

esi

2017

# Sustainability Report





## About the ESI Sustainability Report

Thank you for taking the time to look through ESI's yearly Sustainability Report. This report is an opportunity for ESI to communicate to company stakeholders ESI's movement towards becoming a more sustainable business while growing operations, and continuously improving sustainability performance.

ESI has identified company stakeholders to be our owners, employees, dealers, end customers, and suppliers. As well as the local community, trade organizations, governmental and regulatory agencies, certifying bodies, and consultants. The list was developed upon considering all groups who have influence over company decisions and those who may be impacted by company decisions.

ESI is proud to continue with our Sustainability Initiative, achieving the Business and Institutional Furniture Manufacturing Association's (BIFMA) level® Certification for most of our products in 2017. level® Certification is awarded based on conformance to a multi-attribute sustainable product standard, also known as the BIFMA e3-2014e Furniture Sustainability Standard. Broadly, conformance to various aspects of the e3 standard requires analysis of our

environmental, health and wellness, and social impacts, which are addressed in this report. Efforts to obtain this certification are audited by a third party certifying body, Scientific Certification Services (SCS).

ESI has written this report for the 2017 calendar year and intends to publish future reports every year. In the years to come, ESI aims to provide company stakeholders with data and performance indicators that can be monitored over time and that are material to day-to-day operations.

This report contains Standard Disclosures and Performance Indicators from the GRI G4 Sustainability Reporting Guidelines. More information about the *Global Reporting Initiative (GRI)* can be found at [www.globalreporting.org](http://www.globalreporting.org). To learn more about BIFMA level® Certification, visit [www.levelcertified.org](http://www.levelcertified.org).

ESI hopes that you find the disclosures informative. Any comments, feedback, or suggestions for improvement are welcomed by emailing us at [customerservice@esiergo.com](mailto:customerservice@esiergo.com).

**Thanks again—we appreciate your interest!**



## Letter from the General Manager

ESI is committed to promoting sustainability through the products we offer and in how we operate as a company. Our goal is to give consideration to people and the planet in all our decision-making.

Our strategy is to implement business practices that incorporate life-cycle analysis into the design, manufacturing, use, and end-of-life management of our products. We always work towards the continuous improvement of our environmental performance and pollution prevention.

In addition to making a positive environmental impact, it is a priority for ESI to have a positive social impact on our community. We partner with organizations at a national level to support our country's wounded veterans. At a local level, we support homeless families and those who are experiencing hardship.

Sustainability initiatives are a top priority for our organization. As an active BIFMA participant, we stay involved in the policy and direction the furniture industry is taking as it relates to sustainability.

We continue to work with our suppliers to collect data that is more commonly being requested in the marketplace, such as the amount of recycled content and the amount of waste generated in the manufacturing process. While we understand attempts to obtain this information are not always fruitful, we will continue to request or require this information until our mission is met.

We are pleased with our performance against our goals and we look forward to improving year-over-year. A challenge for our company in the coming years is to create and follow our tangible goals in product development, while also making design considerations to conserve raw materials and minimize energy waste in the manufacturing process.

Our strategic approach to product development is to design and produce flexible and adaptable products that can be re-purposed over time as the user's needs change – as an alternative to discarding existing product and replacing it with new. Our All-Flex™ adjustable table is an example of this flexibility that supports sustainability, not only for the facility needs of today, but also for the future.

Respectfully,

**Rob Day**

*General Manager*



## About ESI

ESI creates superior customer experiences by building relationships through passionate customer service, a commitment to mutual success, and operational excellence resulting in the sales of ergonomic work gear to improve human safety and productivity.

ESI is located in Mesa, Arizona that has been researching and manufacturing ergonomic accessories since 1988. The company was founded on a philosophy that recognizes the important role that well-designed products play in meeting the challenges of providing an effective work environment. ESI has emerged as an industry leader in providing expertise, quality products and effective solutions.

