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Our journey towards sustainability was initiated not as a response to social trends, but because we truly believe it is the right thing to do.

We are not a huge business, but we are ambitious – and we are determined to make a positive impact, both in terms of the environment and social responsibility. We understand this will take time, passion and commitment.

We want to create an environment for our staff and our stakeholders that is fun; at the same time, we're eager to look after the planet, and the people & communities that we impact and influence.

Our sustainability journey started in 2006, with the implementation of an environmental management system. More than a decade on, we are focused on social responsibility just as ambitiously as we have been tackling environmental sustainability.

Dean Kuch Managing Director

Sustainability Report — 2019/20

Our Company

The Thinking Works story began in 1984, when we arrived on the scene as the first designer and manufacturer of height-adjustable desks in Australia. We quickly established ourselves as the commercial furniture company who combined exceptional quality with ingenious creativity.

From height-adjustable workstations and smart table programs, to acoustic furniture, quirky seating solutions, and convenient add-ons like power-boxes and monitor arms, our furniture is designed to solve problems in the most beautiful, practical and sustainable of ways.

With a head office and main manufacturing site in Moorebank – and showrooms in Sydney and Melbourne, Thinking Works products are sold to office furniture and workstation suppliers, and marketed to the architectural and design industry across the world.



Sustainability Report — 2019/20

Our Commitment

At Thinking Works, we understand the importance of sustainability as a company. But we also want to support our clients and customers to be more sustainable, by providing environmentally preferable products and ensuring our business operations are addressing environmental and social impacts – not just in our manufacturing facility, but also within our supply chain.

Over the past few years, we have seen both our clients and the building industry as a whole becoming concerned not just with environmental management and social responsibility, but also with products that support the health and wellbeing of building occupants.

To us, social responsibility means acting ethically in all areas of our business operations, including governance, human and labour rights, environmental compliance, and anti-corruption.

It involves taking care of our staff by providing a safe work environment, ensuring equal opportunities for all, and treating our team members with dignity and respect. It also means providing workers with fair pay and working conditions.

We have planned our strategy around addressing our environmental impacts, tackling modern slavery risks in our business operations and supply chains. We adopt socially responsible business practices and ensure our products support designers and specifiers in creating healthy indoor spaces.



Thinking Sustainable Milestones

(Australian Type 1 Ecolabelling)

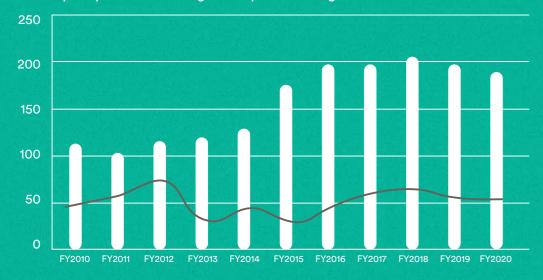
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Thinking Environment

Environmental Management

Back in 2006, we decided to put a system in place to reduce our impact on the environment, which primarily involved waste, energy, materials and emissions. Our Environmental Management System (EMS) was the result – and our sustainability journey had begun!

Sydney Manufacturing Facility - Waste Figures



10.8% improvement over an 11 year period, based on production figures.

PRODUCTION
WASTE (TONNES)

Waste: Initiatives

Reduce Materials



Our dematerialisation initiative involves Finite Element Analysis (FEA) – a program that assists our design team in assessing the minimal material input for greater strength and durability.

Recycle



Metals, soft plastic, cardboard and paper are isolated and recycled through our recycling program. Comingle items are recycled through the NSW Governments initiative, 'return and earn' scheme.

Offset

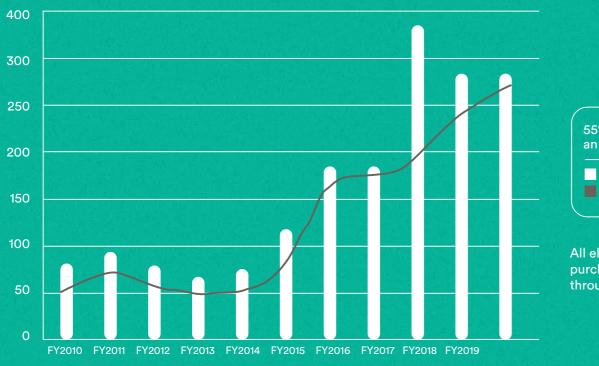


We've been offsetting all company waste and recycling items through certified carbon credits since 2010.

