business models which focus on longer service life, the possibility of reuse and total recycling of materials.

"We have started work on developing a new circular business model. Our design strategy, which is already based on sustainability through the product's entire life cycle, will be an important tool in this work."

"We want to integrate circular thinking at every stage, and we hope to be able to report the results in the next reporting period, 2017-2018."

On the Kinnarps website you can see a virtual reality film with the Space storage range in different environments. Seeing the environments from different perspectives makes it easy to understand the breadth and functionality of the range.



JOHANNA TAKES A LOOK AT FOUR SUSTAINABILITY TRENDS

A JOY SHARED IS A DOUBLE JOY!

"The sharing economy is growing. We'll soon be seeing pooled solutions inspired by Sunfleet and Über-type apps in the interior design industry as well. Sharing offices, office furniture and technical equipment is time- and cost-effective for people and organisations, and an obvious way of managing resources economically."

LEASING OF MATERIAL

"An important part of circular business models is products that last longer. For this reason, we're going to see new and tougher requirements for materials in the interior design industry. In the circular economy it will also be possible to reuse materials between industries more efficiently. In the plastics industry it's already possible to hire different materials and components. Another example is the plastic banks in Peru and Haiti. Here, the local population can collect waste plastic and get materials and tools in exchange. This is a type of solution I think we're going to see more of."

VR AS IT SHOULD BE

"The Christmas present of the year in Sweden in 2016 was the virtual reality headset. This is no coincidence. Virtual reality technology has matured and is today both functional and economical. In the future, we'll be able to offer customers a VR experience instead of asking them to travel to a certain place to see our products. With VR there's also no need to build expensive exhibitions and showrooms – and the question is what will happen to furniture trade fairs in the future? VR has the potential to be an important contributor to CO₂ reduction."

NEW MATERIALS

"In the furniture industry we're generally conservative – you only need to look at the types of wood we use. Other industries are more innovative. In the fashion industry, for example, they're experimenting with pineapple leaves instead of leather, and making 3D-printed shoes out of waste plastic from the sea. The decision-makers of the future will require us to be more forward-thinking in our choice of materials."

THE BETTER EFFECT INDEX

The Better Effect Index is the first comprehensive tool for those who want to make sustainable interior design choices. A simple way of creating a better effect for the individual, the organisation and the world around them.





By making the right choice you can create environments where people feel good and work better – with fewer strain injuries and less sick leave. But you can also reduce the strain on the earth's resources, think climate-smart and make sure that the manufacturers of the products also have good working conditions. It may sound difficult, but with the right tool it's easy.

Up until now there has not been a clear, efficient tool to help make sustainable interior design choices.

Admittedly, there are already many good labels on the market today, such as Svanen, Möbelfakta, Blauer Engel, NF Environnement and FSC®. But many of them are niche labels, and do not answer all the important questions about sustainability, including questions concerning social responsibility and ergonomics. With the exception of FSC, most environmental labels are also national or regional, which makes them difficult to compare from an international perspective.

Many good initiatives have been developed by our colleagues in the industry – for example, SB Seating has produced a CO₂ calculator for its products. Herman Miller offers a LEED calculator where you can compare different products.

But in the long run it's unsustainable to sit and try to fit the pieces of the puzzle together to get answers to all the questions. That's why we've created The Better Effect Index. Our hope is that The Better Effect Index will inspire a new industry standard in our joint sustainability work.

HOW IT WORKS

We began by asking our customers – architects, interior designers, purchasers and users – what they thought was important in order to be able to make sustainable choices. On the basis of their wishes and the UN's sustainability goals, we have created an index where we evaluate and grade our products in six important areas: raw materials and resources, climate, pure materials, social responsibility, reuse and ergonomics. Together, these give a comprehensive picture of the product's sustainability. Because a grade is only interesting if you know what it is based on, we also show which criteria we use as the basis for our grading in each index area. We also show the product's potential sustainability effects in various sustainability areas, for example in the form of ecosystem services, circularity, well-being, efficiency and alternative business models.

THERE FOR EVERYONE

If The Better Effect Index is to be effective, it must be possible to compare different products with each other. For this reason,

The Better Effect Index is an open source product. Everyone, including our competitors, can see how the index is designed, and which criteria there are for each area. Everything will be available on our website.

WHAT IS THE EFFECT?

With The Better Effect Index, we help customers to make sustainable choices, build on their sustainability work and progress towards various goals. For us in the Kinnarps Group, The Better Effect Index is also a concrete way of driving the transformation of our design and business models in the direction of a more circular approach. The Better Effect Index is our new guiding principle which spurs us on in our innovation process, and a motor in the development of new circular flows. The index has a number of possible positive effects for the individual, the organisation and the world around them. We can create workplaces with better ergonomics, less stress and lower emissions of solvents (VOCs) for improved health and productivity. We can boost the work with ecosystem services – for example, wood from sustainable forestry, eco-labelled textiles, reduced use of chemicals and resource-efficient production. We can develop circular services in which we can receive, reuse and recycle the customer's old furniture, and design new sharing services which make it possible to hire or co-own furniture instead of buying it.

LAUNCH OF THE INDEX

The Better Effect Index was launched in 2017. The index, which takes the form of a quick, easy-to-use online tool, is continuously updated with details of new products. We have started with products which we know are especially interesting for our customers, and the aim is to include the entire product range of the Kinnarps Group. At the end of the year the Index included about 100 products with assessments. This doesn't mean that we are discontinuing the quality and environmental labels we already have. These will also be included as indicators in The Better Effect Index.

THE BETTER EFFECT INDEX

RAW MATERIALS AND RESOURCES

INDICATORS

- ▷ Knowledge of the origin of the raw materials
- ▷ Knowledge of conditions in the production chain
- ▷ Resource optimisation

CLIMATE

INDICATORS

- ▷ Inward transport
- ▷ Outward transport
- ▷ Suppliers (fossil-free energy in manufacturing)
- ▷ Producers (fossil-free energy in manufacturing)
- ▷ Proportion of material with low climate impact

PURE MATERIALS

INDICATORS

- ▷ Fulfilled levels of chemical content
- ▷ Fulfilled levels of emissions
- ▷ Good material choice

SOCIAL RESPONSIBILITY

INDICATORS

- ▷ Code of Conduct for suppliers
- ▷ Suppliers which have been risk-assessed
- ▷ Inspected suppliers from risk countries

REUSE

INDICATORS

- ▷ Possible to repair/renovate
- ▷ Possible to recycle materials
- ▷ Made of recycled material

ERGONOMICS

INDICATORS

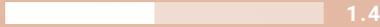
- ▷ Enables customisation
- ▷ Enables movement
- ▷ Improves the acoustic environment

HOW THE BETTER EFFECT INDEX WORKS

RAW MATERIALS & RESOURCES



CLIMATE



PURE MATERIALS



SOCIAL RESPONSIBILITY



REUSE



ERGONOMICS

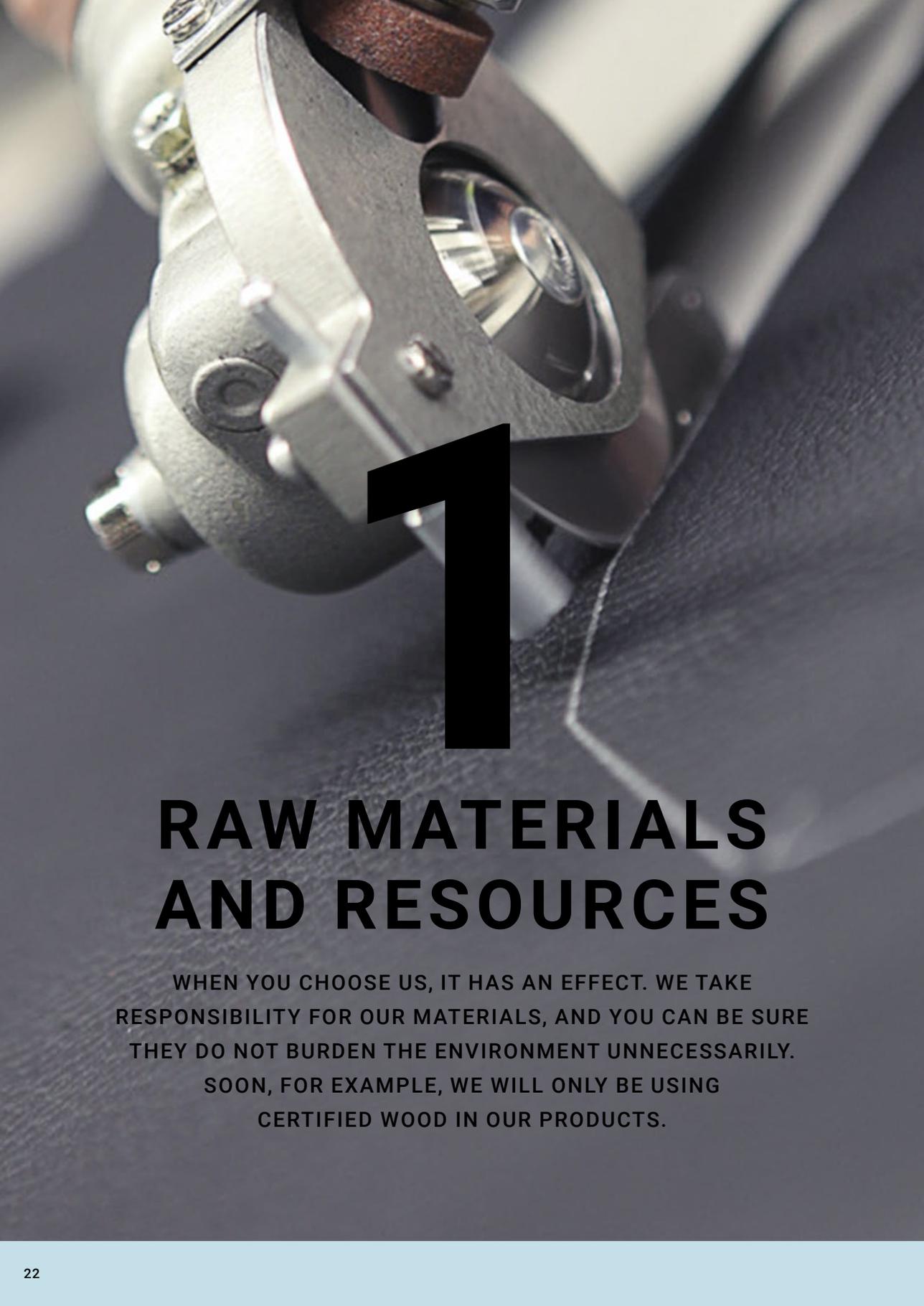


All products are graded in six different areas. The highest grade in each area is 3 points. The grade in each area is an average of the points awarded for the indicators. The highest possible total grade when all areas are combined is 3 points. The total grade is an average of the points for the areas.

With The Better Effect Index, it is easy to compare the sustainability of different products in different areas, faster and more clearly than a traditional EPD (Environmental Product Declaration) or life cycle analysis. It is easier for you to advocate and make sustainable decisions. You can contribute to strengthen your own sustainability work and your customer's. With the aid of the various index areas it is also easy to work towards various goals.

**THE BETTER
EFFECT:
AREAS**

1	RAW MATERIALS & RESOURCES	22
2	CLIMATE	28
3	PURE MATERIALS	34
4	SOCIAL RESPONSIBILITY	42
5	REUSE	48
6	ERGONOMICS	54



1

RAW MATERIALS AND RESOURCES

WHEN YOU CHOOSE US, IT HAS AN EFFECT. WE TAKE RESPONSIBILITY FOR OUR MATERIALS, AND YOU CAN BE SURE THEY DO NOT BURDEN THE ENVIRONMENT UNNECESSARILY.

SOON, FOR EXAMPLE, WE WILL ONLY BE USING CERTIFIED WOOD IN OUR PRODUCTS.

Our ambition is to have full knowledge of all the components which go into a product, where they come from and how they have been produced.

WOOD

The wood in our products is always certified or from a source verified by us. Kinnarps is represented on the board of FSC®, and is a member of GFTN (Global Forest and Trade Network), which is the WWF's corporate network for responsible forestry. Our target is for all the wood we use to be FSC-certified by 2020. In 2017 the figure was 34%, a substantial increase on previous years. However, availability of FSC-certified components remains limited.

94%

**OF THE WOOD MATERIAL WE USE
IS CERTIFIED OR MONITORED BY
A THIRD PARTY**



TEXTILES

How we choose and handle textiles has a great importance for the product's sustainability characteristics. We offer durable and natural materials such as recycled jute and wool, and we are participating in the innovation project 'Establishing locally-cultivated textiles in Sweden'. The aim is to create sustainable production of textile fibres from raw timber or recycled bio-based textiles. We also work with recycled artificial materials; Xtreme is made entirely of recycled polyester.

69% of the fabrics in our range are currently certified with Oeko-Tex® or EU Ecolabel. All leathers are vegetable tanned. In our fabric cutting facility, we use an automated optimisation program which reduces waste fabric. Here we have achieved as much as we can – material utilisation is at a consistent level of around 80%. Now we are focusing instead on developing new products in which the remaining waste can be used.

METAL

We use recycled metal as far as possible, taking into account availability and quality requirements – preferably cast aluminium, as this method enables a higher proportion of recycled material. For surface treatment, we prefer powder coating, since this method has a low environmental impact and is carried out in a self-contained process. For screws, hardware and fittings which require high durability, the use of chrome is justified, since it prolongs lifespan. In such cases we use trivalent chrome, which is less damaging to health and the environment than hexavalent chrome.

We also use recycled magnesium – in Kinnarps' Capella task chair, for example.

PLASTIC

The padding in our seating furniture is made of a plastic material. We have therefore invested in our own die-casting facility at our factory in Skillingaryd, which gives us full control over the material. We have, for example, eliminated the hazardous isocyanate TDI and replaced it with MDI. Recycled plastic does not always feature in furniture

production, since it is not so strong and availability is limited. But we do use recycled plastic in certain components, for example in covers. We have also developed our own plastic material Re:fill, which contains recycled PET plastic. All plastic components over 50 g are type-marked to facilitate recycling.

ELECTRONICS

We have made it a requirement that 'conflict minerals' must not be included in electronics. By taking this measure we want to ensure that we do not use electronics containing tin, tantalum, tungsten or gold which have been extracted illegally, or whose extraction contributes to supporting conflicts.

CHALLENGE

The extraction of raw materials and the manufacturing of materials are part of a complicated global context. It is a big challenge to trace where raw materials such as oil, plastic, ore and metal come from, and under what conditions they were produced. To be able to guarantee that the materials in our products are manufactured in an environmentally responsible way, we need to acquire even better knowledge of the supplier chain. Wood is unique in that there are good traceability certifications, and this is also why we have set particularly high targets in this area. But the availability of certified wood is still far from adequate, which means that the industry must make an effort to disseminate knowledge and arouse interest among the producers.