Each product ESI offers is designed to meet specific ergonomic needs and requirements. The company has committed to—past, present, future—consult Ergonomists and risk managers working out in the field in order to provide the most current and useful products for today's users. ESI pays particular attention to improving the working environment for users that may have pre-existing repetitive motion injuries such as Carpel Tunnel Syndrome and Thoracic Outlet Syndrome.

ESI is also GSA certified and has a strong history with GSA customers, including the U.S. Department of Justice, the U.S. Department of Energy, the Pentagon, as well as various VA Medical Hospitals around the country.

## Our Vision

ESI offers **movement solutions**, enabling people to adapt comfortably to technology **at work, at home** and **in between**.

## Our Mission

ESI is a **customer obsessive** organization that designs, develops and distributes work gear that allow individuals to create highly productive and comfortable environments. Leveraging a foundation of **operational excellence, product innovation** and **distribution management**, ESI strives to exceed expectations of our customers, users, team members and stakeholders.

## Our Values

- Integrity
- Customer Obsessive
- Team Player
- Accountable
- Continuous Improvement
- Quality Minded
- Sense of Urgency



## Product offerings

At ESI , we design products for the movers and shakers of this world—work gear that offers movement solution, enabling people to adapt comfortably to technology at work, at home and in between.

### Single

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EDGE



EVOLVE-STUBBY



EVOLVE1-F



EVOLVE1-M



EVOLVE1-MS



EVOLVE1-FF



EVOLVE1-FM

### Dual

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EDGE2



EDGE2-MS



EVOLVE2-F



EVOLVE2-FS



EVOLVE2-M



EVOLVE2-MS



EVOLVE2-FM



EVOLVE2-FMS

Triple



EVOLVE3-FF



EVOLVE3-FMS

Quad



EVOLVE4-FF



EVOLVE4-FM



EVOLVE4-FMS



EVOLVE4-MS

Six



EVOLVE6-FF



EVOLVE6-FMS

Wall-mounted / Slat-mounted



EDGE-WALL



EDGE-SLAT

Heavy-duty



EDGE-MAX



EDGE-MAX-DUAL



EDGE2MAX

Conversion kits



EDGE2KIT



EVOLVEKIT-1MS2MS



EDGE-MAX-DUAL-KIT

## Monitor accessories



E-AMT



E-CMT



E-FOMT



E-SMT



SLIDER



LTH-EDGE



VESA-HVY



VESA100X200

## Height adjustable table bases



TRIUMPH



VICTORY (2 LEG)



VICTORY (3 LEG)



PREMIUM (2 LEG)



PREMIUM (3 LEG)



ALL-FLEX



ALL-FLEX + CONCEAL



CRANK

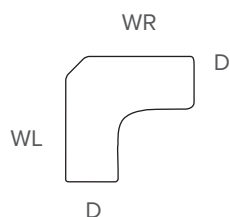


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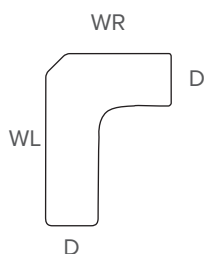


