

Sustainability *Report* FY2021/22

living
edge®

livingon

An aerial photograph of a beach. Two people are standing on the sand, each holding a surfboard. Their shadows are cast long and dark on the sand. A line of white surf is visible, and the ocean water is a deep blue-green. The sand is a warm, golden-brown color.

Living Edge acknowledges Aboriginal and Torres
Strait Islander Peoples as the Traditional
Custodians of Country throughout Australia.

We pay our respects to Elders past and present.

We recognise their connection to the land, waters,
and seas, and we celebrate Aboriginal and Torres
Strait Islander Peoples as the land's first artists,
designers, and makers.

Welcome to our FY22 Sustainability Report, thank you for taking time to find out more about our LivingOn program.

The FY22 emissions inventory we have included in this report is the most comprehensive inventory we have compiled to date and will provide a reliable baseline for future reporting and emissions reductions targets. We have worked closely with Pangolin Associates to capture new emissions categories including software (a significant investment area for the business), water consumption, refrigerants from air conditioning, and company events. We have also used trip reporting from our Radaro logistics application to develop new metrics to more accurately calculate local road freight activity and emissions. You can find out more about our FY22 emissions inventory on pages 10-12 of this report.

Our Think Circular initiative continued to develop in FY22, with the expansion of Relive – our second-life program for Living Edge products – and the addition of an innovative RFID driven asset management solution to Lifecycle, our circular procurement model. We are striving to be a leading voice in the development of a circular economy in the Australian furniture market and in 2022 we continued to advocate for the benefits of circularity at industry events including hosting a panel discussion titled ‘Full Circle’ during Melbourne Design Week. We also continued to progress our transparency initiative with the addition of new sustainability information to key products on the LivingOn website.

We were pleased to continue our giving program with our Sydney team volunteering at AddiRoad’s Hampers for Hope event, Christmas donations to the Black Dog Institute and Lifeline, and participating in the Australian Marine Conservation Societies Wavemaker campaign.

Despite the challenging conditions of FY22 Living Edge was able to combine record revenue with ongoing development of the LivingOn program. We look forward to continuing this progress in FY23.

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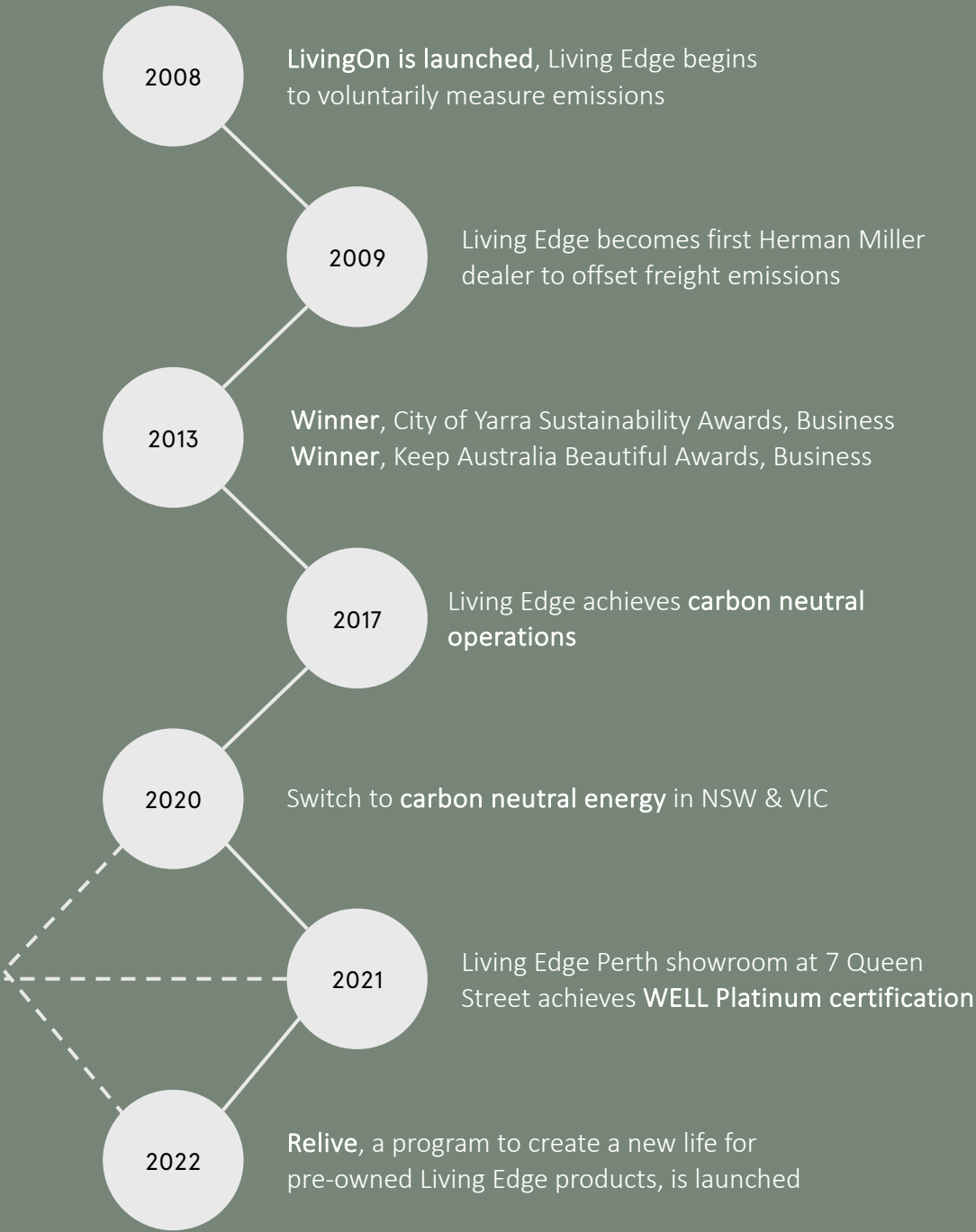
About LivingOn