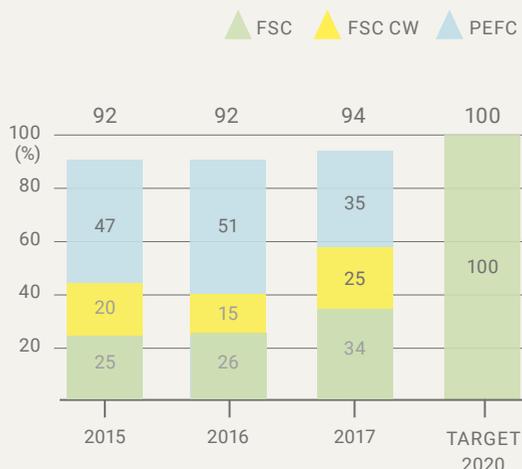


KEY FIGURES



LONG-TERM TARGET. BY 2030 WE WILL USE ONLY RESOURCE-EFFICIENT AND 100% TRACEABLE RAW MATERIALS IN OUR GOODS AND SERVICES. THE OBJECTIVE IS LINKED TO THE UN'S SUSTAINABLE DEVELOPMENT GOALS 9 AND 15, 'SUSTAINABLE INDUSTRY, INNOVATION AND INFRASTRUCTURE' AND 'ECOSYSTEMS AND BIODIVERSITY'.

WE THEREFORE SYSTEMATICALLY REQUEST AND PROCESS INFORMATION ABOUT THE ENVIRONMENTAL PERFORMANCE OF THE MATERIALS WE BUY.



PROPORTION OF CERTIFIED RAW WOOD IN TOTAL RAW WOOD PROCURED*

* Purchase of raw wood for our own products in Kinnarp, Skillingaryd, Worms, Tranås and Vinslöv.

► ANALYSIS AND FOLLOW-UP

We have procedures for monitoring the origin of all raw wood. Our basic requirement is that all the wood we purchase should come from legal and acceptable sources, i.e. not from forests with a high conservation value, areas which have been modified from natural forest to plantations or forests with social conflicts.

The proportion of FSC-certified raw wood purchased has increased to 34% of our total wood purchases, which is a clear improvement on the previous year (26%). During the year we have been able to switch to FSC in more materials, and now label Kinnarps tables with FSC as standard in light grey as well. Of all the wood we purchase, 94% is either FSC, FSC Controlled Wood or PEFC, i.e. certified or monitored by a third party. We have the ambitious target of increasing the proportion of FSC-certified material from 34% to 100% by 2020. Availability and pricing are obstacles to achieving this target. But we are working with our suppliers

so that they can gain traceability certification and thereby be in a position to supply certified material. A number of our suppliers have become certified or have started a certification process during the year, and we will thus be able to increase the proportion of FSC by next year.

Germany has the highest availability of PEFC, while in the Swedish factories we have greater availability of FSC. During the year we have purchased more raw wood at our factory in Worms, so that the proportion of PEFC has increased. Our units in Kinnarp, Skillingaryd, Tranås and Vinslöv are FSC traceability-certified. Our current range includes a large number of labelled products, 50 different product ranges in total.

► TARGET

By 2020, all raw wood bought and sold under the Kinnarps brand will be sourced from FSC-certified forests.



RESOURCE OPTIMISATION THROUGH TEXTILE USE*

* Production in Skillingaryd.

► ANALYSIS AND FOLLOW-UP

Material utilisation in fabric cutting during the last few years has been consistently around 80%, which is a high level. We use an entirely automated optimisation program. Two factors influence the degree of utilisation: the fabric patterns to be cut out and the day's mix, i.e. how many products of the same type are to be manufactured, in accordance with our system governed by customer orders. Waste fabric is currently sent for recycling or reused in a material we call Re:fill to become new products.

► TARGET

Our target is to maintain the high level of over 80% and to develop new products in which the remaining waste can be used.

THE EFFECT OF GOOD RAW MATERIALS AND MATERIALS

SUPPORTING THE CLIMATE GOAL

Reduced deforestation and responsible forestry are essential for slowing down global warming. With FSC®-labelled products, both we and our customers contribute to the responsible use of the world's forests and to the achievement of the global climate goal.

BETTER RESOURCE MANAGEMENT

With recycled materials, we reduce the use of raw materials and economise with the earth's finite resources.

LESS CONSUMPTION OF MATERIALS

We work in a number of ways to reduce wastage in our production. For example, we have developed new methods of veneering, and use various types of 'waste' in new materials or products. By making efficient use of materials in our products, we enable resources to last longer.

The Jackie armchair from NC Nordic Care is FSC-labelled, which means that the wood in the chair is traceable through the entire chain and comes from responsibly managed forests. Jackie is also Möbelfakta labelled.



MATERIALS GUIDE

CHOOSE ECO-LABELLED PRODUCTS

With eco-labelled products, you know that the material has also complied with requirements.

CHOOSE FSC®-LABELLED PRODUCTS

This means that the wood is traceable through the entire value chain, all the way back to the forest. You can be sure that the wood in the product comes from responsibly managed forests.

CHOOSE RENEWABLE MATERIALS

Wood and wool are examples of natural materials which come from renewable sources.

2

CLIMATE

WHEN YOU CHOOSE US, YOU ARE CONTRIBUTING TO THE GLOBAL CLIMATE GOAL. WITH SMART CHOICES OF MATERIALS AND EFFICIENT MANUFACTURING AND TRANSPORTATION, WE REDUCE OUR CARBON DIOXIDE EMISSIONS. WE ARE NOW AIMING TO BECOME CLIMATE-NEUTRAL.

We are focusing on being more energy-efficient in our own operations and choice of renewable energy sources. Since 2014 we have reduced our total climate-impacting emissions by 18%. The biggest reduction of climate impact is linked to our transportation in the Group. Kinnarps is one of the few manufacturers in the market using its own, comprehensive transportation system. This means that we ourselves can optimise our transportation – design and routes – to take account of climate impact. Kinnarps' products are loaded like a jigsaw puzzle, without packaging, which enables a load efficiency of 90%. Instead of single-use packaging, we use blankets to wrap our products – blankets which we take back home with us and reuse. This saves us and the customers 6.5 tonnes of packaging every day. On the way back to the factories, we fill our transporters with materials from our suppliers. We have invested in new vehicles which run mainly on diesel with the addition of tall oil, in order to reduce our climate impact. Transportation includes products from the Kinnarps and Drabert brands.

CHALLENGE

The global climate goal means that the global temperature increase should be kept under

270

**KILOS OF PACKAGING ARE SAVED
IN EVERY JOURNEY THROUGH
KINNARPS' USE OF BLANKETS**

2 degrees, and preferably stop at 1.5 degrees. There is a high level of awareness of the issue in society, but clear initiatives are still needed. We see that there is often a gap between political decisions at EU level and implementation in the form of practical solutions and incentives. The greatest single challenge is that many of today's processes are dependent on fossil fuels, and the Kinnarps Group is no exception. We must continue our work to find new, fossil-free alternatives for our manufacturing and transportation. In order to do this, we need new, more efficient technology and greater availability of renewable fuels – but also long-term political rules of play which make renewable fuels competitive against fossil fuels.



The biggest reduction of climate impact is linked to our transportation. In our Kinnarps vehicles we have a load efficiency of 90%.



THE EFFECT OF SMART CLIMATE CHOICES

REDUCED CARBON DIOXIDE EMISSIONS

By choosing products which have been manufactured with climate-smart materials, energy-efficient production and optimised transportation, you contribute to achieving the global climate goal.

LESS PACKAGING

Kinnarps' own distinctive blue vehicles are optimised to reduce climate impact. Our drivers also take care of any packaging, so that we can ensure energy-effective recycling, and the customers don't have to deal with it.

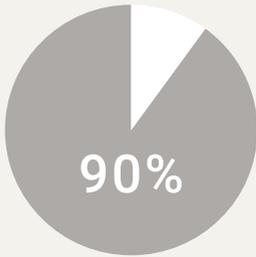
RENEWABLE ENERGY

Several of our factories are heated with wood waste from our own operations. This is a renewable energy source which reduces emissions of fossil carbon dioxide.

KEY FIGURES



LONG-TERM TARGET. BY 2030 WE WILL BE CLIMATE-NEUTRAL IN ALL PROCESSES AND OPERATIONS. THIS TARGET IS LINKED TO THE UN'S SUSTAINABLE DEVELOPMENT GOALS 7 'AFFORDABLE AND CLEAN ENERGY' AND 13 'CLIMATE ACTION'. WE ARE WORKING CONTINUOUSLY TO IMPROVE ENERGY EFFICIENCY IN ALL OUR OPERATIONS, AND OUR AMBITION IS TO USE MORE ENERGY FROM RENEWABLE SOURCES.



RESOURCE OPTIMISATION THROUGH LOAD EFFICIENCY IN OUR OWN VEHICLES*

* Kinnarps-owned outward transportation

► ANALYSIS AND FOLLOW-UP

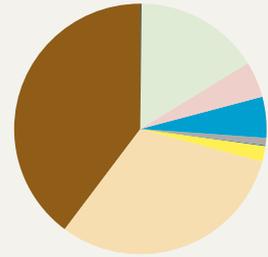
Careful delivery planning and packing on the basis of delivery order enables our consistently high load efficiency. Since we use blankets and cardboard as packaging materials and have a well thought-out packing technique, we can also load products very tightly per cubic metre, and fit more products into each vehicle. During the year we have reduced the quantity of material we take back from suppliers to our factories after we have delivered to the customer. We also undertake external dispatch commissions. By doing so, we can increase the load efficiency in our transports or deliveries to the customers.

► TARGET

Our ambition is to increase the load efficiency of our return transportation. We will therefore be introducing a system which facilitates planning, and taking responsibility for planning all transportation. We will also be looking for more external dispatch commissions.



Unit: TJ



ENERGY USE IN THE ORGANISATION*

* Production in Kinnarp, Jönköping, Skillingaryd, Worms, Tranås, Vinslöv, ISO-certified sales offices in Sweden, Norway, the UK and France.

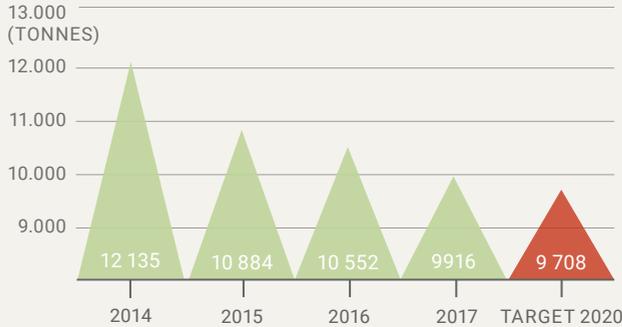
► ANALYSIS AND FOLLOW-UP

In our production units in Kinnarp, Skillingaryd and Worms we have entirely renewable heating by combustion of our own waste wood. There are oil boilers as a reserve in case of interruptions or repairs. Materia's factory in Tranås is heated by geothermal energy. The other units are heated with district heating, electricity, gas or oil. LPG is used for the lacquering process and heating in Jönköping. In comparison with the previous year we have reduced our energy requirement by about 30 TJ. It is primarily in heating and transportation that energy consumption has declined. 22% of the total fuel consumption consists of renewable fuels, thanks to the admixture of biodiesel.

► TARGET

Our target is to chart the energy consumption of our operations and reduce consumption by 10% between now and 2020.

KEY FIGURES



EMISSIONS OF CARBON DIOXIDE EQUIVALENTS (TONNES)*

* Production in Kinnarp, Jönköping, Skillingaryd, Worms, Tranås, Vinslöv, ISO-certified sales offices in Sweden, Norway, UK and France. According to Greenhouse Gas Protocol scope 1 and 2. www.ghgprotocol.org

► ANALYSIS AND FOLLOW-UP

Since 2014 we have reduced our climate-impacting emissions by 18%, and are approaching our target of 20%. A large part of the reduction is due to reduced emissions from transportation. This is because we have switched to 50% biodiesel in our own lorries. In 2017, we drove on this diesel mixture for the entire calendar year, compared with only half the year in 2016.

This year, transportation in Materia, NC Nordic Care and Skandiform has also started using this diesel with a high proportion of renewable fuel. In our lorries we also use a driver support tool that contributes to more efficient driving. We have invested in a number of new light lorries, classified as euro 6, which we use locally in the areas around our sales offices.

We have also carried out energy efficiency measures in production, including control of extractor fans and compressed air sealing. We are continuously switching to LED lighting in our factory plants and showrooms. In our factories we hold regular energy meetings to identify measures for raising energy efficiency. We estimate that the energy efficiency measures we have carried out have resulted in a saving of 3,735 GJ. Altogether, these energy efficiency measures mean a reduction of the Group's total energy consumption by 1%.

► TARGET

By 2020 we will reduce emissions by 20% in comparison with 2014.



CLIMATE GUIDE

These three areas have the greatest significance for the product's climate impact.

CHOICE OF MATERIALS

Choose wood, which is a renewable material with low climate impact through the entire value chain.

PRODUCTION

Check which types of energy the producer uses for electricity, heating and processes, and how energy-efficient the production is. Energy types should be fossil-free and renewable.

TRANSPORTATION

Short transportation routes for materials and components for production mean lower climate impact. Transportation with renewable fuels and fuel-efficient vehicles, plus high load capacity, is also an effective way of reducing CO₂ emissions.

The Space storage range from Kinnarps is climate-efficient in terms of both production and transportation. It is manufactured at our energy-efficient factory in Kinnarp and transported to the customer in our own vehicles which run on 50% biodiesel. Space also consists for the most part of wood, which is a renewable material.





3

PURE MATERIALS

WHEN YOU CHOOSE US, YOU CHOOSE A HEALTHY WORKING ENVIRONMENT WITHOUT UNNECESSARY CHEMICALS. THE EMPLOYEES FEEL BETTER AND WORK IN A MORE FOCUSED WAY. WE DO NOT WANT TO USE ANY MATERIALS WHICH HAVE A NEGATIVE INFLUENCE ON PEOPLE OR ON THE ENVIRONMENT.

Many materials and products contain substances which affect the environment and people's health. These substances may be present in the raw material from the start, or may be added when the furniture is manufactured. They may have an effect either through direct contact or through dispersal in the air. Solvents known as VOCs (volatile organic compounds) are particularly common in the furniture industry. VOCs are present in various types of glue and lacquer, and are dispersed in the air we breathe, which can cause headaches and concentration difficulties.

In the Kinnarps Group, we have reduced VOC use by 51% since 2012. In 2017 alone, use of VOCs in our own production units fell by 7%.

Our products do not contain any of the hazardous substances on the REACH candidate list, which is a list of particularly dangerous substances. The key figures shown refer to our own production units in Kinnarp, Skillingaryd and Worms, and apply to the Drabert and Kinnarps brands. Other brands in the Group are working actively with pure materials through their own supplier follow-up and by following the criteria in The Better Effect Index.

CHALLENGE

Chemicals are used in lacquer, glue and paint to create surfaces which withstand liquids and detergents. These are characteristics which are important in environments with strict requirements for cleaning and disinfection, such as hospitals, schools and restaurants. But this type of resistant surface treatment does not meet the requirements of the leading eco-labels. Our greatest challenge is to develop surface treatments which meet both strict environmental requirements and tough quality requirements.

PLASTIC

The padding for many of the Kinnarps and Drabert brand chairs is moulded at our own plant in Skillingaryd. We have eliminated the hazardous isocyanate TDI and now use the 'kinder' MDI, which ensures safer manufacturing. The foam is free from flame retardants. All plastics in the Group's furniture are free from bisphenol A and phthalates.