Thinking Environment

We've had gradual energy increases over the last few years due to the company expanding and moving into a larger manufacturing facility. We will continue with our 'switch off' campaign and monitor, track and record our energy use.





55% increase over an 11 year period.

PRODUCTION

ENERGY KWH

All electricity is offset by purchasing our energy through Powershop.

Energy: Initiatives

Avoid



LED lighting has been installed in our Sydney warehousing facility.

Reduce



We ensure our air-conditioning and factory machinery is regularly serviced and working at optimum levels.

Offset



Thinking Works' electricity consumption in Australia is procured through Powershop, which means our energy use is 100% carbon offset.

Thinking Health & Wellbeing

Health & Wellbeing of Building Occupants

We have seen a real surge and interest from the design and construction industries around the health and wellbeing of building occupants. This includes the uptake of the WELL Building Standard™, particularly in Australia.

The average Australian spends 90% of their time indoors. And for many of us, this time is spent in the office. In a typical office building, 90% of operating costs come down to staff. So it just makes good business sense to have a workforce with high productivity levels, low absenteeism and a low staff turnover. Creating healthy offices can have a huge impact on productivity and ultimately the bottom line.

The WELL Building Standard™ is a performance based system for measuring and certifying buildings across seven categories of wellness called 'concepts'. These concepts include Air, Water, Nourishment, Light, Fitness, Comfort and Mind.

We can help design teams with products that can contribute to the WELL requirements, products that are ergonomic, have acoustic properties and reduced toxins and materials that are low VOC.

Health & Wellbeing: Initiatives

Fun and Healthy



We like to practice what we preach, so we too have a number of health and wellbeing initiatives. Our Director Dean Kuch believes that by providing a fun and healthy environment, that this will create a happy and productive workforce.

Green Space



We understand the benefit of having green spaces, and along with the office having a great selection of plants, we are fortunate to overlook parkland. We understand the importance of being connected to nature and how this can positively affect our physical and mental wellbeing.

Fitness



Fitness plays a large part of the wellbeing at Thinking Works and we actively encourage and support our staff to keep fit. We have a fully operational gym with a cross trainer, bike, treadmill, rower, weights etc and a personal trainer who comes in weekly to give our staff a number of different exercise classes.

Ergonomic Environment



And of course it goes without saying that our staff are provided an ergonomic environment which includes sit and stand desks and products that have been assessed for toxicity and that are low VOC.

Thinking Certified

Company Environmental Certification

Thinking Works has been certified to ISO14001 EMS since 2009

This certification gives our clients assurance that we:

- Comply with environmental legislation for our Australian operations
- Manage our environmental impacts and set targets to reduce environmental impacts
- Adequately train our staff and ensure they are aware of their EMS responsibilities
- Strive for continual improvement Are audited annually by Global Mark to ensure we comply with the ISO14001: 2015 standard since 2009.

In 2009, we engaged the services of a specialist Sustainability Consultant, who assists us with our environmental and social compliance requirements.



Product Environmental Certification

Type 1 Ecolabelling Certification

Good Environmental Choice Australia (GECA) – part of the Global Ecolabeling Network – and AFRDI Green Tick are both third party product certification schemes recognised by the Green Building Council of Australia (GBCA).

We have outlined the certification requirements for each scheme and level of certification below:

	GECA Level A	AFRDI Greentick Level A – Platinum
Criteria Requirements	EONA, U.R, Elevation, Okidoki & Thinking Quietly (Table Base Only)	Blade - table, 4 star & folding Bambusa Stix - fixed height and height adjustable workstation
Avoidance of toxic, hazardous and prohibited substances	\bigcirc	\bigcirc
Fitness for Purpose – Strength and Durability	\bigcirc	AFRDI Blue Tick certification
Compliance with Australian laws and regulations	\bigcirc	\bigcirc
Indoor Environment Quality (IEQ) Low VOC products	\bigcirc	\bigcirc
Material Selection (recycled content)	Minimum requirement of 50% recycled content (EONA & U.R)	Recycled content in product packaging
Verified environmental claims	\bigcirc	\bigcirc
Design for Disassembly	\bigcirc	\bigcirc
Product Stewardship Program	\bigcirc	\bigcirc
Corporate Social Responsibility/ Human and labour rights supply chain due diligence	Signatory to the UN Global Compact	Signatory to the UN Global Compact
Transport and packaging (offsetting of transport emissions/recycled content of packaging)	\bigcirc	\bigcirc
Chain of custody timber certification	FSC option available for Okidoki & Thinking Quietly upon request	\bowtie
Operational energy, water and waste	Not Applicable	\bigcirc

Green Building Council of Australia (GBCA) – Green Star

Products that are certified under the GBCA recognised product certification schemes, e.g. GECA and AFRDI GreenTick, can help to achieve Green Star credits.