ESPREE

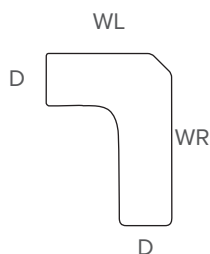
## Worksurfaces



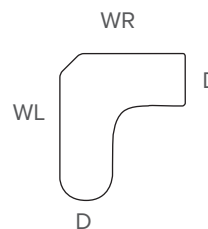
LARGE EQUAL CORNER



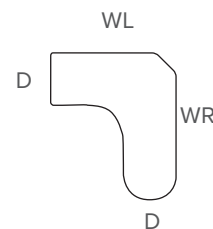
OFFSET CORNER LEFT



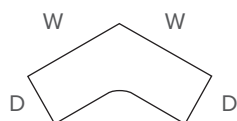
OFFSET CORNER RIGHT



PENINSULA LEFT



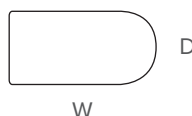
PENINSULA RIGHT



120 DEGREE



SMALL EQUAL CORNER



D-TOP



RECTANGLE

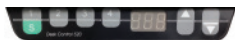
Table base accessories



CASTER-OV2  
CASTER-OV3  
CASTER-SP2



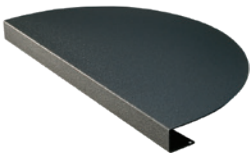
DESK1



DGTLPD-PE



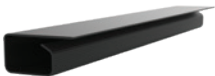
DGTLPD-VE3



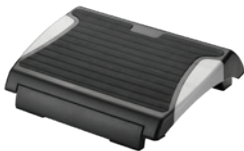
CORNER DIAGONAL



CONCEAL



TROUGH



FOOTREST



ACPC



ACPD01

Lighting



PIXIE-LED



PIXIE-LEDX



VIVID-X



VIVID-LEX



LUSTRE



LUCERA SERIES



G2 SERIES



FLUORESCENT SERIES



## Combo solutions



SOLUTION 1



SOLUTION 1CC



SOLUTION 2



SOLUTION 2CC



SOLUTION 3



SOLUTION 4



SOLUTION 6CC



SOLUTION 7



SOLUTION ULTRA



SOLUTION ALL-FIT



SOLUTION 90

## Keyboard platforms



PL003-19



PL003-25



PL003-27



PL003CC-25



PL003CC-27



PL005CC



PL006-27



PL200



PL215



PL217



PL217NAT



PLMAC



AA903

## Articulating arms



AA100-PTLO



AA260



AA330



AA360



AA370



AA750DAT



AA780DAT

## Workstations



CLIMB



CLIMB2



TITAN-EDGE



TITAN2-EDGE



WOW



WOW01

## Workstation accessories



PAC-CPULOCK



PAC-CPUMINI



WOW-CPU



WOW-MR



CLIMB-GM

## CPU holders



CPU-TC



CPU01



CPU05



CPUCART-1



CPU MINI

## Environmental Stewardship

ESI is committed to promoting sustainability and being a responsible corporate citizen by giving consideration to people and the planet in all that we do; our goal is to integrate sustainability into all of our decision making. To meet this end, we will ensure that all employees remain fully aware of our Corporate Sustainability Policy and commit to implementing and improving these policies. We employ various measures to review, annually report, and work to continuously improve our sustainability performance.

### ENVIRONMENTAL POLICY

ESI is committed to being environmentally responsible – through the products we offer and in how we operate as a company. We will, at a minimum, comply with all relevant local, state and federal environmental regulations. Our goal is to implement business practices that prevent pollution, incorporate life-cycle thinking into the design, manufacture, use, and the end-of-life management of our products, and work towards the continuous improvement of our environmental performance. Our environmental policy and related goals will continue to be clearly communicated to our employees, suppliers, and customers.

### DESIGN FOR ENVIRONMENT

ESI takes into account the impact that our products have on the environment and adopt strategies for design that maximize their sustainability. ESI strives to produce products that incorporate renewable, recycled, recyclable and biodegradable materials; make design considerations to conserve raw materials, water and energy used in the manufacturing process; and address the end-of-life management and recovery options for the materials that make up our products. This year we have launched a new product, Centro™ Privacy/Modesty panel, that is made from 60% post-consumer recycled plastic water bottles and is 100% recyclable.

### DESIGN FOR DURABILITY / UPGRADEABILITY

ESI will design and manufacture products that have a long useful life; can withstand repeated service, repair, and handling; and utilize standardized product parts and components available to facilitate maintenance, servicing, reassembly, and/or component replacement if deemed necessary.

### SOLID WASTE MANAGEMENT

ESI has implemented a 100% Landfill Diversion goal for all of its manufacturing waste from our operations. We will aim to minimize waste through efficiency measures, promotion of recycling, and employ the use of products with recycled content which will help to reduce the amount of waste sent to landfills. We have continuously worked to meet this end by setting objectives and targets for our waste streams and implement efforts that will, over time, divert all manufacturing waste from our operations from being sent to the landfill. ESI continues to be paperless, creating procedures for the warehouse and order entry to scan sales packages/warehouse packages in our system versus printing out and filing. The process has been in place for about two years and it has been successful. Of course employees do print occasionally, but paper usage has been reduced by 90%.



