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Communication On Progress
Steelcase 201&

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2014 Corporate Sustainability Report



Steelcase

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A Letter from our CEO



“This report is evidence of our progress and reflects our ongoing commitment to put people at the center of all we do.”

From the research we conduct to the solutions we create, everything we do at Steelcase centers on helping people at work. For more than a century, it's been our promise to bring human insight to business by studying how people work and delivering innovative, optimized and responsible solutions. As we see it, sustainability is about creating and supporting economic, social and environmental conditions that help people, organizations and communities thrive.

As you will discover in this report, our initiatives are generating real results. For instance, we've expanded our renewable energy investments to represent 100% of our global electricity consumption. At the same time, we continue to reduce our direct reliance on fossil fuels for our operations and our products, decreasing our global energy use by 60% since 2001.

We know that the potential of sustainability extends well beyond energy use and our own operations. We continue to drive toward a broad spectrum of positive impact. Here are a few highlights:

- We're partnering with our customers to help them meet their sustainability goals. This past year, we've helped divert 50 million pounds of unused furniture from the landfill in the U.S. alone and provided over 250 custom metrics reports so our customers can measure the impact of their decisions.
- Within our supply chain, we're continuously driving more innovation and transparency. This enables us to offer more sustainable products to strengthen our leadership position and our business.
- We continue to invest in our many global communities with a record amount of donations and thousands of employee volunteer hours.
- Globally, as our workforce continues to become more diverse, we're investing in our people with programs designed to strengthen collaboration and build cultural awareness.
- We've had an 8% increase in employee retention and a two to three-fold improvement in self-reported scores from our employee wellbeing pilot programs. These results are linked to our commitment to providing great work environments and implementing programs promoting the wellbeing of our people.
- The Steelcase Innovation Center at our global headquarters in Michigan received LEED Platinum® certification. To date, it is the highest rated LEED-Commercial Interiors project certified in the state of Michigan – and worldwide only 29 projects scored higher.

This report is evidence of our progress and reflects our ongoing commitment to put people at the center of all we do. Thank you for investing time in exploring the stories included in this year's progress report.

Thank you,



James P. Keane
President and CEO

Our Sustainability Promise

For more than a century, Steelcase has believed in the power of people. Every day, in locations around the globe, we work to unlock human promise and create meaningful, lasting change.

We know that people are at the very heart of sustainability. We also know that true progress will take continuous and coordinated efforts to create the economic, environmental and social conditions that allow people and communities to reach their full potential.

We have strong beliefs that guide us, and we're putting our beliefs into action. Those actions drive us toward our dream of a better world.

We're not on the path alone. We're in the good company of other global organizations, communities and individuals who share common beliefs and work together to propel each other forward.

Our Corporate Values

This is where our work begins — with what we value. Our values inform our actions and frame our beliefs:

- Act with integrity
- Tell the truth
- Keep commitments
- Treat people with dignity and respect
- Promote positive relationships
- Protect the environment
- Excel

Our Sustainability Beliefs

We believe that:

- Businesses, communities and people are inextricably linked and more powerful when they act from a core of shared interests.
- We have an opportunity to use our assets and influence to create significant, positive change in the world. By fully leveraging our assets to this end, we will become an ever stronger partner and an increasingly fit company.

“Our values inform our actions and frame our beliefs.”

- When you tell the truth, you see the truth, and become part of the solution. So we work hard to be transparent and authentic with others and, perhaps more important, with ourselves.
- Sustainability is a lens for innovation and economic fitness, contributing to the overall financial wellbeing of our company.
- People are at the center of sustainability, and that's why we begin and end our product, service and application efforts with a commitment to human-centered design and sustainability.
- There is no greater design challenge than sustainability. It demands systems-level design thinking in all aspects of our business.

Our Sustainability Promise

Acting on Sustainability

We're tackling the global challenges of sustainability to achieve our vision of strong economic, social and environmental systems that allow us all to thrive. Here's what we're doing:

- Strengthening sustainable development in our worldwide operations and those of supplier partners, including a focus on environmental and human health, social responsibility and economic prosperity
- Ensuring that our operations protect the environment and health of our employees, neighbors and customers through actions that conserve resources, reduce waste and promote a closed loop system
- Investing in education and training to increase stakeholder and employee engagement
- Engaging with suppliers, dealers, customers, researchers and environmental agencies to share and distribute best practices and discover new ideas

Engaging with Stakeholders

We're setting our sights high as we think about what it means to create holistic value as a globally integrated company operating in a globally connected world. We've been on a quest for insights and understanding into sustainability and what it means to our stakeholders, now and in the future.

We have:

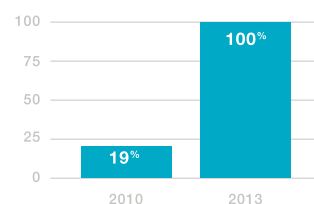
- Embarked on a company-wide corporate social and environmental responsibility diagnostic
- Surveyed our customers and studied their inquiries to understand their corporate priorities relating to sustainability
- Hosted workshops to listen to architect and design partners, customers and other thought leaders present their visions for the future of sustainability
- Completed an internal culture survey to help us further understand the expectations of our employees
- Set about identifying the aspects of non-financial information that are material to our business and how to extend our current reporting to better measure and convey our progress

The purpose of this research is to help us advance our social and environmental performance to match the expectations of our many stakeholders, shareholders and partners.

See our Values and Beliefs in Action

This report is the culmination of our values, our beliefs, and our actions on our sustainability path. We invite you to read, see and learn more about how we're transforming our beliefs into positive, lasting change ... one person, one deed, one accomplishment at a time.

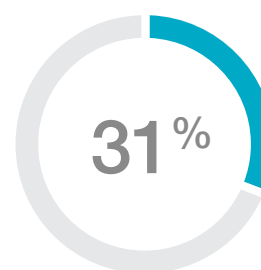
2013 HIGHLIGHTS



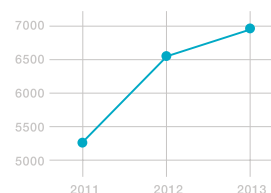
In three years, we've moved from a 19% investment to 100% investment globally in wind and hydroelectric renewable energy credits.

\$6,500,000

Was donated by Steelcase and the Steelcase Foundation, a 20% increase in donations since 2012



Of our senior leaders are women



6,900

Volunteer hours reported by Steelcase employees in 2013

Targets and Performance



This is a snapshot of the information we're using to measure ourselves against social, environmental and economic domains. We are continuously striving to expand our reporting, refine existing metrics for global accuracy and improve our focus on sustainability and comprehensive reporting.

SOCIAL	FY 2013	FY 2014	MORE INFO
Volunteer hours reported	6,538	6,900	Employee Impacts
Employee retention	80.4%	88.8%	Employee Wellbeing
Monetary and in-kind donations	\$1.54 million (Steelcase Inc.) \$3.86 million (The Steelcase Foundation)	\$1.2 million (Steelcase Inc.) \$5.3 million (The Steelcase Foundation)	Social Investment
Number of women in management globally	Americas: 32% Europe, Middle East and Africa: 25%	Americas: 30% Europe, Middle East and Africa: 29%	Diversity + Inclusion
ENVIRONMENT	GOAL BY THE END OF CY 2020	PROGRESS TOWARD 2020 GOAL (CYS 2010-2013)	MORE INFO
Greenhouse gas emissions	25% reduction	1% increase	Energy Use + Efficiency
VOC emissions	25% reduction	30% reduction	
Water use	25% reduction	14% increase	Water Conservation
Waste	25% reduction	22% decrease	Waste Reduction
	GOAL	FY 2014	
Renewable energy	Continue investments in renewable energy	100% investment in wind and hydroelectric renewable energy credits (RECs)	Renewable Energy
ECONOMIC	FY 2013	FY 2014	MORE INFO
Revenue	\$2.9 billion	\$3.0 billion	Investor Relations
Gross Profit	30.2%	31.6%	Investor Relations
Net Income	\$38.8 million	\$87.7 million	Investor Relations

Helping our customers to succeed in their businesses and meet their sustainability goals is a driving force at Steelcase.

We deliver on that commitment with research-backed strategies, innovative end of use solutions, a robust supply chain, and products that help unlock the promise of our customers' employees. That's our promise to customers.



Real Estate Optimization

Promise

Utilize our research and insights to help businesses maximize real estate to drive improved employee experiences and performance. Offer innovative products and services that meet the changing space needs of today's businesses and use fewer natural resources.

Results

Higher utilization rates, increased collaboration, and flexible workspaces for varied work modes — all in smaller footprints.

Today, workplaces are held to higher standards. They must simultaneously maximize space, foster collaboration, provide privacy, reinforce brand and culture, and contribute to talent retention. And it all needs to occur in optimized real estate footprints.



WorkCafé in Grand Rapids, Michigan, was transformed from a seldom-used cafeteria into all-day activity hub.

We're working with companies around the world to make their work spaces more efficient, providing a complete palette of places that supports group work as well as the privacy that people need to recharge and focus.

Part of the changing landscape has been the rise of the mobile worker, a trend that's transformed the modern notion of an office. Teams are located across the globe, across time zones and continents. We're helping companies create more collaborative spaces through virtual presence technologies like high definition videoconferencing, saving energy

and carbon emissions and helping to improve people's quality of life by limiting the need for extensive business travel.

Our research and insights have revealed that people have four distinct work styles: collaboration, focus, learning and socializing, each with its own tool set and design needs. From private work pods to team spaces, from assigned places to shared environments, we conduct primary research and design spaces to help unlock the potential of people and the companies where they work.

SUCCESS STORIES

BASF Redesigns Regional Headquarters Office in Hong Kong

With the support of our workplace solutions and furniture products, BASF, the world's leading chemical company, unveiled a redesigned office for its regional headquarters in Hong Kong. The new space, with an open-office environment featuring desktop sharing, supports a new way of working that encourages collaboration and enhances productivity.

Lenovo Service Excellence Award

Lenovo, the world's largest PC manufacturer, recognized our efforts with their 2014 Service Excellence Award after helping them complete a project encompassing 36 locations in the North America, Europe, Middle East, Africa and Asia Pacific regions. The projects represented a significant real estate consolidation after an important corporate acquisition.

End of Use Strategies



Promise

Help customers find new uses for their used furnishings, reducing waste by keeping it out of landfills.

Results

Robust programs promoting charitable reuse, recycling and resale.

What happens to existing furniture when organizations want or need to migrate to different workspaces?

Our comprehensive services provide turnkey solutions, alleviating common pain points faced by organizations, while delivering environmentally and socially responsible alternatives to landfills. We offer a menu of services throughout our global operations, including ReMarket, Phase 2 and Eco'Services programs.

ReMarket™

Assists customers in North America who want to resell their existing furniture, providing financial returns while extending products' useful life. In 2013, ReMarket began offering design services to local nonprofits to review their space, compare their needs with Steelcase inventory, and suggest recommendations.

Phase 2 Program

Helps North American customers assess their furnishing assets and designs decommissioning plans — including charitable reuse. Last year, Phase 2 introduced a new

budget planning tool that evaluates the value of current assets and aligns decommissioning strategies with sustainability goals to create the optimal solution for each customer. In addition, a new upgrade pilot encourages customers to trade in their existing used chairs for credit toward our Gesture® chair.

Eco'Services

In France and French-speaking countries such as Switzerland, Belgium and Luxembourg, Steelcase offers complete end of use services. Items are resold, donated or transported to licensed recycling organizations that manage the material recovery. The aim of this program is to simplify the process while optimizing positive social, economic and financial outcomes. Certificates of traceability are issued to ensure transparency and to comply with regulations.

50 million

Pounds diverted from landfill through our North America end of use program

26,440

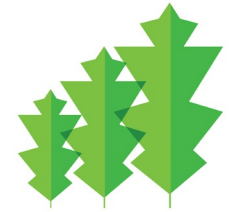
Workstations handled by Eco'Services in last six years

51

The number of countries whose organizations received furnishings as a result of our end of use programs

“Our comprehensive services provide turnkey solutions, alleviating common pain points faced by organizations, while delivering environmentally and socially responsible alternatives to landfills.”

Sustainable Procurement Strategies



Promise

Help customers achieve their sustainability goals.

Results

Products that are third-party certified and may contribute LEED credits; metric-based decision-making tools.

Design for the Environment

We approach design with a closed loop mentality, from examining the chemical profiles of the materials and components we use to offering comprehensive end of use solutions. We're measuring impacts at every phase — from design, manufacture, delivery, use and reuse, recycling and end of use — to ensure we're always improving the performance of our products. This ensures we are meeting our objectives as well as helping customers meet their goals with confidence. You can learn more in the [Innovative Products and Applications](#) and [End of Use Strategies](#) sections of this report.