Green Star – Design & As Built interiors tool

There are a number of Green Star credits that Thinking Works can contribute to.



Green Star Design & As Built

Certify the design and construction of a building



Green Star Interiors

Certify the interiopr fitout of a building

Sustainable Products Credit

The aim of this credit is to encourage sustainability and transparency in product specification.

Thinking Works Level A products, EONA, U.R, Elevation, Okidoki and Thinking Quietly will obtain a Sustainability Factor of 1. (see table below):

Transparency & Sustainability Initiative	Sustainability Factor (Sf)
Reused Product	1.0
Recycled Content Product	Decimal fraction of product that is recycled material (e.g. 20% = 0.2)
Environmental Product Declarations – product specific	0.75
Environmental Product Declarations – industry wide	1.0
Product has Level A Third Party Certification	1.0
Product has Level C Third Party Certification	0.50
Stewardship Program	0.50

Waste

This involves reducing the amount of construction waste going to landfill. A number of initiatives can be used to achieve compliance, such as reusing or implementing waste avoidance measures, e.g. by incorporating design solutions that make use of modular and prefabricated installations

Indoor Pollutants Credit

The aim of this Green Star Credit is to recognise projects that safeguard occupant health through the reduction in internal air pollutant levels, which creates a healthy indoor environment.

Several of Thinking Works products have been VOC tested, including EONA, u.r, Elevation, Thinking Quietly, Okidoki and Stix, all of which meet the GBCA's emission test requirements.

Innovation Credit

The Green Star Innovation category promotes holistic sustainable solutions in the built environment, and assists projects in investing resources into valuable outcomes.

Please contact our sales team to see how we may be able to assist your Green Star Project team with innovation credits.

Green Star – Performance Rating Tool



Green Star Performance

Certify the operational performance of a building.

Procurement and Purchasing – Refurbishment Materials

The aim of this credit is to encourage the measurement and reduction of the environmental impacts of materials used in building operations, maintenance and upgrades.

1 point is available where refurbished and maintenance materials are purchased in accordance with the procurement framework during the performance period.

Refurbishment Waste – Materials Category

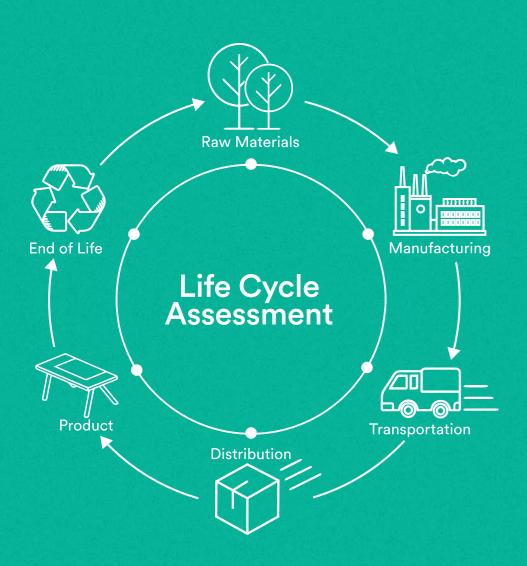
Waste to Landfill Diversion

This credit relates to where the percentage of waste from refurbishments that is diverted from landfill is reduced during the performance period.

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Thinking Beyond Compliance

At Thinking Works, we are always looking for ways to lower our environmental impact, whether by reducing or offsetting our energy, or thinking about how we design our products – from the materials we use to the finishes we apply.



Life Cycle Assessment

In 2010, we commissioned Edge Environment to conduct a Life Cycle Assessment (LCA) on two of our products: EONA and U.R. We were also curious to learn which materials and coatings had the least environmental impact, so Edge Environment conducted an LCA on a number of different finishes and materials.

Armed with these insights, our design team now have a better understanding of which materials to use and which finishes are more environmentally preferable.

The design team also uses Finite Element Analysis (FEA) to identify environmentally preferable materials along with minimal material input for greater strength.

