

CSR REPORT

2019 +
2020

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A NATURAL STEP

Since our first piece of furniture was launched in 1957, we have taken social responsibility very seriously and worked with sustainability continuously throughout the years. This is our first official CSR report, and we look forward to, for the first time, officially put into words our efforts regarding this important topic.

Until 2011, the production of our furniture took place at our own production unit, but since then we have increasingly outsourced production to sub-contractors. We buy 95% of our semi-manufactured products in Denmark and Western Europe, while a small part of cast aluminium parts is purchased in Asia. The actual finishing and assembly of the final piece of furniture take place at our own factory in Hadsten, Denmark.

We have achieved our strong market position because of 60 years of experience and attention to trends and customer demands, enabling us to follow trends and maintaining our high standards within craftsmanship. We support the increased focus on safeguarding our planet, and it comes natural to us to document our efforts.

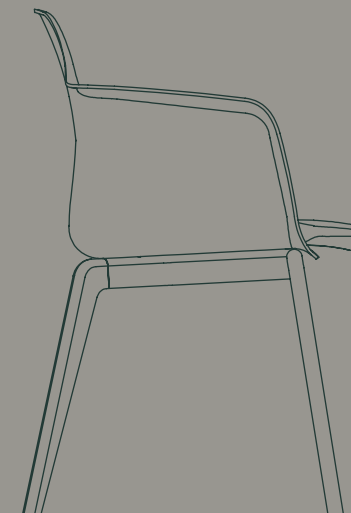
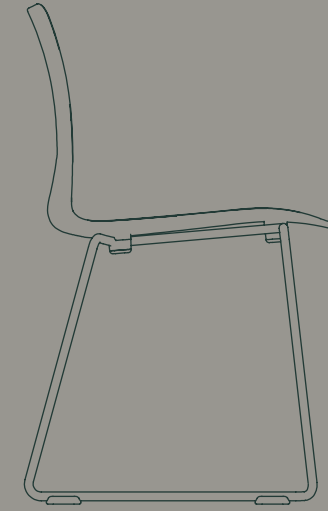
Randers+Radius has been a member of UN Global Compact since May 2018, which is a global and highly recognised organisation with more than 9900 companies in 161 countries.

We support the ten principles of human rights, labour, environment and anti-corruption, and within our own organisation we remain committed to integrating the UN Global Compact guiding principles as part of our strategy, culture and day-to-day operations.

We recognise that the key requirement for participation in the UN Global Compact is the annual communication on progress (COP).



Lars Andersen, Chairman of the Board





PROFILE, RANDERS+RADIUS

Randers+Radius' business foundation is the development and production of high-quality furniture for the contract market, always with focus on sustainability and social responsibility.

We work in collaboration with the most skilled and talented designers and architects, who understand the needs of our customer segment. We primarily deliver furniture for public and private companies in Denmark and abroad for canteens, conference and meeting facilities, accommodation facilities and for the educational system.

Randers+Radius has won several awards including Danish Design Award and the international AZ award. In 2019, we won the prestigious German Design Award for excellent product design. We are honoured to announce that we in 2020 once again are nominated.

Our head office is located in Hadsten, Denmark, in a 3,000 m² climate-friendly building from 2005.

Randers+Radius currently employs approximately 20 people.

MISSION

Randers+Radius has an ambition to deliver timeless, high-quality design made to last and produced with respect for people and the environment. All our furniture is tested to ensure that it meets the highest physical requirements regarding durability, according to applicable EN standards.

We want to reach the highest possible level of sustainable initiatives and focus on circular economy. We want to create innovative products and designs within the framework that is possible with today's sustainable materials and technologies in order to reduce our carbon footprint.

CERTIFICATIONS

At Randers+Radius, we work continuously with focus on the regulations and standards established by the following certifications.

The EU Ecolabel

The strongest official EU Ecolabel helping customers to choose among the most environmentally friendly products. The environmental requirements are created from a life-cycle perspective and designed to ensure low environmental impact during production, while the product is being used and during the disposal phase. The first approval of products will take place at the end of 2019 through Miljømærkning Danmark.

