

# Knoll and Sustainable Design

## First Half 2007 Environmental, Health and Safety Activity Report



During the First Half of 2007, Knoll pursued initiatives in all three core areas around which we structure environmental, health and safety activities:

- + Third Party Certification and Innovative Alliances
- + Design for the Environment
- + Communication

### Third Party Certification and Innovative Alliances

- + In the first half of 2007 we continued our commitment to the Chicago Climate Exchange (CCX), the world's first and North America's only voluntary, legally binding rules-based greenhouse gas emissions reduction trading system.

### Energy Efficiency

- + We submitted 2006 data to CCX to complete our Phase 1 data submission requirement. The result: an 8.8 % reduction in CO<sub>2</sub> emissions over the 1998-2001 baseline. We are pleased that this exceeded the required CCX 4% reduction in CO<sub>2</sub> emissions in the Phase 1 period by 4.8%.
- + In January 2007, we began Phase II of the CCX program in which we have committed to further reduce emissions by 2% over the 1998-2001 baseline by 2010.

This commitment requires "absolute reductions" in CO<sub>2</sub> emissions – which means that as our production increases, we are continually identifying and implementing new reduction opportunities. To this end, in 2007 we expect to convert 45%

of the lighting in our manufacturing space to high efficiency fluorescent lighting. The value of our commitment is expected to reach \$1,000,000 over five years.

- + Projects designed to achieve energy efficiencies in lighting, power wash processes and HVAC were initiated in all facilities. We are projecting reductions of 500 – 600 tons of CO<sub>2</sub> over existing processes by the end of 2007.
- + In the first half of 2007 we achieved GREENGUARD® indoor air quality certification for KnollStudio Conference Tables. All KnollStudio products are now GREENGUARD-certified.
- + We worked with Air Quality Sciences in the first half of 2007 to develop the next phase of indoor air quality certification. Just as Knoll was a key participant in developing GREENGUARD standards for furniture products, we continued to work with AQS on the new standard, which will expand the number of compounds tested (increase specification) and establish more stringent criteria for certification.
- + We began documentation of Life and Chadwick chairs for Smart® Standard certification, which is expected in third quarter 2007. Smart Standard is a set of consensus-based sustainable product standards based on the LEED® (Leadership in Energy and Environmental Design) model and administered by MTS (Market Transformation to Sustainability) for all building products, fabric, apparel, flooring and carpet.

### Design for the Environment

#### Energy Efficiency

- + We moved ahead on energy policy and goals in the first half of 2007. (See Also Third Party Certification and Innovative Alliances, above.) Projects designed to achieve energy efficiencies in lighting, power wash processes and HVAC were initiated in all facilities.
- + We hired an Energy Manager in the first half of the year. This new Knoll associate is working with Lou Newett, Director of EHS, to develop a systematic plan for implementing ongoing energy reductions throughout all company facilities and operations. Mr. Newett states, "Our vision is to lead the industry in energy efficiency just as we have led in Clean Technology."

#### Life Cycle Assessment

- + Work on the Life Cycle Assessment Tool with THE GREENSTANDARD.org continued in the first half of 2007. Life Cycle Assessment is a science-based measurement of a product's environmental impacts throughout its life cycle, from raw materials sourcing through manufacture, shipping, use and re-use or end-of-life. LCA enables cradle-to-cradle implementation of sustainable practices. The LCA tool, which will be available to companies throughout the contract furniture industry, is expected to be ready for release on September 1.
- + In the first half of 2007 we met our corporate goal of beginning to build a comprehensive LEED Database for the JD Edwards System.

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This infrastructure initiative, when completed, will marry process and technology to provide a universal system for planning and implementing sustainability across all areas of the company. It involves the systematic review of processes, reengineering of processes where required, and rewriting of programs. It encompasses Purchasing, Engineering, Manufacturing, EHS, Product Design and Development, Customer Service, Sales and Marketing. This long-term project is expected to be completed by July 2008.

### Sustainable Materials

- + Sourcing and trial testing of formaldehyde-free Gator Ply material used on the underside of worksurfaces was carried out at the Toronto facility. This clean technology innovation will be completed by the end of 2007 and rolled out in all facilities across the company.
- + Sourcing bio-based foam in the first half of 2007 resulted in identification and evaluation of a dry soy-based material. We are currently working with potential vendors on possible next steps.
- + In the first half of 2007, staff was assigned and a vendor search began to research sources for low formaldehyde MDF and Particle Board.
- + We began creating recycled content databases for KnollStudio products in the first half of the year. This was the beginning of a 3-year project to collect data and writing programs for the numerous products in the Studio collections. Databases for major products are expected to complete by the end of 2007.

### Communication

- + In the first half of 2007, Knoll EHS began development of a training module for associates in forestry and LEED-related sourcing programs. Training will be rolled out in the second half of the year.
- + Knoll conducted Life Cycle Assessment training in the first half of the year for its own A&D managers and for architectural firms, including Gensler in Dallas and many others.
- + Lou Newett gave an educational presentation at NeoCon 2007 on Design for the Environment to associates from Gensler offices and their guests nationwide.
- + We continued to work with industry partners on developing Sustainable Product Standards for the contract furniture manufacturing industry.

In 2006, Knoll once again sponsored the Annual Environmental, Health and Safety Art Contest for school children. Some of the winning entries, chosen by professional artists, are featured in the 2006 Environmental, Health and Safety Annual Report. For the complete 2006 report, visit [knoll.com/environment](http://knoll.com/environment).