## CHEMICAL MANAGEMENT

ESI works to mindfully reduce or eliminate chemicals that are hazardous to human and ecosystem health throughout our manufacturing facilities; from our finishing and assembly operations, to the use of janitorial cleaning products. ESI has built a chemical inventory to identify and track all new and existing chemicals coming into and leaving our facility that could have a negative impact on the health of our employees, as well as the environment outside of our walls. We maintain Safety Data Sheets through an electronic filing system so that chemical information can easily be accessed by all members of our team. This commitment includes regular evaluation of the current state of our chemical management and hazard communication plans.

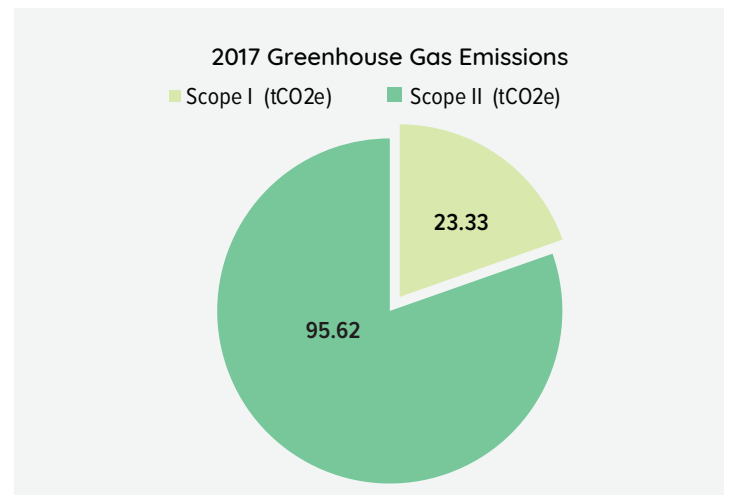
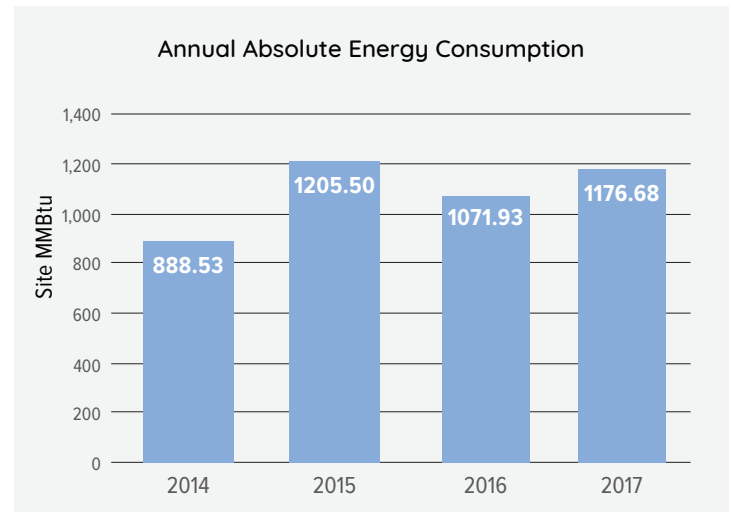
## ENERGY & GREENHOUSE GAS EMISSIONS

Our goal is to minimize our carbon footprint. ESI is committed to energy conservation which includes reducing our overall energy consumption and greenhouse gas emissions. It is our policy to continuously improve upon and regularly monitor our energy performance; acting in accordance with all current and future local, state, and federal legislation required of our operations in this area. Through our environmental management system (EMS), we set objectives and targets directly related to energy conservation, which are reviewed at least annually.

