

# Corporate Sustainability

2018 Report  
2017 Year-End Data



Trendway >

## A Letter from Leadership



This year, Trendway celebrates 50 years of creating great places for people to work, and delivering them with remarkable quality, speed and ease.

The company was established in 1968 to deliver a better movable wall partition, and we've been in the interior architectural product business continually. With less waste to landfill, simple re-use/reconfiguration and high recycled content, our Architectural Wall products by their nature offer a more sustainable approach to space planning. They are also BIFMA e3 level® 2 certified. (Find more information on all our certifications on page 6 of this report.)

Though approaches and initiatives have evolved over time, Trendway has been serious about sustainability from day one. The company was first recognized for this commitment in 1991 with the Michigan Environmental Small Business Award. Our operations have always been under one roof in Holland, Michigan, where adjacencies not only improve our ability to respond, they also promote operating efficiencies and reduce transport requirements for a smaller carbon footprint.

We're looking forward to another 50 years of serving our customer, our community and our commitment to sustainability!

Mark Kinsler

A handwritten signature in black ink that reads "Mark Kinsler". The signature is fluid and cursive.

President  
Trendway Corporation

# Our Environmental Policy and Approach to Sustainability

Trendway Corporation is committed to promoting sustainable work environments and business practices which balance sound economics, environmental protection, and social responsibility by incorporating the impetus of the Sustainability Guidelines of the Business and Institutional Furniture Manufacturers Association International (BIFMA) into our practices.

We will routinely update our practices, and we intend to make consistent, measurable progress toward set goals and will pursue them in all facets of our operations. We are committed to compliance with all applicable local, state and federal regulations.

We will strive to ensure that our key stakeholders are aware of our commitment as we pursue the goal of becoming an increasingly sustainable company. We also commit to reporting our progress in the following key areas:

- Materials use reduction, reuse and recycling
- Energy use reduction and reuse
- Waste reduction, reuse and recycling
- VOC and Greenhouse Gas Emissions reduction

Trendway's Executive Committee is committed to these principles and will make every effort to meet them.

## Our Stakeholders

We have succeed for nearly 50 years because we care enough to earn, build and keep relationships of trust as we strive to make things better for our customers, community, dealers, suppliers, our team and our world.

They are all stakeholders in our progress, both fiscally and as we seek to be an increasingly sustainable organization.



1968

**TRENDWALL**  
A NONCOMBUSTIBLE SYSTEM



## Our Company

Trendway has been creating beautiful spaces and quality products for 50 years. The company was founded in 1968 to manufacture a new gypsum-based wall panel that offered higher fire resistance and better sound rating than any partitions then available.

A unique combination of quality, service, and unmatched responsiveness has set us apart from the beginning, and they are the spirit behind our team Vision and Mission today.

## Our Vision

Building Exceptional Experiences

Our Mission: Make **speed and ease** the defining experience for our clients. We simplify the process of creating **beautiful spaces** and deliver **on time, every time**.



## Organization

Trendway is a privately held company, Veteran-owned with 25% employee ownership. Our Sustainability efforts follow the guidance of the ANSI/BIFMA level e3® Sustainability Certification Program. These efforts are reviewed and supported by the full Executive Committee. Trendway has been successfully and profitably serving our customers for close to 50 years and continues as a strong and viable company. We look forward to another 50 years serving our customers.



## Market Presence

All of Trendway's manufacturing/final assembly takes place at the facility in Holland, Michigan USA. Trendway has sales representation throughout North America and serves customers in North America and the Middle East.



All Trendway manufacturing operations are under one roof in Holland, Michigan

## Recent Awards



Michigan Neighborhood Environmental Partner  
Awarded by the State of Michigan Department of Environmental Quality in 2017 for continued support of community environmental quality.

## Michigan's Best and Brightest in Sustainability

The National Association for Business Resources named Trendway a winner in their annual "Michigan's 2016 Best and Brightest in Sustainability®", which celebrates companies that are making their businesses more sustainable, the lives of their employees better and the community locally and globally better as a whole.

