

Sustainability Report

In accordance with GRI v4 Core

SEPTEMBER 2018

We value our safe and Environmental



Message from the CEO

At Inscape, our commitment to sustainability starts with our products. We believe the most sustainable furniture choice is the one you don't make again and again. The ability of our products to integrate, adapt and endure extends their life cycle – giving our clients more options to reuse and reconfigure as their needs change.

Design for sustainability is one of our four guiding principles for designing products and creating smart workspaces. We measure our progress through an environmental management system which is monitored closely by a cross-functional Environmental Committee. We continue to integrate the social and environmental aspects of sustainability into our everyday practices, designs and policies.

Over the years, we have made significant progress in our initiatives, highlighted by the following:

- Our products, including Inscape System and Bench, Rocklt, filing and storage and movable wall products are certified to ANSI/BIFMA e3- LEVEL®3
- Inscape products are tested for off-gassing and are SCS IAQ certified
- Inscape Walls is the first wall manufacturer achieved Red-List compliance
- Red-List compliant Inscape system and storage are available for LBC projects
- Our wood worksurfaces are FSC[®] certified
- · We continue to support and contribute to various charitable and social programs
- · Our showroom in New York city is LEED Gold certified
- Continuous reduction of energy consumption
- Continuous reduction of our carbon footprint
- Continuous reduction of water consumption
- · Continuous reduction of hazardous waste

Our successes are the result of the ongoing dedication and commitment of our people to improve our environmental performance and contribute to the overall good of our community.

Brian Mirsky CEO

Who we are

Inscape, an award-winning designer and manufacturer of office furniture, has been initiating change in workspace design for over 125 years. With an emphasis on quality, innovation, technical design and unparalleled delivery and service, Inscape has been consistently awarded for its designs.

Inscape collaborates with leading European partners and manufactures their designs in North American facilities. Our systems, storage, seating, wall, ergonomic and technology solutions delight users, foster agility and empower technology in the workplace. Flexible and designed for sustainability, Inscape products enable easy customization and readily adapt to keep pace with changing needs in the workplace.



What we do

Inscape makes smart workspaces — thoughtfully designed spaces that perform beyond expectations. We collaborate with our clients to provide customized solutions based on their individual needs. Our meticulously engineered System, Storage and Wall products provide unparalleled flexibility to create unique applications at a lower cost of ownership. Easy reconfiguration and seamless integration with other products means our smart applications will work today and tomorrow.

Our products can be easily reconfigured to accommodate evolving needs and work styles.

Inscape has been honored with many design awards, including five NeoCon awards in 2015, two NeoCon awards in 2016 and two Neocon awards in 2017. An ISO 9001 registered company, Inscape monitors each structural, operational and aesthetic detail to ensure delivery of products that meet the highest standards while providing maximum versatility.

LEVEL® Certification

We believe that the most sustainable furniture choice is one you don't have to make again and again.





BIFMA e3 Sustainability Standard, is a standard developed specifically for the contract furniture industry that measures a company's social actions, energy usage, material selection and human and ecosystem health impacts. The certification compliance for this standard is known as LEVEL® and has become the industry benchmark for how sustainable a product is from multiple perspectives. Inscape Storage, System and Wall products are certified at LEVEL®3, with targets to not only maintain but also improve product sustainability criteria.

Environmental Commitment



Environmental accountability is at the forefront of Inscape's corporate mandate. Inscape understands that ecosystem health is connected to human and economic health, and that these three concepts must be considered together when making decisions.

We have developed an extensive chemical management and reduction strategy to ensure all chemicals of concern are reviewed, and action plans developed to decrease and eliminate usage of chemicals with potentially harmful environmental effects.

By devoting our environmental strategy to all aspects of sustainability – Including energy, atmosphere, recycling, technology and water – we are committed to ensuring success today, tomorrow and for many years to come.

Energy

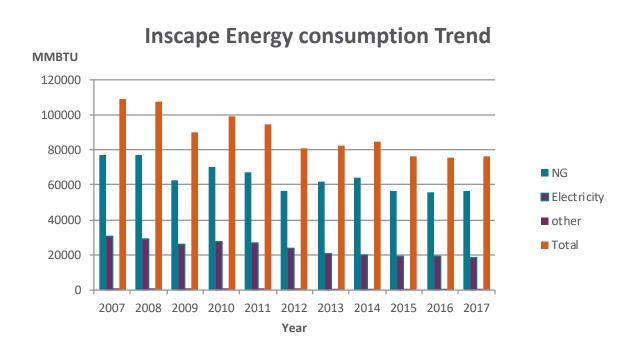
Energy Footprint

Inscape aims to continuously improve our energy footprint while reducing our reliance on non-renewable energy resources during the manufacturing, procurement, and distribution of our products.

Through our environmental management system, Inscape is committed to addressing energy objectives and targets through a process of continuous improvement while we work to reduce the carbon footprint of our operations and reduce our energy purchases.

We are deeply awareness of the need to conserve energy and optimize its use. To that end, we have undertaken several dedicated initiatives over the past few years, reducing our ecological footprint:

- Lights replaced with LED bulbs at both Holland Landing and Falconer facilities
- Occupancy sensors were installed in the factory
- Factory lights are set on timers
- · Temperature management in the office during the winter
- Installing gas meters on all paint lines



Atmosphere

Carbon Footprint

Shrinking our carbon footprint is a crucial element of Inscape's overall sustainability program.

Air Quality Management

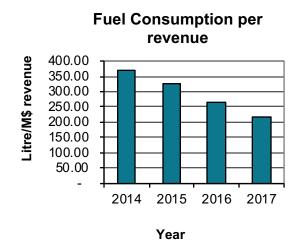
Traditionally, high production volumes correlate with increased environmental discharges and decreased air quality. Inscape has successfully challenged this pattern by implementing specific energy conservation practices and manufacturing efficiencies resulting in higher production levels without corresponding declines in air quality.