Our sustainability program, LivingOn, was launched in 2008 and the values embodied by the program continue to shape our business today.

Since founding in 1998, our commitment to sustainability has begun with the brands and products we choose to bring to market in Australia – a commitment encapsulated by our Furniture For Life concept. But our commitment to sustainability goes beyond the products we bring to market. In 2008, we launched our sustainability program, LivingOn, with a recognition that our commitment to sustainability needed to be bigger than supplying product that met certain industry standards; we realised that we had a responsibility to be an environmentally and socially responsible company in our own right, and that doing so could give our business an edge and even transform our industry.

Over the last 15 years, the LivingOn program has grown and evolved to encompass environmental, social, and economic issues in line with the ‘triple bottom line’ of people, planet, and prosperity. One of the core philosophies of LivingOn is to ‘Live Responsibly’; that means quantifying and taking responsibility for the social, environmental, and economic impacts that our activities create throughout our value chain – positive, and negative.

Over 12,500 Herman Miller task chairs audited, refurbished, and reused or resold



The Philosophies of LivingOn

Furniture For Life

Products designed and made to last a lifetime.

We choose to supply high quality furniture that's designed to be passed down from generation to generation. We are committed to enabling the repair, re-use, remanufacturing, and resale of products to maximise their lifespan.

Live Responsibly

Understanding our impact and taking responsibility for our actions.

We recognise that our activities create environmental, social, and economic impacts throughout our value chain. We pledge to act responsibly, minimise the negative impact of our activities, and maximise positive outcomes.

Think Circular

Making our business more circular.

We strive to be a leader in the future circular economy in Australia. We are passionate advocates for the benefits of the circular economy and its potential to create a paradigm shift in the way we consume furniture products.

Organisational Certification



Living Edge is a Certified B Corporation™.

As a B Corp™, we're part of a global community of businesses that meet high standards of social and environmental impact. The B Global Network mobilise change of our economic system to positively impact all stakeholders — workers, communities, customers, and our planet.



7 Queen Street, Perth
WELL Platinum certified 2021.

WELL is a vehicle for organisations to deliver more thoughtful and intentional spaces that enhance human health and wellbeing.