LEED® Contributions

We continue to provide expert guidance and training programs to customers on how our products contribute to LEED criteria. We regularly counsel customers on key contribution areas:

- Materials and resources
- Indoor environmental quality and innovation
- Ergonomics
- Sustainability
- Innovation in design
- Low-emitting materials
- Systems furniture

For additional information, please visit the Product Environmental Profiles page on our website www.steelcase.com/pep in the Americas. This information is also available by request in the Europe, Middle East, Africa and Asia Pacific regions.

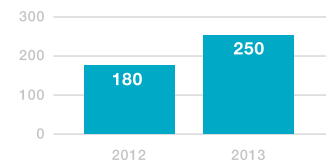
Environmental Metrics

Better decisions are made by knowing more. By collecting and analyzing the details, we help customers measure the human and environmental impacts of their office furniture purchases. We not only measure their past purchases, but also look forward to future needs, using sustainability certifications, recycled content, material makeup and product weight. This year, we completed 250 metrics reports for our customers.

Third-party Certified Products

From indoor air quality to materials chemistry, closed loop textiles to sustainably harvested wood, we work with respected third-party certifiers to help reflect the environmental and social sustainability performance of our products. That said, we don't define our design practices by these standards; rather, we're inspired by a higher paradigm of enduring sustainable design and leadership performance. We set clear product performance criteria that reflects our values and mirrors what we believe customers deserve and expect.

ENVIRONMENTAL METRICS REPORTS



We've increased the number of metrics reports for our customers from 180 in 2012 to 250 in 2013.

SUCCESS STORY



Think

When Steelcase launched the Think® chair in 2004, it was embraced as a breakthrough innovation in performance and sustainability. As the first product certified under the Cradle to Cradle Certified™ Products Program, it created a higher sustainability product standard across industries. Because we know that innovation must be ongoing and even successes should be revisited over time, the Think chair has been completely redesigned with new materials, technologies and performance capabilities.

Wellbeing + Productivity

Promise

Leverage our insights and expertise to create workspaces that foster wellbeing, inspire engagement and enhance productivity.

Results

Products and applications that provide ergonomic support, encourage movement and contribute to physical, emotional and cognitive wellbeing.



Our ongoing commitment to our customers and their employees all over the world is demonstrated in our actions:

- Avoid and eliminate materials of concern
- Encourage physical movement
- Provide a range of settings to support personal preferences and diverse workstyles
- Harness the power of nature within indoor spaces

As wellbeing evolves as a business imperative, we continue to focus on evidence-based design, defining and validating the positive impact of work eco-systems on the total employee experience and their wellbeing.

Ensuring proper posture is no longer enough. Now, work environments must help organizations be more productive and profitable, amplify efficiencies and create

work destinations that enable the total wellbeing of people working within their organization. Our research clearly shows that enhanced wellbeing — physical, emotional and cognitive — contributes directly to improved employee engagement. Our customers are seeing the difference this makes.

“Now, work environments must help organizations be more productive and profitable, amplify efficiencies and create work destinations that enable the total wellbeing of people...”

SUCCESS STORY

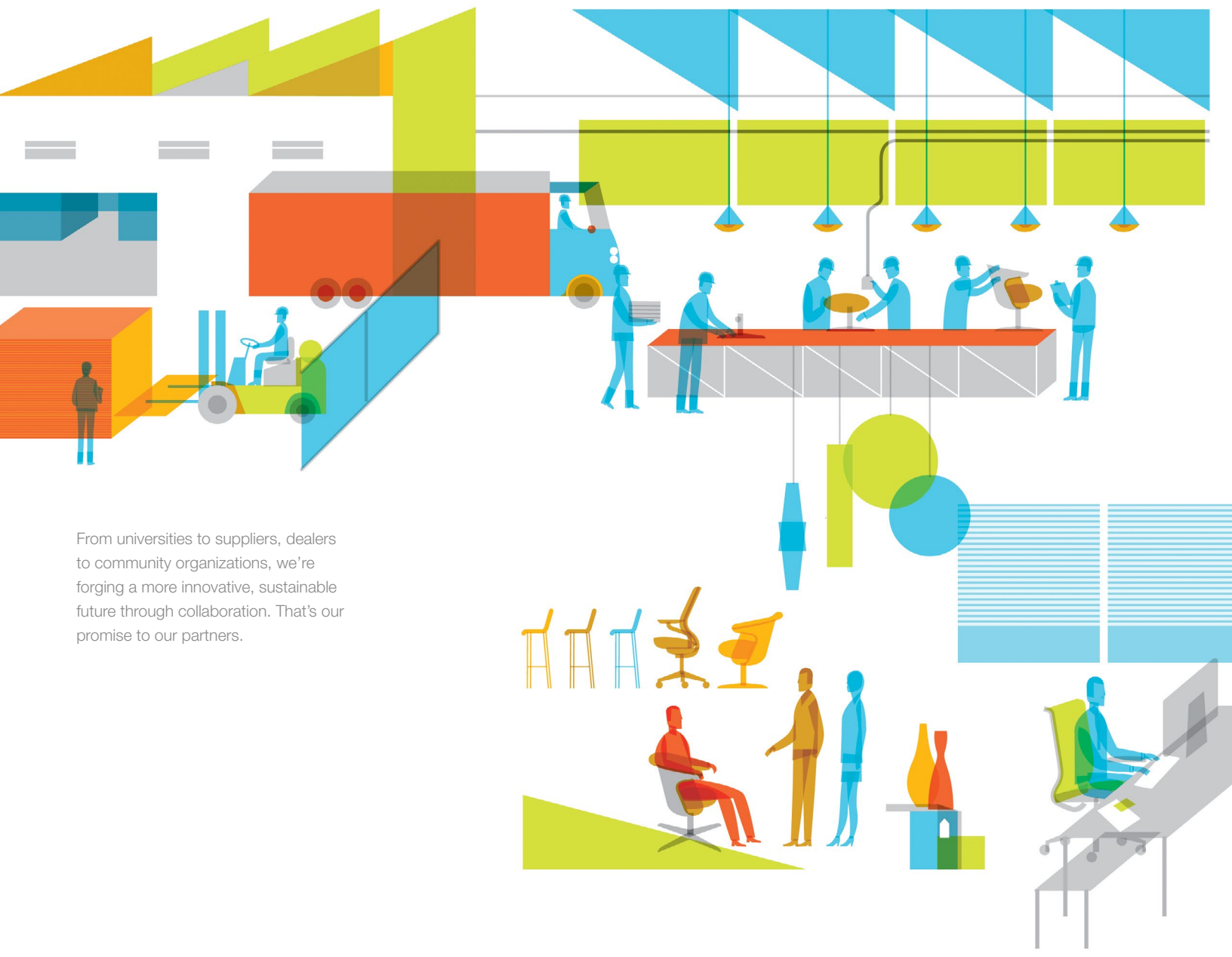
Wellbeing Makeover To Facilitate Movement

Arizona State University's Colleges of Health Solutions and Nursing and Health Innovation undertook a 16,456-square-foot total space redesign to encourage physical activity in the workplace by providing employees with the choice of standing, moving and walking more often on the job. The new space features Steelcase low-panel workstations, height-adjustable sit/stand desks, and Walkstations, an integrated desk-and-treadmill solution. Employees are participating in a year-long study to track their wellbeing improvements resulting from their new work environment.

2,000

The number of people who participated in Steelcase-led wellbeing workshops in 2013.

Creating lasting change takes a committed team, and we're fortunate to work with some of the finest partners in the industry.



From universities to suppliers, dealers to community organizations, we're forging a more innovative, sustainable future through collaboration. That's our promise to our partners.

Suppliers

Promise

Source materials from suppliers based on strict standards for quality, technical competence, innovation, price, sustainability, performance and on-time deliveries. Co-create better solutions. Share knowledge and expertise.

Results

Deeper levels of collaboration and transparency; global code of conduct introduced; increased diversity in supply chain; suppliers joining voluntary renewable energy program.

Last year, the Steelcase Supplier Code of Conduct was released to our North American suppliers. This year, we're pleased to share that we've not only introduced the new code in North America, we also have commitments from many of our European and Asia Pacific suppliers.

Additionally, our materials chemistry team continues to work closely with multiple levels of our supply chain to understand the composition of our materials, avoid chemicals of concern and develop new and preferred alternatives. In 2013, we implemented a new Reportable Substance List program that reflects our company's precautionary approach to materials and our commitment to insight-led performance. It also reflects customer priorities, chemistry knowledge from suppliers, regulatory requirements and certification criteria. The more we know, the better decisions we can make, and the more we can deliver on our commitment to human and environmental health.

In North America, a renewed emphasis on supplier diversity propelled the launch of a new set of aggressive recruiting strategies. Our supplier vision is to grow, develop and retain our diverse business partners by creating a robust supplier program that leads the industry.

We believe in growing our positive impact by sharing best practices with suppliers. One example — we've extended our corporate discount on renewable energy credits to our supplier partners, in what is believed to be the first program of its kind. Several are



participating, including one that has moved from zero renewable energy purchases to purchase credits equivalent to 100% of their electricity consumption.

Our suppliers are achieving and continually pursuing sustainability activities, e.g., sending zero to landfill, recycling 100% of scrap, utilizing clean coatings and water-based adhesives, reducing waste water to zero and creating plans for reducing chemicals of concern.

440+

Suppliers attended our Supplier Summits worldwide

AT&T awarded Steelcase its Supplier Diversity Award in 2013

Dealers



Promise

To support and grow a diverse network of environmentally and socially responsible dealers.

Results

A thriving global network of established and new dealer partners representing the diverse marketplaces they serve.

The fourth year of our Platinum Partners program celebrated more than 20 North American dealers who achieved outstanding performance on multiple metrics including sales, diversity and organizational success.

This year, we're expanding this competitive rewards program to the Europe, Middle East and Africa region, where we have 285 dealers.

As part of our global reach and commitment, we're expanding with 9 new dealers in our Asia Pacific region and 11 dealers in Central and South America. This global scale will create new business opportunities for dealers and deliver more local expertise for customers.

2013 PLATINUM PARTNER

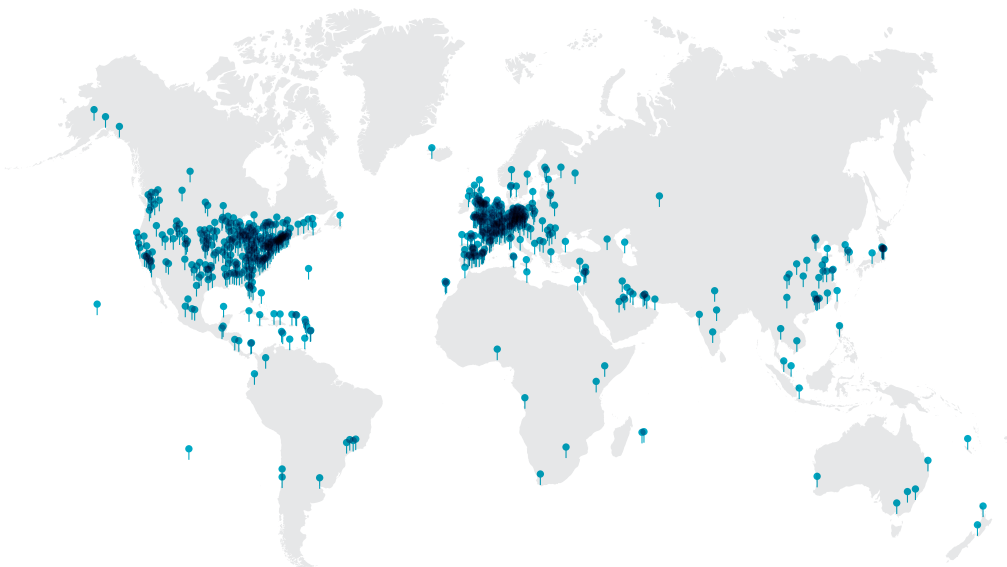
SUCCESS STORIES

Our dealers regularly provide expertise and logistical help to their customers. They also support community organizations by donating and transporting used office furnishings.

A growing number of dealers embrace environmental responsibility — providing LEED accredited staff, recycling tons of scrap metal and non-metal materials, and providing landfill avoidance reports to customers.

Intentional hiring practices are helping our dealers diversify their leadership teams, adding more women and minorities at all levels.

STEELCASE DEALER LOCATIONS



25

Average number of years of dealer affiliation with Steelcase

24

Dealers qualified as Platinum Partners

800

Steelcase dealer locations around the world

We value our global relationships, sharing our resources, talents, materials and leadership to tackle entrenched issues such as education and environment.