Requirements include:

- + The use of certified sustainable wood in raw materials
- + And/or a high degree of recycled masse in raw materials
- + Reduced level of formaldehyde emission from plates compared to the legislation
- + Minimal impact by environmentally harmful substances
- + Reduced climate and energy impact
- + Possibility of recycling materials
- + High quality products

EN standard certificates

All furniture from Randers+Radius are tested according to the highest level of EN standards to ensure products with a long lifetime.

REACH

European chemicals legislation ensuring that no toxic, problematic chemicals are used in the production of our furniture. At Randers+Radius, we have implemented even higher standards than EU legislation prescribes.

FSC

FSC is a global forest certification system working to protect the world's forests for future generations. FSC provides the greatest assurance that the certified forests are managed responsibly.

European Union Timber Regulation.

EUTR is a law that prohibits the import of illegally harvested timber. In addition, companies are required to introduce a due diligence system to minimise the risk of trading illegal timber. Companies should be able to document traceability to the origin of the tree.

CE mark

The CE mark is a set of safety requirements for contract furniture, which primarily concerns electrical installations, for instance height-adjustable tables and cabling in tables.

EN standard, security

These are several standards regarding furniture in order to eliminate the risk of accidents during use. This mainly concerns children's furniture, dressers and cupboards as well as special construction on specific chairs to prevent them from turning over.

EN standard, strength test

This is a physical test conducted by The Technological Institute in Denmark. It concerns furniture and classifies them into groupings: for general use and for very physically stressful environments.

EPD

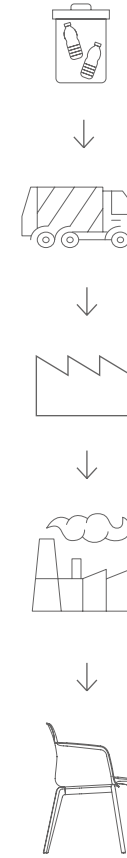
EPD is an environmental product declaration on a piece of furniture that puts all discharges and consumption together to calculate a total CO2 consumption of a given piece of furniture at the factory.

CARB2

CARB2 is a certification process instituted by the California Air Resources Board (CARB) to reduce formaldehyde emissions and protect the public from airborne toxic contaminants.

SUSTAINABLE RANGE

WE ARE CONSTANTLY TESTING NEW, SUSTAINABLE MATERIALS TO ENSURE THAT WE ARE AT THE FOREFRONT OF INNOVATIVE DESIGN AND IMPLEMENTING THE LATEST TECHNOLOGIES INTO OUR PRODUCTS.



TONO CHAIR

From water bottles to felt

- + The felt cover of the Tono chair is made from 60% upcycled PET from water bottles.
- + The felt is 100% reusable when disposing of the chair after use.
- + The aluminium frame is made from 90% reused aluminium.
- + The aluminium is 100% reusable when disposing of the chair after use.
- + The wood in the wooden frame comes from FSC certificated forests.
- + The wooden frame is 100% reusable when disposing of the chair after use.
- + The Tono chair can easily be separated into each material making it easy to change spare parts.
- + A take-back solution is possible.
- + The product is tested for highest demand regarding strength and has a very long life expectancy.
- + We aim to achieve the EU Ecolabel for the Tono chair.

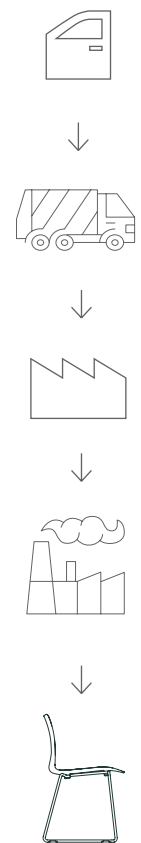


MOOD CHAIR

100% upcycled PP plastic
from the car industry

SUSTAINABLE RANGE

- + The black Mood shell is made from 100% upcycled polypropylene from the European car industry, door panels and dashboards from cars.
- + Polypropylene is 100% reusable when disposing of the chair after use.
- + The aluminium frame is made from 90% reused aluminium from various sources.
- + Aluminium is 100% reusable when disposing of the chair after use.
- + The metal frame is made from 45% scrap-based steel from Finland and Sweden.
- + The metal frame is 100% reusable when disposing of the chair after use.
- + The Mood chair can easily be separated in each material making it easy to change spare parts.
- + A take-back solution is possible.
- + The product is tested for highest demand regarding strength and has a very long life expectancy.
- + We aim to achieve the EU Ecolabel for the Mood chair.