ESI has set a 5% reduction goal for absolute energy consumption, at our corporate facility in Mesa, Arizona, from a 2015 baseline. We are hopeful we will reach this target by the year 2020. In order to achieve this, we have begun, and will continue, to implement energy savings projects to reduce our energy consumption. See the metrics we use to track both our energy consumption and greenhouse gas emissions (GHGs).

## TRANSPORTATION

ESI is committed to reducing transportation related emissions through idling reductions, carrier selection, and reductions in unnecessary inter-company movement. ESI has employed an idling reduction policy at its manufacturing facility for its internal and 3rd party fleet vehicles. Attention is given to environmental criteria when selecting 3rd party carriers for inbound and outbound products and materials.



## BULK SHIPMENT PRACTICES

ESI employs a freight management system that requires any order larger than our minimum threshold be shipped in a bulk freight shipment rather than standard ground shipment. This practice helps to reduce fuel consumption as it allows us to ship a smaller number of large orders versus a high volume of small orders. Furthermore, our inventory replenishment system, automatically initiates single bulk purchase orders for stock replenishment when inventory reaches its lowest allowable limit, so that inventory is maintained and small orders are not required. This results in fewer inbound and outbound shipments for our transport partners, saving fuel and related greenhouse gas emissions, and man hours. This practice of bulk purchasing also helps to streamline our manufacturers' processes and reduces the amount of energy and emissions that would be required to fulfill multiple smaller orders.

## Social Responsibility

ESI has a strong commitment to maintaining the highest possible standards in all that we do. We act vigilantly to be as fair as possible with our customers, employees, and our manufacturing partners and to benefit the community in which we operate.

We understand the importance of integrity and reliability to our success as a business. All officers and employees of ESI are expected to conduct their business affairs in accordance with all applicable laws of the United States and observe the highest standards of business ethics; acting honorably while considering the impact of our decisions on our stakeholders.

### COMMUNITY INVOLVEMENT

It is important to ESI to be able to make the biggest impact possible on our community and the organizations we support, both locally and nationwide. ESI seeks out activities that contribute to the community in which we operate. Activities include volunteerism, donations, and sponsorship opportunities, among others. We make every effort to involve our employees in these decisions and encourage their participation.

ESI supports *Save the Family Foundation of Arizona* by providing for local families who need support to once again achieve self-sufficiency. ESI employees participate in multiple activities throughout the year such as stuffing backpacks for children, assembling Thanksgiving meals, and sponsoring families around the holidays.

It is important to ESI to be able to make the biggest impact possible on the organizations we support both locally and nationwide. Therefore, any financial donations given by ESI are not used on indirect costs or overhead.

ESI has committed to a minimum of four volunteer efforts and/or financial contributions occurring within the

community in which it operates, annually. During 2017, ESI contributed to the following efforts:

- **Common Thread for the Cure** – In November 2017, ESI donated the proceeds of selling Pink Pixie lights during the month of October to The *Common Thread for the Cure*. The Common Thread for the Cure was established to unite the furnishings industry in its battle against breast cancer. The organization is dedicated to supporting individuals and their families affected by breast cancer who work in architecture, interior design, furniture, textiles, carpet and lighting.  
*To learn more about this organization, please visit [commonthread.info](http://commonthread.info).*
- **Save the Family Foundation of Arizona** – *Save the Family Foundation of Arizona* offers a variety of programs designed to empower families to conquer homelessness and achieve life-long independence. Through targeted services, families at Save the Family end the damaging effects of family homelessness by improving their education and employment opportunities, accessing safe, permanent housing, and building family competencies. Today, the foundation offers an array

of additional programs for adults, youth, and children, including parenting skills, personal development classes, and support for victims of domestic violence; career development, literacy support, and financial education; dental, vision, and legal services; tutoring, after-school classes, and camps and activities for youth. During 2017, ESI contributed to Save the Family in the following ways:

- **Mother's Day** – ESI partnered with Save the Family Foundation of Arizona to come up with a special ESI only donation for the mothers going through their program. Save the Family hosts a Mother's Day gathering and ESI provided 25 gift baskets filled with items for the moms to pamper themselves with. All ESI employees came together to decorate and fill each gift basket.
- **Back 2 School** – The highest population of homeless people in Arizona are school age children. Because of this, ESI partnered and provided 50 backpacks to the Save the Family children. ESI employees gathered together to stuff the backpacks full of all of the necessary school supplies for elementary aged

children. Save the Family Foundation of Arizona then hosted a back to school bash where they celebrate the children and pass out backpacks to each student.