Responsible Movement

Our environmental view extends beyond product development and manufacturing practices to an integrated program that includes ecofriendly packaging and transportation methods:

- We manufacture complete lines of products at single facilities, reducing the need to burn fuel or consume other resources to transport materials.
- Our packaging materials, consisting of both pre-consumer recycled content and post-consumer recycled content are classified as biological nutrients.
- The ink used to print on our cardboard is water-soluble and the polymer-based stretch wrap is fully recyclable.
- Every one of our drivers and carriers must adhere to strict emission standards enforced by the Ontario Drive Clean Program.

Normalized GHG 7000 6000 5000 4000 2000 2010 2017 Axis Title



Recycling

We recognize that sustainable products require sustainable inputs and we're steadfast about leading by example. At the forefront of our recyclables program is a commitment to maximizing perpetual materials, highlighted by a number of features.

Wood

Each of our three main sources of wood waste – skids, crates and MDF – are treated accordingly:

- Our composite skids, made up of recycled content, last indefinitely.
- MDF waste is taken offsite to be chipped and burned so that it may be used to heat large buildings.
- Sawdust remnants from worksurface shaping are collected and removed by Ontario Sawdust for effective re-use on marsh farms.

Steel

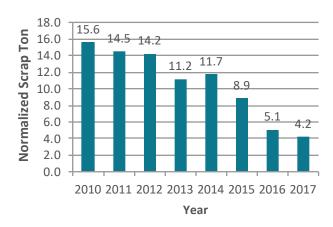
Steel, the primary component for most of Inscape's finished goods, is highly recyclable. The steel scraps at our facility are collected by our vendors and recycled offsite. Inscape has taken few initiatives to improve the material efficiency and reduce scrap in past two years.

Fabrics

We work diligently with our suppliers to ensure that the materials we use in our products are easy on the environment.

- Many of our textiles are 100% recyclable and they are manufactured completely free of any chlorine or heavy-metal content.
- All our eco-intelligent selections are Cradle to Cradle gold-certified.
- Some of our fabrics are produced with renewable sources, earning them a 4 out of 5 score on MBDC's ecoeffectiveness scale.

Production Scrap/Revenue



Paint

Inscape is proud of our comprehensive color-matching program and the many paint finishes available to customers, but we are also conscious of waste.

- Acrylics used to paint our storage products have either been eliminated or replaced with medium high-solid paint, reducing overall VOCs.
- All of our case interiors and panels are finished with powder paints, which emit negligible VOCs, that can be reclaimed and used on site. This has also led to a decrease in airborne emissions.
- Inscape's Eco Black paint diverts more than 5 tons of waste from landfills annually.

Technology

Continuous improvement is essential in ensuring a profitable and sustainable enterprise. In keeping with this philosophy, Inscape conducts an annual assessment of production efficiencies and their effect on the company's ecological footprint – then uses that data to then help drive improvement.

Power

Over half of our annual energy consumption can be attributed to finishing processes. Efforts are constantly being directed towards reducing this requirement. In the past few years, we have installed Variable Frequency Drive (VFD) motor technology for several of our processes. One motor has been installed in our wood dust collector while another has been installed on an air compressor. These motors and controls sense the demand on their systems and continually vary the motor speed to match the demand.

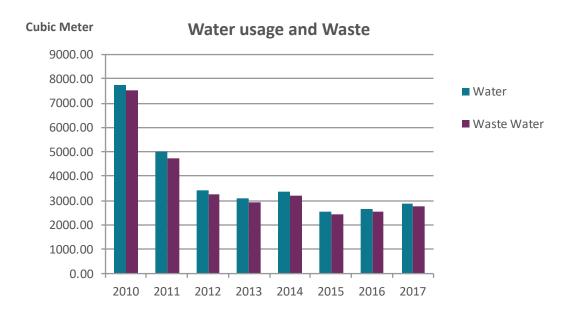
Automation

Innovative in automation techniques have significantly reduced annual injuries and total waste.

Water

By undertaking a series of specific actions, Inscape has curtailed discharges and minimized potable sources. Initiatives in the past few years have yielded major successes.

- Water consumption at our facilities are primarily attributed to the paint line and welding
 jig. A closed-loop system cycles water between a reservoir tank and the welding
 equipment. Due to the size of the reservoir, no mechanical cooling is required. This
 eliminates the need for chillers or cooling towers.
- The water used in our paint line is supplied through groundwater wells. No process at Inscape is connected to the sewers. Any liquid process waste is removed to a certified waste treatment facility for filtration and reclamation.
- We have consolidated the overall paint line from seven stages to five, reducing our projected annual use of water.



Community Outreach

Inscape is dedicated to the continuous support of our community and our environment.

Inscape and its employees strongly support their communities by contributions to different events and charitable endeavors. In 2017, Inscape and its employees donated over \$11,000 to fundraising events in support of the local community, including:

- Blue Door Shelter
- Breast Cancer Society
- The Terry Fox Foundation
- The Heart & Stroke Foundation
- Ride to Conquer Cancer
- Canadian Cancer Society
- South Lake Hospital Foundation
- Sick Kids Foundation
- Children's Wish Foundation
- Smart Commute Program
- and local school baseball and soccer teams









Create spaces that make life at work better.

Delight Users

Thoughtful details keep people happy and productive.

Empower Technology

Accommodates power and technology.

Foster Agility

Smart products let people easily customize and change their space.

Design for Sustainability

Reconfigurable, durable and recyclable.