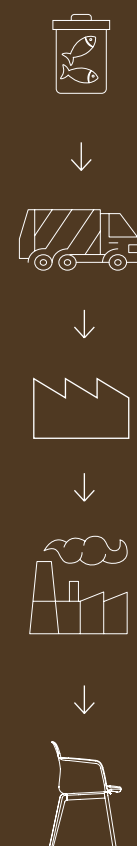
- + In our Tono chair, we have experimented with using fish skin instead of leather for the upholstery of the seat of the chair. This project is part of our innovation lab.
- + Upcycling the fish skin gives an exclusive and beautiful material.
- + We have entered into a partnership with the company Atlantic Leather
- + Fish skin is a byproduct from the fishing industry, which would otherwise have been thrown out or made into animal feed.
- + The production process makes use of renewable hydro and geothermal energy.



UPCYCLED LEATHER

Tono chair with fish skin
upholstery

SUSTAINABLE RANGE



MEMBERSHIPS

UN GLOBAL COMPACT

As a member of the UN Global Compact, we are committed to working with and implementing 10 principles for responsible business operations. Focus areas are human rights, labour rights, the environment and anti-corruption. We report our annual initiatives.

THE 10 PRINCIPLES ARE:

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labour;
Principle 5: the effective abolition of child labour; and
Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



THE UN SUSTAINABLE DEVELOPMENT GOALS

Working with the 10 principles also means to take responsibility regarding the fulfilment of the 17 UN Sustainable Development Goals.

At Randers+Radius, we have selected **3 focus areas**:

SDG 3 / Good Health and Well-Being

SDG12 / Responsible Consumption and Production

SDG 13 / Climate Action

OTHER PARTNERSHIPS

Randers+Radius is a member of several Danish organisations, where CSR has received a great deal of attention such as TMI (association of the Danish wood and furniture industry) and Danish Furniture Control (quality assurance). In addition, we are a dialogue member of Lifestyle and Design Clusters, which is the most influential operator in Denmark when it comes to the transition to a sustainable furniture company.

CODE OF CONDUCT

All Randers+Radius suppliers must accept and comply with our Code of Conduct in order to do business with us. Our code of Conduct sets the minimum requirement our suppliers should live up to and urge them to continue to improve in all areas covered by this Code of Conduct.

Our suppliers must take all relevant and necessary initiatives and measures to ensure compliance. To prove their compliance, suppliers must provide us with information on issues mentioned in this Code of Conduct.

Suppliers must act according to the rules of the country in which they operate, and support and respect internationally declared human rights. Suppliers are committed to act with honesty, integrity and reliability.

Violation of COC may end cooperation. We recommend that the supplier use this Code of Conduct as the basis for their cooperation with their sub-suppliers and ensure that local laws, legislation, regulations and industry standards are complied with.

1. Child Labour

Use of child labour is not permissible. Workers can be no less than 15 years of age and not younger than the compulsory age to be in school.

We will not utilize suppliers and contractors who use child labour in any of their facilities. We support the development of legitimate workplace apprenticeship programs for the educational benefit of younger people. Education to be provided to young workers

2. Prison Labour/Forced Labour

We will not utilize prison or forced labour in contracting relationships in the manufacture and finishing of our products. We will not utilize or purchase materials from a business partner utilizing prison or forced labour.

3. Disciplinary Practices

We will not utilize business suppliers who use corporal punishment or other forms of mental or physical coercion.

4. Legal Requirements

We expect our business suppliers to be law abiding as individuals and to comply with legal requirements relevant to the conduct of all their businesses. We believe in the concept of "Rule of Law" to ensure legal rights, accountability, stability, equality and access to justice for all.

5. Ethical Standards

We will seek to identify and utilize business suppliers who aspire as individuals and in the conduct of all their businesses to a set of ethical standards not incompatible with our own. Anti-corruption in all forms including extortion and bribery as a norm.