Change happens on the local level, and we're working hard to make a difference for individuals and communities throughout the world. That's our promise to communities.



Social Investment



Promise

Share our time, skills and resources to create thriving communities across our global footprint.

Results

Greater local involvement at global locations; increased emphasis on urban education.

Steelcase Inc. and our philanthropic arm, the Steelcase Foundation, extend a long legacy with another year of charitable involvement and community investment.

The Steelcase Foundation reaffirmed its commitment to accessible high-quality public education in 2013, concluding a two-year planning process and ambitious spending goals for the future. The Foundation focuses on the needs of West Michigan and is supporting public schools, after-school programs and innovative approaches to systemic social and economic issues.

Steelcase directed charitable resources to multiple worthy causes last year, including disaster response with the United Way in Athens, Alabama, home to a Steelcase manufacturing facility. In addition, we shared our unique relationship with world-class

innovation consultants and leading universities to help guide Detroit city leaders on applying design thinking to pressing community issues.

Across the world, Steelcase employees are participating in local social impact committees, assessing needs and providing crucial support for pressing social issues through donations and volunteer hours. This past year, Steelcase unveiled a new global tool to capture employees' extensive charitable activities and community involvement. This tool will make it easier to track and quantify the true social investment of employees and celebrate individual contributions.

\$485,668

In matching employee gifts from the Steelcase Foundation — setting a new standard for giving

\$5.3 million

In total funding from the Steelcase Foundation

\$1.2 million

In total funding from Steelcase Inc.

SUCCESS STORIES



Athens, Alabama Disaster Relief from Steelcase Inc.

To provide necessities for our employees and their families, a truck from Grand Rapids carrying tarps, bottled water, and other supplies arrived in Athens to meet critical needs while insurance claims were being filed.

Detroit School Receives Steelcase Furniture, Transforms Their Library into a Collaborative Learning Space

The principal at Clintondale High School was intent on transforming the school's learning model to better engage students and improve academic outcomes. Steelcase helped equip their environment to meet the new needs of students and teachers. Students now receive lectures at home and do homework in class. Failure rates have dropped from 52% to 19% in English and 44% to 13% in math.

Employee Impacts

Promise

Provide support and opportunities to employees in their efforts to create lasting change in the communities where we live, work and serve.

Results

Grassroots efforts improving local conditions and creating hope.

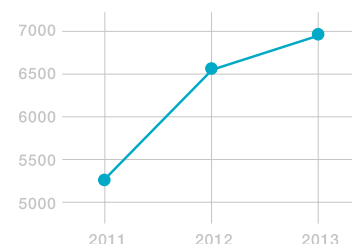
Our 10,000 plus employees around the world are passionate about working within their own communities to provide vital assistance, collaboration, and promise.



In many of our locations, employees have formed social responsibility committees and chosen local projects based on community needs, employee skills and interests. Those grassroots contributions are important to us but in the past haven't been formally recorded. Through the development of our global tracking tool and new global champions, we're extending our support for employees and their local markets. We're committed to work on ways to further recognize those individuals, quantify their contributions and better understand how we can enable more opportunities to make a difference globally.

One thing we can measure is our employees reported time investments. We celebrate their contributions toward a brighter future and how their individual efforts combine to create global impact. Here is a sampling of initiatives that involve Steelcase employees in their communities:

- Literacy programs
- Orphanages
- Mentoring
- Environmental Clean-Up Days
- Community sports teams
- Go Green Days
- Non-profit boards and foundations



6,900

Volunteer hours reported by Steelcase employees in 2013

SUCCESS STORIES

Christmas with Shalom Home Orphanage

Steelcase Kuala Lumpur employees visited the Shalom Home Orphanage to hold a special Christmas party for the children. The children were given gifts of clothing as well as festive candies, cookies and chocolates.

Global Volunteer Tracking Program

We launched a new global volunteering program aimed at incentivizing employees to not only go out and volunteer, but also report their hours of service. Employees who log their community service hours are entered into a quarterly drawing for the chance to win a \$250 donation to the nonprofit of their choice.

We honor the unique talents, skills and perspectives of our employees, knowing full well that their contributions are what propel us.

We value the whole person and seek to help all employees reach their highest potential through policies, practices and honest engagement. That's our promise to employees.



Employee Wellbeing



Promise

Provide ongoing opportunities for employees to improve their physical, mental, emotional and financial wellbeing in all Steelcase locations.

Results

Positive outcomes from program prototypes targeting nutrition, exercise, smoking cessation, life coaching, relationship counseling, stress management and financial planning.

As a company, we're focused on the total wellbeing of our people. Our strategy is to incorporate all aspects of wellbeing by asking all locations around the world to set goals within their cultural context, ensuring employees are engaged, healthy, productive and happy.

As a core priority, we're increasing investment in new resources and programs and best-in-class solutions to ensure we continue to promote healthy work-life balance.

Acting on our commitment, 2013 was a year of piloting and refining several program prototypes in North American locations. Well-equipped exercise areas, personal training sessions, on-site walking trails and life coaching programs yielded inspiring results. Plans are being made to expand these offerings to sites worldwide.

We're assessing needs at each location, as cultural norms dictate habits and behaviors. For instance, in many of our plants in emerging economies, tobacco use is on the rise, so we're developing responses to help our employees stop smoking.

Goals for 2014 include utilizing Wellpool, our employee crowdsourcing platform, for a second round of new ideas plus completing new workout and coaching spaces in several North American manufacturing plants.

SUCCESS STORIES

Virtual walk from Reynosa, Mexico to Grand Rapids, Michigan

100 people divided into 20 teams equipped with pedometers started walking with a goal of reaching 1,590 miles — the distance from Reynosa to Grand Rapids. The teams completed the full mileage within two months.



Bike to Work for Reimbursement

U.S. employees who ride their bicycles to work at least one day per week are eligible for a new benefit that reimburses them for certain expenses. Steelcase will reimburse riders up to \$20 a month for bicycle maintenance, improvements, purchase or storage.

10 years

Consecutive downward trending in workers compensation costs and incidents

2-3 fold ▲

Improvement in program participants' self-reported physical, mental and emotional wellbeing scores seen in pilot programs this year

\$100

Amount of individual wellness reimbursement that allows U.S. employees to tailor the offering to their needs

Training + Development

Promise

To unlock the human promise of all our employees.

Results

Expanding training and development opportunities throughout the organization and all its locations.

Last year marked great progress on the training and development front as new programs were piloted, refined and expanded globally.

A consistent menu of training courses was offered in Europe, Asia Pacific and North America — a huge step forward as we continue to provide greater alignment of development opportunities for employees around the globe.

Our Global Leadership Development Experience (GLDE) prototype launched with an ambitious 12-month curriculum. Participants from all Steelcase regions were charged with creating more sustainable leadership practices, beliefs and behaviors including culture, talent development, business acumen, change management and global awareness. A second pilot is planned in 2015, and refinements are being made to the model for future iterations. These emerging leaders work on both regional and global levels by exhibiting leader behaviors of humility and empathy to create conditions for building trust, which is fundamental for creating environments of collaboration, innovation and diversity in thinking.

Across our footprint, training on Steelcase's Critical Thinking model is now 75% complete, providing a shared global concept development and innovation framework.

The model is composed of four modules: Think, Point-of-View (POV), Plan to Implement and Implement. Over the last several years, our employees learned and practiced Think and POV, focusing on deep research and insights to meet current and future challenges. Today, we're completing training on the second half of the model — with Plan to Implement training well underway and Implement training under development.

In Europe, courses on global awareness attracted 145 employees for two days of deep immersion, while language classes shifted to an online, global provider for added convenience and reach. In 2014, we plan to expand these course offerings globally.

Momentum from a successful 2013 has carried over into 2014, and we're pushing new opportunities to the forefront with sales skill development training, marketing and product training integration and a continued emphasis in operational leadership on the production line.



SUCCESS STORIES

Young Professionals Mentoring Program

Forty-seven young employees are connecting with knowledgeable, seasoned professionals to tap into each other's experiences and enhance personal and professional skill sets, expand individual networks and gain career perspectives.

Motivating Romanian Students to Continue on to College

Four graduating high school student interns worked in the Steelcase office and received training on economics, IT, foreign languages, communications and LEAN during this two-week session.

Steelcase Hosts Middle East Education Event

Steelcase presented research on Culture at CoreNet's Middle East Chapter event. The topic — Intersection of Strategy, Global Integration, and Culture — addressed cultural challenges and global workplace strategy in the Middle East.

74

Global participants in the first GLDE program

73,000

Hours of employee training on Steelcase's Global Business Standards

Workplace Health + Safety



Promise

Create and maintain safe, healthy and enriching workplaces.

Results

Global standards that meet or exceed all local regulations.

Across the Steelcase footprint, we're aggressively reducing safety incidents with a wide range of improvements in tools and process, even as we continue to add new plants.

On our three Gesture chair production lines (Kuala Lumpur, Reynosa and Sarrebourg), we completed a multi-year ergonomic improvement process that's resulted in fewer safety incidents, transformed heavy-task workstations to lighter task, and decreased the number of lost work days. In addition, we've significantly reduced our overall number and frequency of injuries, providing safer working environments for our employees.

In Grand Rapids, we are continuing a five-year project to develop a global protocol around process chemical purchases and OSHA reports. In 2013, the team improved its process by integrating multiple databases to better capture and align purchasing, approvals, and health and safety objectives.

“...we've significantly reduced our overall number and frequency of injuries, providing safer working environments for our employees.”

With the number and intensity of natural disasters increasing, Steelcase is also actively designing a global disaster preparedness plan. This plan includes a process for mass dissemination of critical information via texting employees and supply chain partners.



SUCCESS STORY

Steelcase Plants Meet or Exceed Their Safety Goals

Steelcase plants in these locations met or exceeded their safety goals for the year: Grand Rapids, Mich; Durlangen and Rosenheim, Germany; Sarrebourg and Wisches, France; Dongguan, China; Pune, India; and Riyadh, Saudi Arabia. Our global operations teams are developing new safety protocols and processes to ensure continued success around the globe.

Diversity + Inclusion



Promise

Advance a culture that embraces diversity to remain an innovative and fit global company.

Results

Continue to build and celebrate our diverse culture that emphasizes inclusivity.

We're continuing our long legacy of leadership in diversity and inclusion through internal and external activities that promote social justice. In our locations across the globe, we're setting goals and addressing regional concerns, whether it's food restrictions, room for prayer or women in the workplace.

In the U.S., we're active in supporting affirmative action, rights for lesbian, gay, bisexual and transgender (LGBT) people and education reform on both the state and national levels. And in our Grand Rapids, Mich., headquarters, we sponsor numerous events with local organizations including Grand Rapids Community College Diversity Lecture Series and the community-wide annual Urban League Martin Luther King, Jr. breakfast.

Our efforts for diversity are realized in many of our locations, largely achieved with a representative workforce. Today, we have the opportunity to build on that success and

focus more on inclusion, building bridges of understanding, cohesion and humility. We're excited about this pivot, while remaining committed to fulfilling our diversity promise in all our global locations.

Our commitment to diversity also extends to our future employees as well with our long-standing support of urban education initiatives in Western Michigan. We understand the need to have well-trained and educated future employees, and we're investing heavily in creating those opportunities for traditionally underserved groups.

SUCCESS STORIES

Steelcase Awarded Two Diversity and Inclusion Awards

The American Civil Liberties Union of Michigan honored Steelcase for leading the statewide effort to update Michigan's Elliott-Larsen Civil Rights Law to include protections against job and housing discrimination based on sexual orientation and gender identity.

Steelcase was also recognized with the Lifetime Achievement Award in Health and Equity from the Grand Rapids African American Health Institute.

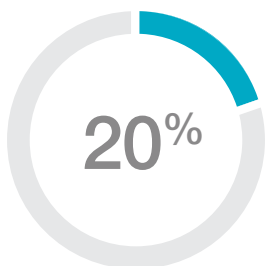


Celebrating Diversity in Malaysia

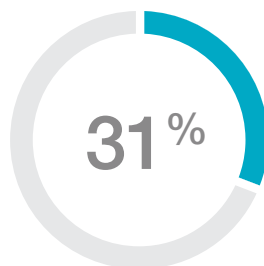
The Steelcase Global Business Center in Kuala Lumpur, Malaysia, promotes diversity by encouraging employees to celebrate all holidays and traditions within each and everyone's cultures.

Steelcase Germany Wins Award

The Steelcase Germany office received the "Goldene Rampe 2013" award for supporting and integrating employees with disabilities.



Of all corporate contributions are given to organizations and initiatives that support diversity in our communities



Of our senior leaders are women

9-fold ▲

Increase in minority female employees in U.S.

