

20 SUSTAINABILITY 23 STRATEGY





## ACKNOWLEDGMENT OF COUNTRY

Furnx respectfully acknowledges and recognises Aboriginal and Torres Strait Islander peoples as the Traditional Owners and Custodians of the lands on which our company operates.

We pay our respects and acknowledge the important role of Elders past and present, for they hold the memories of the traditions, cultures and aspirations of Australia's First Nations peoples.

We promise to be respectful, take lead from the community and walk together with Aboriginal and Torres Strait Islander peoples, communities and organisations in our journey to building a greener future.

We recognise that Aboriginal and Torres Strait Islander culture is rich and diverse and that we, as a company, have a responsibility to facilitate efforts that account for this to ensure equity for all.

We celebrate Aboriginal and Torres Strait Islander history, in particular the strength, resilience and courage that has occurred over time and now inspires current and future generations to create a brighter world.



## OUR COMMITMENT

As an Australian owned company, proud of our beautiful land, beaches and waterways, we are committed to making a difference. Together with our team, partners, suppliers and industry, we strive to create change, mindful of the planet and its future beyond our own.

We are taking proactive steps each day and planning into the future, to ensure our company is part of a circular economy.

Reducing our waste and consumption of resources, and increasing our recycling and reuse of materials is top of mind in every business decision we make, contributing to a more sustainable world.

We strive to reduce our carbon footprint through responsible business practices and implementing manufacturing, packaging, transportation and in-house initiatives wherever possible. We are investing in a comprehensive sustainability strategy; its planning, execution and management, to ensure real results are achieved and continue

to progress and evolve for years to come.

Our approach to sustainability focuses on four priority pillars: discovery, design, distribution and disposal. From continuously assessing and reviewing our in-house processes, to adhering to sustainability certification standards across our product range, to offsetting our transportation, we are continuously working towards reducing our carbon footprint and protecting the environment we live in.

## Our commitments include:

- Improving manufacturing processes and practices
- Moving towards reusable recycled packaging
- Reducing waste and promoting a circular product lifecycle
- Offsetting transportation and reducing energy consumption
- Implementing positive and sustainable change in-house
- Educating and inspiring change within the furniture industry
- Supporting local and global environmental initiatives

We hope that our actions will inspire others to take up sustainable practices in their own lives and businesses, and to make a conscious effort to reduce their environmental footprint and create a more sustainable future for all.

# Milestone Map and Projected Goals

Feb 2020	•	Upholstery manufacturing moved in-house
Dec 2020	•	Manufacturing materials independently tested for FSC certifications
Jan 2021	•	Warehouse national expansion reducing fleet milage GreenGuard Certification reviewed across core Rapidline range
Oct 2022	•	Introduction of in-house sustainability action plan Efforts towards moving to paperless offices In-house recycling management within offices and lunchrooms Internal sustainability awareness and expectation communication to staff
Nov 2022	•	Appointed Chief Sustainability Officer and supporting team throughout each state Creation of discontinued product waste action plan Manufacturing and warehouse recycling management review
Dec 2022		Boost+ range AFRDI Blue Tick certified and approved  AFRDI Green Tick certification process commencement  Introduction of sustainability training as part of staff induction
Jan 2023	•	Rainforest Restoration program commencement to offset truck fleet Release of Sustainability Plan to customers and industry, motivating change Introduction of circular Product Stewardship policy across all projects
Feb 2023	•	Plastic bag packaging made recyclable
Feb 2024	•	Offset our international freight footprint
Dec 2024	•	Dedicated plastic, metal, glass, fabric, timber, paper recycling Swap out polystyrene packaging for cardboard
Feb 2025	•	Install solar on all Furnx buildings Change to LED bulbs throughout Furnx premises
Dec 2025	•	Furnx as a company to be FSC certified  Move to recycled paper for catalogues/ print material and in-house printing  100% recycled packaging
2026-2030	•	Packaging made from 100% recycled materials, as well as 100% recyclable All packaging to become compostable Bring melamine furniture manufacturing in-house Introduction of hybrid and electric vehicles to replace current truck fleet

## **OUR COMPANY ACHIEVEMENTS**

Sustainability is one of our core values at Furnx and our commitment has already been celebrated with the succession of many key initiatives. Highlights of our sustainability achievements include:

#### Sustainability Management

As a company, we are investing in a sustainability team, made up of environmentally conscious employees who are passionate about the implementation of company-wide green initiatives.