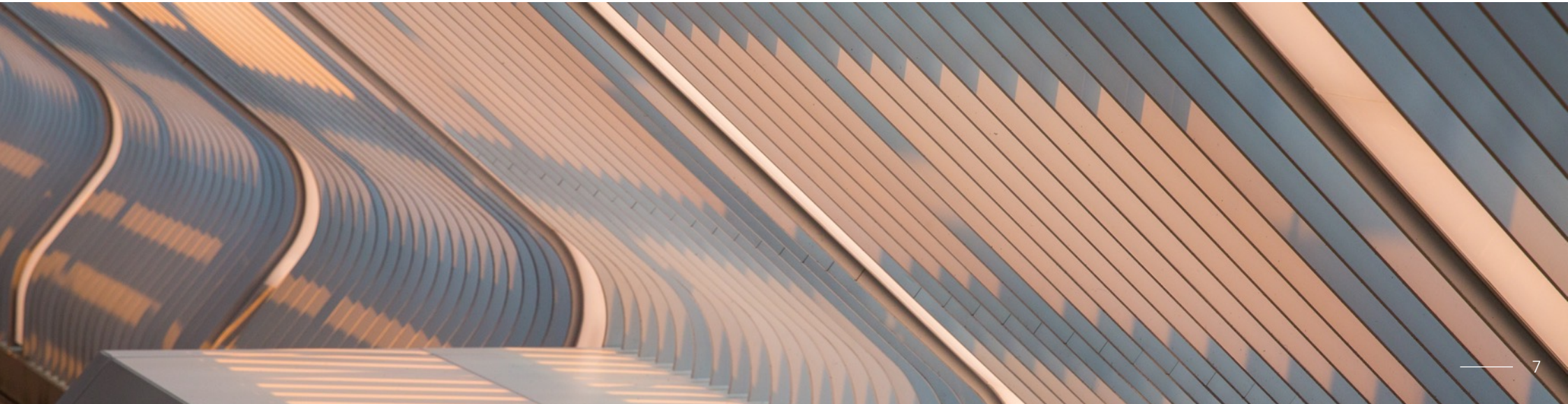
3 Ticks: Third-Party Certified Management Systems.

Our Quality, Environmental, and Occupational Health & Safety Management Systems are certified to ISO 9001, ISO 14001, and ISO 45001 respectively.



Signatory to the Australian Packaging Covenant.

Signatories to the Australian Packaging Covenant are committed to improving the sustainability and circularity of their packaging.



What We Have Achieved So Far...

Emissions

- In 2009, we became the first Herman Miller dealer globally to quantify and offset the freight emissions generated from importing Herman Miller product.
- Living Edge has maintained carbon neutral operations since 2017. That means we quantify the scope 1, 2, and 3 emissions generated by our operations and offset them through the purchase of Verified Carbon Standard carbon credits.
- In 2020, we switched our energy supply to carbon neutral energy at our Sydney and Melbourne showrooms.
- We have introduced one hybrid and one electric vehicle to our vehicle fleet, and we plan to replace more ICE vehicles as they reach the end of their lease.

Sustainable Products

- In FY22, 69% of the products we sold (by revenue) had a third-party product certification that assesses the environmental impacts of the product
- In FY22, 43% of our revenue came from products that hold LBC Red List Approved certification
- In FY22, 21% of revenue came from recycled materials.

Social

- In April 2021, our Perth showroom became the first WELL Platinum certified fit-out in Western Australia.
- Our showrooms provide end-of-trip facilities to enable active commuting.
- During our Community Week in December 2022, our team volunteered with food charities across Australia to help prepare 1,600 meals and pack over 300 food hampers for those most in need at Christmas.
- Our charitable giving program donated over \$19,000 to good causes in 2022.
- We have introduced new employee benefits including access to a free Employee Assistance Program and 2 days of volunteering leave each year.

Think Circular

- Since 2020, Living Edge has helped recondition and redeploy or resell over 12,500 Herman Miller task chairs approaching the end of their 12-year warranty. We estimate that this has diverted 234 tonnes of furniture from landfill and avoided 586 tonnes of CO2-e from raw material production.
- We have developed Lifecycle, an innovative furniture-as-a-service procurement that we believe is a first in Australia.
- We have developed a sophisticated RFID asset management solution that enables our customers to track their assets through their lifecycle and access sustainable end-of-life pathways when they no longer need them.

