

## ENVIRONMENTAL PRACTICES

At Arcadia and Encore, we are committed to responsible environmental practices that prioritize thoughtful recycling and strategic material reuse to reduce waste. This approach is integrated across all areas of our operations, from employing advanced manufacturing techniques that minimize scrap in our facilities to developing products designed for durability and recyclability.

We extend this commitment to our vendor-partners, holding them to sustainable sourcing standards that align with our values. Through these collective efforts, we strive to minimize our environmental impact, surpass industry standards, and deliver high-quality, environmentally conscious products to our customers.



In accordance with our ongoing efforts to develop and manufacture products that positively contribute to healthy environments, the majority of our seating products are now BIFMA LEVEL® certified, a multi-attribute sustainability standard that evaluates product, manufacturing facility, and company-level criteria. This certification reinforces our commitment to environmental responsibility and supports our efforts in meeting the sustainability goals of our clients and partners.



We have also completed testing for Indoor Air Quality certification across several product categories, achieving SCS Indoor Advantage Gold (the highest certification available for Indoor Air Quality) for the majority of our seating and table products.

With SCS Indoor Advantage Gold certification, we not only meet the criteria of BIFMA M-7.1 and X-7.1 (low-emitting office furniture systems and seating) but also the LEED-Commercial Interiors EQ 4.5 credit for Indoor Air Quality of office furniture.

We will continue to strive towards certification for all our products, in addition to making sustainable improvements in all areas of business. A representative example of other in-force measures we employ to support intelligent environmental policies include:

- Ensure product life-cycle longevity and non-obsolescence via the design, engineering, and manufacturing processes and subsequent product refurbishment and re-use potential.
- Design products, and/or re-engineer existing products, to maximize the use and or re-use of recycled and/or recyclable components and sub-parts.
- Utilize raw materials (such as wood products) only from renewable, sustainable sources.
- Design and implement optimized manufacturing efficiencies so as to reduce scrap waste throughout production sequences.
- Minimize the generation, emission or discharge of waste and harmful or regulated substances and pollutants from manufacturing operations commensurate with current government codes, laws and/or industry regulations.

- Utilize high-efficiency dust-collectors that significantly reduce our electrical consumption while ensuring clean-air standards are maintained.
- Participate in energy demand response programs to help alleviate peak demand on the regional electrical grid.
- Specify and utilize engineered pre-cut foam, which eliminates virtually all on-site scrap foam waste.
- Increase the use of recyclable materials as appropriate for all general office, marketing, manufacturing, and shipping applications.
- Eliminate the use of any non-recyclable packaging materials as well as utilize alternative shipping methods such as blanket-wrapped delivery.
- Utilize remnant COM materials previously destined to landfills as interior spring-to-foam barrier cloth on upholstered goods.
- Contract for the external reuse of scrap woodchip materials and sawdust which are recycled and used for the following: soil enhancement in nurseries, MDF particle board manufacturing and fueling co-generation factories which simultaneously generate both electricity and useful heat.
- Contract for the external use of scrap leather cutting remnants.
- Minimize the generation of, recycle, and/or ensure the proper disposal of all office generated waste materials.
- Donate outdated product marketing and collateral materials to college and university design programs for educational purposes.

We engage all our employees in these processes and encourage new ideas at every turn. Together, we remain committed to protecting the environment and will continue to pursue effective means for securing a brighter, and healthier future, for all.