Richard Hurlin, our Chief Sustainability Officer, has appointed a representative in each state who will be responsible for executing our sustainability strategy across their team, monitoring the progress, identifying and assessing further potential sustainability risks, and contributing to developing plans to address them. They will be responsible for engaging with employees, customers, and suppliers, to ensure that sustainability is embedded into our operations and brand.

#### Reduced Product Wastage

Combating the reselling, recycling and donation of discontinued product has already seen substantial landfill reduction. The introduction of a 3 phased approach to rejuvenating unsold product will continue to roll out over the coming year.

#### Reducing our Carbon Footprint

Through 15 Trees, we contribute to restoring critical ecosystems and capturing carbon emissions. We offset all transportation across our fleet of vans, utes and trucks so we can walk more gently on the planet. We also have solar power installed on our main headquarter office building in Brisbane, Oueensland.

#### **Product Testing & Certifications**

A wide range of our products have been GREENGUARD tested and certified. Products that have achieved **GREENGUARD** Certification are scientifically proven to meet some of Australia's most rigorous third-party chemical emissions standards, helping to reduce indoor air pollution and the risk of chemical exposure.

Our entire Boost+ height adjustable workstation range, our Infinity and Eternity workstations, and many of our filing cabinets and mesh/ operator chairs are AFRDI Blue Tick Certified. AFRDI evaluates the sustainability of tested products through workmanship and durability.

### We are constantly educating our

Improving In-house Practices

employees about the importance of sustainability and how they can contribute at home, work and beyond. Together we are reducing energy and water consumption, as well as waste through recycling and reusing. Every day we are moving closer towards a paperless office, implementing greener practices, and becoming more aware of our environmental impact.

External communication strategies have also been implemented to share our sustainable journey with suppliers, resellers and the public, to motivate change within the industry.

#### Manufacturing Movements

To lower transportation emissions and support the Australian manufacturing industry, we have moved our upholstery service in-house and are proud to say our professional, skilled team is now operating from our Brisbane headquarters.

An extensive manufacturing and warehouse recycling management review is underway. This review assesses our current recycling practices, including looking at the types of materials being recycled and the methods used to collect and store them. We are looking to identify further areas for improvement, including introducing new recycling and waste technologies, improving the collection and storage of materials, and streamlining the processing of materials and packaging.



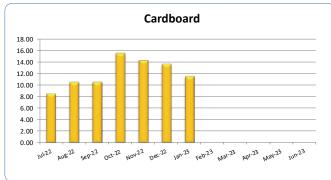
#### Mileage Reduction

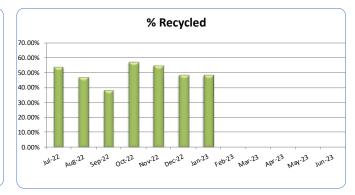
We've expanded our warehouses across Australia to hold more inventory, minimising the frequency of stock movement across states. With warehouse locations in Brisbane, Sydney, Melbourne, Adelaide and Perth, and a local customer service team in each state, we can provide quality delivery and service without the miles.

## **FURNX Waste Sustainability Report**



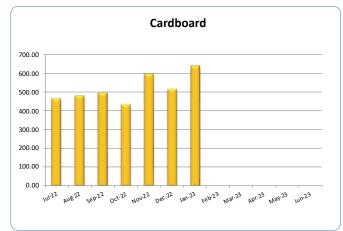
#### Total weight recycled

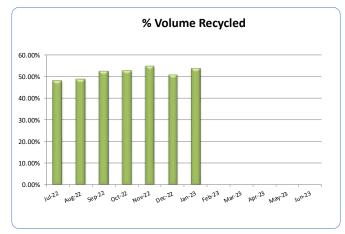


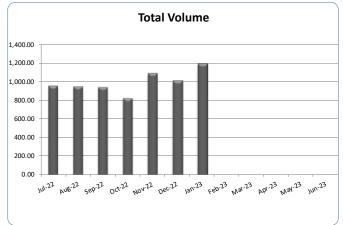


#### Total Volume recycled









#### Reduce

Focused on quality and longevity, our products are built to last with warranties for up to 25 years.