WOOD

Glue containing formaldehyde is used in the manufacturing of chipboard. All our chipboard fulfils E1 requirements, which means a very low emission of formaldehyde. Most of our chipboard has half the E1 values or lower.

METAL

Hexavalent chrome is allergenic and carcinogenic. For this reason we use only trivalent chrome, which is a better alternative, in our products.

69%

**OF ALL FABRICS IN KINNARPS
COLOUR STUDIO ARE LABELLED
WITH EU ECOLABEL OR OEKO-TEX**

TEXTILES

All fabrics in Kinnarps Colour Studio are free from flame retardants and azo dyes. Instead, we use wool, which is naturally flame-retardant, or polyester fabrics with a flame-retardant fibre construction. 69% of the fabrics in the Kinnarps Colour Studio are eco-labelled with either EU Ecolabel or Oeko-tex.

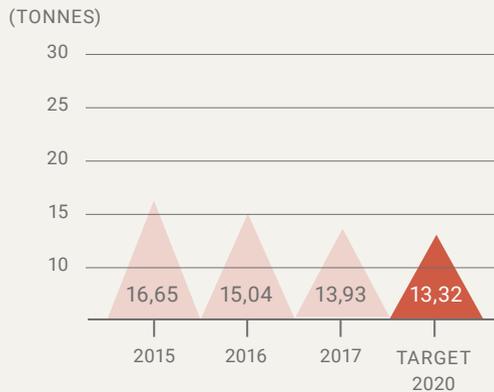
ELECTRONICS

Electronics contain metals and chemicals which can cause environmental and health problems. We require our suppliers to follow the RoHS directive, which restricts or prohibits the use of certain heavy metals and flame retardants in electronics. Lead, mercury, cadmium and hexavalent chrome, as well as the flame retardants PDD and PBDE, are prohibited.

KEY FIGURES



LONG-TERM TARGET. BY 2030 THE KINNARPS GROUP WILL USE NO MATERIALS WHICH ARE CLASSIFIED AS HAZARDOUS TO HEALTH OR THE ENVIRONMENT, OR WHICH HAVE A NEGATIVE IMPACT ON HEALTH OR THE ENVIRONMENT. THIS TARGET IS LINKED TO THE UN'S SUSTAINABLE DEVELOPMENT GOAL 12, 'SUSTAINABLE CONSUMPTION AND PRODUCTION', WHICH AIMS TO ENSURE RESPONSIBLE AND EFFICIENT USE OF NATURAL RESOURCES. A TARGET WE WILL ACHIEVE THROUGH INNOVATIVE PRODUCT DEVELOPMENT AND NEW METHODS OF MANUFACTURING.



USE OF SOLVENTS (VOCs) (TONNES)*

* The key figure refers to our own production in Kinnarp, Skillingaryd and Worms (Drabert and Kinnarps).

► ANALYSIS AND FOLLOW-UP

In 2017, we reduced the use of VOCs in our own production units by 7% – even though production increased. The largest quantity of VOCs is used in cleaning rollers. We have therefore carried out a project aimed at reducing the use of thinner in cleaning lacquering machines in Kinnarp. The target was to reduce use by 30% per clean. This resulted in just over 1 tonne less VOCs in 2017, compared with the previous year. In Worms, we are continuing to replace cleaning with 100% solvent by alternatives with 19% and 5%. In the Kinnarps factory we use UV lacquer on smooth, veneered surfaces, which gives a resistant surface and very small quantities of VOCs.

The Entrada chair from Drabert was previously manufactured with a solvent-based glue. During 2016 this glue was replaced by a hot-melt glue which is not classified as negative for the environment or for health. This has

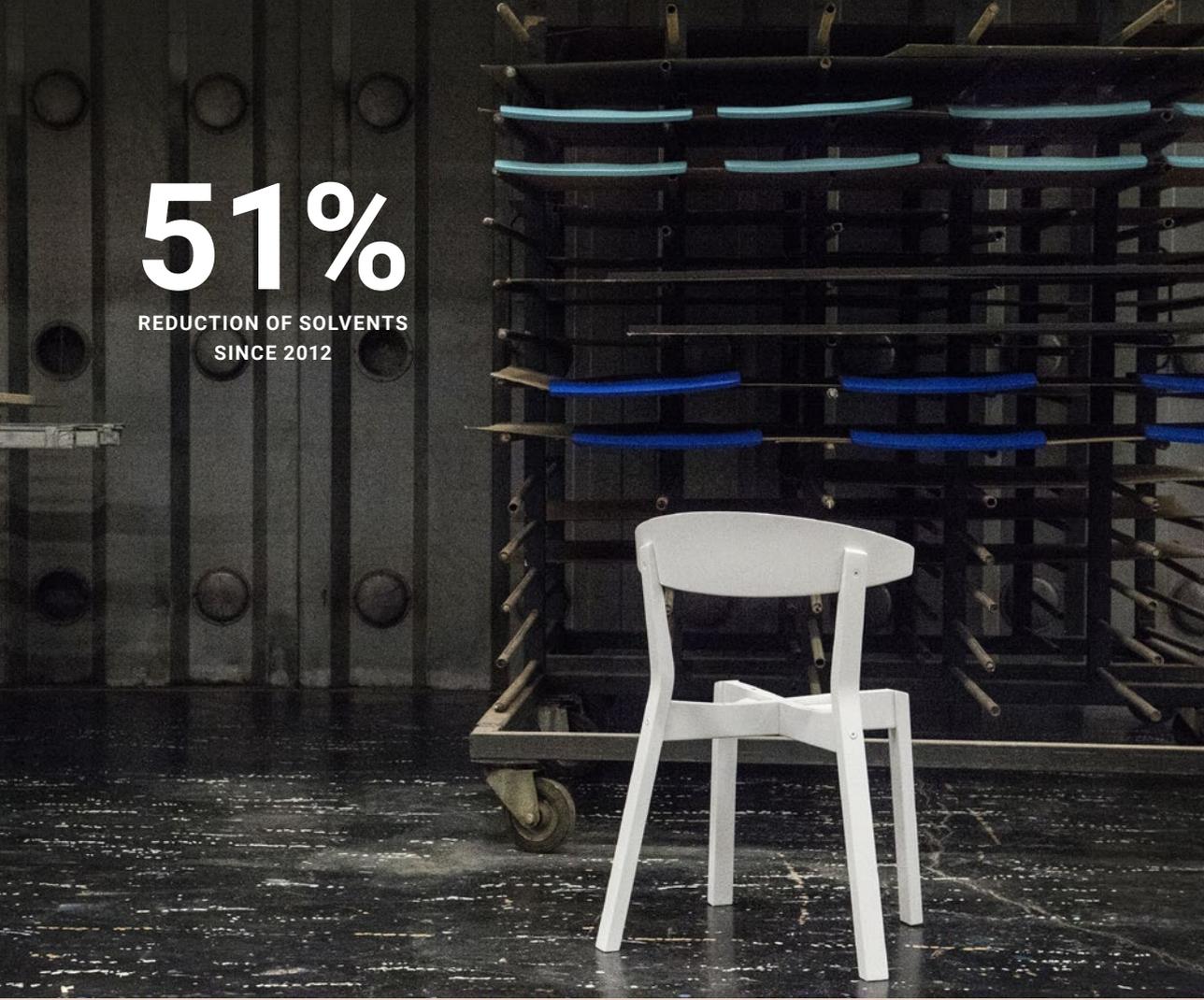
resulted in reduced quantities of VOCs in glue used in the Skillingaryd factory. This gives a better working environment both for those who manufacture the chair and for those who use it.

In order to investigate which chemicals our products emit, we had our Capella office chair and the Series P storage range tested in a climate chamber.

The test results are well below the limit values, which means that they have extremely low VOC emissions and also contribute points to LEED building certification.

► TARGET

By 2020, emissions of VOCs in our own production units will have fallen by 20% compared with the base year 2015.



51%

REDUCTION OF SOLVENTS
SINCE 2012

THE EFFECT OF PURE MATERIALS

BETTER WORKING ENVIRONMENT

Every day, we come into contact with chemicals and other products. Researchers have found links between endocrine disruptors and obesity, type 2 diabetes, hormone-related cancer, reproductive problems, allergies and asthma. If pure materials are used, the risk of illness is reduced.

INCREASED PRODUCTIVITY

Research shows that employees' ability to think and make decisions increases in environmentally-classified buildings, as emissions of VOCs and carbon dioxide levels are lower (NIH, National Institute of Environmental Health Sciences).

SIMPLER CERTIFICATION

More and more property owners want to obtain sustainability certification for their buildings, for example from LEED. Here, requirements are set concerning the quality of the air inside the building and the quantity of chemicals emitted by the interior fittings. The interior design plays an important role in this.

GUIDE TO PURE MATERIALS

AVOID!

PHTHALATES. Used as softeners in plastic and rubber. Also used in paint and glue. Suspected of being hormone disruptors.

FLAME RETARDANTS. Used in textiles and plastic. Some are hormone disruptors.

BISPHENOL A. Used in plastic, lacquer and glue. Hormone disruptor.

FORMALDEHYDE. May be present in the glue in chipboard, in textiles and leather. Allergenic in contact with skin and carcinogenic.

VOLATILE ORGANIC SOLVENTS (VOCS). Present in paint, lacquer, glue and detergents. Can cause headaches, poor concentration and poor air quality.

CHEMICALS ON THE REACH CANDIDATE LIST. Ask the producer, who is legally obliged to inform you.

CHOOSE!

ECO-LABELLED PRODUCTS. Möbelfakta and NF Environnement are good alternatives.

WATER-BASED LACQUER. Gives zero or very low VOC emissions.

LAMINATED TOP. If there are strict requirements for cleaning with liquid and disinfectant, you can replace lacquered surfaces with high-pressure laminate.

ECO-LABELLED FABRICS. EU Ecolabel and Oeko-tex guarantee that the fabrics are free from hazardous chemicals.



The Entrada II task chair from Drabert, Space storage unit and Oberon desk from Kinnarps. Entrada was previously manufactured with a solvent-based glue. During 2016 this glue was replaced by a hot-melt glue which is not classified as hazardous for health or the environment. This gives a better working environment both for those who manufacture the chair and for those who use it.





BAKE OUR EMBRACE-BREAD!

At Kinnarps, we think the public need to be told more about chemicals in furniture and how they can affect our health. A survey which we carried out ourselves shows that many Swedes – 9 out of 10 of those asked – are worried about chemicals in products, but only half of them (49%) are aware that furniture can emit or contain chemicals which are hazardous to health. For this reason we are taking part in the social debate, so that more and more people will take notice of the issue and demand pure materials in interior design. One effective way of starting the discussion is to offer bread baked from our Embrace table, manufactured from FSC®-certified birch. So pure that you can eat it. And you get the fibre for free!

WHAT YOU NEED

20 g yeast or 1 tbsp rye sourdough
1 tbsp dark syrup
About 4.5 dl water
1/2 dl birch flour from Kinnarps
1.5 dl coarse rye flour (eco)
3 dl sifted rye flour (eco)
2 dl wheat flour (eco)
1 tsp sea salt

HERE'S WHAT TO DO

Crumble the yeast into a bowl and dissolve it in lukewarm water. Add the birch flour, syrup and salt. Then mix in the rest of the ingredients and leave the mixture to rise for about 1 hour at room temperature. If you are using sour dough, double the rising time. Knead and put into a bread tin of the desired shape, leave to rise for about 45 minutes or until the dough looks fully risen. Set the oven to 180°. Bake for 50 minutes or until the bread has a good crust. Take the bread out of the tin and leave it to rest overnight.



Embrace – really tasty.

When we developed Embrace, we set strict requirements for design and materials. All materials included had to fulfil eco-labelling requirements, and we verified the content of all component parts.



4

SOCIAL RESPONSIBILITY

WHEN YOU CHOOSE US, YOU KNOW THAT THE PRODUCTS ARE MADE IN A GOOD WORKING ENVIRONMENT. WE DON'T RELY ON WHAT WE HEAR, BUT FIND OUT FOR OURSELVES ON-SITE AT OUR SUPPLIERS' PREMISES. WE WILL SOON HAVE CHECKED ALL OUR HIGH-RISK SUPPLIERS.

We want to make sure that our products are produced in a socially acceptable way, with good working conditions, salaries and insurance. Our social responsibility covers not only the working conditions at our own plants, but also our suppliers at every stage. To do this we need knowledge. A written assurance from the supplier is not enough – if we have the slightest reason for thinking the conditions are not right, it is our responsibility to follow up and make improvements. We do this by means of risk analyses and audits on site.

88%

OF OUR HIGH-RISK SUPPLIERS
HAVE BEEN INSPECTED

METHOD OF WORKING

All our suppliers have to sign our Supplier Code of Conduct. In it, we make clear what expectations and requirements we have in connection with social responsibility. The Code is based on the UN's Global Compact. In addition to these basic requirements we also set material-specific requirements, based on eco-labelling, for the material supplied. To a large extent, we purchase materials and components which are then processed and/or assembled in our own production facilities, but we also purchase ready-made products. But the requirements are the same, and we investigate the supplier chain right down to the manufacture of components. Then we carry out a risk assessment of the suppliers. This is based on the manufacturing process, industry knowledge and the country where the production is located. In cases where we judge that there is a bigger risk that the requirements in our code are not fulfilled, we carry out an audit on site at the supplier's premises. Audits are also carried out for all new suppliers. On-site audits have several purposes, among them risk clarification and the creation of a basis for risk reduction. The starting point is to give the suppliers the opportunity to develop and then fulfil all requirements. The audits result in a report which points out any deviations which the supplier is to rectify. If the requirements are not met and the supplier does not rectify the shortcomings,

our cooperation is terminated. In the case of a new supplier not meeting required standards, we do not enter into a contract.

SUPPLIER FOLLOW-UP IN LITHUANIA

An example of a successful supplier audit concerns the moulded top for the Viper table from Materia. In a first audit at the supplier's premises in Lithuania, we discovered both large and small deviations. Among other things, fire drills were not carried out, there were safety data sheets only in the office and not in the production area, the standard of the canteen, changing rooms and showers was poor, and there were no breathing masks for staff where lacquering took place. The supplier took remedial measures, and during a follow-up audit in 2016 we noted that the supplier had made many improvements. These included new changing rooms, a new staff canteen and the replacement of the ventilation system to reduce dust. The supplier had also carried out work for better knowledge of the working environment, conducted fire drills and ensured that first aid equipment was available at several places in the production area. There were also breathing masks for all staff working with lacquering or nearby. The major deviations had therefore been rectified.



CHALLENGE

Effective social responsibility means that it is not sufficient to set requirements. We also have to follow up and ensure that the requirements are actually being complied with. In general, the industry needs to become better at following up.

The need for even better follow-up also applies, of course, to the Kinnarps Group's own operations. We need to know where the component is actually manufactured and what the conditions are like there.

That's why we sometimes need to have knowledge of the supplier chain further than the stage of the first supplier. One specific challenge for the furniture industry is that many smaller furniture components, such as screws and brackets, are manufactured in China. China is a market which is difficult to monitor, and an example of a high-risk country with respect to working conditions and wages. Here it is more important to monitor compliance.