## Top Workstation/Systems Manufacturer

Office Furniture Dealers Alliance (OFDA) polled hundreds of North American Dealers for their Manufacturers of the Year Survey.

## Readers' Choice Best Products

Interiors & Sources polled their readers to find out which products and furnishings were their favorites, and Trendway's Capture™ System received Honorable Mention.

## Top Systems Manufacturer

Contract Magazine Brand Report conducted an unaided survey which recognized Trendway as a top manufacturer for Systems products.



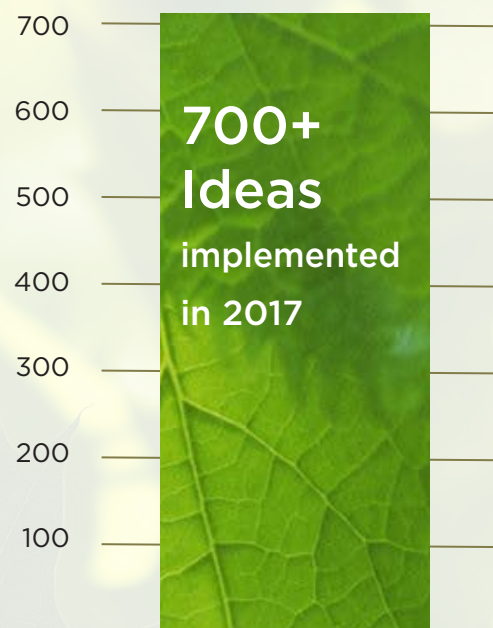
## Continuous Improvement | Ideas

Our Continuous Improvement program offers everyone in the company a voice to express their perspective, thoughts and Ideas on ways to improve quality, safety, efficiency, sustainability or profitability.

Our weekly Ideas report recognizes contributors and celebrates their success. There are active improvement teams throughout the organization. In 2017 we implemented an average of more than two ideas for every team member — more than doubling our goal for participation in 2016.

These ideas resulted in improvements that have been a significant benefit to the company and to our customers. They also resulted in dramatic reduction in waste.

### Continuous Improvement Ideas



Recent improvements to the way we cut our board for best yield reduced the amount of material required by **45,000 s.f.** (about the entire area of a football field).

**Situation:** Powdercoat paint process generates unavoidable waste material.

**Idea:** Reformulate scrap powdercoat paint to spray frames and non-critical surfaces.

**Result:** 12,000 pounds of scrap material productively repurposed.

**Situation:** Purchased materials are often received with undamaged, usable corrugated packaging.

**Idea:** Re-use corrugated packing materials at our facility.

**Result:** Retain and use full-sheet corrugated packaging materials to protect our products in shipment.

**Situation:** Welding work tables and storage carts are fabricated from angle iron for specific operations.

**Idea:** Developed substitutes made from coated steel pipe and connectors.

**Result:** New design can be reconfigured for new uses, used angle iron no longer needs to be recycled.



## Design for the Environment

The Design for Environment review is a mandated part of every product introduction process. Each product in development is evaluated for material chemistry, ease of disassembly, recycled/renewable content, recyclability, water management and energy use and efficiency. Maintaining visibility of these factors early in the process helps ensure the most sustainable result.

We have the attitude and policies in place to make sustainability part of every decision process. This helps us continue to find new and better ways to address the reduction of emissions and toxic waste.

## Certifications

In 2016 the US Environmental Protection Agency (EPA) released a set of guidelines that identified the BIFMA e3 level® and SCS Indoor Advantage programs among their recommended list of certification standards. The GSA has included these recommendations in their own program as “EPA Recommended” choices for sustainable purchasing.

See the EPA Guidelines for Environmental Performance Standards and Ecolabels on their website.