- **Thanksgiving** – The whole crew of ESI employees worked together to assemble 15 laundry baskets full of the essentials for a family holiday feast. Everything from the turkey pan to festive dinnerware and canned veggies, ESI provided all of the necessary goods for each family to create a home cooked holiday meal.
- **Christmas** – Save the Family Foundation of Arizona ensures that every family gets to celebrate Christmas the way they deserve. ESI assisted in their effort by sponsoring two families of 6-7 people for the holiday season. ESI employees worked together to wrap presents for the families. Each family member received their own set of presents in addition to whole family, shared gifts like board games, family friendly movies and household items.

*To learn more about the foundation, please visit [savethefamily.org/](http://savethefamily.org/).*



*ESI employees holding backpacks that were filled with school supplies for Save The Family Foundation*



*ESI employees wrapping holiday gifts for adopted families through Save the Family Foundation*



*ESI employees preparing Mother's Day baskets for Save the Family Foundation*



## LABOR AND HUMAN RIGHTS

It is company policy to protect and respect the basic human rights of our employees and associates. ESI commits to providing decent work hours, wages, and conditions as well as upholding all local, state, federal, and global regulations prohibiting forced, compulsory, and child labor.

ESI is dedicated to treating associates fairly; providing competitive wages, benefits, and good working conditions; maintaining a strong communication link between supervisor/manager and associates; and providing an attractive, challenging, and fun environment in which to work. Respecting the needs of each team member as an individual, ESI encourages employees to use every opportunity the company affords them to do their best, give their best, and be the best!

ESI works to maintain a dominant market position and continued profitable growth, and is committed to fill open positions in the company with the most capable person available. Individual capability, initiative, willingness and ability to take responsibility coupled with performance – are prime criteria for advancement.

ESI has also implemented a requirement of its suppliers, both domestic and internationally, to sign off on our Supplier Code of Conduct which addresses various human rights issues. ESI also assesses the companies it contracts with globally to ensure that decent working conditions are provided and that basic human rights of workers are protected.

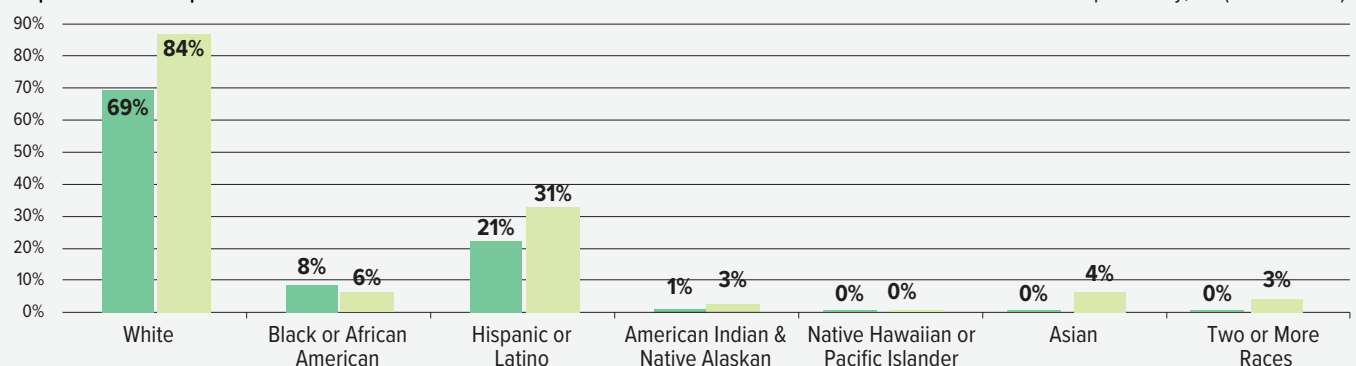
## INCLUSION

ESI is an equal opportunity employer that is dedicated to treating employees fairly; providing competitive wages, benefits, and good working conditions; maintaining a strong communication link between supervisor/manager and employees; and providing an attractive, challenging, and fun environment in which to work.