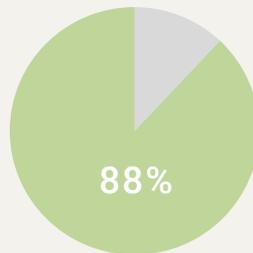


Viper from Materia is one of the products which have undergone an on-site supplier audit, which resulted in a number of improvements.

KEY FIGURES



LONG-TERM TARGET. BY 2030 WE WILL HAVE A GOOD WORKING ENVIRONMENT WHICH CONTRIBUTES TO SOCIAL DEVELOPMENT ON SITES WHERE WE OPERATE AND HAVE OUR COOPERATION PARTNERS. THIS TARGET IS LINKED TO THE UN'S SUSTAINABLE DEVELOPMENT GOALS 8 AND 10, 'DECENT WORK AND ECONOMIC GROWTH' AND 'REDUCED INEQUALITIES'. WE WILL REACH THIS GOAL BY MAPPING AND RISK-ASSESSING OUR SUPPLIER CHAIN, FOR EXAMPLE BY MEANS OF ON-SITE FOLLOW-UPS. CLOSE COOPERATION WITH OUR SUPPLIERS IS A BASIC REQUIREMENT FOR BEING ABLE TO CONTRIBUTE TOWARDS GOOD WORKING CONDITIONS.



PROPORTION OF PROCUREMENT VOLUME (IN SEK) CLASSIFIED AS HIGH RISK WHERE THE CODE OF CONDUCT HAS BEEN FOLLOWED UP BY AN AUDIT*

* Procurement of the products in our own range

► ANALYSIS AND FOLLOW-UP

The majority of our suppliers are located in northern Europe. A small proportion of our suppliers are located in China. In order to be able to work directly with these suppliers, we have established a purchasing office in Shanghai. This gives us local support with an understanding of language and culture, which facilitates development work in collaboration with the suppliers. In comparison with last year, we have increased the proportion of high-risk purchases guaranteed by an on-site audit of the supplier from 79% to 88%.

The results of the audits show that our suppliers have, in general, very good conditions. Where there are shortcomings, these are mostly minor ones concerning fire protection – for example blocked fire hydrants or fire equipment which is not labelled. There are also instances of protective equipment not being used although it is provided. In Asia there may also be other shortcomings related to working hours, as this is common with migrant workers. Working environment shortcomings in the handling

of chemicals also occur in the form of inadequate protective equipment. When we conduct follow-ups of measures taken by the suppliers, we see that there have been improvements and our work has been effective. Materia, NC Nordic Care and Skandiform procure both components and ready-made products. Here, audits of sub-suppliers have also taken place, and we have coached and helped the suppliers to carry out regular audits of their sub-suppliers.

Out of 12 new suppliers in 2017, we have audited 9, which means we have 3 suppliers left to audit. We are focusing on suppliers of materials and components, and during the year we have worked to concentrate business to the suppliers who best comply with our requirements. This gives us the opportunity to deepen our cooperation.

► TARGET

By 2020, 100% of the high-risk classified procurement volume will have been checked by means of an audit.





RESPONSIBILITY GUIDE

In these situations, you need to be particularly attentive. Ask if a system has been worked out to ensure that the various requirements are being met.

RISK COUNTRIES

Is the product manufactured in, or does it contain components from, a country on BSCI's list of risk countries? (Business Social Compliance Initiative is a European business-driven cooperation initiative for companies who wish to improve the working conditions in the global supplier chain.)

METHOD OF WORKING

Is the production labour-intensive? Is there a lot of manual or unqualified work, which can mean a risk of child labour? Is there seasonal work and migrant work on the market?

CHEMICALS

Does the production involve a lot of chemicals, or is it in any other way linked with considerable health and environmental risks?

THE EFFECT OF SOCIAL RESPONSIBILITY

A CLEAR CONSCIENCE

By setting requirements for social responsibility, you make a contribution to ensuring that the people who manufactured the products have good working conditions and a good working environment.

A CHANGED ATTITUDE

Social requirements counteract unsound competition and reduce the number of suppliers who do not live up to their social responsibilities.



5

REUSE

WHEN YOU CHOOSE US YOU CAN ECONOMISE WITH YOUR RESOURCES.

WE HELP YOU TO RENOVATE AND REUSE OLD FURNITURE.

WHAT YOU NO LONGER NEED IS RESOLD OR RECYCLED RESPONSIBLY.

WE WANT TO BE THE BEST IN THE INDUSTRY AT CREATING
CIRCULAR SOLUTIONS AND PRODUCTS WHICH LAST LONGER.

Resource management in the form of reuse and renovation is a global megatrend. This initiative is being encouraged by the EU, which is currently developing new criteria for the procurement of office furniture. The criteria, which are a guide for green public procurement standards, take the following fundamental question as their starting point: Does your organisation really need to buy new furniture? Or can you renovate or reuse?

THE BETTER LOOP

As one of Europe's largest suppliers of interior design solutions, we would like to offer a business model and services which meet the customers' demands for an inventory, renovation and upgrading. In our offer 'The Better Loop', we have gathered services and materials which enable circular furniture flows and prolong the life of the products. In the context of 'The Better Loop', we have identified three different strategic areas: Re:fresh, Re:use and Re:cycle.

We are also working to develop a new circular business model. This work is not yet finished, but our ambition is to integrate circular thinking at every stage. We want to help our customers to make more economical use of resources and prolong the life of products in circulation.

DEVELOPMENT PROJECT

As part of a pilot study, we participated in the project 'Circular business innovation for regional furniture flows', together with Viktoria Swedish ICT AB. In this project, we investigated how companies can create jobs, profitability and competitive production by substantially reducing resource use.

95.5%

OF OUR RESIDUAL MATERIAL
IS RECYCLED OR GOES TO
ENERGY PRODUCTION

In collaboration with our customers, we also mapped out business models and offers based on reuse, upgrading and renovation. We also took part in the project 'Sustainable industrial development', which was carried out in collaboration with the Environmental Secretariat of the Västra Götaland region and the Industrial Development Center. The project consisted of a pilot study concerning the reuse of furniture. Among other things, in collabo-



The Prim sound absorber consists of 50% recycled material. 25% is waste fabric from our factory in Skillingaryd and 25% is recycled PET plastic.

THE PRODUCTS SHOULD BE OF HIGH QUALITY, WITH A DESIGN WHICH STANDS THE TEST OF TIME, AND IT SHOULD BE POSSIBLE TO REUSE AND RENOVATE THEM AND TO REPLACE WORN-OUT PARTS.

ration with customers, we identified which quality level is acceptable for furniture to be reusable. The basis of our circular offer is in our development work, where we already aim to create products with a long lifespan. The products should be of high quality, with a design which stands the test of time, and it should be possible to reuse and renovate them and to replace worn-out parts. In conjunction with final recycling, all components should be easy to separate and recycle. This work is governed by our design strategy.

At present, recycling in our operations is measured solely by key figures directly linked to material recycling linked to our operations and production.

As our circular business model is implemented, it will be a challenge to also report reuse and renovation in the form of relevant key figures.

CHALLENGE

The best way of all to reduce the environmental impact of a product is to prolong its lifespan. Our industry has for a long time, like many others, worked with linear flows and business models. This means that there is no effective infrastructure for satisfying the market's wish for renovation and reuse. There is a risk that the projects will be unwieldy and expensive. If it is more expensive to renovate and reuse than to buy new products, customers will be less inclined to choose reuse. The main challenge facing the Kinnarps Group is to develop new resource-efficient products and offers for operations which are undergoing great changes, both organisational and technological. New ways of working and digital trends make it all the more essential that we are responsive and can quickly customise our business model.

REUSE GUIDE

This is how we create 'The Better Loop'

RE:USE

We offer an inventory, in which we go through which products can be reused in the new interior design.

RE:FRESH

Certain products can be easily upgraded or renovated, for example by relacquering, cleaning or reupholstering. An old table can be given a new tabletop or new control equipment. A chair can be given new armrests.

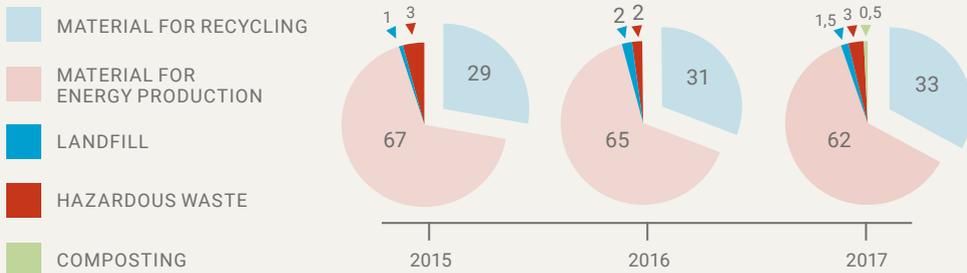
RE:CYCLE

When all other possibilities of reuse or remanufacturing have been exhausted, there is only one option left: recycling. With the aid of qualified partners, we ensure that the products are separated and recycled in a responsible manner.

KEY FIGURES



LONG-TERM TARGET. BY 2030, ALL OUR INTERIOR DESIGN SOLUTIONS AND SERVICES WILL BE PART OF A CIRCULAR FLOW. THIS TARGET IS LINKED TO THE UN'S SUSTAINABLE DEVELOPMENT GOAL NO. 12, 'RESPONSIBLE CONSUMPTION AND PRODUCTION'. TO REACH THE TARGET, WE ARE WORKING TO DEVELOP AND REFINE CIRCULAR BUSINESS MODELS, PRODUCTS, INTERIOR DESIGN SOLUTIONS AND SERVICES. OUR AMBITION IS TO USE MORE RECYCLED MATERIALS IN OUR PRODUCTS AND TO FIND INNOVATIVE WAYS OF USING THE WASTE MATERIAL WHICH ARISES IN OUR OPERATIONS.



PROPORTION OF TOTAL WASTE SENT TO RECYCLING*

* Production in Kinnarp, Jönköping, Skillingaryd, Worms, Tranås, Vinslööv.
ISO-certified sales offices in Sweden, Norway, UK and France.

► ANALYSIS AND FOLLOW-UP

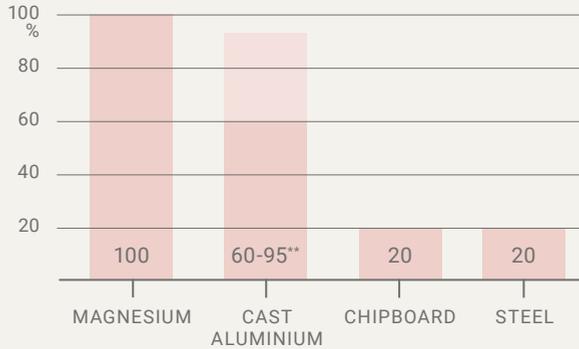
We are maintaining the target of recycling over 30% of material, and have improved the result somewhat in comparison with the previous year. This is partly because there has been a greater quantity of waste for recycling and partly because of a fall in the use of briquettes in our production in Kinnarp, Skillingaryd and Worms. The total quantity of waste has fallen in comparison with the previous year. Material sent to landfill consists mainly of ash from our boilers. The quantity of waste sent to landfill has fallen somewhat, mainly because of the renovation and efficiency raising of the boiler in Skillingaryd. Food waste is a small proportion of the total waste, but is used for composting and biogas production. In Kinnarp we have started to collect used IT equipment and send it to a recycler who reuses the products instead of only recycling

the materials. We are also reducing the quantity of waste from packaging materials by transporting products from the Kinnarps and Drabert brands in blankets which we reuse after delivery to the customer.

► TARGET

Our continued challenge is to maintain the level of material recycling at today's level. Our target is therefore to stabilise material recycling at over 30% up to 2020. In the long term, no waste will be sent to landfill.

KEY FIGURES



** Cast aluminium varies between 60% and 95% recycled, depending on the supplier and component.

RECYCLED MATERIALS IN PRODUCTION*

* Purchase of raw materials for production in Kinnarp, Jönköping, Skillingaryd, Worms, Tranås, Vinslöv.

► ANALYSIS AND FOLLOW-UP

We aim to use recycled material in our products. However, the scope for using recycled materials is limited by their availability on the market, but also because the materials do not meet our quality requirements. The scope for using recycled metal is relatively great and we use, for example, 100% recycled magnesium in the Capella task chair. Recycled plastic, however, seldom meets our quality or environmental requirements, and is therefore used only to a limited extent, for example in covers. In the framework for our various operations, we are investigating the possibilities of using waste from production in new products. An example is Materia's Patch stool, which we describe in more detail on page 80.

One fabric in our range is made of 100% recycled polyester, and another consists of 75% recycled wool. There are more recycled fabrics, but these often do not meet our quality requirements; they often have deficiencies in colour fastness and colour scheme continuity. Quality is an important sustainability factor, since the fabric needs to last and look good for a long time. As technology improves, we think we will be able to include more recycled and recyclable textiles which fulfil our quality requirements. We are taking part in research projects which aim, for example, to create recycled bio-based textiles.



THE EFFECT OF REUSE

LONGER LIFESPAN

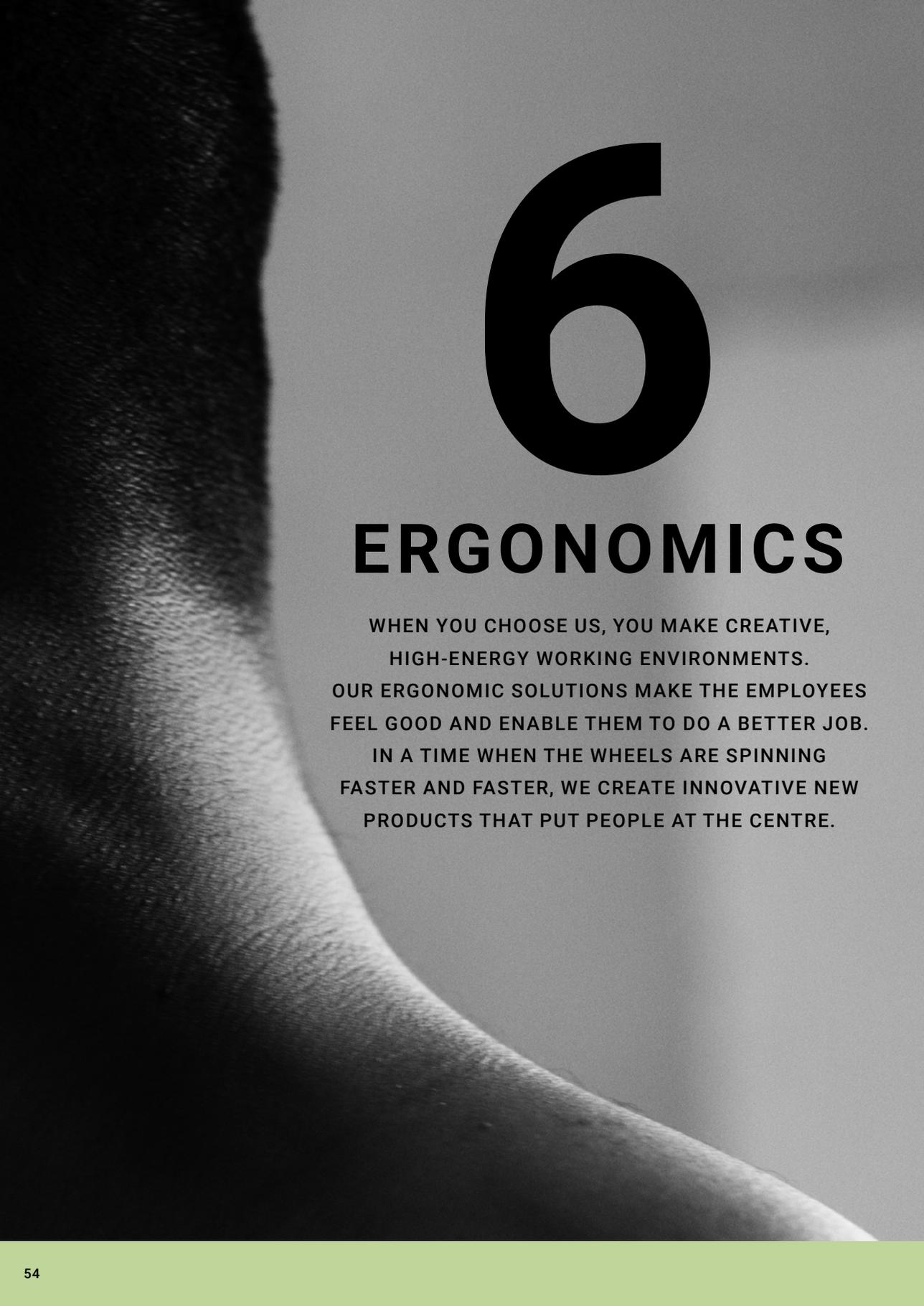
The best way to reduce the environmental impact of a product is to use it longer. Products which can be renovated or freshened up have a longer lifespan.