BIFMA level® Certified  
Certification No. SCS-SCF-03790  
[Get the details](#) in the Sustainability section of Trendway.com



INDOOR ADVANTAGE GOLD  
FURNITURE

ANSI/BIFMA Certified  
SCS Indoor Advantage® Gold  
Registration No. SCS-IAQ-01588  
[Get the details](#) in the Sustainability section of Trendway.com



Trendway earned the maximum points available under the ANSI/BIFMA level e3® Certification Program for achieving total solid waste diversion from landfill.

[Get details](#) in the Sustainability section of Trendway.com

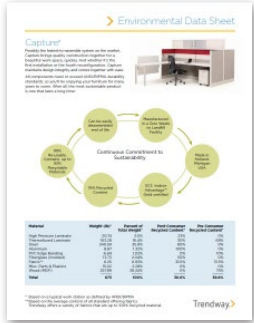


# LEED Points

The U. S. Green Building Council awards Leadership in Energy and Environmental Design (LEED) certification for sustainable buildings and interiors based on a points system. Trendway products can contribute to LEED credit points in several categories:

- Reuse
- Recycled content
- Regional materials
- Rapidly renewable
- Low-emitting materials

Visit the Product, Sustainability or Resources pages at Trendway.com for details on specific products.



## Environmental Data Product Sheets

Detailed information is available for each product line regarding pre- and post consumer recycled

content by weight product, certifications and potential LEED point contributions.

Find Environmental Data Sheets page on each product page on Trendway.com.

## Associations

Trendway is an active member of:

- US Green Building Council
- American Society of Interior Designers (ASID)
- BIFMA
- West Michigan Sustainable Business Forum
- Michigan Recycling Coalition (MRC)
- Zero Waste to Landfill West Michigan Group
- Carbon Disclosure Project
- Scientific Certification Systems (SCS)
- Ecovadis



Trendway teams with Natural Capital Partners to offset our carbon footprint by subsidizing the development of new green energy projects.

Currently, we support the Verified Carbon Standard (VCS) West India Wind Power Project. This zero-emission installation is situated across three districts in India.



## Carbon Disclosure Project



Trendway voluntarily participates in the global Carbon Disclosure Initiative (CDP), a project aimed at greater transparency around the greenhouse gas emissions of large corporations.

Participants must analyze and self-report their carbon footprint with supporting documentation.

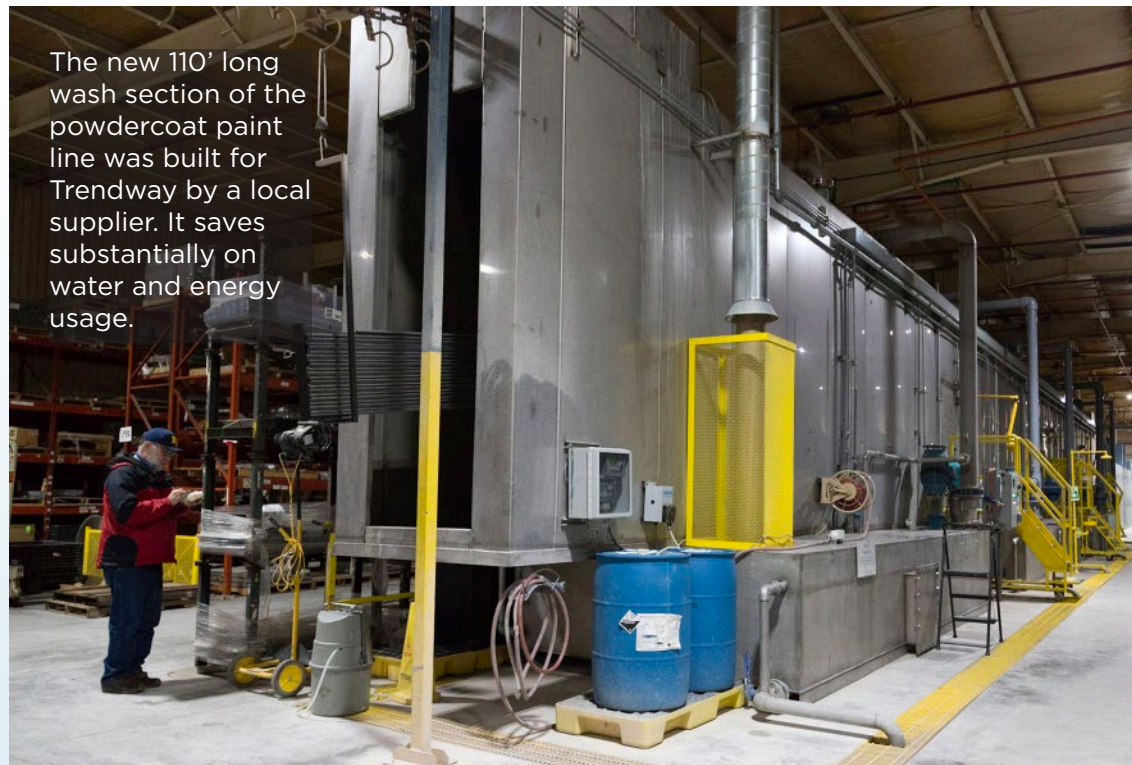
Taking part maintains our awareness of where we are and where we want to go in our journey towards sustainability. It also adds to the sum of knowledge towards understanding the state of our global environment.