Company Carbon Emissions

Thinking Works offsets the carbon emissions from our business operations by purchasing and retiring certified carbon credits under the global Verified Carbon Standard (VCS). The carbon footprint of our business is offset by supporting a hydropower project in China.

The below business operations are included in the carbon offsetting;

- Paper and cardboard
- Flights
- Waste and recycling
- Hotel accommodation
- Advertising
- Taxis
- Freight

Thinking Works UK electricity consumption is offset by 100% renewable energy, and 10% in our Australian Operations.

Overall there has been a minor increase of 3% since we began offsetting our carbon emissions in 2010. This is based on annual production figures.

Thinking Works has been issued with a gold sustainability rating which acknowledges taking action on climate change through consistent annual measurement, offsetting and the publishing of a public sustainability report.



For the financial year 19/20 we offset emissions based on the 18/19 report. Due to COVID we would anticipate a reduction in emissions.

Thinking Responsibly

The team at Thinking Works has always had a strong focus on looking after our staff, contractors and the communities in which we operate and influence. For many years, we've had our own internal policies and procedures on human rights, including equal opportunity, discrimination, harassment and bullying, and grievance communication.

We do this because it's the right thing to do, and because we want to help our clients be more sustainable.

In March 2016, we were proud to formalise our commitment to environmental and social responsibility by becoming a signatory to the United Nations Global Compact, the world's largest sustainability initiative.

The UN Global Compact addresses human and labour rights, environment and anti-corruption. These are the ten principles that Thinking Works has made a commitment to address:

Human Rights



Businesses should support and respect the protection of internationally proclaimed human rights; and



Make sure that they are not complicit in human rights abuses.

Labour



Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;



The elimination of all forms of forced and compulsory labour;



The effective abolition of child labour; and



The elimination of discrimination in respect of employment and occupation.

Environment



Businesses should support a precautionary approach to environmental challenges;



Undertake initiatives to promote greater environmental responsibility; and



Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption



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

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Thinking Works actions to address the 10 principles

Policy Development

Our commitment to addressing human rights includes:

- Ensuring we have an inclusive, diverse and respectful workplace, free from harassment and discrimination
- Providing our staff with a safe and healthy workplace
- A company-wide grievance policy to ensure there is a mechanism for resolving issues fairly and quickly
- Fair working conditions and wages
- Communicating to our employees' they have the right to join a trade union or labour organisation of choice, without fear of reprisal, intimidation or harassment
- Ensuring our supply chain have policies, procedures and processes that address force labour, child labour, debt bondage, fair recruitment, discrimination, fair working conditions and OHS.
- Condoning any form of modern slavery
 Our policy commitment is inline with Universal
 Declaration on Human Rights, the UN Guiding
 Principle on Business and Human rights and
 the International Labour Organisation's (ILO's)
 Declaration on Fundamental Principles and
 Rights at Work.

Life At Thinking Works

Our new staff handbook 'Life at Thinking Works' hand book outlines all the human and labour rights for our internal staff, including anti-discrimination and bullying, fair working conditions and overtime, freedom of association and collective bargaining, grievance mechanism, workplace health and safety, and environmental compliance.

Sustainable Design Guidelines

New guidelines for more sustainable products We've created a whole new set of guidelines for our design and procurement teams that addresses ecolabelling requirements, sustainable supply chain due diligence and WELL standard requirements.

Training

UN Global Compact

We have ongoing staff training on the UN Global Compact, to include staff inductions, informing our staff of our commitment to the UN Global Compacts 10 guiding principles and what this means for our company and our stakeholders.

First Aid Training

Thinking Works have had a number of employees attend an onsite First Aid Training course. The participants obtained qualifications in Cardiopulmonary Resuscitation, basic emergency life support and first aid. In January 2020 we purchased an Automated External Defibrillator and all our staff were provided training to use it in case of an emergency. Our First Aid Officers attended their annual CPR training in October 2019.

Fire Safety Training

As part of our commitment to staff safety, our fire wardens have undergone training with experts to ensure their skills are kept up to date. The training encompasses both theory and practical aspects of fire safety (evacuation drills and operation of fire extinguishers) and also includes emergency preparedness for gas leaks and bomb threats. We have annual reviews of our emergency drills by CHUBB to ensure we are conducting our drills as per our procedure.