LONG-TERM INVESTMENT

Products which can be modified along with the interior design also have a longer life. It should be possible to change or add parts for a new look, for example replacing a fabric or tabletop.

RESPONSIBLE RECYCLING

Using recycled material and ensuring that the product can be recycled at the end of its life is a good way of reducing the use of resources.



6

ERGONOMICS

WHEN YOU CHOOSE US, YOU MAKE CREATIVE,
HIGH-ENERGY WORKING ENVIRONMENTS.
OUR ERGONOMIC SOLUTIONS MAKE THE EMPLOYEES
FEEL GOOD AND ENABLE THEM TO DO A BETTER JOB.
IN A TIME WHEN THE WHEELS ARE SPINNING
FASTER AND FASTER, WE CREATE INNOVATIVE NEW
PRODUCTS THAT PUT PEOPLE AT THE CENTRE.

When we develop our products, we take the whole person into account. We work with a holistic perspective, in which we not only base our decisions on the body, but take into account all human needs – including psychological ones. More and more companies and organisations are deciding to switch to activity-based offices where employees can be more flexible and mobile, work individually or take part in meetings. The traditional individual workplace, where you use the same desk and chair every day, is being replaced by many alternative work settings which are designed differently, depending on what the employees want to do. If correctly implemented, activity-based offices create conditions for increased creativity and efficiency. Efficiency in an activity-based office is 14% higher than in a traditional office cubicle, according to an investigation conducted by Superlab.

With several decades' experience of developing ergonomic products, we are uniquely well qualified to make the most of the opportunities offered by the activity-based office, and develop them further. We do this by creating flexible solutions which put individuals in control of their situation and reduce

the risk of stress – for example by means of Kinnarps Next Office™. The users decide for themselves whether they want to concentrate and work quietly, take part in a meeting or be sociable.

The acoustic environment is important for increased well-being and reduced stress in the workplace. We verify the impact of the products on the acoustic environment by measuring their sound absorption capacity. We, prescribers and customers can then compare the results between various products in the brand-independent tool Acoustic Facts.

14%

**HIGHER EFFICIENCY IN
ACTIVITY-BASED OFFICES THAN IN
TRADITIONAL "OFFICE CUBICLES"**

CHALLENGE

Sweden has been a pioneer in ergonomic design, and for most people in the industry adopting an ergonomic perspective in product development is a matter of course. The importance of ergonomics is well-known in Nordic workplaces – but nowhere near all of them can boast a workplace ergonomist. New findings which show how important standing up and moving around during the working day is for health are not equally well known among companies and their employees. This presents a shared educational task ahead of us.

In various types of open or flexible offices, there is always a risk of increased stress in the form of high noise levels, or a risk that employees do not know where they should work from one day to the next. When a workstation is to be used by many people, it becomes more difficult to satisfy the need for individual ergonomic settings. The products have to be extremely easy to understand and adjust – otherwise there is a great risk that the users will ignore ergonomics. The development of flexible offices and smaller office areas has been fast, and it is therefore important to follow up the effects.

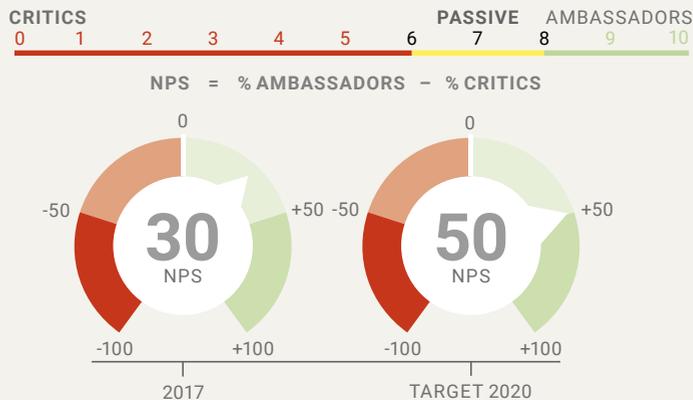


Boullée is a multi-faceted item of furniture which combines the characteristics of an ergonomic balance ball. The shape counteracts monotonous motionless sitting and offers a dynamic sitting experience in which you can tilt and balance with the aid of your body weight.

KEY FIGURES



LONG-TERM TARGET. OUR TARGET IS TO CREATE WORKING ENVIRONMENTS THAT PROMOTE HEALTH AND WELL-BEING FOR EVERYONE IN THEM. THIS TARGET IS LINKED TO UN SUSTAINABLE DEVELOPMENT GOAL NO. 3, 'HEALTH AND WELL-BEING'. OUR STARTING POINT IS OUR DESIGN STRATEGY, WHICH IS BASED ON HUMAN BEHAVIOUR AND NEEDS. OUR TOOL IS 'INCLUSIVE DESIGN' – THE INSIGHT THAT ALL HUMAN BEINGS, AND THEIR BODIES, ARE DIFFERENT. ALL USERS SHOULD BE ABLE TO CUSTOMISE THE FURNITURE TO SUIT THEIR OWN NEEDS, AND THUS REDUCE THE RISK OF WORKPLACE AND STRAIN INJURIES. THE DEVELOPMENT TAKES PLACE IN CLOSE COOPERATION WITH ERGONOMISTS, RESEARCHERS AND DESIGNERS.



CUSTOMER SURVEY: NET PROMOTER SCORE*

* Key figures refer to the markets in Sweden, Norway, Denmark, Poland, Germany, UK, France, Switzerland and Belgium.

► ANALYSIS AND FOLLOW-UP

How well we succeed in fulfilling our promises to customers is measured above all by means of our customer satisfaction survey, NPS. The question asked was: How likely is it that you would recommend us to a colleague or friend?

The Kinnarps Group's customer satisfaction survey (based on 1,964 responses) shows that our customers are both satisfied and loyal. The survey gave us a Net Promoter Score of 30, which is an improvement on the previous year (26). This result can be regarded as very good. By way of comparison, an NPS above 0 is regarded as good, and a result between 0 and 10 is normal. Very high-performing companies have an NPS over 50. We also measure our Customer Satisfaction Index (CSI) which this year was 8.2 (on a scale from 0 to 10). This can also be regarded as a very good result.

► IMPROVEMENTS DURING THE YEAR

During 2017 we focused on raising customer satisfaction in three areas. Follow-up of deliveries to ensure the customer is satisfied. Dealing with complaints to reduce answer times and remedy deficiencies more quickly. Improve the customer's knowledge of our comprehensive environmental work and its advantages. For each of these areas, we have drawn up local action plans to work on improvements on the basis of the feedback we receive.

► TARGET

Our target is to reach the level of high-performing companies, i.e. an NPS of 50, by 2020.

THE EFFECT OF GOOD ERGONOMICS

HEALTHIER EMPLOYEES

Ergonomic solutions mean more alert and creative employees, and contribute to less poor health and less sick leave.

ATTRACTIVE EMPLOYER

An inspiring and healthy workplace strengthens the operations' brand. It makes it easier to keep and attract new talent.

BETTER WELL-BEING

Good ergonomics is decisive for success with an activity-based office. If the employees feel at home, can easily customise the workplaces and decide for themselves when they want to be sociable or concentrate on individual work, well-being and productivity increase.

The deciBel chair, designed by Ruud Ekstrand for Skandiform, is more than just a chair – it also functions as an acoustic solution. Under the seat there is an efficient sound-absorbing material which reduces annoying background noise and hum.







ERGONOMICS GUIDE

ENCOURAGE MOVEMENT

The body is made for movement, exertion and variation. A study by Texas A&M Health shows that productivity can increase by 46% if we have the opportunity to alternate between standing and sitting. Electrically height-adjustable desks reduce the risk of problems with heart and vascular disorders, and are good for the back, shoulders and neck.

EASY TO UNDERSTAND

The furniture, for example tables and task chairs, should be easy to handle and adjust – otherwise there is a risk that they are not used, and the positive effect is lost. This is especially important in activity-based offices without fixed workplaces.

TASK CHAIRS WHICH FOLLOW THE BODY

Everyone has a variety of sitting positions, and frequent changes of position are good for the body. Choose a task chair which can follow the body and which the user can adjust for an individual fit. It should be possible to set the height, the seat depth and angle, the backrest, headrest and the level of resistance of the tilt.

CHECK THE NOISE LEVEL!

Plan for acoustic solutions and 'quiet rooms'. According to the survey company Leesman, 70% of office workers who were asked thought that the noise level was the most annoying thing about their jobs. It takes its toll in time and energy. The British Council of Offices has calculated that better acoustics would improve the productivity of British companies by two per cent.

THE RIGHT LIGHT IN THE RIGHT PLACE

Light which makes things easy for the faculty of vision, and does not dazzle, is important to enable us to work. The right kind of light, in the right quantity, can also make employees more alert by stimulating cortisol production. Choose user-adjustable light fittings.

AT THE FOREFRONT OF SUSTAINABLE DESIGN

We want to be the best at sustainable design. Our various brands make it easy to produce holistic solutions with a focus on sustainability, function and aesthetics. By mixing and matching products from the various collections, architects and interior designers can create unique environments which reflect the customer's vision and values.



Embrace is a multi-prize-winning chair from Kinnarps, made of FSC®-labelled wood.

The Kinnarps Group comprises six brands: Kinnarps, Drabert, Materia, MartinStoll, NC Nordic Care and Skandiform. Cooperation in sustainability issues is our great strength. We encourage each other and share our knowledge. Together, we can speak up and form opinions when we think there is a lack of good solutions in the industry. As siblings in a progressive company group, we can also

capitalise on the resources we have for business intelligence, product development and testing operations. Our trend reports put their finger on the pulse of the future and inspire us to innovative solutions which harmonise with social development and which will have a long life span. The many international design prizes we have been awarded bear witness to our success.

OUTSTANDING DESIGN FROM THE KINNARPS GROUP 2015-2017



reddot design award

Kinnarps Embrace 2015
Materia Clip 2015
MartinStoll Collection S 2017



Clip



Kinnarps Embrace 2015
Materia Frame 2015
Kinnarps Space 2017
Kinnarps Fields 2017

Stripe



Kinnarps Capella 2016
Skandiform Matsumoto 2016
Kinnarps Space 2017
Skandiform Phaze 2017

Capella

Modulor

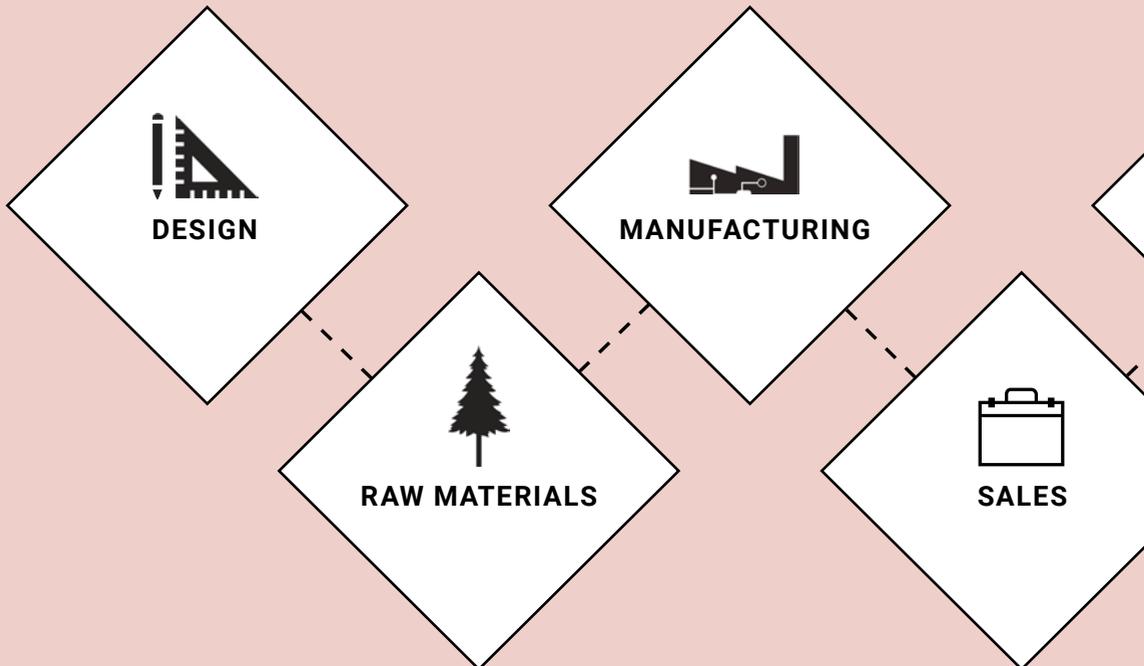
Frame



Skandiform Stripe 2015
Skandiform Modulor 2015
Kinnarps Embrace 2016
Kinnarps Space 2018
MartinStoll Collection S 2018

A VALUE CHAIN WHICH IS UNIQUE IN THE INDUSTRY

The companies in the Kinnarps Group have a shared value chain which simplifies sustainability work for our customers and cooperating partners. We are continually finding new solutions which deliver a better effect. Where others see a chair or a desk, we see hundreds of ways of making a change. Changes that have a positive influence on you, your employees and society. At the same time, we give nature a better chance to play its part.



DESIGN



We develop products which are ergonomic and adaptable, and which help the user to make the product their own. To ensure a low environmental impact, we set high requirements for quality and choice of materials. All components should be easy to separate and recycle. With innovative design we have also created new products from old waste material.