We're working to leave a legacy of positive change that benefits all.

Simply complying with standards isn't enough. We're working to conserve more, use less, find better ways, source more responsible materials, and leave a legacy of positive change that benefits all. That's our promise to the environment.



Innovative Products + Applications



Promise

Leverage materials chemistry, life cycle thinking and closed loop design to drive innovation and minimize impact on human and environmental health.

Results

Continuing to be a leader in material assessments, life cycle assessments and third-party certifications.

For over a decade, we have approached the design, manufacture, use and end of use of our products and applications with a sustainable design lens and a focus on innovation.

As part of our Design for the Environment strategy, we have three key platforms driving optimization throughout the product lifecycle: Materials Chemistry, Life Cycle Assessment, and End of Use and Recycling. These enduring platforms helped eliminate and reduce countless materials of concern. On many products we have replaced adhesives, incorporated clean recycled foam and designed products with fewer parts — all without compromising performance. We're involved in leading-edge social and environmental research around the globe and through global-scale, multi-industry collaborations.

Materials Chemistry

Together with our suppliers and our customers, we're accelerating and scaling our efforts to identify, assess and eliminate materials of concern. We're precautionary and proactive. We are collecting data and populating a global

chemical database that maintains material composition data and provides reporting capabilities, allowing us to more clearly track progress. This centralized repository allows us to better partner with suppliers, be even more responsive to customer requests, and become increasingly more proactive in our product design. It also helps inform our product certification processes around the world, as we seek multiple, third-party international and eco-label standards.

One of our areas of focus has been an effort to identify and eliminate flame retardants, many considered chemicals of concern. Despite conflicting flammability laws and regulations, we've made significant progress in the identification of flame retardants in our global portfolio. We're developing holistic elimination strategies with aggressive target dates for identified flame retardant ingredients.

1,600

Materials have been assessed to the 100-parts-per-million level

54

Products certified under the Cradle to Cradle Certified™ Products Program, more than any other company in any category

SUCCESS STORIES

New Seamless Edge Reduces Adhesive Use

Our new seamless edge manufacturing process provides a smooth transition between the surface top and edge, creating the illusion of a single flowing solid surface. Utilizing state-of-the-art technology, seamless edge creates a beautiful monolithic surface with an elegant profile. The aesthetic, created by bonding a polypropylene edge to particle board with laser beam technology instead of an adhesive, provides a durable and sustainable solution.

Our Products Win Four Good Design Awards

Each year the Chicago Athenaeum Museum of Architecture and Design, in cooperation with the European Centre for Architecture, Art, Design and Urban Studies, chooses new consumer products manufactured in Europe, Asia, Africa, and North and South America for its prestigious Good Design award. Last year Steelcase won four of those coveted awards for Gesture, Think, media:scape® team studio and V.I.A.™

Innovative Products + Applications



“In the design phase, key insights inform our choices, helping us create more sustainable products.”

Life Cycle Assessments

Our scientifically rigorous, globally recognized approach to life cycle assessments (LCAs) helps us measure and understand the impact our products have throughout their lifespan. In the design phase, key insights inform our choices, helping us create more sustainable products. These insights drive innovative solutions whose ripple effects are felt in and outside our industry.

Participating in cutting-edge, global research around this topic allows us to not only contribute insights based on our extensive experience with LCAs; it also allows us to offer guidance and perspective to others considering this approach. Two research projects we're focusing on are: water footprint and a new type of life cycle assessment, the social LCA.

End of Use and Recycling

As a result of our focus on Design for the Environment, these efforts lead to better material selection, higher recycling performances and design for disassembly choices. We make products built to last, and sometimes, they even outlast our customers' needs. Though we design our products to be adaptable, most customers eventually reach a time when they are ready for something new. That's where we can help them make responsible choices. See our [End of Use Strategies](#) section of this report for more information on how we're working with our customers to help manage their furniture inventory and keep products out of landfills by selling, refurbishing, donating, or recycling their excess assets.

SUCCESS STORIES**Water Footprint Research**

For the past three years, Steelcase has partnered with a number of leading organizations, such as Quantis, to examine how important water use is to the production of our products. These collaborative efforts have led to the creation of a water footprint database and case studies available to LCA practitioners worldwide in partnership with one of the two leading global LCA software providers.

**B-Free: Integrating Innovative Elements**

The new B-Free™ Cube, launched in our EMEA region, uses velcro to significantly reduce the amount of glue and staples needed and introduced clean recycled foam instead of virgin foam as key sustainability components. It features quick and simple disassembly, allowing for easy recycling of materials at the end of its use.

Social Life Cycle Assessment

Steelcase is working with leading LCA experts, international universities and global corporations to create a framework around the social LCA. The outcome — a [Handbook for Product Social Impact Assessment](#) — assists other companies in understanding and exploring this new territory.

30+

Published Environmental Product Declarations

Renewable Energy

Promise

Create a global renewable energy strategy while maintaining a sense of urgency in reducing fossil fuel reliance.

Results

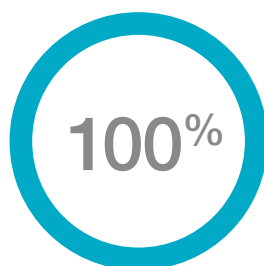
Investing in renewable energy credits equivalent to 100% of global electricity use; working with our renewable energy provider to offer discounted pricing to suppliers to encourage new investments and scale our impact.

As a global corporate citizen, we understand the importance of limiting the environmental impacts of our global operations.



We take a systematic approach to managing our energy usage: from reducing consumption to investing in renewable energy. Our expanded renewable energy portfolio is a testament to our deep commitment.

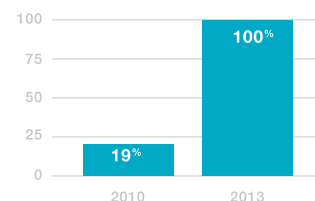
In three years, we've moved from a 19% investment to 100% investment globally in wind and hydroelectric renewable energy credits (RECs), from a regional energy strategy to a global one, and from Steelcase-only contract to a pioneering effort encouraging our suppliers to purchase renewables. At the same time, we continue to aggressively pursue energy savings improvements resulting in a decrease of our global energy use by 60% since 2001. We're reducing our reliance on fossil fuels and investing in non-emitting renewable energy



We're the first major commercial furniture manufacturer to purchase non-emitting RECs equivalent to 100% of our global electricity use.

to benefit the environment, our partners and our customers and to grow the emerging renewable energy industry so we can all enjoy a more secure energy future.

OUR COMMITMENT TO RENEWABLE ENERGY



15th

We're now the 15th largest 100% Green Power User in the U.S., according to the EPA's Green Power Partnership.¹

15,410

Our renewable energy credits cover approximately 167 million kilowatt hours in 2014, enough to power 15,410 homes for one year.²

1st

We're extending our volume discounts to our suppliers, a first-of-its-kind program.

Our portfolio includes geographically distributed projects throughout North America and Europe, helping expand energy independence in more regions.

¹ As of November 2014

² Based on average annual U.S. household electricity consumption of 10,837 kWh/ year (<http://www.eia.gov/tools/faqs/faq.cfm?id=97&t=3>)

Energy Use + Efficiency

Promise

Further reduce our energy use another 25% by the year 2020.

Results

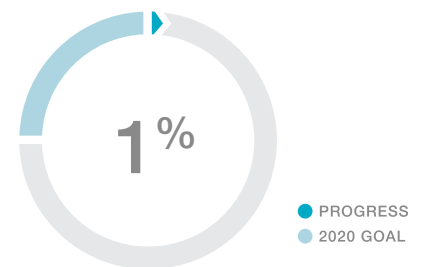
As our production increases and our facilities expand, there has been a 1% increase in energy use since 2010; strategies in place to pursue future reductions.

Although we exceeded our energy use goals in 2012, we continue to challenge ourselves to keep improving.

We're taking a comprehensive approach to optimizing energy use through reduced consumption and conservation and investments in renewable energy. This past year, we continued high production levels and opened new manufacturing facilities, which contributed to a small spike in energy use since we reset our environmental footprint reduction goals. That's thanks to the steps we've already taken to ensure our manufacturing processes use a minimal amount of energy, equating to a 60% reduction in energy use since 2001.

We have identified the steps to achieve continued reduction of our energy use. Those steps include evaluating new initiatives based on energy goals, creating a worldwide measurement and reporting system on greenhouse gas emissions, and meeting international environmental management standards.

We continue to work with our supplier partners to create shared objectives around energy conservation and use, enabling them to calculate their environmental impacts and reduce their footprints.



Increase in energy use since 2010

SUCCESS STORIES

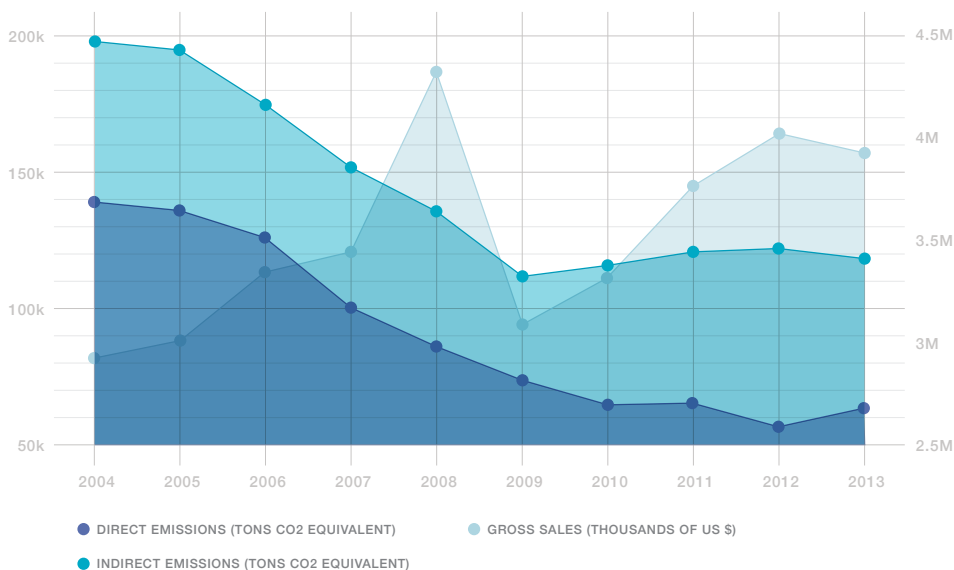
Designtex Operates As Carbon Neutral for Fourth Year

For the fourth year, Designtex, a Steelcase-owned surface materials company, has operated as a carbon-neutral company. The company continues to partner with Tribal Energy to offset the greenhouse gas emissions from its entire footprint. This year, Designtex is funding two energy projects — one wind turbine project with an Indiana high school and a methane capture initiative with the Southern Ute Indian tribe.

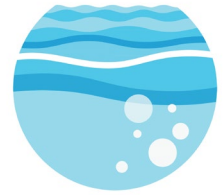
Steelcase Aviation Saves A Home's Worth of Energy In One Year

We're looking for ways large and small, across our business operations and functions, to improve our energy performance. Our aviation division completed a series of energy efficiency improvements including the installation of new ceiling fans and improved lighting. This resulted in saving 9,923 kilowatt hours of electricity, 220,000 cubic feet of natural gas for heating and more than \$3,000 in utility bill savings.

STEELCASE GREENHOUSE GAS EMISSIONS 2004-2013



Water Conservation



Promise

Further reduce our water consumption another 25% by the year 2020.

Results

As our production increases and our facilities expand, there has been a 14% increase in water use since 2010; strategies in place to pursue future reductions.

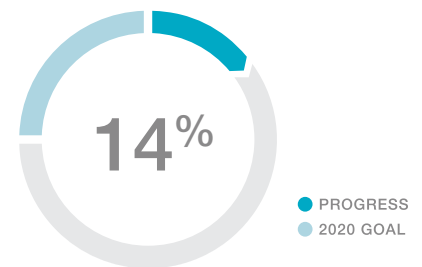
Compared with many other industries, we use far less water in our direct processes. But that doesn't mean we take water conservation in our products or our operations lightly.

As far back as the 1970s, we've had formal water tracking and reduction initiatives. And since we employed a new system in 2001 to measure our water use, our track record has consistently showed progress — we've reduced our overall water usage by 70% since 2001.

Last year, we reported an uptick in water use, due to ramped-up production and opening new facilities. Although this means we have significant work to do to meet our 2020 goals, we're seeing small successes in water reduction on an annual basis, even as production volume remains high.