#### Reuse

We design and manufacture furniture that can be reused from project to project.

#### Recover

We recover your end-of-life furniture to recycle or donate.

#### Recycle

We recycle your furniture to reuse, resell or discard.

#### Dispose

We dispose of all metal, plastic, glass and cardboard responsibly.

### CIRCULAR PRODUCT STEWARDSHIP PROGRAM

Our Circular Product Stewardship Program ensures the responsibility of our furniture for its entire lifecycle sits with us. This includes the re-use, recovery, recycling and disposal of each product, reducing the impact of waste on the environment.

### Our Circular Product Stewardship Program includes:

Refurbishment of products for reuse or reselling, reducing waste and extending the life of the product. This includes repairing or replacing parts, cleaning and testing.

On-selling or donating the product to another commercial business, providing proof of ownership and documentation to demonstrate the product is in good condition and suitable for use.

Disassembly of products for component and material reuse in new product manufacturing, reducing waste, increasing efficiency and minimising costs.

Disassembly of products for materials to be separated and sorted for recycling, before being sent to an approved recycling company for further processing.

Considering our footprint at every stage of the lifecycle



Building on the sustainability achievements already accomplished at Furnx, the following initiatives are also in progress:

#### **AFRDI Green Tick Certification**

The AFRDI Green Tick Certification process has commenced, and we are looking to have our complete furniture range tested by this Green Building Council of Australia recognised body. Their extensive testing covers operational energy water and waste, corporate social responsibility, transporting and packaging.

#### Supporting Local

We are growing our Australian supplier list to reduce overseas manufacturing and support the Australian furniture industry. Expanding our local supplier base will allow our customers to order unique, custom furniture solutions with a clear conscience.

#### Paperless Perks

With encouragement in place to be mindful of printing paper in the office and home, we aim to further incentivise our in-house green initiatives and move towards becoming a paperless company, reducing waste and saving valuable trees.

For any required paper use, we choose paper which is certified by the Programme for the Endorsement of Forest Certification (PEFC). This certification ensures that the paper is sourced from sustainably managed forests, and produced in a socially responsible manner, meaning that the workers involved in the production of the paper are treated fairly and with respect.

#### Plastic Packaging

Plastics have substantial benefits in terms of low weight and durability to many other packaging material types, which is why we are working towards changing out some of our packaging to recyclable plastic bags. We hope to move to recyclable plastic bag packaging within the year.

## WORKING TOWARDS A BRIGHTER FUTURE

With 10 offices, 5 warehouses and 116 employees Australia wide, we are conscious of our company's impact in the communities in which we live and work. We are looking forward to the future to ensure our daily practices are as environmentally friendly as possible, to advance our legacy of sustainability each year.

#### **Our Commitment by 2025:**

#### **FSC Company Certification**

By 2025, we aim to have Furnx as a company FSC certified and hold the ISO 14001 certification. This FSC certification will support our commitment to sustainable sourcing practices and responsible forestry. We are working towards improving our environmental management policies and procedures to comply with international standards, and continuing to review and evolve as required to reach this goal.

#### **Packaging Commitment**

We are working towards moving from polystyrene packaging to cardboard as an alternative renewable resource. Cardboard packaging is much more environmentally friendly than polystyrene, as it is biodegradable and can be easily recycled.

#### Sustainable Manufacturing

We will look to introduce further economically-sound manufacturing processes to minimise negative environmental impacts while conserving energy and natural resources. Reviewing renewable energy sources, reducing water and air pollution, and using renewable/recycled materials in production will all play a part in cleaning up our manufacturing.

#### **Dedicated Recycling Practices**

Introducing dedicated plastic, metal, glass, fabric, timber and paper recycling stations across our factories and warehouses is a high priority in the coming years. With the implementation of these stations, we aim to recycle 90% of our waste.

#### Reduce Energy Emissions

By 2025, we aim to further reduce energy consumption and emissions through efficient lighting, heating, and cooling systems. We look to install solar on as many Furnx buildings across Australia as possible, reduce water waste and change all light bulbs to LED.