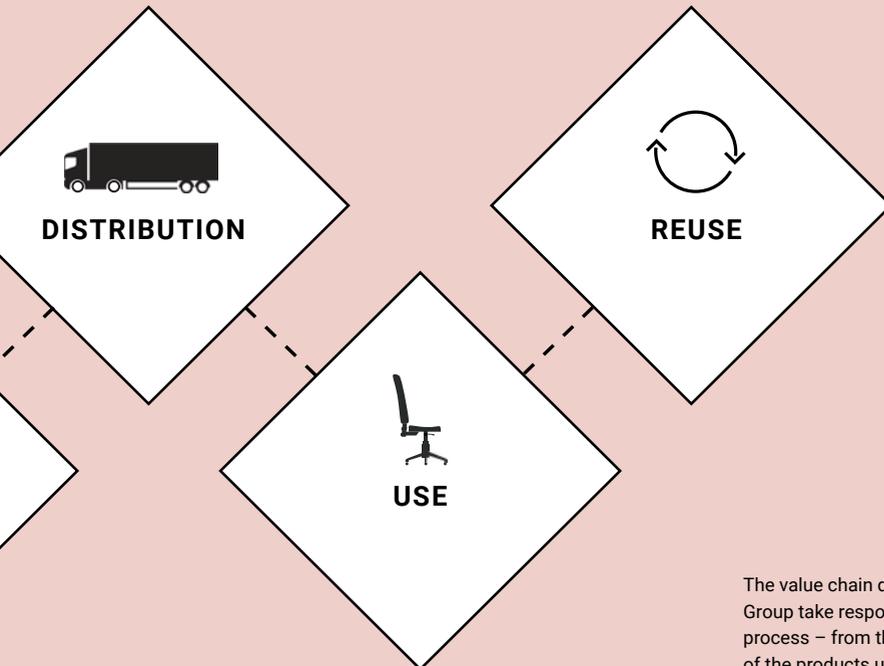
Effect. With ergonomically optimised products we create working environments where everyone feels good. Products which have a long lifespan have a lower environmental impact.

RAW MATERIALS



We set tough environmental requirements for the materials used in the products and we use certified wood from a verified and risk-assessed source. Many of our fabrics are eco-labelled. Recycled metal is used as much as possible, and padding is manufactured in our own production facilities, which gives us full control over the material.

Effect. Products manufactured from pure materials contribute to healthier indoor air, sustainable forestry and better exploitation of the earth's resources.



The value chain describes how we in the Kinnarps Group take responsibility throughout the entire process – from the design, production and delivery of the products until they no longer can be used.

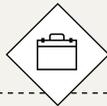
MANUFACTURING



In the Group, we avoid environmentally hazardous and unhealthy substances in all production processes. The operations are working to improve the working environment: Materia, NC Nordic Care and Skandiform, for example, have working environment certificates, and the factory in Kinnarp achieved optimal results in SMETA's ethical inspection. All suppliers have to sign the Group's code of conduct, and we follow up to ensure that they comply with it.

Effect. The products are manufactured in an equitable and responsible manner throughout the entire chain. By avoiding unnecessary chemicals we create a healthier working environment for our employees and for our customers.

SALES



The Kinnarps Next Office™ analysis tool makes it possible, in collaboration with the customer, to design an activity-based solution which suits the company's needs. A number of sales companies in the Kinnarps Group are ISO-certified, and are working for better quality and lower environmental impact. For example, we have switched to energy-efficient lighting in many of our showrooms.

Effect. With a solution based on the needs of the organisation and the employees, a workplace where the employees feel better and become more creative and productive is created.

DISTRIBUTION



In our own logistics system, products from the factory in Kinnarp are delivered with a very high load efficiency – over 90%. Instead of single-use packaging, blankets are wrapped around the products. These are then returned and reused. On the way back to the factories, we fill our lorries with materials from suppliers or third party goods. The vehicles run primarily on diesel with an admixture of 50% biodiesel. Transportation for our other brands takes place with an external partner.

Effect. The blankets mean that the customers never need to handle empty packaging – and they save 6.5 tonnes of packaging every day. Biodiesel contributes to reduced climate impact.

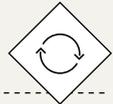
USE



The Kinnarps Group's wide range offers many possibilities for customisation and interior design solutions which put people at the centre. Sound absorbers are one example of how we can create good working environments which reduce stress and improve well-being. With strict requirements for materials and by avoiding unnecessary chemicals, we can contribute to healthy indoor air.

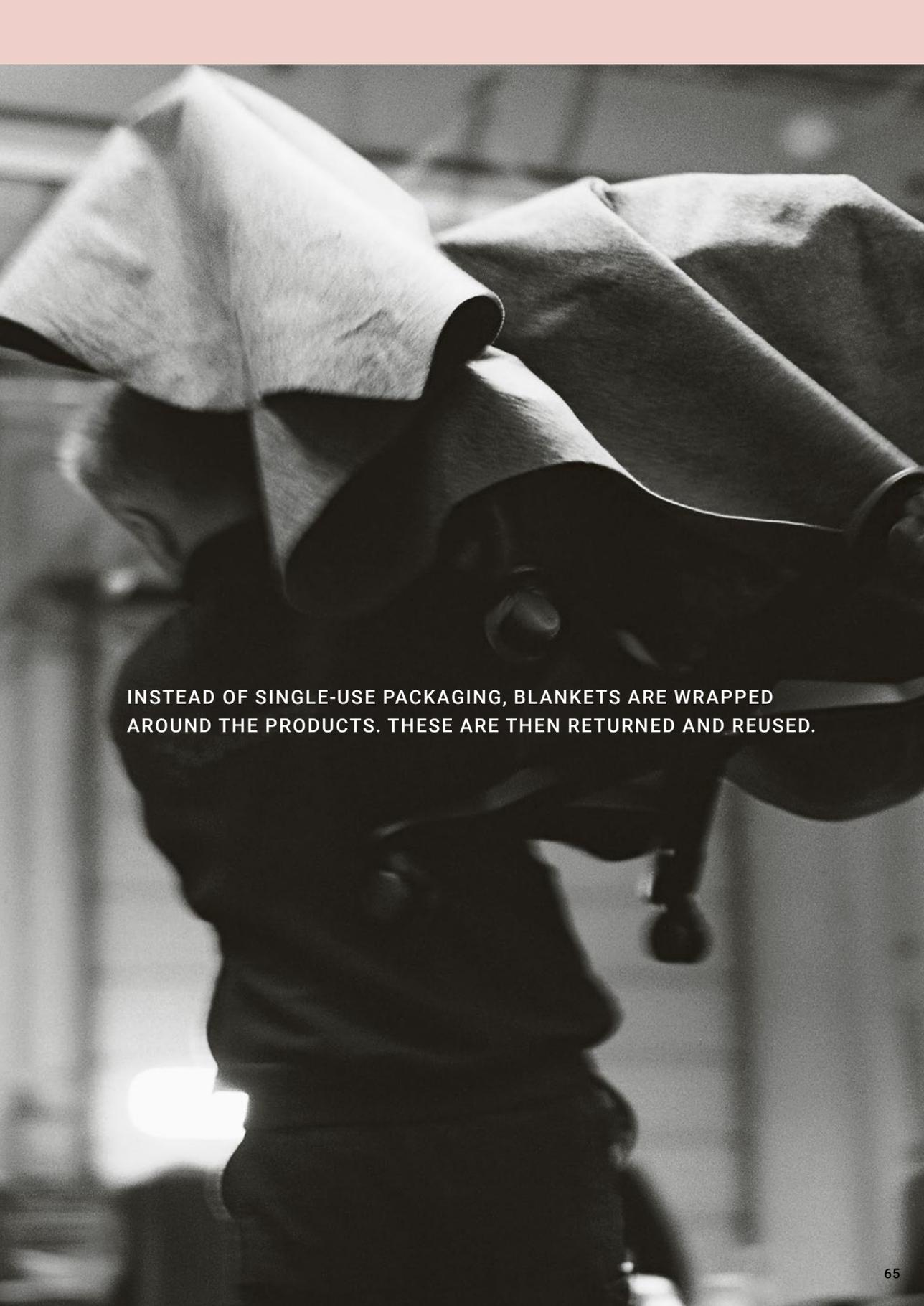
Effect. Pure materials, ergonomics and flexible solutions which meet individuals' needs create opportunities for creative and healthy working environments.

REUSE



Well-designed products of a high quality can be reused several times. Certain products can be easily upgraded or renovated – for example by replacing tabletops, chair seats or removable upholstery. Products which can no longer be used are taken care of and recycled responsibly.

Effect. Good furniture does not belong on a rubbish tip. By reusing or renovating a product, we prolong its lifespan. This makes economical use of both nature's and the customer's resources.



INSTEAD OF SINGLE-USE PACKAGING, BLANKETS ARE WRAPPED AROUND THE PRODUCTS. THESE ARE THEN RETURNED AND REUSED.

AS ONE OF EUROPE'S BIGGEST SUPPLIERS OF INTERIOR DESIGN SOLUTIONS FOR WORKING ENVIRONMENTS, IT IS OUR RESPONSIBILITY TO DRIVE DEVELOPMENT.

THE KINNARPS GROUP'S BRANDS

Kinnarps' customer offer of functional holistic solutions for the workplace covers all the Group's brands.

The Kinnarps, Drabert and MartinStoll brands are developed and produced in Kinnarp, Skillingaryd, Jönköping and Worms. The Materia and NC Nordic Care brands are developed in Tranås, and the Skandiform brand in Vinslöv.

FREEDOM WITH RESPONSIBILITY

Where and how the products are manufactured and delivered varies among the brands, but we take responsibility for the entire value chain and work to create a better effect.

Each brand is expected to follow the Group's core values, owner directive and business strategy. They all work with our shared value chain as their guiding star, but as the production conditions are different – some brands buy in complete products of parts of products – individual solutions need to be found.

We see this as an advantage, since every operation has the chance to optimise sustainability work in a way which takes account of its own circumstances. In the operations which buy in complete products, for example, there is a greater focus on monitoring the supplier chain and labelling.

CODE OF CONDUCT

We base our code of conduct on the UN's Global Compact. In order to make our expectations clear, we have drawn up a Supplier Code of Conduct, which all our suppliers have to accept and sign. We have a whistle-blower system which enables people in the company to anonymously report possible breaches of the code without fear of reprisals. In 2017 we received and investigated five whistleblowing incidents.

INDUSTRY ENGAGEMENT AND SOCIAL ENGAGEMENT

As one of Europe's biggest suppliers of interior design solutions for working environments, it is our responsibility to drive development.

For example, we are members of FSC® internationally, involved in the Swedish FSC's board of directors and active in Möbelfakta's technical committee and working groups for the development of the Möbelfakta labelling system. We are members of the Swedish trade association and employers' organisation TMF and the European trade organisation FEMB. We work actively for the development and harmonisation of quality standards for furniture in Sweden through SIS, in Europe through CEN and globally through ISO.

STAKEHOLDER DIALOGUE AND MATERIALITY ANALYSIS

To identify the issues which are important for those who influence or who are influenced by our operations, we maintain a regular dialogue with our stakeholders. Our key stakeholder groups are customers, employees, owners, suppliers, authorities, society, lenders and retailers. The dialogue is conducted by means of surveys, interviews, focus groups and ongoing meetings in the daily operations. The issues identified are balanced together and prioritised on the basis of their significance for the stakeholders and an assessment of their significance for Kinnarps' economic, environmental and social effects. The areas which Kinnarps and our stakeholders regard as most significant are: product and service quality, pure materials and chemicals, social responsibility, transportation and resource efficiency, reuse, climate, waste and emissions, transparency, ergonomics and health, and responsibly produced raw timber.



ECONOMY



NET TURNOVER

SEK 4,037,832,439

COST OF RAW MATERIALS, GOODS FOR RESALE AND OTHER COSTS

SEK -2,561,001,486

TOTAL SALARIES AND REMUNERATION

SEK -970,806,332

TOTAL SOCIAL SECURITY CONTRIBUTIONS AND PENSIONS

SEK -317,467,164

INTEREST EXPENSES

SEK -7,373,358

TAXES

SEK -61,988,232

STAFF

	Men	Women	Total number of employees
Sweden	909	520	1,429
Germany	224	68	292
Norway	82	70	152
France	56	47	103
Poland	35	50	85
UK	30	21	51
Denmark	28	32	60
Belgium	17	27	44
Switzerland	13	10	23
Hungary	6	14	20
China	3	3	6
Italy	0	3	3
Total	1,403	865	2,268

MANAGERS

	Men	Women	Total number of employees
Under 30	1	0	1
30-50	73	45	118
Over 50	66	13	79
Total	140	58	198

65% OF THE EMPLOYEES ARE COVERED BY COLLECTIVE AGREEMENTS

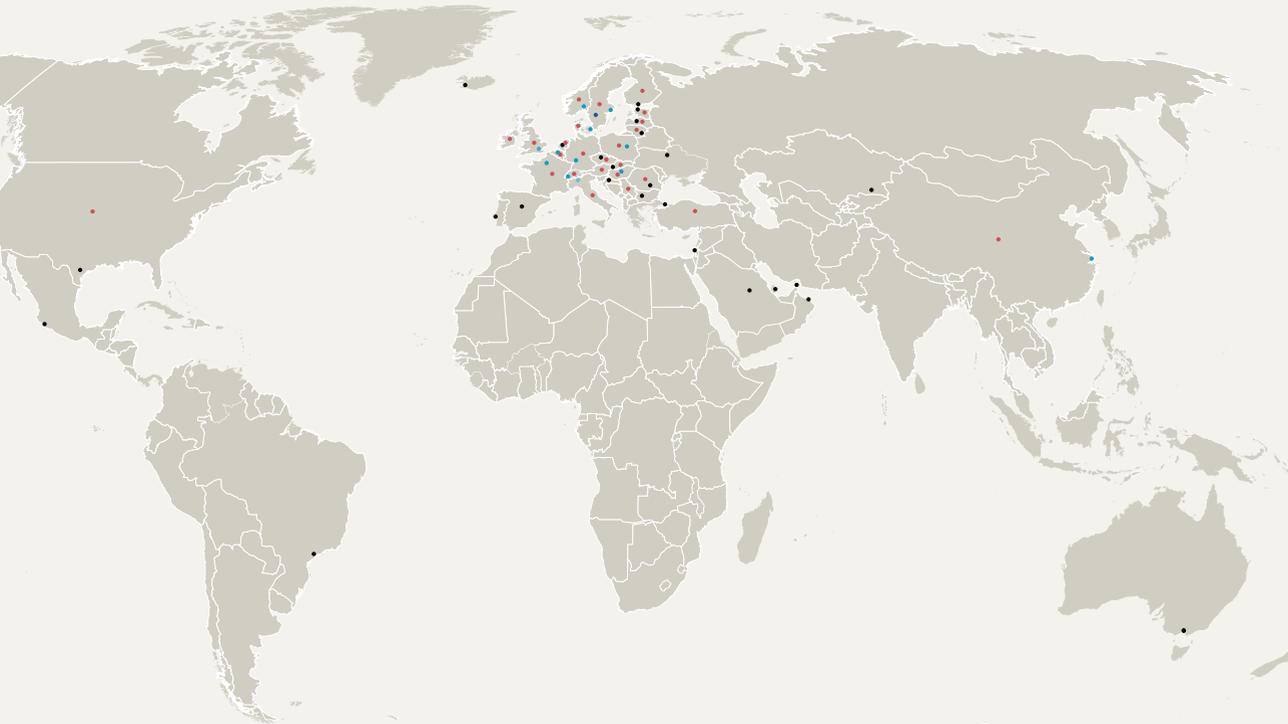
WORKING ENVIRONMENT INCIDENTS

We work systematically with the working environment in our units. Part of this work is to record and manage incidents in order to investigate events and identify possible improvements. More incidents were reported in 2017 than in previous years. This is mainly because of the training initiatives we have taken with the reporting tool during the year. The aim has been to raise awareness and understanding of how important it is to report incidents.