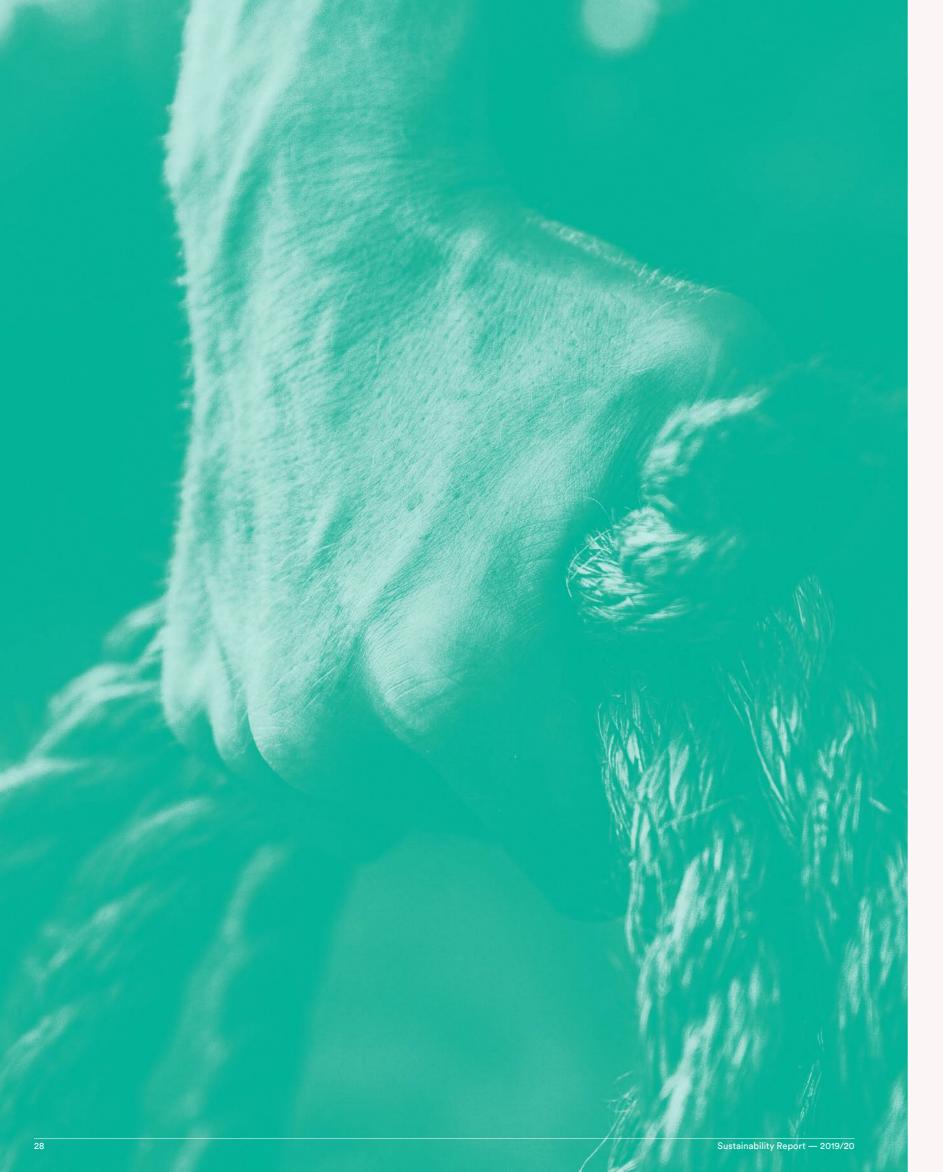
Sustainable Supply Chain Due Dilligence

Our due diligence process includes:

- Supply Chain mapping of business operations and supply chains
- Conducting a high-level modern slavery risk assessment
- Conducting a self-assessment of our suppliers that have been deemed high-risk
- Rating suppliers by means of an internal scorecard
- Issuing suppliers with a Suppliers Code of Conduct
- Supporting and mentoring our supply partners to develop their systems in order to meet compliance requirements



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Tackling Modern Slavery

There are more men, women and children living in conditions of modern slavery than in any other time in history. Globally there is an estimated 40.3 million people living in modern slavery, 24.9 million in forced labour and 15.4 million in forced marriage¹.

Two thirds of modern slavery victims are found in the Asian Pacific region where there are strong links to Australian businesses and their supply chains.

The term modern slavery is used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom and includes:

- Human Trafficking
- Slavery
- Servitude
- Forced labour
- Forced marriage
- Debt bondage
- The worst forms of child labour
- Deceptive recruiting for labour practices or services².