6. Working Hours

While permitting flexibility in scheduling, we will identify local legal limits on work hours and seek business suppliers who do not exceed them except for appropriately compensated overtime. While we favour suppliers, who utilize less than sixty-hour work weeks, we will not use contractors who, on a regular basis, require in excess of a sixty-hour week. Employees should be allowed at least one day off in seven.

7. Wages and Benefits

We will only do business with suppliers who provide wages and benefits that comply with any applicable law and match the prevailing local manufacturing or finishing industry practices.

8. General Labour Practices & Freedom of Association

We respect workers human rights and gender equality; all workers deserve to be treated with dignity and equality. Basic rights include

freedom of speech, privacy, health, life, liberty and security, as well as an adequate standard of living. Rights to form and join organizations of their choice and to bargain collectively.

We expect our suppliers to respect the right to free association and the right to organize and bargain collectively without unlawful interference.

Business suppliers should ensure that workers who make such decisions or participate in such organizations are not the object of discrimination or punitive disciplinary actions and that the representatives of such organizations have access to their members under conditions established either by local laws or mutual agreement between the employer and the worker organizations.

9. Discrimination

While we recognize and respect cultural differences, we believe that workers should be employed on the basis of their ability to do the job, rather than on the basis of personal characteristics or beliefs. We will favour business suppliers who share the value of providing sustainability for indigenous people in terms of employment, business partnership, etc.

10. Health & Safety

We will only utilize business suppliers who provide workers with a safe and healthy work environment.

11. Environment

We will only do business with suppliers who share our commitment to the environment and who conduct their business in a way that is consistent with UNGP Guiding Principles.

STATUS SO FAR

From 2018 to 2019, our main focus area has been sustainability and circular economy in relation to our product development. As it is important to us that our work with sustainability is based on facts, we aim to achieve independent third-party certifications such as the EU Ecolabel.

The EU Ecolabel

In our efforts to achieve the EU Ecolabel, we have deselected and changed components that do not match requirements:

- + Replaced glue
- + Changed upholstery to CertiPUR foam
- + Only sourcing wood from FSC approved forests
- + Packaging replaced with recycled cardboard or FSC paper
- + 50-100% PP recycled plastic used
- + Increased focus on chemicals used

Well-being in our organisation

The foundation of our existence rests to a great extent on our employees. Therefore, we value creating a healthy workplace where the well-being of our employees is important. We want to prevent accidents and create a psychically sound work environment.

We have taken the following initiatives regarding the well-being of our employees:

- + Free fruit
- + Health Insurance
- + We have the Danish Working Environment Authority's green smiley for a good working environment
- + We have a collective agreement with Danish Industry (The Confederation of Danish Industry)

- + Employees attend first aid courses
- + We have defibrillator at the factory, and our employees are trained in how to use it.

Other initiatives

- + We work innovatively with recycled products such as upholstery for chair shells, for instance felt made from recycled plastic bottles, hemp or alternative leather such as fish skin.
- + We have a 100% focus on waste, and how we can reduce it in every part of our organisation. Our goal is to reduce pollution to a great extent.
- + We label all plastics according to ISO 1043 for fragmentation.
- + We aim to reduce our internal energy consumption. We have changed our light sources to LED that automatically switch on and off in several rooms.
- + Our Code of Conduct is sent to all suppliers and partners
- + We have shifted to eco labelled hygiene and cleaning products
- + We have found more suppliers from closer geographically proximity to reduce transport and emit less Co2.
- + We have minimised the physical load at the assembly section. We have invested in vacuum suction and packing machines.

GOING FORWARD

Our work with sustainability, and the process of achieving certifications for our products will continue in 2020, where our focus on human rights and working conditions will also receive attention.

We aim to achieve the EU Ecolabel by the end of 2019 and continue the process of getting other products certified. We want to continue our sustainability work and increase the number of environmentally friendly projects.

Through our code of conduct, we will ensure that our subcontractors act in accordance with UN Global Compact principles.

Furthermore, we will continue our work with the general well-being of our employees in order to reduce sick leave and improve work satisfaction.

Finally, we will increase our focus on diversity in the organisation. As of now, we employ 10 women and 11 men in the company. As we are an SME, our Board is constituted by the circle of owners and CEO, and subsequently consists of 3 male members. If possible, we would like more diversity in this area in the future.