Incidents occur primarily in production, where relatively large amounts of material are handled manually. Statistics also include incidents of a less serious nature, such as minor cuts, pinching injuries or trips. Most incidents are of a straightforward nature and do not result in absence from work. On the other hand, we do not have statistics for days lost as a result of working environment injuries. All incidents are investigated to ensure they will not be repeated. Serious accidents are reported in accordance with current legislation to the national authority.

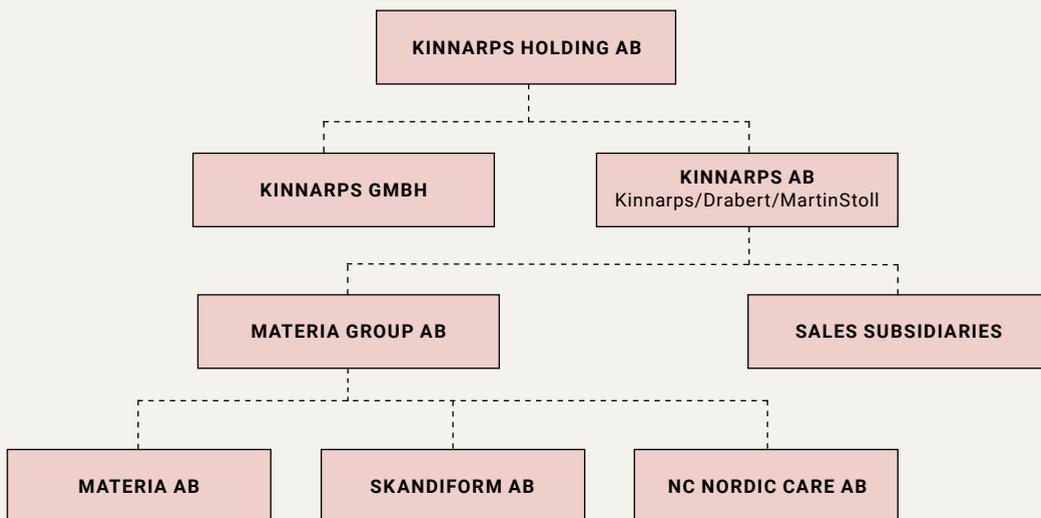
NUMBER OF INCIDENTS

2016: 61 2017: 76



The Kinnarps Group has production units in Sweden and Germany and a sales and design office in China. There are sales subsidiaries in 11 countries and we are also represented by retailers in a further 32 countries. The head office is located in Kinnarp.

- Head office
- Subsidiaries
- Retailers
- Suppliers



KEY FIGURES



EMPLOYEE INDEX (EI)*

* Employee survey for Kinnarps AB (production units and head office) and sales subsidiaries in 10 countries.

► ANALYSIS AND FOLLOW-UP

Kinnarps' employee index continued to develop positively during 2016, with an index of 68 compared with 67 (2015) and 64 (2014). An index between 60 and 100 is considered as high job satisfaction, and the result is also better than the average in Swedish companies (64). The response rate was 87%, which is a very high figure. This points to a high level of commitment although we have a large, dispersed organisation with many different production units and sales organisations. This year's survey also shows that Kinnarps as a whole has a higher proportion of motivated employees than in 2015. The perception is that we are more effective in terms of organisation, working methods and targets. Our core values are well supported, and the employees perceive their physical working environment as more satisfactory than previously. In this year's survey, we also noted opportunities for improvement. Certain work groups need to work on establishing Kinnarps' values in their daily work. We also need to show the development opportunities in the company. In order to create even greater motivation, we need to be clearer about how employees can influence results and have an influence through the work they do. This is in line with our brand promise: that we create working environments that promote success and well-being.

► TARGET

By 2020 we aim for our employee index to reach 70. The target has been reformulated, as we have reached the target of 68 earlier than expected.





“THE LABORATORY MAKES PROCUREMENT SIMPLER”

Kinnarps Test & Verification Center is one of the few accredited furniture laboratories in Sweden. Not only furniture from Kinnarps is tested here. Other companies are also welcome!



Kinnarps' test laboratory was accredited by SWEDAC as long ago as 1994. It was Sweden's first internal test laboratory for furniture. This means that we are licensed to conduct our own tests and issue reports for the test standards covered by the accreditation.

"To put it simply, you could divide our operations into two parts: technical tests and measurements which help us to ensure the products' functioning and quality, and preparation of all the necessary documentation concerning our certifications, including Möbelfakta GS, NF and CE labelling. This means that we have to be in control of everything. If an item of furniture is to be labelled with Möbelfakta, we're responsible for all documented evidence – from quality and environmental requirements to social responsibility and supplier follow-up. It's also quite common that certain customers or markets have specific requirements. Then we do the necessary tests to verify what's requested," says Daniel Landberg, who is in charge of the work.

The lab has five employees: Daniel, three test technicians and one person who works full-time on sustainability requirements, environmental requirements and procurement support.

IMPORTANT PROCUREMENT SUPPORT

Kinnarps' Test & Verification Center has a strategically important role in the Kinnarps Group's sustainability work, and serves all the Group's brands. But it also happens that other companies engage the lab to conduct tests – the facility is impartial and can therefore also offer consultancy services.

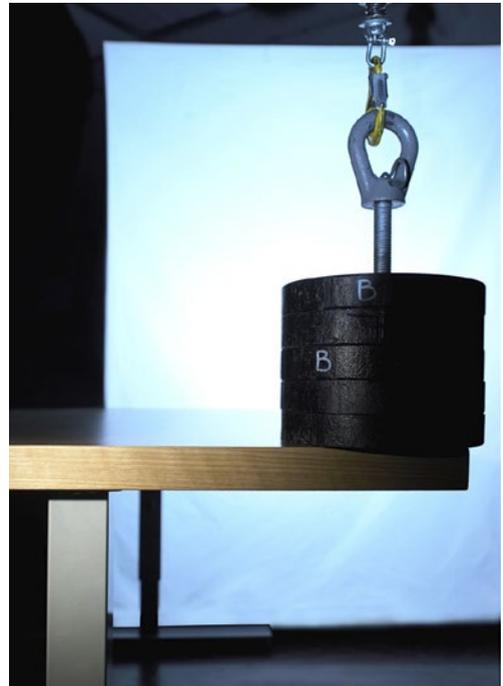
The test laboratory is essential if the Group is to pursue innovative product development and if the operations are to have an impact in all the Group's prioritised sustainability areas. In close cooperation with the procurement and development departments, documentation of raw materials and

materials concerning origin, the purity of the material and social responsibility are secured and collated.

TOUGH TESTS

Tough tests contribute to functional products which meet both statutory requirements and the Kinnarps Group's own requirements regarding inclusive design for all types of users. In the lab we also check the life span of the products and materials, which is of great importance for the opportunities of long use, reuse and reduced climate impact.

"The product tests are extremely valuable in a circular business model, as they ensure that a product is of good quality and durable. A fatigue test shows in black and white which products will survive the wear and tear they will be subjected to."



"THE PRODUCT TESTS ARE EXTREMELY VALUABLE IN A CIRCULAR BUSINESS MODEL, AS THEY ENSURE THAT A PRODUCT IS OF GOOD QUALITY AND DURABLE."

“AS IF THEY WERE MADE FOR EACH OTHER”

Drabert specialises in office chairs. With a strong tradition of ergonomic and eco-friendly products, Drabert fits well into Kinnarps' holistic solutions. “Drabert's unique contribution to the Group is their innovative mechanisms, developed in-house. Simply smart engineering!” says International Product Manager Pehr Gårlin.

Entrada II is fitted with an innovative mechanism which makes the chair easy to adjust and use.



"Ergonomics and sustainability are Drabert's distinctive features – and we have a long tradition to fall back on. Drabert started manufacturing task chairs as long ago as 1915, and has become known on the European market for the concept of four points for ergonomic sitting. All under the motto that "the next position is the best position," says Gårlin.

In other words, Kinnarps and Drabert have a great deal in common. Drabert's operations also go hand in hand with the Group's value chain and the sustainability promise "The Better Effect".

"PLUG & PLAY"

We human beings are lazy by nature, according to Gårlin.

"We don't want to carry out a load of adjustments to a chair – we just can't be bothered. That's why we have specialised in

smart mechanisms which are simple to handle. Our task chairs work on the 'plug and play' principle. In the same way that it should be simple to start a computer or a music system – plug it in, switch it on and off you go – it should also be easy to sit ergonomically. An example of this is the Entrada II chair, which has a completely new patented mechanism that makes the chair easy to use."

SPARE PARTS ALWAYS AVAILABLE

Timeless design and quality materials make Drabert's office chairs a long-term, sustainable investment.

"We are careful to offer spare parts for our different models, so that the customers can easily repair or freshen up their chairs. This is much better than buying cheap chairs of unknown origin, which break and have to be replaced every five years."

"TIMELESS DESIGN AND QUALITY MATERIAL MAKE DRABERT'S OFFICE CHAIRS A LONG-TERM, SUSTAINABLE INVESTMENT"



Senor is an exclusive furniture collection customised for today's technology. Design Volker W Eysing.



MARTINSTOLL

AN INVESTMENT IN GOOD CRAFTSMANSHIP

Interior design from MartinStoll makes no compromises – everything is customised for the customer. "With skilful craftsmanship and selected materials, we create environments which reflect the customer's brand and values. Environments that will last for decades," says Martin Rau, International Product Manager at MartinStoll.



MartinStoll's interior design solutions are exclusive. You can find them in imposing office environments, conference and board rooms.

"In Europe, we have for a long time been one of the obvious choices for these types of environments. We are particularly strong on the German, British, French and Italian markets," says Rau.

AWARE CUSTOMER GROUP

"You might think the requirement for exclusivity is a challenge for sustainability – not least from the point of view of materials. But in fact it's quite the opposite," says Rau.

"We apply the same requirements and labels as other brands in the Kinnarps Group. We have a very wide range of sustainable materials, and if the customer prescribes their own materials, we include the sustainability aspect in the discussion. If the material doesn't meet our sustainability criteria, we take this up with the customer and

suggest alternatives. The majority of customers are positive about this. This is a clear trend we are very pleased about – especially in view of MartinStoll's own history."

PIONEERS IN SUSTAINABILITY

The company was founded in 1870 by Albert Stoll. In the 1970s, the operations became known as MartinStoll under the leadership of the visionary and CEO of that name.

"Martin Stoll was interested in the anthroposophical lifestyle and attached great importance to ergonomics, health and the interaction between human beings and nature. Among other things, he had a vegetable garden laid out next to the factory. What was harvested was served in the staff canteen. These are values that have put their stamp on our operations and are still deep in our brand's DNA."



Kinnarps

The Kinnarps brand stands for innovative, ergonomic and functional holistic solutions for the workplace.

FOUNDED. 1942.

PRODUCTION. The products for the Kinnarps brand are manufactured in our own factories in Kinnarp, the Group's largest plant, Jönköping and Skillingaryd in Sweden.

PRODUCT LABELS. Möbelfakta, FSC®, NF Environnement and GS.

MARTINSTOLL

MartinStoll manufactures timeless, elegant executive and conference furniture with skilful workmanship and a great feeling for detail.

FOUNDED. 1870, in the Kinnarps Group since 2010.

PRODUCTION. Head office and sales in Worms. Production is by selected artisanal sub-suppliers in the surrounding area. Some production of chairs takes place in Kinnarp's plants in Worms, Kinnarp and Skillingaryd.

PRODUCT LABELS. The brand includes products labelled with GS.



drabert

Drabert specialises in innovative task chairs, visitor chairs and conference chairs with outstanding ergonomic design.

FOUNDED. 1889, in the Kinnarps Group since 2010.

PRODUCTION. Products for the Drabert brand are manufactured in Kinnarps' factories in Worms in Germany and in Kinnarp, Skillingaryd and Jönköping in Sweden.

PRODUCT LABELS. The brand includes products labelled with GS.

JOINT MANAGEMENT AND PRODUCTION

Kinnarps works with three of the Group's brands: Kinnarps, Drabert and MartinStoll. Development and production takes place in Kinnarp, Skillingaryd, Jönköping and Worms.

HEAD OFFICE. Kinnarp.

NUMBER OF EMPLOYEES. 1,314
(Employees of Kinnarps AB and Kinnarps GmbH.)

CERTIFICATIONS

Kinnarp ISO 9001, ISO 14001, FSC Chain of Custody, PEFC Chain of Custody

Skillingaryd ISO 9001, ISO 14001, FSC Chain of Custody

Jönköping ISO 9001, ISO 14001

Worms ISO 9001, ISO 14001



The Patch stool, designed by Mia Cullin & Axel Bjurström, is upholstered entirely with 'waste' fabric from Materia's upholstery workshop. The stool is available in seven colour schemes and each upholstery combination is unique.

INNOVATIVE WORK WITH MATERIALS

By using materials in unexpected ways, Materia challenges itself and the market. The Patch stool is an example – upholstered with waste fabric from their own production. “We’ve simplified the customer’s choice by sorting the fabrics into seven different colour groups,” says product development manager Krister Jonsson.

Materia does not manufacture components itself, but focuses on assembly, fabric cutting, sewing and upholstery. The waste therefore consists almost entirely of textiles.

“In 2016, we started a development project with the aim of finding a use for the waste fabric in new products. The first product is the Patch stool,” says Jonsson.

The textile waste we have on a particular day determines which fabrics and patterns can be combined. The waste fabrics are sorted into seven different colour groups, and these are then used for Patch. Each stool has its own unique combination of textures and nuances in the colour scheme.

TO CHOOSE OR NOT TO CHOOSE...

“Our aim is to use as much of the waste fabric as possible for Patch. But we already know that we won’t reach 100%. Fabrics which contain many different colours or really large patterns don’t work with the design, so we have to separate them out.”

“It’ll be interesting to see what the customers think – about the product, and about the fact that the fabrics are predetermined. We will, of course, help out with images and material samples in every individual case.”

In the rest of its range, Materia does not work with standard textiles at all – all fabrics are chosen by the customers.

“For this reason, we try to be proactive and help our customers to make good, sustainable choices. We have a high level of competence in this field, and are happy to give good advice to anyone who’s unsure.”

A LONG, STYLISH LIFE

Materia’s skilled, artisanal employees are a prerequisite for good, economic management of materials. The upholstery workshop creates furniture with precise, durable seams which can stand up to the heavy wear and tear they are subjected to in public environments.

“Furniture from Materia has to be long-lasting – both aesthetically and practically. For this reason, we choose quality materials which have been carefully manufactured. With good fabrics, good fit and glued fabrics, seating furniture can look just as fresh after many years,” Jonsson explains.