We understand that Modern Slavery can happen anytime and anywhere, we also understand that addressing modern slavery risks is not only important to our company but also to the design community, construction sector, our government and our clients. In 2019, we started the process of tackling modern slavery by assessing the risks of modern slavery in our business operations and supply chains. We are in the process of doing further due diligence to not only assess the risk but also put systems and processes in place to address the risks of modern slavery.

Thinking Works feels strongly about this very important issue and will voluntarily report under the Australian Governments Modern Slavery Act (2018). In the second half of 2020 we will produce a Modern Slavery Statement outlining our response to the Modern Slavery Act's seven mandatory requirements.

Stay tuned for further updates on how we plan to bring attention to this very meaningful moral issue.

Source:

- 1. Global Slavery Index
- 2. Australian Government Modern Slavery Act 2018, Guidance for reporting Entities

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Thinking Generously

We love getting our staff involved in helping improve people's lives! And over the years, they've been hands on with making this happen. As well as hosting our own events, we are equally proud to partner with industry colleagues to support them with their charitable events.

This commitment to make the world a better place starts with our Managing Director, Dean Kuch who is passionate about making a difference by supporting initiatives:

- Support disadvantaged country kids
- Focus on mental health in the workplace
- Help young people overcome tough circumstances to determine their own futures
- Support young adults struggling with their mental health
- Raise awareness about the current climate crisis and demand change from our leaders



Charities & Events

We've been busy hosting events, rallying for climate change and bringing awareness to human rights and modern slavery.

Modern Slavery - Thinking Freedom (2020)

We hosted an educational event in conjunction with Sustainable Business Matters in our Sydney showroom to raise awareness of modern slavery in the building and construction sector. The purpose of our event was to - EDUCATE, EMPOWER, INSPIRE and to get people to ACT to address modern slavery. We wanted to bring our community together, as we understand that we cannot do this alone, that we'll be more effective if we all collaborate. So, we got specifiers, architects, designers, project managers and product manufacturers and retailers in the room to educate them on the importance of tackling modern slavery.

Global Climate Strike (2019)

This is not business as usual.

The phrase 'business as usual' gets thrown around a lot in corporate settings.

But there's nothing 'usual' about climate change and the alarming rate at which we're damaging our planet. Over the past year, millions of young people participated in school climate strikes to send a clear message that the climate crisis needs immediate attention. In September 2019, those same school students called on adults to join them on the streets to demand an end to the age of fossil fuels. Millions of adults walked out of their workplaces and homes to support solutions to the most important crisis facing our world. Because no one should have to choose between a pay check and the planet, Thinking Works gave staff their full support to strike, and also hosted a series of in-office initiatives for those who could not attend.

Thinking Wellbeing (2019)

The wellbeing of our people has always been one of our top priorities – that's why in 2019, we partnered with The Indigo Project to run a series of workshops tackling mental health in the workplace. Exploring areas like relationships, stress, values, creativity and vision, attendees learned techniques to regulate emotions, communicate more effectively, manage the 'little voice' in their head, and become less reactive. Across a total of five workshops, topics covered included How to Deal with Stress, Balance, Boundaries and Self-Care, Dealing with Perfectionism, and Unlocking Creativity. Following the incredible feedback that Thinking Works has received, we are looking forward to extending this workshop offering into 2020, with workshops that have been curated to specifically address some of the struggles that the A+D community may face on a day-today basis.

Project Youth (2019)

Based in Sydney's Sutherland Shire, Project Youth has been helping young people determine their own future regardless of their current circumstance for over twenty-five years. In 2018, Thinking Works first teamed up with Project Youth, helping with fundraising and also supporting the young people they help with employment. In 2019, Thinking Works and Project Youth began working together on transforming an old church in Hurstville into a space that young people can use as a resource to hang out in a safe environment, learn about different job skills and current opportunities, make friends and build their self-esteem through community based programs.

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The journey to improved sustainability and social responsibility and social responsibility and learning process for us all the allenging at times, but we are unmost and inspired to continue our commitment to make a positive difference – whether by lowering our environmental impact, providing a safe work environment for our staff, or working with our suppliers to ensure they too respect human rights and develop environmental management practices.

The coming year will see the 'Thinking Responsibility' initiative create positive impacts, not only for the charities and causes we support, but by changing the mindsets of our staff through their involvement with these projects.

Thinking Works are proud of the work we have done over the past 14 years, but remain focused and aware of the work ahead. We wish to engage with our stakeholders, making this the exciting beginning of an ongoing dialogue.

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