

Knoll Sustainable Wood Policy

Sustainability at Knoll

Knoll has been a leader in environmental action since 1978, when we began implementing the clean technology initiatives that have earned us recognition from industry and regulatory agencies, including the EPA. All of our manufacturing facilities worldwide are ISO 14001 certified. We are strong advocates for independent third party verification of environmental compliance. And we continue to put in place complex infrastructure designed to move us toward our goal of cradle-to-cradle sustainability in products and processes. The Knoll Sustainable Wood Policy is part of that commitment.

Knoll has a history of responsible wood management which has included the use of century-old logs retrieved from Great Lakes waterways and wood obtained from the Menominee Tribal Enterprise, a Native American wood supplier that has practiced sustainable forestry for 140 years. We have earned FSC (Forest Stewardship Council) certification authorizing us to provide chain-of-custody proof that wood bearing the FSC mark comes from forests that protect environmental, social and economic values. We take seriously our responsibility to customers who rely on our high standards of accountability for the wood used in our products to help them achieve their own sustainability goals.

Resources at Risk

The purpose of the Knoll Sustainable Wood Policy is to ensure that wood and wood fiber used in the manufacture of Knoll products is obtained from environmentally responsible sources. This is a matter of critical importance. Forests are vital components of our ecosystem. They provide timber and wood pulp, food and medicines, wildlife habitat, and livelihoods and cultural identity for those who dwell in them. They contribute to air and water quality and play a key role in the global carbon cycle. But forests are endangered. The World Wildlife Fund reports that half of the world's original forest cover has disappeared, with much of that destruction having taken place over the last 50 years. WWF estimates that in some countries in South East Asia, Africa and Latin America, up to 80 percent of all trees are cut illegally. In Russia that number is near 50 percent (www.panda.org). Around the globe, unmanaged and illegal wood harvesting are associated with rapidly disappearing

forest resources, diminishing bio-diversity, destruction of local cultures and economies, lost tax revenues, government and industry corruption, and the financing of conflicts in unstable regions

Our Policy

The Knoll Sustainable Wood Policy applies to all wood used in the manufacture of our products: solid wood, veneer, Techwood and composite or particleboard.

- ▶ Knoll shall identify and document the country and district of origin of all wood products it procures.
- ▶ Knoll shall confirm to the best of its abilities that all suppliers of forest products are in compliance with applicable laws and regulations governing timber harvesting.
- ▶ Knoll shall require that each forest from which wood or wood fiber is derived for Knoll products has a sustainable forest management program in place that is certified by an independent third party.

Knoll shall not use wood from the following controlled categories in the manufacture of our products:

- ▶ Wood harvested from forest areas where traditional or civil rights are violated
- ▶ Wood harvested from non-FSC forests having high conservation values* which are threatened or not managed using sustainable forest practices
- ▶ Wood harvested from primary tropical moist forests** that are not managed using sustainable forestry practices as verified by an independent third party audit
- ▶ Wood harvested from intact forests as defined by the World Resources Institute's (WRI) Global Forest Watch mapping, as it is developed
- ▶ Wood harvested from primary forests in temperate or boreal forest regions that are not managed using sustainable forestry practices as verified by an independent third party audit
- ▶ Wood harvested from genetically modified (GM) trees
- ▶ Illegally harvested wood

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- ▶ Natural forests that have been converted to plantations or non-forest use*High Conservation Value Forests (as defined by the Forest Stewardship Council) are those that contain globally, regionally or nationally significant concentrations of bio-diversity values and/or contain viable populations of mostly naturally occurring species existing in natural patterns of distribution and abundance. Also those that contain rare, threatened or endangered ecosystems; and/or provide basic services of nature in critical situations (e.g. watershed protection); and/or are fundamental to meeting the basic needs of local communities or are critical to traditional cultural identity.

** Tropical most forests are defined as those in areas that receive not less than 100mm of rain in any month for two out of three years and have an annual mean temperature of 24° C or higher.

Implementation

Knoll has integrated Sustainable Wood Policy procedures into our operating infrastructure. Extensive documentation includes a Forest Products Procurement Checklist: a detailed questionnaire on forestry and manufacturing practices that must be completed and documented by all potential suppliers and is used by Knoll to assess the risk of each forest resource. A Verification Review Checklist requires applicants to disclose if they have been cited by any of six prominent organizations that provide international oversight of forest practices. These organizations include the UN Security Council, USAID (US Agency for International Development) the World Wildlife Fund, Conservation International, Global Forest Watch and FSC. Knoll maintains a detailed record of all incoming wood and wood fiber, by supplier, which is updated annually. A glossary of terms ensures clear understanding of all policy mandates.

Monitoring of the process is achieved through inclusion of Sustainable Wood Policy directives in our ISO 14001 plan.

Knoll Purchasing, Environmental Health and Safety (EHS) and Product Development departments have clearly delineated responsibilities for implementing procedures, maintaining documentation and reporting. Oversight is provided by the Knoll Corporate EHS Manager, the Director of Global Sourcing, the Senior Vice President of Operations, and the President and CEO, North America.

Currently, the Sustainable Wood Policy effectively covers all solid wood, standard techwoods, composite wood, particleboard and Maple, Cherry and Walnut species of natural veneers. We shall use our best efforts to fully implement this policy for all wood used in Knoll products by the end of 2010.

Further, this policy has been implemented for all FSC certified projects. At this time natural veneers qualified for use in FSC projects are Maple, Cherry, Walnut and the five standard Techwood offerings. Additional veneer species are currently being qualified for FSC use, and special requests will be assessed as required.