Learn more about the CDP at [www.cdp.net](http://www.cdp.net).

## Water

In 2016 we invested in a complete replacement of our Paint Line wash system with a counterflow water recycling system which allows us to reuse water several times. This not only reduces water usage, but also sewerage and the heat energy required to bring cold water up to operating temperatures.

In 2017, we updated the pretreatment chemicals in our paint line washer to further reduce water and energy use as well as chemical overflow. We now produce higher quality products, with less waste.

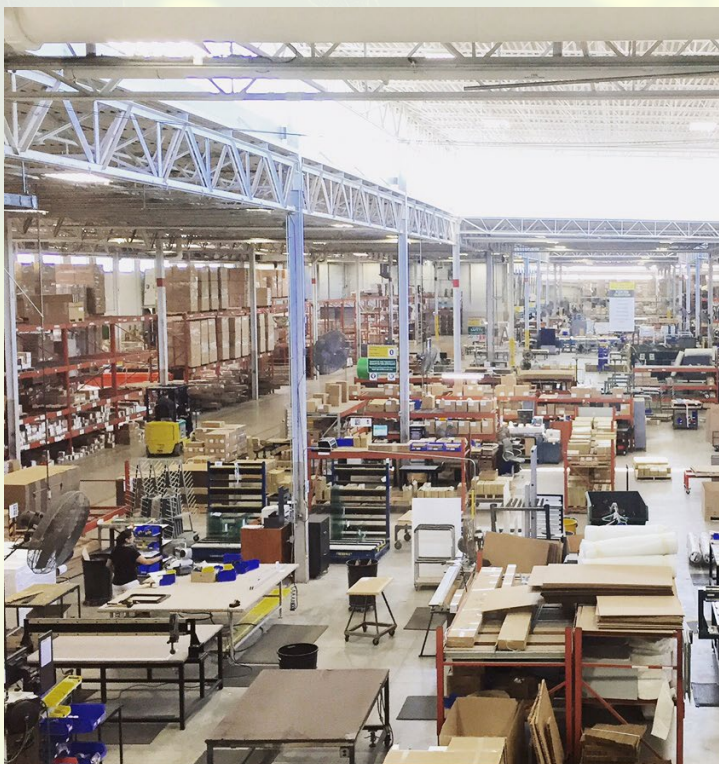


The new 110' long wash section of the powdercoat paint line was built for Trendway by a local supplier. It saves substantially on water and energy usage.

# Energy

## 100% Renewable

In 2017 Trendway became a 100% Renewable Electricity Company. This was done not only through our multiple energy reduction projects, but through the purchase of Renewable Energy Credits (REC) through Natural Capital Partners.