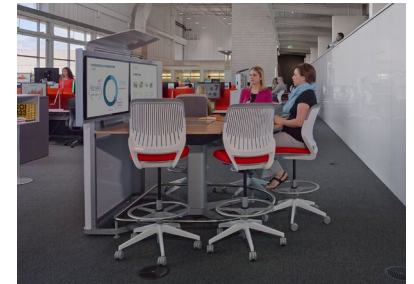
In addition to water conservation opportunities, we're actively monitoring our wastewater discharges and using stormwater collection and retention systems to manage water flow from our sites and to irrigate our campuses.

We're also contributing to the growing body of research around the water footprint of products. See the [Innovative Products and Applications](#) section of this report for more information about our work on product life cycle assessments.



Increase in water use since 2010

SUCCESS STORY



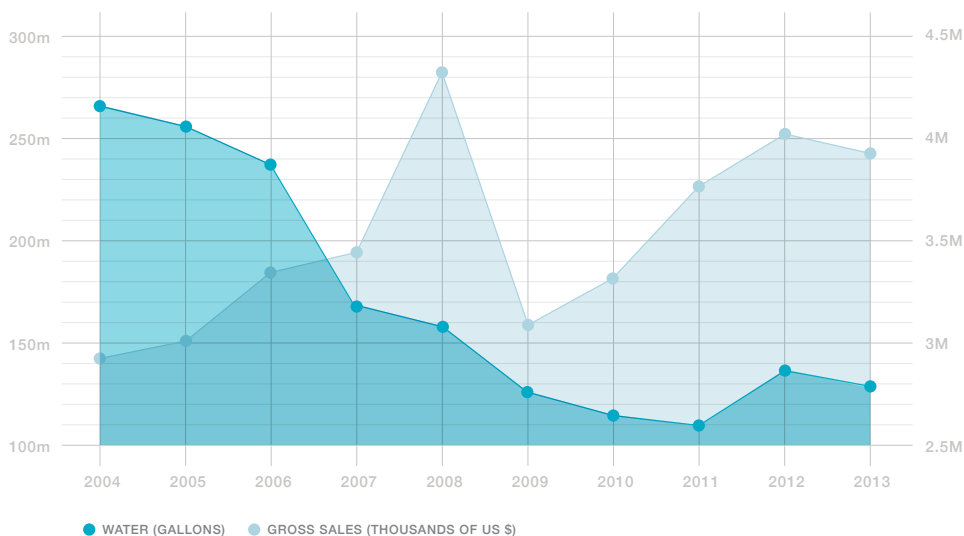
Perfect Water Score for LEED Platinum® Project

The Steelcase Innovation Center, located at our Global Headquarters in Grand Rapids, Mich., recently received [LEED Platinum certification](#). The project scored a total of 88 points, including a perfect 11 in water conservation.

This special accreditation signals high-level sustainability commitment and concrete progress toward our corporate environmental goals.

With this new award, our building is the highest rated LEED-CI project certified in the state of Michigan. Worldwide, only 29 projects score better.

STEELCASE WATER USAGE 2004-2013



Waste Reduction



Promise

Further reduce our waste another 25% by the year 2020.

Results

As our production increases and our facilities expand, there has been a 22% decrease in waste since 2010; on track to achieve future reductions.

Our philosophy, first and foremost, is to avoid waste. For more than 20 years, we've avoided sending thousands of tons of material to landfills.

We're making significant strides. In our U.S. facilities, we no longer send any waste powder paint to landfills. What's more, we're working on extending this claim to all of our North American facilities, and we're sharing our strategies with suppliers, so they too can reduce their waste streams through material recycling, reuse and resource management.

To ensure our facilities are operating at peak performance, we're constantly employing strategies to avoid waste: from recycling to composting to incineration with energy recovery. This year, we engaged with all regional distribution centers and inbound service

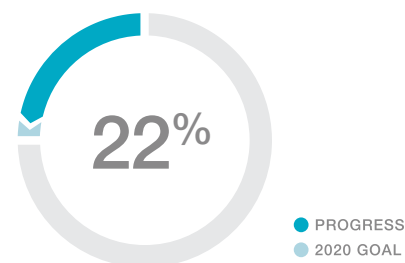
centers to start steel, cardboard and pallet recycling programs. All along the reduce, reuse, recycle spectrum, we're hard at work tracking operations with yield-based metrics.

These data points inform us about how much waste is reduced, reused, or recycled, as well as how efficiently we're using purchased materials like powder paint, steel, laminate and veneer.

We're continually improving and adding more metrics to ensure we're creating a lasting impact by leaving a lighter footprint. That's improvement you can quantify — in the factories, in the environment and in the bottom line.

ISO 14001

All fully-operational Steelcase plants are now registered, including our new Pune, India plant



Reduction in waste since 2010

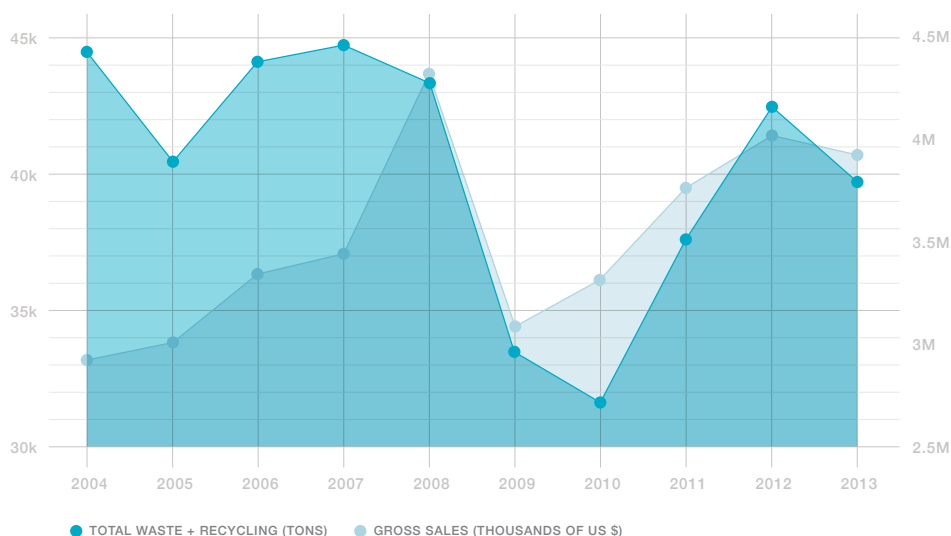
25,163

Tons of materials recycled globally, including:
128 tons of office paper
13,995 tons of steel
3,654.86 tons of wood

176.4

Tons of food waste composted in 2013

STEELCASE WASTE AND RECYCLING 2004-2013



Transportation + Packaging



Promise

Deliver our products and our people safely to their destinations with intentional focus on reducing our environmental footprint.

Results

Innovative packaging and shipping practices and materials, streamlined operations, and increased use of telepresence.

Reducing our transportation and packaging impact requires a coordinated approach.

For our products, that begins in the design phase. Several of our chairs are designed to be shipped “knocked down” for more efficient shipping and decreased emissions. Other products are shipped using reusable blankets and containers, minimizing waste while still ensuring safe delivery.

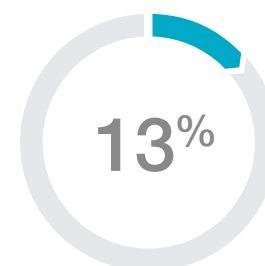
While we’ve made great strides to reduce packaging, sometimes it’s required. When packaging is unavoidable, we use lightweight corrugated paper, saving nearly 1,000 tons of paper waste each year.

Recycled and recyclable materials now dominate our packaging choices, allowing us to use fewer virgin resources. We’re replacing traditional synthetic materials wherever possible. We’ve eliminated almost all polyurethane packaging, replacing it with paper. When synthetics are required,

we opt for polyethelene and polypropylene instead of styrene-based packaging for easier recycling.

When it comes to our vehicle fleet, we’re optimizing travel routes to shorten distances and improve fuel use. In Europe, we’ve added hybrid cars to our fleet, and in North America, our tour buses run on biodiesel. Thanks to these initiatives, we’re on the road to meeting our energy efficiency goals.

However, it’s not just our trucks taking fewer trips — it’s also our people. Through our high-definition videoconferencing technology and alternative work strategies, we’re minimizing employee travel and reducing our environmental footprint. In addition to reducing travel costs and emissions, employees see their families more — an important part of supporting our people.



Increased fuel efficiency from fleet vehicles

11% ▼

Decrease in global gasoline and diesel use

SUCCESS STORIES

Pallets Increase Loading Efficiency In Surprising Ways

As a major shipper, we use a lot of pallets, but we also recycle as many as possible. In 2013, we earned nearly \$20,000 from pallet recycling and channeled that income toward another environmental improvement — we purchased additional aluminum shoring beams for our trucks making trips to Reynosa and Tijuana. This allows us to use more of the trailer’s effective space to gain more cube utilization, resulting in fewer trucks needed to transport freight between facilities.

Ensuring Products Arrive Safely

To ensure quality delivery, we’re evolving our packaging, a joint effort by our quality and packaging experts. This led to a thorough analysis of packaging materials and methods of packaging, storing and transport. Additional laboratory tests provided a complete overview of the performance of the currently used packaging. Further steps of this quality initiative will focus on transportation, handling and securing of loading to further optimize our use of packaging and decrease the number of damaged products delivered to our customers.

We're taking a hard look at ourselves and putting sustainability in the center of the decision wheel.

We're implementing organizational change to be the most economically, socially and environmentally responsible company we can be. That's our promise to ourselves.



Governance

Promise

Foster a dynamic, ambitious and independent leadership team committed to helping everyone in our organization unlock human promise, create long-term shareholder value and a more sustainable world.

Results

An energetic, capable and experienced leadership team paving the way for Steelcase's sustainable success.

Our corporate leadership structure begins with our dedicated Board of Directors. Comprised of third-generation members of our founding families and proven business leaders, the Board develops and articulates our guiding vision.

Of our thirteen directors, ten are independent, ensuring diverse opinions, accountability and objectivity. Our executive leadership team keeps us moving forward and inspires us to dream bigger, keeping us accountable for achieving our ambitious goals.

Our Global Sustainability Steering Committee, in its second year, is charged with leveraging business insights and inspiring collective action and accountability in advancing the company's global sustainability strategies.

Staffed by global leaders representing human resources, procurement, operations, IT, marketing, communications, community relations, legal, corporate relations, corporate sustainability and corporate strategy, the scope of this team includes:

- Furthering integration of sustainability into the company's and employees' daily and strategic choices
- Nurturing a sense of personal accountability in positively impacting sustainability performance
- Aligning key points of view and clarifying the role of leaders in advancing sustainability objectives
- Building cross-functional partnerships, dialog and collaboration to ensure effective implementation and long-term integration of sustainability strategies



- Ensuring key stakeholders are effectively represented in sustainability strategic objectives

Each and every Steelcase employee is accountable for abiding by our social and environmental sustainability policies in his or her particular role. These policies clearly express our expectations for our employees, no matter what their title or responsibilities, to be responsible stewards and to contribute toward the overall safety and wellbeing of fellow workers, their communities and the natural world.

Our sustainability aspirations are ambitious. Everyone must be actively engaged in strengthening our performance and reaching or surpassing our goals.

Thank you

Our path to sustainability is a shared endeavor, touching all levels of our organization in all corners of the globe. Our successes come from individual employees, from departments, from regions, from offices, from manufacturing lines, from customers, from our dealers, from our suppliers, and from our partners.

Thank you, each of you, for helping us propel sustainability forward as we continue to unlock human promise and create the economic, social and environmental conditions that allow us all to thrive.

The end of this report is not the end. We'd love to keep the conversation alive. Please reach out to us at sustainability@steelcase.com and share your sustainability dreams.

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Cradle to Cradle Certified™ is a certification mark licensed by the Cradle to Cradle Products Innovation Institute.

The U.S. Green Building Council's LEED® green building program is the preeminent program for the design, construction, maintenance and operations of high-performance green buildings.

Global Reporting Initiative (GRI) Index

The Global Reporting Initiative (GRI) Index is a sustainability reporting framework that allows companies the opportunity to self-report on a variety of material subject areas. The GRI Index provides increased transparency and accountability when it comes to economic, environmental, social and governance information.

Not Reported



Partially Reported



Fully Reported



Strategy and Analysis



Welcome address

[Letter from CEO: 2014 CSR p. 3](#)

Description of key impacts, risks, and opportunities

[Annual Report pp. 6-9](#)
[Our Sustainability Promise: CSR pp. 4-5](#)

Organizational Profile



Name of the reporting organization

Steelcase Inc.



Primary brands, products, and/or services

[Annual Report pp. 1-3](#)

Operational structure of the organization

[Annual Report pp. 1-3](#)

Location of organization's headquarters

Steelcase is headquartered in Grand Rapids, Michigan, U.S.A.