Employment and promotion decisions will be factored by qualifications of an individual and without regard to personal characteristics, including race, color, religion, national origin, sex, sexual orientation, age, veteran status, disability or any other basis protected by federal, state, or local fair employment practice laws.

An inclusive workplace is important to ESI because it is an essential part of the company's overall commitment to attract, hire and develop strong, talented and diverse work force. ESI holds monthly employee meetings where we discuss current company events and facts as well as celebrate employee birthdays and anniversaries. Every quarter, we hold an employee luncheon where all employees get to interact. To further solicit comments, ESI provides a suggestion box in the employee break room and annually surveys all employees giving them an additional opportunity to provide feedback and ideas. Upper management, reviews the top or most concerning issues and creates an action plan.

Population Comparison - 2017

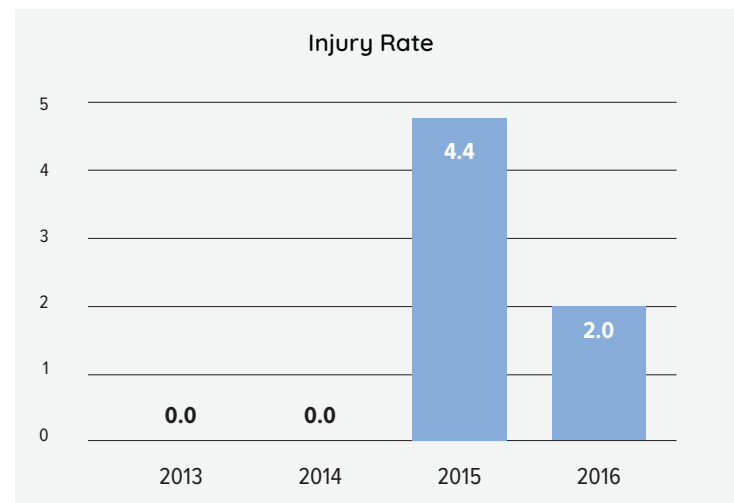
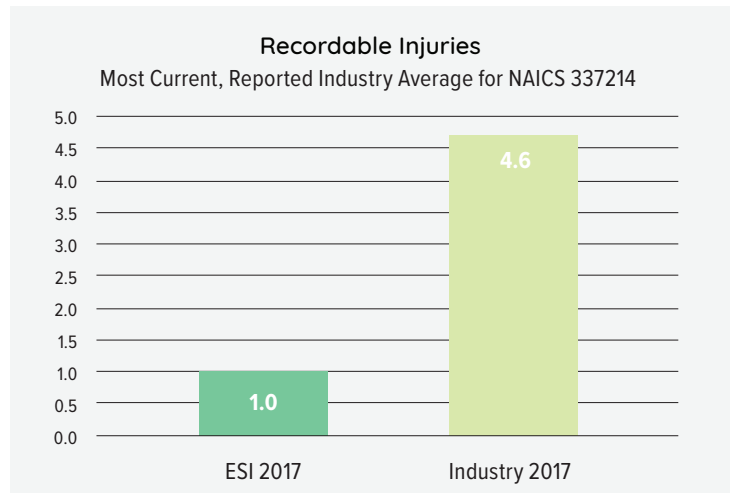


## HEALTH & SAFETY

ESI is committed to continually improving our performance through effective safety management. The company complies with all health and safety regulatory requirements to maintain a safe workplace. In fulfilling this commitment, we strive to eliminate any actual or potential safety threats to our employees', and the company's, wellbeing.