## Reducing Usage

We've invested in converting facility lighting to state-of-art LED technology, which has reduced energy use while providing superior illumination that supports manufacturing quality and enhances employee safety.

Additional equipment upgrades and energy reduction projects in 2017 have further reduced our electrical energy consumption by more than 15% compared to the previous 6 year average.

*Access to natural light helps offset the need for artificial lighting in our manufacturing facility*

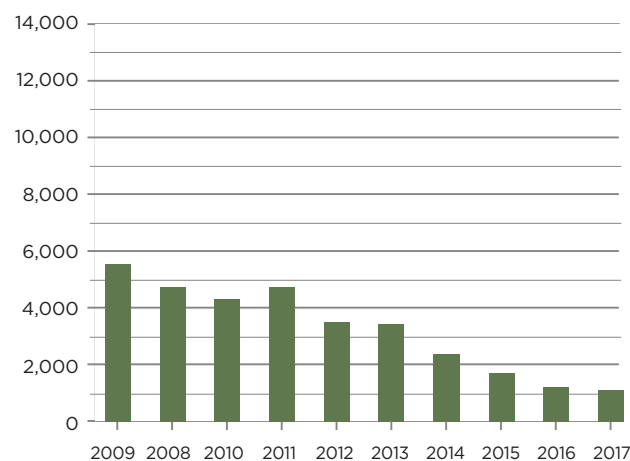
## Emissions and Hazardous Waste

Our low level of VOC and HAPs emissions are extremely low. Trendway is now designated a hazardous waste “Conditionally Exempt Small Quantity Generator” (CESQG) – the best rating a manufacturer like us can achieve. We continue to review and revise our processes and materials to reduce harmful emissions of every kind.

- For VOCs alone, we’ve been able to reduce emissions by more than 60% since 2008.
- Our efforts to eliminate hazardous waste through adoption of safer materials have paid off in a reduction of more than 85%.
- New chemistry for our paint wash line has completely eliminated phosphate in the wash water.
- We converted to all water-based glues for use in our processes, to further reduce our already low VOC emissions.