Number of countries where the organization operates

[Steelcase Locations](#)



Nature of ownership, legal form

Steelcase Inc. (SCS) is a publicly traded company listed on the New York Stock Exchange.



Markets served

[Annual Report pp. 1–4](#)



Scale of reporting organization

[Annual Report Intro](#)



Significant changes during the reporting period

In July 2013, James P. Hackett, Chief Executive officer of Steelcase for nearly two decades, announced his plans for retirement. Hackett remained CEO until February 28, 2014, the end of the company's fiscal year and reporting period. At this time, Hackett took a new position as vice chair for an additional year.

In October 2013, Steelcase announced the appointment of James P. Keane, President and Chief Operating Officer, to Chief Executive Officer. Keane officially succeeded Hackett in March 2014.

We continue to identify opportunities to improve the fitness of our business and strengthen our long-term competitiveness. In 2013, we opened a new manufacturing facility in Pune, India. Also in 2013, we substantially completed a two-year project to close three North American manufacturing facilities and move production within those facilities to other Steelcase locations in North America. In 2014, we initiated procedures related to the closure of a manufacturing facility in Germany and the establishment of a new manufacturing facility in the Czech Republic.



Awards received

[Awards](#)

Report Parameters



Reporting period

This report covers the calendar year 2013 (CY2013), spanning January 1, 2013, to December 31, 2013 and the company's fiscal year 2014 (FY2014), spanning February 25, 2013, to February 22, 2014. Key environmental impact metrics (energy, GHG emissions, VOCs, water and waste) are tracked on a calendar year basis for 2013 (CY2013).



Date of most recent previous report

The most recent Steelcase Corporate Sustainability Report was published in November 2013 and covered calendar year 2012 (CY2012) and Steelcase's fiscal year 2013 (FY2013 – February 23, 2013 to February 28, 2014).



Reporting cycle

Steelcase publishes a corporate sustainability report annually.



Contact point for questions regarding the report or its contents

sustainability@steelcase.com

3.5	Process for defining report content	In preparing the content of this report, Steelcase reviewed its operations through the lens of the ISO 26000 corporate social responsibility standard and the Global Reporting Initiative's (GRI) Sustainability Reporting Guidelines. The report was prepared with insight from significant stakeholder research and as well as other measurement systems to identify sustainability aspects of the business. Through that process, Steelcase identified significant impacts and developed objectives and targets that guide efforts to improve performance. This is an ongoing process that requires continued learning, evaluating, and adapting systems to ensure that Steelcase is living its core values and meeting sustainability commitments.
3.6	Boundary of the report	This report covers Steelcase's global operations (Americas, Europe, Middle East, and Africa (EMEA) and Asia Pacific (AP) to the extent to which data was available. As a part of this report, we have outlined our commitment to further developing our global social and environmental practices and reporting capabilities. See Our Sustainability Promise: CSR pp. 4-5 .
3.7	Specific limitations on the scope and boundary of the report	See 3.6
3.8	Basis for reporting on situations that can significantly affect comparability	See 3.6
3.9	Data measurement techniques and the bases of calculations	The data in this report was collected with the help of the Steelcase Corporate Sustainability Steering Committee and global subject matter experts within each key function. Steelcase collects data from each of its global locations through the web-based systems, company databases and other non-automated methods. Environmental data related to energy, greenhouse gas emissions, waste, water and VOCs was collected through a web-based management system. Data inputs include utility bills, pull tickets from recycling and waste hauling service providers, and the company's environmental management system. Steelcase's scope of inclusion follows the guidelines established by the World Resources Institute as adopted by the EPA Climate Leaders Initiative. Human resources-related data is provided by the Global Talent Management team.
3.10	Re-statements of information provided in earlier reports	See 3.11
3.11	Significant changes from previous reporting periods	No significant changes.
3.12	Table identifying the location of the standard disclosures in the report	See 3.1
3.13	Assurance statement	At this time, Steelcase does not utilize an external organization to assess this report.

Governance, Commitments and Engagements

4.1	Governance structure of the organization	Corporate Governance
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	The Steelcase Board of Directors is chaired by Robert C. Pew III. He is not an Executive Officer .
4.3	Independent and/or non executive Board Membership	The Steelcase Inc. Board of Directors has 13 members, 10 of whom are independent.
4.4	Mechanisms to provide recommendations to the Board	Board of Directors Contact Form
4.5	Link between executive compensation and sustainable performance	2014 proxy statement, pp. 26-37
4.6	Process to avoid conflicts of interest	Business Conduct Policy
4.7	Board qualifications and expertise	2014 proxy statement, pp. 4-7
4.8	Missions, values, codes of conduct and principles	Global Business Standards
4.9	Process for overseeing economic, environmental and social performance	Corporate Governance Principles; Governance: CSR p. 32
4.10	Process for evaluating board performance	Corporate Governance
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	Steelcase takes a precautionary approach toward environmental management. History tells us that if we wait for absolute proof, or wait for governments to act, it is often too late. We follow insights gained from decades of research, leverage partnerships with leading companies and organizations, and our experiences and feedback from customers, giving us valuable guidance and perspective. It is for these and many other reasons we have taken a leading role in finding creative and responsible ways to operate and design products and applications. See the Customers: CSR pp. 7-11 and Environment: CSR pp. 23-30 sections for details.

4.12

Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses

Steelcase participates in the following initiatives:

- AFNOR NF Environment certification program
- BIFMA level® certification program
- Blue Angel certification program
- Carbon Disclosure Project
- Cradle to Cradle® certification program
- Eco-Management and Audit Scheme (EMAS)
- Forestry Stewardship Council Chain of Custody certification
- Global Reporting Initiative (self-declared)
- ISO 14001
- ISO 26000
- LEED® certification program
- OEKO-TEX® certification program
- OHSAS 18001
- Programme for the Endorsement of Forest Certification
- SCS Indoor Advantage™ certification program
- U.S. EPA Green Power Partnership
- UN Global Compact (Europe)

4.13

Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization:

- Has positions in governance bodies
- Participates in projects or committees
- Provides substantive funding beyond routine membership dues
- Views membership as strategic

There are a number of organizations around the world that we are members and active partners in. Here are a few:

- BIFMA
- Business Leaders for Michigan
- Business Roundtable
- Design Industry for Fighting Aids (DIFA)
- Gilda's Club, Leadership and Incubation
- Grand Rapids Community College Diversity Speaker Series Sponsor
- K&L Gates LLP
- Michigan Manufacturing Association
- Michigan Minority Supplier Development Council
- National Association of Manufacturers
- National Association of World Affairs, Executive Leadership Council, Diversity Executive
- National Civil Rights Museum
- National Minority Supplier Development Council
- Student Advancement Foundation
- Talent 2025
- United Way
- University Prep Academy
- West Michigan Center for Arts & Technology, WMCAT
- West Michigan Environmental Action Council

4.14

List of stakeholder groups engaged by the organization

The stakeholder groups we engage with are customers, the architectural and design community, employees, academic and research institutions, dealer partners, supplier partners, governmental agencies, industry organizations, NGOs, community partners, nonprofits, investors and media. See [Supplier Partners: CSR p. 13](#).

4.15

Basis for identification and selection of stakeholders with whom to engage

[Our Sustainability Promise: CSR pp. 4-5](#)



Approaches to stakeholders engagement, including frequency of engagement by type and by stakeholder group

Steelcase regularly conducts research to understand our stakeholder expectations around sustainability. We use the results of these research projects to drive our business strategies and engage with stakeholders addressing the topics that are most relevant to their priorities. We will continue to engage with stakeholders, moving forward through informal discussions, surveys, focus groups and social media. For more information, see [Our Sustainability Promise: CSR pp. 4-5](#).



Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting

[Our Sustainability Promise: CSR pp. 4-5](#)

Economic



Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments

Please see the following resources for this information:

- Operating Costs: [Annual Report, p.16](#)
- Employee & Executive Compensation: [Annual Report, pp. 64-65, 87](#)
- Donations/Community Investments: [Social Investment: CSR p. 16](#); [Employee Impacts: CSR p. 17](#)
- Retained Earnings: [Annual Report, p. 42](#)
- Payments to Capital Providers and Governance: [Annual Report, p. 42](#)



Financial implications and other risks and opportunities for the organization's activities due to climate change

Climate change poses many potential risks to the environment, business, people and the communities in which we work, live and serve. At this time, these risks are difficult to predict and quantify. However, we work to minimize our impact on the climate through a global initiative to reduce our emissions and measure our performance through a metric-based system. Steelcase monitors its global greenhouse gas emissions and has several goals in place for continuously improving our reduction rates. In addition, we invest in renewable energy technology purchasing Renewable Energy Credits (RECs) equivalent to 100% of our global electricity consumption. See our [Energy Use and Efficiency: CSR p. 27](#) and [Renewable Energy: CSR p. 26](#) sections for more information.



Coverage of the organization's benefit plan obligations

[Annual Report pp. 28, 64-72](#)



Significant financial assistance received from government

We have not received significant financial assistance from the government.



Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation

Steelcase pays all entry level employees wages that are equal to or exceed the local legal minimum wage at the significant locations of operation.



Policy, practices, and proportion of spending on locally-based suppliers at significant locations

There are a number of factors involved in the evaluation and selection of our supplier partners. Quality, performance, safety, price, location and social and environmental impact are all weighed. Our value-based supplier assessment process aims to consider all factors in order to make the best possible decision for Steelcase, our customers and the environment. Local suppliers are often selected. See [Supplier Partners: CSR p. 13](#) and visit our [Supplier Overview](#) page for more information.



Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation

As a global enterprise, Steelcase supports a diverse workplace. Our goal is to attract and retain the best talent around the world. To accomplish this goal, we engage with local recruitment sources to provide top candidates. Every Steelcase global location has identified and works directly with these sources to attract the best local talent. Currently, we do not track the proportion of locally hired senior management.

We are implementing a new sourcing tool and are exploring the reporting capabilities. This tool will give us the opportunity to identify the location of hire when this information is disclosed.



Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement

[Social Investment: CSR p. 16](#)



Understanding and describing significant indirect economic impacts, including the extent of impacts

Steelcase and The Steelcase Foundation make donations to support various art, education and environmental organizations in the geographies where Steelcase operates. See [Social Investment: CSR p. 16](#) for details.

Environmental



Materials used by weight or volume

Due to the complexity of manufacturing Steelcase products, material weight and volume vary significantly by product type and options selected. Steelcase calculates materials used by products on an individual basis.

Some of the key materials we use in our products are:

- Aluminum
- Fabric
- Fiberglass
- Foam
- Glass
- Laminates
- Paint
- Plastic parts
- Steel and steel parts
- Woodcore

In the Americas, see [Product Environmental Profiles \(PEPs\)](#) for more information. In the Europe, Middle East and Africa, PEPs and Environmental Product Declarations (EPDs) can be provided by request. In the Asia Pacific region, PEPs can be provided by request.



Percentage of materials used that are recycled input materials

Steelcase uses a broad range of materials in its products – many of which contain recycled materials. Percentages of recycled content in products are reported in Product Environmental Profiles. The primary materials used that contain recycled content are steel, aluminum, composite wood and select textiles. For information on products in the Americas, see [Product Environmental Profiles](#). Product Environmental Profiles available by request in Europe, Middle East and Africa and Asia Pacific regions. Where available, Environmental Product Declarations can be provided by special request. See [Innovative Products and Applications: CSR pp. 24-25](#) for more information.



Direct energy consumption by primary energy source

See [Energy Use and Efficiency: CSR p. 27](#) and [Renewable Energy: CSR p. 26](#) for more information.

SCOPE 1	TERAJOULES
Natural Gas	581.49
Propane	2.91
Coal	258.84
Diesel Fuel	61.72
Gasoline	2.47
Jet Fuel	84.80



Indirect energy consumption by primary source

See [Energy Use and Efficiency: CSR p. 27](#) and [Renewable Energy: CSR p. 26](#) for more information.

INDIRECT CY2013	GIGAJOULES	TONNES CO2 EQV
Electricity	622,290	119,539



Energy saved due to conservation and efficiency improvements

At the beginning of 2012, the company set a goal to reduce its environmental footprint by 25% by the end of 2020 using 2010 as a baseline. Through 2013 energy use has increased 1%. Since the company began tracking progress in 2001, Steelcase has reduced its energy use by 59%. See [Energy Use and Efficiency: CSR p. 27](#) and [Renewable Energy: CSR p. 26](#) for more information.



Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives

Most Steelcase products do not consume energy, but the company is optimizing products that impact energy in the use phase, such as lighting. Steelcase conducts life cycle assessments on key products to understand the impacts of their whole life cycles. This effort offers insights in the development of new products and helps the company develop action steps to reduce the embodied energy in all phases of the products life including the use phase. See [Energy Use and Efficiency: CSR p. 27](#) and [Innovative Products and Applications: CSR pp. 24-25](#) for more information.