ESI has a health and wellness program that helps engage our employees in activities that help to improve overall personal health and knowledge such as health webinars, personal biometric screenings, and CPR trainings. Risk assessments, related to specific job functions, are conducted annually in an effort to identify job hazards and who might be harmed and how. The results of the risk assessments are recorded in writing, and safety procedures adjusted to ensure adequate levels of health, safety, and welfare.

Safety rules are strictly enforced; to ensure their success, management provides information, instruction, training, and supervision that is necessary to ensure that each worker is safe from injury and risks to health. On an annual basis it is mandatory for each employee to participate in online, interactive safety trainings. This policy includes a commitment to consult and co-operate with workers in all matters relating to health and safety management at ESI.



## GRI INDEX

## CATEGORY: GENERAL STANDARD DISCLOSURES

Sub Categories	Aspects	Indicators		Response	Page
Strategy and analysis		G4-1	Statement from the most senior decision-maker of the organization	Letter from our General Manager	3
Organizational profile		G4-3	Name of the organization	ESI	
		G4-4	Primary brands, products, and services	Our products	5 - 10
		G4-5	Location of the organization's headquarters	About ESI	4
		G4-6	Number of countries where the organization operates	ESI operates solely out of a single facility, located in Mesa, AZ, USA.	
		G4-7	Nature of ownership and legal form	About ESI	4
		G4-8	Markets served	About ESI	4
		G4-9	Scale of the organization	About ESI	4
		G4-11	Percentage of employees covered by collective bargaining agreements	Not applicable for our operations.	
		G4-18	Process for defining the report content and the Aspect Boundaries	About the ESI Sustainability Report	2
Identified material aspects and boundaries		G4-19	Material Aspects identified in the process for defining report content	About the ESI Sustainability Report	2
		G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	None	
		G4-24	List of stakeholder groups engaged by the organization	About the ESI Sustainability Report	2
Stakeholder engagement		G4-25	Basis for identification and selection of stakeholders with whom to engage	About the ESI Sustainability Report	2
		G4-28	Reporting period for information provided	About the ESI Sustainability Report	2
Report profile		G4-29	Date of most recent previous report, if applicable	September 2017	
		G4-30	Reporting cycle	About the ESI Sustainability Report	2
		G4-31	Contact information for questions regarding the report or its contents	Alex Wright <a href="mailto:awright@esiergo.com">awright@esiergo.com</a>	
Ethics and integrity		G4-56	Organization's values, principles, standards and norms of behavior	Our Vision, Mission, and Values	4



**CATEGORY: ENVIRONMENT**

Sub Categories	Aspects	Indicators		Response	Page
	Energy	G4-EN3	Energy consumption within the organization	Energy & greenhouse gas emissions	12
	Emissions	G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1)	Energy & greenhouse gas emissions	12
		G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Energy & greenhouse gas emissions	12
	Compliance	G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	None	
	Environmental grievance mechanisms	G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	None	

## CATEGORY: SOCIAL

Sub Categories	Aspects	Indicators		Response	Page
Human rights	Non- discrimination	G4-HR3	Total number of incidents of discrimination and corrective actions taken	None	
	Supplier human rights assessment	G4-HR10	Percentage of new suppliers that were screened using human rights criteria	Labor & human rights	15
Labor practices & decent work	Occupational health and safety	G4-LA6	Total of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Employee health & safety	16
		G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	None	
	Diversity and equal opportunity	G4-LA12	Composition of governance bodies and breakdown of employees category according to gender, age group, minority group membership, and other indicators of diversity	Inclusion	15
	Supplier assessment for labor practices	G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	Labor & human rights	15
	Labor practices grievance mechanisms	G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	None	

## CATEGORY: SOCIAL

Sub Categories	Aspects	Indicators		Response	Page
Society	Local communities	G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	100%	
	Compliance	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations	None	
	Supplier assessment for impacts on society	G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	Labor & human rights	15
	Customer health and safety	G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Design for environment	11
				Chemical management	11
Product responsibility	Customer health and safety	G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life	None	
	Marketing communications	G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	None	
	Compliance	G4-PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services	None	