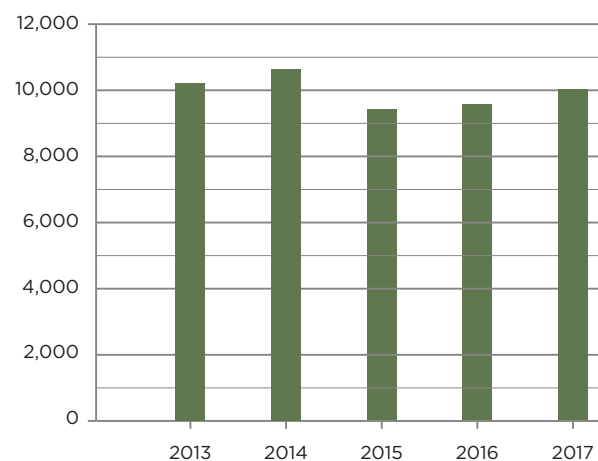
### Total VOC Emissions

Pounds per Year

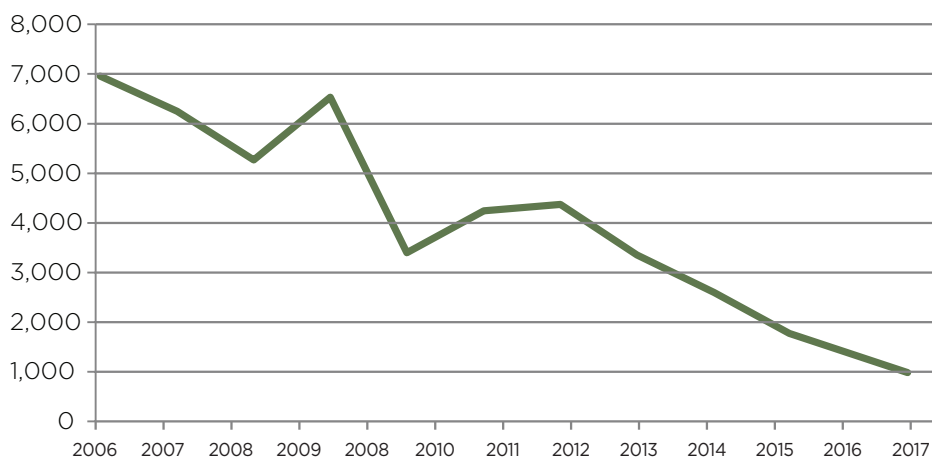


### Company Total GHG Emissions\*

Tons per Year CO<sub>2</sub> Equivalents



\* Total Scope 1, 2 and 3 GHG emissions as defined by the current GRI standard. 2017 emissions estimated.



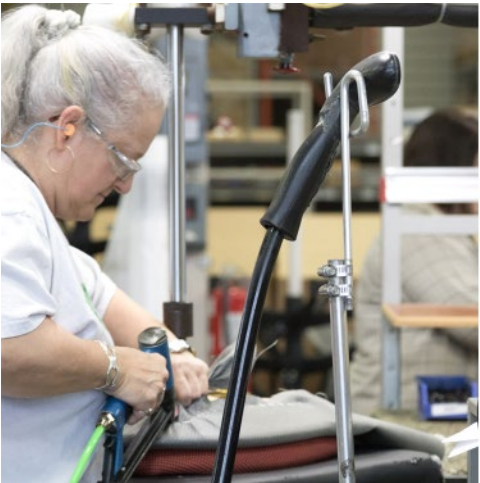
### Hazardous Waste

Pounds per Year

We keep pursuing our goal of reducing or eliminating all sources of hazardous waste in our processes. Conversion to water-based glues was one of the many ways we did it, and allowed us to achieve our designation to CESQG (Conditionally Exempt Small Quantity Generator) status from the EPA.



# Employment and Benefits



Join the Family... that's how most of us feel about the Trendway team. Trendway believes that a company's success is rooted in the overall health, safety and financial wellbeing of every team member and their families.

We take pride in building beautiful products that create better places for people to work and enjoy. We're committed to delivering them in a better way - with remarkable quality, speed and ease.

### Personal/Career Development

Instead of conventional performance reviews that label people with a 1 to 5 number rating, we practice an innovative approach called Catalytic Coaching. This process focuses forward instead of backward, identifying each person's strengths, challenges and aspirations and working pro-actively to help them reach their goals. We seek to support growth and provide the means to achieve it.

An Annual Tuition Reimbursement Program is available to assist those who wish to continue their education to support professional growth.





# Employment and Benefits

## Competitive Wages and Benefits

Trendway offers a competitive package of wages and benefits including insurance, holidays, vacation, 401k, tuition reimbursement and profit sharing.

## Employee Ownership

Trendway is an Employee Stock Ownership Plan (ESOP) company. Employees are 25% owners of the company. Each of us gains financial rewards based on the company's success to assist with our retirement goals. As part owners, we all share a fiscal concern in creating an exceptional experience for our stakeholders.

## Retirement Planning

In addition to the ESOP, we have support and resources to prepare our team members for the future.

With a 94% participation rate, our investment advisors call our 401K program "Best in Class". Trendway offers matching funds for participants.

We also provide financial Wellness classes, informational sessions and support resources related to retirement planning.



# Wellness Training and Education



## Winner of 2017 Wellness Award for Michigan Companies

The National Association for Business Resources has named Trendway Corporation a winner in their annual “Michigan’s 2017 Best and Brightest in Wellness®” program.

The Best and Brightest in Wellness celebrates companies that are making their businesses healthy, the lives of their employees better and the community a healthier to place to live.