Initiatives to reduce indirect energy consumption and reductions achieved

[Energy Use and Efficiency: CSR p. 27](#)
[Renewable Energy: CSR p. 26](#)



Total water withdrawal by source

Globally, Steelcase used approximately 130 million gallons (492,104 cubic meters) of water in 2013. The primary sources of water are the municipal water systems where Steelcase facilities are located.

At the beginning of 2012, the company set a goal to reduce its environmental footprint by 25% by the end of 2020. Through 2013 water use has increased 14%. Since the company began tracking progress in 2001, Steelcase has reduced its water use by 70%. See [Water Conservation: CSR p. 28](#) for more information.



Water sources significantly affected by withdrawal of water

The primary sources of water are the municipal water systems where Steelcase facilities are located. Globally, Steelcase used approximately 130 million gallons of water in 2013.

As a part of our efforts to reduce our global environmental footprint, Steelcase is committed to reducing our water usage by 25% by the end of 2020. See [Water Conservation: CSR p. 28](#) for more information.



Percentage and total volume of water recycled and reused

At the beginning of 2012, the company set a goal to reduce its environmental footprint by 25% by the end of 2020 using 2010 as a baseline. Through the end of 2013, water use has increased 14%. Since the company began tracking progress in 2001, Steelcase has reduced its water use by 70%. See [Water Conservation: CSR p. 28](#) for more information.



Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

Steelcase is committed to investing in and enhancing habitat protection. Refer to Habitats Protected or Restored ([EN13](#)) and Strategies, Current Actions, and Future Plans ([EN14](#)) for examples of those initiatives.



Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas

Steelcase's goal is to minimize potential environmental impacts of our products, services and operations. At this time, biodiversity is not a material issue to our business and operations. For more information about how we consider environmental impacts in the creation of our products, see [Innovative Products and Applications: CSR pp. 24-25](#).



Habitats protected or restored

Steelcase is committed to investing in and enhancing habitat protection. Examples of these programs include:

- Native species plantings and low-impact landscaping at the wood furniture manufacturing plant (LEED silver certified)
- Creating a bioswale utilizing native plants at the WorkLab (LEED Platinum certified) and Innovation Center (seeking LEED certification) in Grand Rapids, Michigan, USA
- Low-impact native landscaping at the company WorkLab in Schiltigheim, France



Strategies, current actions, and future plans for managing impacts on biodiversity

By conducting life cycle assessments, Steelcase works to understand the impacts of its key products throughout all stages of their complete life cycle. These insights inspire innovation and new approaches in the development of our products. See [EN26](#) and [Innovative Products and Applications: CSR pp. 24-25](#) for more information.



Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk

Steelcase's approach to embedding sustainability into its business systems is holistic, research-based and measurable. Every step of the way – from design, manufacture, delivery and product life cycle – Steelcase considers the impact of its products and processes on human and environmental health. The company's product development process is based on three foundational platforms for sustainable design: materials chemistry, life cycle assessment and end of use. See [Innovative Products and Applications: CSR pp. 24-25](#) for more information.



Total direct and indirect greenhouse gas emissions by weight

See [Energy Use and Efficiency: CSR p. 27](#) and [Renewable Energy: CSR p. 26](#) for more information.



Other relevant indirect greenhouse gas emissions by weight

Steelcase follows protocols and reported its GHG emissions through the Carbon Disclosure Project. The CDP approach uses World Resources Institute protocols.



Initiatives to reduce greenhouse gas emissions and reductions achieved

[Energy Use and Efficiency: CSR p. 27](#)
[Renewable Energy: CSR p. 26](#)



Emissions of ozone-depleting substances by weight

Nearly 20 years ago, Steelcase phased out all ozone depleting substances in the manufacture of its products.



NOx, SOx, and other significant air emissions by type and weight

These emissions are included in the measurements we track for GHG emissions. Steelcase reports all measurements in CO2 equivalents. See [Energy Use and Efficiency: CSR p. 27](#) for more information.



Total water discharge by quality and destination

See [Water Conservation: CSR p. 28](#) for more information.



Total weight of waste by type and disposal method

Steelcase tracks and reports according to the following categories: landfill, incineration, compost and recycle.

For waste reduction initiatives, see [Waste Reduction: CSR p. 29](#) in the Environment section. For how we help our customers with end-of-use strategies, see [End of Use Strategies: CSR p. 9](#) in the Customers section.

TYPE	DISPOSAL METHOD	2013 TONS
Composting	Composted	176
Hazardous Waste	Hazardous Waste Disposal Facility	218
Incineration/Cogeneration	Incinerated	9,870
Coal Ash	Landfilled	74
Enamel Cake Waste	Landfilled	208
Landfill Waste	Landfilled	4,559
Non-Steel Materials	Recycled	11,168
Scrap Steel	Recycled	13,995
Waste Powder	Recycled	1,918,838



Total number and volume of significant spills

There were no significant spills during the reporting period.



Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally

Lean manufacturing processes, powder coat finishing operations and improved steel utilization and recycling have contributed to the significant reduction of hazardous waste and the reduction of the amount of waste sent to landfills. The majority of hazardous waste is sent to local treatment facilities, exceptions being where legal standards require export. For waste reduction initiatives, see [Waste Reduction: CSR p. 29](#) in the Environment section. For how we help our customers with end-of-use strategies, see [End of Use Strategies: CSR p. 9](#) in the Customers section.

TYPE	DISPOSAL METHOD	2013 TONS
Hazardous Waste	Hazardous Waste Disposal Facility	218



Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff

None.



Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation

Steelcase's approach to embedding sustainability into its business systems is holistic, research-based and measurable. Every step of the way – from design, manufacture, delivery and product life cycle – Steelcase considers the impact of its products and processes on human and environmental health. The company's product development process is based on three foundational platforms for sustainable design: materials chemistry, life cycle assessment and end of use. For our operational initiatives and progress, see [Innovative Products and Applications: CSR pp. 24-25](#).



Percentage of products sold and their packaging materials that are reclaimed by category

Designing products for disassembly and recyclability is an embedded approach in Steelcase's product development process. It ensures that Steelcase products, packaging and components can be recycled or repurposed at the end of useful life. To explore our sustainability product design platforms, see [Innovative Products and Applications: CSR pp. 24-25](#).

Steelcase offers a convenient way for businesses to responsibly dispose of furniture and equipment. With options ranging from refurbishing and resale, to donation or recycling, Steelcase has helped extend the useful life of thousands of furniture products and millions of tons of raw materials, dramatically reducing the amount of product waste dumped into landfills. For details on how we help our customers with end-of-use strategies, see [Waste Reduction: CSR p. 29](#).

Steelcase has a comprehensive packaging strategy that focuses on a number of different tactics to reduce, reuse and recycle packaging. We begin by seeking to eliminate or minimize packaging wherever possible. We utilize tools such as blanket wrap and palletizing to minimize the amount required. Next, we look at the types of packaging that are used, seeking materials that contain recycled content and are recyclable. Where packaging is used, we partner with our independent local dealers to assist our customers in getting packaging materials recycled. Some materials such as blanket wraps are returned to us. Other materials are recycled in local markets. For packaging initiatives, see [Transportation and Packaging: CSR p. 30](#).

At present, Steelcase does not have a global system that can track the total percentage of products or packaging that have been reclaimed.



Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

It is a Steelcase Inc. policy to work in full cooperation with the agencies that regulate our business to ensure that it is compliant with applicable laws and regulations. As part of this full cooperation, Steelcase is routinely inspected by various regulatory agencies, including the U.S. Environmental Protection Agency and agencies in other countries where we have operations. To support compliance efforts, Steelcase has dedicated internal compliance personnel who regularly conduct internal environmental reviews of operations as they relate to specific codes and regulations. Should internal reviews identify an item that is a compliance concern, it is Steelcase policy to voluntarily report that concern to the appropriate agency and then work cooperatively with that agency to resolve the matter. Occasionally, this voluntary proactive approach may actually trigger a notice of violation due to the way in which government regulations are structured. Public filings identify any situations that meet reporting thresholds required by the Securities and Exchange Commission. Recent filings with the SEC are available on the [Investor Relations](#) section of the Steelcase web site.



Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce

[Transportation and Packaging: CSR p. 30](#); [Innovative Products and Applications: CSR pp. 24-25](#) Scope 1 and 2 GHG resulting from transportation of products and materials are included in our Carbon Disclosure Project filing. We are continuing to work on expanding to include Scope 3 contract carrier product transportation impacts.



Total environmental protection expenditures and investments by type

Steelcase's business strategy is to systematically embed sustainable decision making and investments into all business systems. These investments are integrated into the operations of the company and therefore cannot be reported by line item.

Human Rights



Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening

Our core values are reflected in our [Global Business Standards](#), which embody the fundamental principles that govern our ethical and legal obligations as we do business around the world. All Steelcase agreements and contracts require strict adherence to the laws within each country. In keeping with our core values, Steelcase supports fundamental principles of human rights set forth in the United Nations Universal Declaration of Human Rights and related international covenants in every aspect of our business, each region of the world in which we operate, relationships with our employees, clients and suppliers, and communities where our employees live and work.

In 2013 Steelcase globally launched the Steelcase [Supplier Code of Conduct](#). In FY2014 we signed 198 contracts with suppliers that contain legal compliance to the Steelcase [Supplier Code of Conduct](#). See our [Supplier Partner: CSR p. 13](#) section and our [Supplier Overview](#) page for details on human rights policies and practices in our supply chain.



Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken

In 2013, we began employing a new process with updated assessment criteria involving these and other code of conduct topics. We received over 400 supplier Questionnaires from suppliers where the supplier commits they have read and will comply with the Steelcase [Supplier Code of Conduct](#), and have begun on-site assessments to validate the implementation of the principles that appear in the Steelcase [Supplier Code of Conduct](#). Refer back to [HR1](#).



Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained

Globally, employees are required to take policy and compliance training regarding our [Global Business Standards](#). As of 2013, eighty (80) percent of all employees globally have received this training, for a total of approximately 73,000 employee hours. New employees receive this training as a part of the onboarding process.



Total number of incidents of discrimination and corrective actions undertaken

Per the Steelcase [Global Business Standards](#), any reports of discrimination are investigated and resolved within 48 hours of the complaint. The Steelcase Integrity Line enables employees to make anonymous reports. As such, Steelcase does not disclose this information.



Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights

See [HR1](#). At Steelcase, acting with integrity is a key principle that has guided our individual and corporate business thinking, decisions and behavior for over 100 years. It is a legacy handed down from the founders of our company and remains the cornerstone of our business philosophy today. As outlined in our [Global Business Standards](#) and [supplier relations document](#), Steelcase does not tolerate the use of child labor, forced labor or discriminatory practices within its operations or within the operations of affiliated partners. We comply with applicable laws and industry standards on working hours. We respect the right of individuals to form and join trade unions and to bargain collectively. See [Supplier Partners: CSR p. 13](#) and [Diversity and Inclusion: CSR p. 22](#) for more information.



Operations and significant suppliers identified as having significant risks for incidents of child labor and measures taken to contribute to the effective elimination of child labor

See [HR5](#)



Operations and significant suppliers identified as having significant risks for incidents of forced labor and measures taken to contribute to the effective elimination of all forms of forced or compulsory labor

See [HR5](#)



Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations

One hundred (100) percent of our global security personnel are trained in Steelcase's human rights policies and procedures.



Total number of incidents of violations involving rights of indigenous people and actions taken

There are no known incidents involving the rights of indigenous people.



Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments

To date, we have not been subject to any human rights reviews or conducted any impact assessments. See [HR1](#)

HR11

Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms

Steelcase provides a variety of mechanisms designed to aid employees in voicing concerns or receiving assistance with sensitive issues in the workplace. They can consult/connect with:

- Leader, if appropriate
- Designated HR business partner
- Global Business Standards (GBS) Integrity Line (see below) – confidential service that allows employees to ask questions, raise concerns or clarify issues

Anonymity is crucial to the success of this process; therefore, we do not report on these issues.

Labor Practices & Decent Work

LA1

Total workforce by employment type, employment contract, and region, broken down by gender

Global total (approximate) of employees: 10,200
Of those employees, 31% are females and 69% are males, and 1.4% are part-time employees.

LA2

Total number and rate of new employee hires and employee turnover by age group, gender, and region

Total number of new hires worldwide: 1,978. Estimated attrition rate: 16.5%.

By region:

- Americas: 16.2% attrition rate
- Europe, Middle East & Africa: 24.1% attrition rate
- Asia Pacific: 13.4% attrition rate

By generation: (est.)