#### International Offsets

We aim to expand our commitment to reducing carbon emissions by reviewing our international road and ocean transportation mileage, so we can offset our carbon footprint worldwide.

#### Recycled Paper

As product catalogues are core to our marketing efforts, we aim to move all printed hardcopies to recycled paper.

## OUR COMMITMENT BEYOND 2025

#### **Electric Vehicles**

We hope to further reduce our environmental impact by exploring the introduction of electric vehicles to our fleet when our current trucks reach their lifespan. We are also looking into the infrastructure needed to support electric trucks, such as charging stations and maintenance facilities. We are confident that electric trucks will be a great addition to our fleet and will help us reduce our carbon footprint long term.

#### Circular Packaging

We aim to create a circular lifespan for our packaging and are actively working towards making sure our packaging is made from 100% recycled materials. We are committed to researching and testing different materials to ensure that they are sustainable, and working with our suppliers to ensure they are using recycled materials in their packaging also. We will also investigate ways to reduce the amount of packaging we use and to make sure that any packaging we do use is recyclable.

#### Manufacturing

Bringing further production in-house such as melamine manufacturing is on our radar for the future. Manufacturing in Australia will not only support our sustainability movements but allow us more control over the quality of the product and production process.



## Furnx Sustainability Action Plan

GOAL	ACTION	RESPONSIBILITY	TIMEFRAME
Sustainability Management	Implementation, monitoring and management of all sustainability initiatives	HR & Compliance	Ongoing
In-house Sustainability Practices and Commitment	Reduction of waste, water and energy consumption, and management of recycling program across offices	State Management	Ongoing
Paperless Office Movement	Internal incentives, management and encouragement of moving towards paperless offices	HR & Compliance	Ongoing
Australian Transportation Offsets	Overseeing the ongoing rainforest restoration program for transport offsets	Marketing & Projects	Ongoing
Reduced Product Wastage	Implementation of the 3-phased discontinued product wastage program	Marketing & Projects	July 2023
Circular Product Stewardship Program	Promotion of the reuse, reselling, recycling of end-of-life furniture through our Stewardship Program for projects	Management & Projects	July 2023
AFRDI Green Tick Certification	Testing and improvement of products to meet AFRDI Green Tick standards	Management & Projects	December 2023
Recyclable Plastic Bag Packaging	Researching, testing and producing recyclable plastic bag packaging	Management & Projects	December 2023
FSC Company Certification	Application, testing and improvement of materials and product to adhere to FSC Certification requirements	Management & Projects	2025
International Offsets	Explore and implement carbon offsetting for international road and ocean transportation costs	Marketing & Projects	2025
Dedicated Recycling Stations	Introduce dedicated plastic, metal, glass, fabric, timber and paper recycling stations across warehouses and factories	HR & Compliance	2025
Recycled Catalogue Paper	Introduce recycled paper across all printed marketing material and catalogues	Marketing & Projects	2025
In-house Energy Emissions	Reduce energy consumption through efficient lighting, heating and cooling systems. Install further solar systems and LED light bulbs	Management & Projects	2025
Cardboard Packaging	Replace polystyrene packaging with cardboard across the entire product range	Management & Projects	2025
Sustainable Manufacturing	Review and introduce economically-sound manufacturing processes across national and international warehouses and factories	HR & Compliance	2025
Electric Vehicles	Explore electric vehicles and charging station/ maintenance infrastructure	Management & Compliance	2030
Recycled, Recyclable Packaging	Research, test and implement recyclable packaging made from 100% recycled materials	Management & Projects	2030
In-house Manufacturing for Melamine	Explore, employ and oversee the management of bringing melamine manufacturing in-house	Management & Projects	2030

## **QUALITY THAT LASTS**

The longevity of a product's lifecycle is achieved through manufacturing high quality, durable products. A longer lifecycle means fewer resources are used in the production of the product, reducing its environmental impact.

Additionally, fewer resources are used in the disposal of the product, reducing the amount of waste generated.

We use the highest quality materials and components to ensure our Rapidline products are built to last. We also use rigorous testing protocols and proudly work with independent organisations such as AFRDI, BIFMA and SGS to ensure our products meet the highest standards of quality and performance. We are constantly innovating and improving our designs to ensure our products are sustainably reliable and durable.