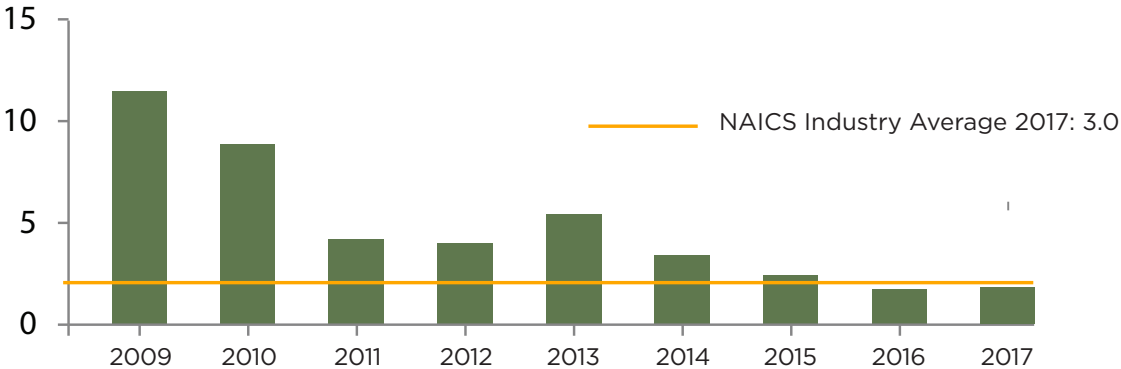
Participation in our Wellness Program has paid off with improvements in blood sugar and cholesterol levels for the team.

Each employee is invited to participate in a very extensive Wellness Program including classes in health and nutrition, financial wellness and diversity. Everyone is encouraged to join team challenges throughout the year — and our rate of participation is outstanding. We reward Wellness participation with many incentives and reduced insurance premiums. Best of all, everybody has a great time!

# Safety

Trendway's culture of safety strives to improve our incident rate towards our ultimate goal of zero. It's already below the current industry average.

Safety Incident Rate per 100 Employees



## Experience Modification Rate

Experience Modification Rate (EMR) has strong impact upon a business. It is a number used by insurance companies to gauge both past cost of injuries and future chances of risk.





# Safety



Our team of citizen Safety Agents is made up of people from across the organization.

## Fork Lift Driver of the Year

Every year, we honor the fork lift driver voted to have the best record of safety, courtesy, accuracy and skill. It's one of our programs that reward and encourage safety.

The 2017 trophy was awarded to Amanda Willis for her outstanding performance. Amanda's dedication to quality, safety and continuous improvement has made her a role model for the Trendway team

Congratulations, Amanda!







## Values

Trendway people have a caring commitment to help our world be a better place. We design and build great products, but more important, we build relationships of trust with customers, our community and each other. This means prioritizing the safety, health and total wellness of our team, our neighbors and the world community.

We seek to provide a safe, dependable place of employment through sound management. We've established Covenants of Behavior that reflect our values, and hold our suppliers to a Supplier Code of Conduct. We give back to the community year-round with charitable outreach, and participate in projects that will improve our environment.

### Covenants of Behavior

We strive to build an environment of trust, respect, and commitment for our people where each individual can thrive. To guide that effort, we adhere to Trendway's Covenants of Behavior.

We mutually commit to treating each other in a Respectful, Responsive and Reliable manner.

1. Display social courtesy
2. Respect confidentiality
3. Respect
4. Display commitment (responsiveness, timely communication)
5. Trust
6. Commit to timely, direct and positive conflict resolution
7. Display a positive attitude
8. Be truthful
9. Be open to listening (seek to understand)
10. Support each other
11. Follow through on plan and commitment
12. Communicate effectively and quickly to appropriate people
13. Admit when you are wrong
14. Accept and support decisions
15. Provide others the opportunity to weigh in on decisions that impact them (Trust and transparency of actions)
16. No blame, focus forward
17. Treat all employees equally, respect and appreciate differences.
18. Create a challenging environment
19. Be congruent
20. HAVE FUN!