“Since we have no in-house component manufacturing, we have the chance to evaluate the latest trends in material development and production technology. We are demanding in our choice of materials, and always try to work with materials which can be separated at the stage of final recycling. Patch is naturally designed on the same principles.”

The idea is to develop more products on the same theme, and if Patch is received well, development will be speeded up.

“We have more ideas!”

WORKING ENVIRONMENT. PRACTISING WHAT WE PREACH!

If you have the mission to create innovative and developmental working environments for your customers, you have to begin with yourself, of course. The working environment is a high priority for Materia, which is OHSAS 18001 certified. The certification ensures that all working environment laws are complied with and that staff motivation, well-being and safety are actively pursued. These conditions apply to everyone – with the same requirements for the sub-suppliers as for our own operations. Materia has deep knowledge of how

offices and workplaces can be designed to create inspiring and healthy environments, and in our own premises in Tranås new possibilities are explored. The employees in production have access to nicely decorated changing rooms where they are met by the chirping of birds, and the office area is designed for activity-based working. Here there are also no barriers between different functions. A large glass wall between the workshop and the office creates the conditions for transparency and affinity.





MATERIA®

Materia stands for the experimental and creative, a trademark which stretches the limits for usability and the architectonic. With unpredictability and conceptual design, Materia shapes and facilitates the dynamic processes within the modern company.

LOCATION. Tranås

FOUNDED. 1992, in the Kinnarps group since 2004.

NUMBER OF EMPLOYEES. 77

PRODUCTION. Head office, assembly, sewing and upholstery in Tranås. Materia does not manufacture components itself. All parts are manufactured by sub-suppliers, many of them in the surrounding area.

PRODUCT LABELS. FSC® and Möbelfakta.

CERTIFICATIONS. ISO 9001, ISO 14001, OHSAS 18001, FSC Chain of Custody



MÖBELFAKTA MASTERS

NC Nordic Care is the Swedish brand with the largest number of products labelled with Möbelfakta. And there will be more, says quality and environmental coordinator Tomas Reibring. "A big advantage of Möbelfakta is that the requirements harmonise with the Procurement Authority's requirements, and this simplifies the customer's procurement."





The Kompis stool is labelled with Möbelfakta and manufactured with 100% FSC®-certified material. The hardwearing fabric is made of 74% recycled material and is also certified with Cradle to Cradle™ and Oeko-Tex.

Today, 127 of the 176 products in the range are labelled with Möbelfakta, i.e. almost 75%. Almost as many, about 117 products, are FSC-labelled. The proportion of labelled furniture is increasing all the time.

“We’re committing ourselves so heavily to Möbelfakta because it’s such a comprehensive product label which includes quality, environment and social responsibility. Möbelfakta is a guarantee of high-strength furniture with good quality and a long lifespan. With Möbelfakta, customers can also be sure that environmentally hazardous substances have been avoided and that the supplier chain has been surveyed. The suppliers have been risk-assessed and there are preventive measures for checking that they follow the UN’s code of practice,” Reibring explains

On NC’s website, products labelled with Möbelfakta are shown as a separate category.

“The customer can go into the website and choose freely. It’s quick and easy to get the information, and the customers avoid having to go through a long inquiry process to find out which furniture meets the environmental requirements.”

A FRIEND HELPS OUT

Wood is the predominant material in NC’s products, and therefore accounts for a large proportion of the environmental impact of the operations.

“To ensure that the forest has been managed with as much respect for nature as possible, we are FSC-certified and use FSC wood as much as possible.”

The new Kompis [‘Friend’] stool is an outstanding example of how NC works with labels in its product development. Kompis is a foldable stool which can be hung on the wall when not in use – a space-efficient extra seat or visitor chair. Kompis is labelled with Möbelfakta, and manufactured from 100% FSC-labelled wood from responsibly managed forests. The fabric consists of 74% recycled material and is certified with Cradle to Cradle™ and Oeko-Tex. Furthermore, the fabric is extremely hardwearing, which is essential in a design of this type where the fabric bears such a large part of the load.

ALONG WITH OTHER MANUFACTURERS, NC HAS BEEN A DRIVING FORCE BEHIND ENCOURAGING LACQUER MANUFACTURERS TO INTENSIFY THEIR DEVELOPMENT WORK.

CROSS-BORDER COOPERATION

"Even in the design process, the potential for reuse is taken into account. Seats and coverings must be easy to replace, clean or reupholster. The furniture should remain fresh for a long time and be available for a large number of people," Reibring argues.

"But for the same reason we also have to offer lacquered wooden surfaces which are easy to clean and wipe and which withstand disinfection. Environmentally friendly water-based lacquers are less robust, and there is therefore sometimes a need for more resistant alternatives, such as acid-hardening lacquers. Such lacquers have a negative environmental impact and greater emissions of VOCs.

Along with other manufacturers, NC has been a driving force behind encouraging lacquer manufacturers to intensify their development work. At the moment there is a joint project between a number of furniture manufacturers, TMF, which is the trade organisation for the wood-processing industry in Sweden, and manufacturers of lacquer and disinfectants. Together they have produced different samples lacquered with water lacquers, acid hardeners and polyurethanes. These samples will be tested in Kinnarps' laboratory.

"We hope the tests can provide new knowledge which may be of use in product development, and help the industry to move forward in this issue."



INCLUSIVE DESIGN

NC Nordic Care develops furniture for all types of public environments and is one of the leaders in the areas of healthcare and nursing, cafés and restaurants. Furniture that represents a playful and modern design with attention to people, environment and aesthetics. Our ambition is to offer furniture concepts which create accessibility and inclusiveness. The core values, based on participation and responsibility, should be reflected clearly in the products.

LOCATION. Tranås

FOUNDED. 1950, in the Kinnarps Group since 2009.

NUMBER OF EMPLOYEES. 17

PRODUCTION. NC has no in-house manufacturing. All products are commissioned from carefully selected suppliers.

PRODUCT LABELS. FSC® and Möbelfakta.

CERTIFICATIONS. ISO 9001, ISO 14001, OHSAS 18001, FSC Chain of Custody.



SKANDIFORM

DESIGN AS A COUNTERWEIGHT TO 'WEAR IT OUT AND THROW IT AWAY'

Long-term cooperation with experienced designers is Skandiform's distinguishing feature "By lasting a long time, in terms of both aesthetics and quality, our products counteract the 'wear it out and throw it away' attitude," says Bengt Persson, who is site manager at Skandiform.



Stefan Borselius, Claesson Koivisto Rune, Ruud Ekstrand and Jonas Lindvall are among the renowned designers who form part of Skandiform's design team. They are a relatively small and exclusive group.

"We work with experienced designers who have a professional attitude and an ability to see beyond prevailing trends. What's important for us is long-term cooperation which can contribute to developing and reinforcing Skandiform's expression and individuality," Persson explains.

"The advantage of experienced designers is that they have a very good knowledge of materials and they have sustainable thinking integrated into their processes."

MODERN CLASSICS

Our ambition is to offer timeless product ranges which find their new place easily when environments are modified. And who would, having thought about it, throw out the Lindvall classic Oak, just because it's time to renovate?

"It's important that the products can be reused. We have a lot of faithful servants in our range, and many of them are designed to be easily refurbished and reused. A really good example is the modular sofa Nonstop by Ruud Ekstrand. It's now been around for 25 years and is still really popular. When it's time to make changes, you can reupholster it or rebuild or add modules."

QUIET ENVIRONMENT

Nina Jobs is Skandiform's most recent cooperation partner. Jobs is one of Sweden's best-known designers, with over 20 years' experience and an impressive track record. She trained as a product

designer at the Ecole Nationale Supérieure des Arts Décoratifs in Paris and has a Masters degree in ecological textiles. The new wall absorbent Deep Forest was developed during 2016 and is our first joint product.

Wall absorbents contribute to better sound ergonomics and stress-free working environments – and this is exactly why the forest was the source of inspiration, as Jobs says.

"The forest is one of our very quietest environments. The noise level there is around 15 dB, compared with a workplace, where it's often around 60 dB."

REDUCTION IN FORM AND MATERIAL

Deep Forest has been designed for minimised environmental impact through its entire life cycle – from choice of material and the material's lifespan to local manufacturing which enables short transportation routes. Reuse and final recycling were important parameters. The wall absorbent consists of three materials: recycled rags from a supplier in Småland, recycled PET bottles and four standard textiles which are a good environmental choice. However, it is possible for the customer to choose the textiles.

"My design process is a matter of reducing as much as possible, both in the design and in the material. I like simplicity in design, and this is effective from a sustainability point of view," Jobs argues.

In line with Skandiform's philosophy and a long interior design life, each absorbent is fitted with a clever mounting which makes it easy to replace modules, clean and reupholster them as the office is modified.

"MY DESIGN PROCESS IS A MATTER OF REDUCING AS MUCH AS POSSIBLE, BOTH IN THE DESIGN AND IN THE MATERIAL. I LIKE SIMPLICITY IN DESIGN, AND THIS IS EFFECTIVE FROM A SUSTAINABILITY POINT OF VIEW."

NINA JOBS, DESIGNER

The wall absorbent Deep Forest contributes to a quieter and less stressful working environment. On the basis of a number of different modules and textiles, you can construct your own 'quiet' forest as a work of art on the wall. The absorbent is manufactured from recycled rags, recycled PET and environmentally friendly fabrics.



FOCUS ON REUSE



In cooperation with the Västra Götaland region, around 80 Focus chairs manufactured by Skandiform in the 1980s have been renovated. Under the auspices of Skandiform, the chairs were relacquered and fitted with new padding and new fabric. The upholstery work was done by the same seamstress who upholstered the chairs when they were manufactured! The project was a great success and will probably be continued – there are a lot of Focus chairs out there...

skandiform

Skandiform is one of Scandinavia's leading suppliers of furniture for offices and inspiring public environments.

The company has its roots in the Scandinavian design tradition and gets its inspiration from nature's organic blueprint and multifaceted shades.

LOCATION. Vinslöv

FOUNDED. 1962, in the Kinnarps Group since 2004.

NUMBER OF EMPLOYEES. 27

PRODUCTION. Head office in Vinslöv. Assembly and quality control.

All parts are manufactured by sub-suppliers, most of them in the surrounding area.

PRODUCT LABELS. Möbelfakta, FSC®.

CERTIFICATIONS. ISO 9001, ISO 14001, OHSAS 18001, FSC Chain of Custody.

GLOSSARY

CERTIFICATES

FSC® CHAIN OF CUSTODY Traceability certification for FSC with requirements for traceability of wood in the supplier chain.

ISO 9001 Standard for quality management systems. A structured way of working for continuous improvement of customer satisfaction and internal procedures.

ISO 14001 Standard for environmental management systems. A structured way of working to follow up the operations' environmental impact and systematic environmental work.

OHSAS 18001 Standard for Occupational Health and Safety management systems. A structured way of working for systematically improving the working environment.

PEFC CHAIN OF CUSTODY Traceability certification for PEFC with requirements for traceability of wood in the supplier chain.

ENVIRONMENT AND PRODUCT LABELS

ACOUSTIC FACTS Independent assessment of the product's acoustic data which makes it possible to compare products. Based on a Swedish standard.

BLAUER ENGEL A German eco-label. Comprises environmental requirements in the product's life cycle.

CE LABELLING A label which shows that the product fulfils the EU's standards for safety, health and environmental protection.

CRADLE TO CRADLE A product label which imposes requirements for safe materials, recyclability, knowledge of product contents and social factors.

EU ECOLABEL The EU's official environmental label for services and products. Imposes requirements for quality and environment.

FSC A label for responsible forest management. It means environmentally-adapted, socially responsible and economically sound use of the world's forests. FSC-C010544, www.fsc.org

FSC CW (FSC CONTROLLED WOOD) Timber from monitored and acceptable sources.

GS (GEPRÜFTE SICHERHEIT) A German quality label for furniture that covers European legal requirements in respect of safety and, in certain cases, imposes more stringent requirements than those dictated by law.

MÖBELFAKTA A Swedish furniture label with a clear focus on sustainability. It covers product standards within the areas of quality and environment, plus supplier standards of social responsibility.

NF ENVIRONNEMENT The only official environmental label for furniture in France. It covers product requirements for quality and environment, and producer requirements for the environment.

OEKO-TEX® A global label for textiles. Imposes requirements that the products may not contain any substances which are hazardous to health.

PEFC A label for wood products from responsible forestry.

SVANEN A Nordic eco-label which imposes requirements on services and the environmental impact of goods during their life cycle.

MISCELLANEOUS

BIODIVERSITY Diversity among species and between species, and diversity of ecosystems.

BISOPHENOL A A suspected endocrine disruptor which may be present in plastic, lacquer and glue.

BSCI'S RISK COUNTRY LIST Business Social Compliance Initiative's risk classification of countries with regard to social responsibility.

CEN Comité Européen de Normalisation. A European standardisation organisation.

CO2 The chemical symbol for carbon dioxide.

CODE OF CONDUCT Guidelines for how an organisation should run its operations in an ethical, social and environmentally friendly manner.

CSR Corporate Social Responsibility. Refers to companies' social responsibility.

ECOSYSTEM An ecological system which includes all living organisms and the environment in a natural area.

EPD Environmental Product Declaration. A verified and registered document which shows a product's environmental performance from a life-cycle perspective.

FEMB A European federation comprising trade associations for office furniture and their members. Promotes standardisation and harmonisation between European countries.

UN SUSTAINABLE DEVELOPMENT GOALS

The UN's 17 goals for sustainable development in order to transform the world by 2030.

UN GLOBAL COMPACT The UN's global initiative to encourage companies to act in accordance with principles of human rights, labour rights, environment and anti-corruption.

FORMALDEHYDE A substance which may be present in the glue in chipboard, in textiles and leather. Allergenic in contact with skin, and carcinogenic.

PHTHALATES Used as softeners in plastic and rubber. Also used in paint and glue. Suspected of being endocrine disruptors.

MDI Isocyanate used in the manufacture of padding. A more healthy alternative to TDI.

REACH CANDIDATE LIST A list of substances classified as particularly hazardous according to the EU's chemical authority.

RE:FILL Kinnarps' material which contains waste fabric, recycled PET plastic and melted fibres.

ROHS DIRECTIVE An EU directive which prohibits or restricts the use of hazardous substances in electrical and electronic products.

SIS Swedish Standards Institute. A Swedish organisation which, together with its members, draws up standards in a large number of areas.

SMETA Sedex Member Ethical Trade Audit. An ethical audit which is used to check ethical aspects in supplier chains.

SWEDAC Sweden's national accreditation organ.

TANTALUM A metallic element, and one of the four conflict minerals whose extraction risks the financing of ongoing conflicts.

TDI An isocyanate which may be used in the manufacture of padding. Can cause asthma and allergy.

TMF The Swedish industry and employer organisation for the wood-processing industry and furniture industry in Sweden.

VOC Volatile Organic Compounds. Present in paint, lacquer, glue and detergents. Can cause headaches, poor concentration and poor air quality.

TUNGSTEN A metallic element, and one of the four conflict minerals whose extraction risks the financing of ongoing conflicts.

WWF The World Wildlife Fund, a non-profit environmental and nature conservation organisation which works to promote the earth's natural biospheres and create a future in which human beings live in harmony with nature.

Kinnarps®

drabert

MARTINSTOLL

MATERIA®



skandiform