- Silents: 30.8%
- Boomers: 6.6%
- Gen X: 11.5%
- Gen Y: 36.7%

By gender:

- Female: 29.4%
- Male: 70.6%

LA3

Benefits provided to full time employees that are not provided to temporary or part time employees, by significant locations of operations

Full-time employees working in Steelcase locations in the United States, Mexico and Latin America, Germany, France, Belgium and China have full benefit access to medical, prescription drugs, dental, vision, short- and long-term disability, employee basic and supplemental life insurance, spouse and child life insurance, employee accidental death & dismemberment, spouse and child AD&D, flexible spending accounts for healthcare and dependent day care, education assistance, adoption assistance, employee assistance program, employee discounts and a 401(k) retirement plan. These benefits are also available to part-time employees in these locations, with the exception of China. Temporary employees in Germany and France also have access to these benefits, while the remaining locations have benefits based on the individual temp agency overseeing those employees.

LA4

Percentage of employees covered by collective bargaining agreements

Americas:

- Steelcase Manufacturing: 0.5%
- PolyVision: 60%
- Designtex: 32%

France, Germany, and Spain: 100%

Mexico: 80% union

LA5

Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements

Minimum notice periods are as follows: In the United States, France and Germany – 60 days. In Belgium, the minimum notice period for white-collar workers is 90 days for every starting period of five years of service. For blue-collar workers, notice is based on the amount of time with the company, starting with 42 days for those serving under five years and up to 196 days for those with the company 25 years or longer. In China and Malaysia, the minimum notice period is 60 days.

LA6

Percentage of total workforce represented in formal joint management-worker H&S committees that help monitor and advise on occupational H&S programs

Nearly 15% of our total workforce worldwide is represented in formal joint management-worker health, safety and wellness committees. These committees help monitor and advise on occupational health and safety programs.

LA7

Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region and by gender

Rates of occupational diseases and injuries by region are as follows:

- Americas: 2.5
- Europe, Middle East & Africa: 1.9
- Asia Pacific: .30

Lost time rates by region are as follows:

- Americas: 0.50
- Europe, Middle East & Africa: 0.75
- Asia Pacific: 0

There were no work-related fatalities reported during the recording period. Steelcase does not track this information separately by gender.

LA8

Education, training counseling, prevention, and risk-control programs in place to assist workforce members, their families or community members regarding serious diseases

Each Steelcase employee in the United States has the ability and is encouraged to visit a dedicated site for information on disease prevention, counseling, education and training. In all other countries where Steelcase is located, employees have access to this information through government programs.

LA9

H&S topics covered in formal Agreements with trade unions

Not Reported.

LA10

Average hours of training per year per employee by gender, and by employee category

Not Reported.

LA11

Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career ending

Steelcase University offers a variety of courses and programs on campus and online, enabling employees around the world to take them and track progress for their personal and professional development. We also provide a Career Development tutorial to guide employees through the process of identifying their career ambitions, strengths, and networks and develop action plans to achieve their goals. Additionally, the university offers a retirement program to help employees think through their transition, financial planning and tools. U.S.-based employees have access to a phased retirement program. For those who exited the company due to position elimination and plant closings, we offer services from a professional outplacement company, including career counseling, tools and techniques for job searching and courses to update skill sets. Furthermore, we support the French requirement to provide learning for employability outside Steelcase. See [Training and Development: CSR pp. 20](#) for more information.



Percentage of employees receiving regular performance and career development reviews, by gender

Steelcase believes that successful implementation of our corporate strategies requires alignment between our corporate goals and the performance goals of individual departments and employees. This shared and focused direction enables each of our individual and team efforts to truly impact our organizational success.

Steelcase uses a process tool called MAPP – Measurable Annual Performance Plan. The MAPP is a one-year performance plan linked to our annual corporate goals. It addresses three key areas of performance management:

- Goal alignment
- Performance measurement
- Ongoing feedback and coaching
- Employees at Steelcase are encouraged to establish a general career direction and a plan for their next Steelcase job or role. The company's career development process is one about self-discovery, direction setting and decision making.

Annual performance and career development reviews were given to 98.6% of all salaried employees. By gender, 43% were female and 57% were male.

Hourly employees are evaluated using supervisor notes and the Steelcase Employee Performance System (SEPS) as the feedback tools for performance.



Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity

Total average age of all employees:

- Worldwide: 42
- Asia Pacific: 34
- Europe, Middle East and Africa: 43
- Americas: 43

Gender breakdown:

- Females: 31%
- Males: 69%

Estimated U.S. minority breakdown:

- Salaried: 9.1%
- Hourly: 28%
- All US Employees: 18.8%



Ratio of basic salary and remuneration of women to men by employee category, by significant location of operation

Steelcase routinely assesses discrepancies in compensation with the intent of meeting both legal requirements and corporate values regarding equal pay.



Return to work and retention rates after parental leave, by gender

We strive to help our employees achieve a work/life balance. See [Wellbeing: CSR p. 19](#) for more information.

Product Responsibility

PR1

Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures

Steelcase conducts material assessments and life cycle assessments on key products to understand the impact of our products over their entire life cycles – material extraction and selection, production, transport, use and end of use or next life. We use that information to inform the development of new products. Information is published in Product Environmental Profiles – available on www.steelcase.com/pep for North America, and by request in the Europe, Middle East and Africa and Asia Pacific regions. Environmental Product Declarations are available by request for products that have gone through a life cycle assessment and third-party review process. For more information, see [Innovative Products and Applications: CSR pp. 24-25](#).

PR4

Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes

No significant incidents.

PR5

Practices related to customer satisfaction, including results of surveys measuring customer satisfaction

In the Americas and Europe, Middle East and Africa regions, we survey our customers regarding their satisfaction in a variety of areas from our products and our representatives capabilities to our performance as a company.

In the Americas, our dealers assisted in our new Customer Experience Measurement (CEM) system, which allows our customers to provide feedback on how we're doing. This system enables clients to provide feedback on various aspects of products and services provided by Steelcase and our dealer network through an online survey. Results are shared with management and key employees both at Steelcase and within the dealer organizations. For 2013, customers provided an average overall satisfaction score of 8.6 out of 10 for Steelcase and dealers combined. When considering Steelcase and dealers individually, both received a score of 8.8.

In our Europe, Middle East and Africa (EMEA) region, various customers throughout the region are surveyed for their satisfaction in a number of areas, such as our portfolio offerings, our representatives and the company's ability to offer workplace solutions. Solution Fulfillment Team reach out the EMEA dealer network on a yearly basis with a Voice Satisfaction Survey. In 2014, the results for those markets are as follows (3.0 = Meets Expectations, and 4.0 = Above Expectations):

- United Kingdom: 3.3
- France: 4.2
- Rest of International: 3.8
- DACH (Germany, Austria and German speaking Switzerland): 3.9

In 2013, we rolled out a formal customer satisfaction process for our Asia Pacific region, which is a direct sales market. This survey was available for our markets in China, Hong Kong, Singapore, Malaysia, India and Australia. Overall, satisfaction in AP scored at 7.5 out of a possible 10.

Learning from these surveys not only helps us improve our performance but also allows us to better understand the needs of our customers as we want to ensure our dealers and customers are not just "served" but are truly satisfied.



Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.

Steelcase communications are prepared in consultation with environmental technical and regulatory specialists knowledgeable of the Federal Trade Commission, Environmental Protection Agency, and other global regulatory standards, accepted practices and requirements for such communications. Communications are submitted to the Steelcase legal department where they undergo an additional review to ensure technical accuracy and conformance with regulatory standards and guidelines.



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.



Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data

None.



Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services

No significant incidents.

Society



Percentage of operations with implemented local community engagement, impact assessments, and development programs

Both Steelcase and the independent Steelcase Foundation utilize a process to assess the priority and value of gifts provided. The Steelcase Foundation offers human services, health, education, community development and arts and education. The foundation provides assistance to a broad array of organizations. See [Social Investment: CSR p. 16](#) for more information.



Percentage and total number of business units analyzed for risks related to corruption

All business units are regularly analyzed by the Internal Audit Department.



Percentage of employees trained in organization's anti-corruption policies and procedures

Globally, all salaried and hourly employees are required to take policy and compliance training regarding our [Global Business Standards](#). We have updated the GBS course materials and plan to roll out training by the 4th quarter of FY 15. In addition, Foreign Corrupt Practices training is required for sales and other employees where applicable.



Actions taken in response to incidents of corruption

There were no significant incidents of corruption during the reporting period. See [Code of Business Conduct](#) for practices and policies on the issues of:

- Compliance with Laws, Rules and Regulations (Including Insider Trading Laws)
- Conflicts of Interest
- Financial Reporting and Controls, Records Management and Communication
- Protection and Proper Use of Company Assets
- Confidential Information
- Competition and Fair Dealing
- Payments to Government Personnel
- Corporate Opportunities
- Reporting Illegal or Unethical Behavior
- Waivers of the Code of Business Conduct
- Compliance Procedures



Public policy positions and participation in public policy development and lobbying

Steelcase actively lobbies for public policy issues that impact Steelcase at local, state and federal levels in the United States.



Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country

None. Steelcase Inc. does not make financial or in-kind contributions to support political parties.



Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes

[Annual report p. 10](#)



Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

[Annual Report p. 10](#)



Operations with significant potential or actual negative impacts on local communities

We deeply value the communities in which we work, live and serve, and continue to identify opportunities to improve the fitness of our business and strengthen our long-term competitiveness. In 2013, we substantially completed a two-year project to close three North American manufacturing facilities and move production within those facilities to other Steelcase locations in North America. In 2014, we initiated procedures related to the closure of a manufacturing facility in Germany and the establishment of a new manufacturing facility in the Czech Republic.

Actions like these are required for company fitness, but they're never easy because they impact people in those communities. See [Social Investment: CSR p.16](#) for ways we are working to positively impact our communities.



Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities

See [SO9](#). See [Social Investment: CSR p. 16](#).

Other KPIs

01	Percentage of women in management	<ul style="list-style-type: none"> Americas: 30% Europe, Middle East & Africa: 29%
02	Percentage of ethnic minorities in the US staff	U.S.: 18% ethnic minorities
03	Total Recordable Injury Frequency Rate	Total Recordable Frequencies: <ul style="list-style-type: none"> Americas: 2.50 Europe, Middle East & Africa: 1.9 Asia Pacific: 0.63
04	Lost-time injury frequency rate (LTIFR)	Lost time rates by region are as follows: <ul style="list-style-type: none"> Americas: 0.50 Europe, Middle East & Africa: 0.75 Asia Pacific: 0
05	Number of fatal accidents	There have been no fatalities in the time frame being reported.
06	Employee satisfaction rating	<p>Steelcase conducted an employee survey with its global workforce in March 2012. Over 7,000 employees participated, representing approximately 72% of our global employees.</p> <p>Based on the insights from this survey, Steelcase created a core Global Culture Team (GCT) to focus on evolving our culture. An extended global team of employees representing various departments participated in workshops designed to tap into what was working in our existing culture, and where we had opportunities to improve. Prototypes were created to enable employees to experiment with new behaviors.</p> <p>The GCT is now engaged in similar activities with leaders across the organization who are interested in transforming their teams. In addition to these grassroots efforts, the GCT is partnering with executive leaders and Global Talent Management teams to identify opportunities and make necessary changes at the organizational level.</p>
07	Total giving	\$1.2 Million (Steelcase Inc.) \$5.3 Million (The Steelcase Foundation)
08	Global amount of donated hours of volunteer service	6,900 hours



**List of countries taking part in
volunteer service**

- Belgium
- Brazil
- Canada
- France
- Germany (Durlangen, Rosenheim)
- Hong Kong
- Latin America & Caribbean
- Malaysia (Kuala Lumpur)
- Mexico (Monterrey, Tijuana, Reynosa and Mexico City)
- Romania (Cluj)
- Singapore
- Spain
- United Kingdom (London)
- United States



**3 year energy consumption trend
(normalized to turnover)**

From 2010 to 2013, tonnes of Greenhouse Gas Emission equivalents – per \$1,000 of gross sales – declined by 14%.



**Percentage of women in the
company**

- Asia Pacific: 43%
- Europe, Middle East, and Africa: 28%
- Americas: 30%
- Overall: 31.2%



Employee turnover rate

Overall estimate of global, salaried turnover: 11.2%



**% of contracted suppliers having
signed a supplier code of conduct**

In fiscal year 2014, we implemented our Steelcase [Supplier Code of Conduct](#). This included supplier communication and training at our three regional supplier conferences, as well as by communication on the [Supplier](#) pages in Steelcase.com.



Raw material consumption

See [EN1](#)