## Diversity Policy

Trendway’s policy includes the full and complete support of leadership, including our CEO and Chairman of the Board. Diversity in our workforce is highly valued and is everyone’s responsibility to support equal opportunity for employment, development and advancement for those qualified.

Trendway is an Equal Employment Opportunity Employer. We will not take race, creed, color, national origin, sex, age, religion, disability, marital status, height, weight, veteran status, sexual orientation, gender identity or any other protected characteristic into consideration when we hire, transfer, promote, compensate, provide benefits, train, and engage in any other employment practices.

## Supplier Code of Conduct

Trendway Corporation is committed to operating its business in a socially, legally, and environmentally responsible manner. To support this commitment, Trendway has developed a list of requirements for its supply base. In order to do business with Trendway, suppliers are expected to, at a minimum, meet the requirements of this Supplier Code of Conduct.

### Laws and Regulations

Suppliers must comply with all applicable laws and regulations of the countries in which they operate.

**Labor Practices** | Suppliers shall provide their workers a safe working environment. This includes, but is not limited to:

**Child Labor** — suppliers shall comply with local minimum age laws.

**Harassment** — workers shall not be subject to harassment, intimidation, or forced labor.

**Minimum wage** — suppliers shall comply with local minimum wage and overtime laws.

**Safety** — suppliers shall provide a working environment that meets, at a minimum, local health and safety regulations.

**Discrimination** — supplier shall not discriminate on the basis of gender, race, sex, religion, age or any other basis prohibited by local law.

**Ethical Practices** | Suppliers are expected to operate its business to the highest standards of ethical behavior. Bribery, extortion, kickbacks, and other forms of unfair trade practices will not be tolerated.

**Environmental Practices** | Suppliers shall comply with all applicable environmental laws and regulations. Suppliers are expected to continually evaluate their process and minimize their environmental impact where prudent.

**Customs Compliance** | Suppliers shall comply with all applicable U.S. Custom regulations. Trendway is a Customs- Trade Partnership Against Terrorism (C-TPAT) certified importer and requires that all applicable C-TPAT regulations be followed on international shipments where Trendway is the importer of record.



# Giving Back to Our Community

We encourage our team's involvement and even contribute paid time to participate in community service projects, including Hope Lodge, our annual Cruise In Benefit and Angel Tree for foster children in Ottawa County. We even created a "Charities of Choice" program that lets team members apply on behalf of their favorite cause.

## Benefit Cruise In

Every September since 2001, Trendway combines love of cars with love of giving at the Benefit Cruise. More than 500 vehicles turn out. A great time is had by all, and 100% of funds raised go to assist a local family in need



## Blood Drives

Twice a year (or more if needed) Trendway hosts an American Red Cross Blood Drive.





## Angel Tree

For 37 years, Trendway has sponsored the children in Ottawa County Foster care with our Angel Tree drive. In 2017, 78 of them who faced a bleak holiday received gifts and cheer from the Trendway team. It's a favorite annual project. Gifts are personally chosen for each child based on their own wish list, hand wrapped and delivered in time for the holiday.

## Highway Cleanup

Twice a year Trendway folks don their safety vests to clean up our adopted 3 miles of highway. We've been doing this for over 18 years, with over 1,000 hours of employee time, removing tons of debris.

In recognition, the State of Michigan Department of Environmental Quality recently named Trendway a Michigan Neighborhood Environmental Partner because of our continued support of community environmental quality.



## PROJECT clarity

Project Clarity was created as a way for community members to improve the quality of Lake Macatawa and adjacent wetlands. As participants, we support cleanup, preventative actions and community education events.



## About the Report

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Trendway publishes a Corporate Sustainability Report annually, aligned with the GRI Guidelines.

This report is based on year-end data for 2017. The previous report was issued in April 2017, based on year-end data for 2016.

For questions about the report or its contents, contact the Trendway Marketing Department at 616-399-3900.

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Trendway >



Celebrating 50 years of building beautiful spaces for people to work, delivered with remarkable quality, speed and ease.