Waste & Recycling

- Our Living Without Waste program promotes recycling throughout our operations. In FY22 we recycled 69% of the waste generated by our operations and we are striving to increase this amount every year.
- Living Edge is a signatory to the Australian Packaging Covenant, and we have introduced new 100% recyclable, paper-based carrier bags and shipping cartons.

Governance

- ISO 9001 certified quality management system.
- ISO 14001 certified environmental management system.
- ISO 45001 certified occupational health & safety management system.
- We have undertaken due diligence in accordance with the Modern Slavery Act (2018) to identify and address the risk of modern slavery occurring in our extended supply chain.

Targets: The Future of LivingOn

Emissions

- Make the switch to carbon neutral or green power energy contracts in Brisbane and Perth.
- Advocate and provide support for the installation of a solar power system at our new warehouse – due to come online in 2024/25.
- Replace remaining ICE light vehicles with zero emission vehicles.
- Launch a freight emissions calculator to help our team and our customers understand the emissions impact of air freight over sea freight

Sustainable Products

- Provide all our customers with access to transparent and meaningful product sustainability information on our website and in store.
- Integrate sustainability information into our product database to generate portfolio sustainability metrics to drive continuous improvement

Social

- Continue to engage our staff through wellbeing activities, volunteering and fundraising opportunities, and employee support through our Employee Assistance Program.
- Develop and deliver a Reflect Reconciliation Action Plan in FY24.
- Issue a new Supplier Code of Conduct that includes a Modern Slavery and Human Rights clause and map tiers 1 and 2 of our supply chain as extensively and transparently as possible.

Think Circular

- Deliver Australia's first furniture-as-a-service contract and use the project as a case study to promote the benefits of Product Service Systems.
- Recover and resell >500 units of Relive second-life product in FY24 and increase volumes year-on-year.
- Participate as a founding member in the development of the Fit For Office furniture industry product stewardship program.
- Launch a formal recycling program for Herman Miller task chairs in Australia

Waste & Recycling

- Increase recycling rate to 80% across our operations.
- Trial compostable pallet wrap in our warehouse operations with the aim to replace traditional pallet wrap

Governance

- Maintain ISO certification for our Quality, Environmental, and Occupational Health & Safety management systems (9001, 14001, 4500).
- Maintain B Corp certification and implement B Corp improvement plan.



Environmental

Greenhouse Gas Emissions

The full scope GHG emissions generated by Living Edge's activities within its operational boundary in the 2021/22 financial year totalled 1,551.7 tonnes CO₂-e.

Using revenue as an intensity metric (grams CO₂-e per \$), this represents a like for like increase of 21.3% when compared to FY2020/21. This like for like comparison excludes new activities introduced in this emissions inventory; including software, water, and air conditioning refrigerants.

This 21.3% increase in emissions intensity is likely to reflect a normalisation of business travel, employee commuting, and employee activity following the easing of COVID-19 restrictions.

Primary statement of FY22 GHG emissions (tCO₂-e) for Living Edge

Scope	Examples of Inclusions	Total Emissions FY22 (tCO ₂ -e)	Contribution to Total
Scope 1	Direct emissions such as those resulting from fuel use or refrigerant leakage.	0.01	0.0004%
Scope 2	Indirect energy import such as purchased electricity.	118.3	7.6%
Scope 3	All other indirect upstream and downstream emissions resulting from activities along the value chain.	1,433.4	92.4%
Total		1,551.7	100%

Emissions Intensity (grams CO₂-e per \$) - FY22 compared with FY21

	Revenue (\$)	t CO ₂ -e	g/\$	Change
FY21	56,345,065	932.9	16.56	
FY22 – total	71,442,263	1,551.7	21.72	+31.2%
FY22 – like for like*	71,442,263	1,434.9	20.08	+21.3%

*Excluding software, water, and air conditioning refrigerants (new scope)

Source: Pangolin Associates, Greenhouse Gas Assessment for Living Edge (Aust) Pty Ltd Financial Year 2022

Greenhouse Gas Emissions

3 Year Comparison of GHG emissions (tCO₂-e) for Living Edge

Scope	Examples of Inclusions	Total Emissions FY20 (tCO ₂ -e)	Total Emissions FY21 (tCO ₂ -e)	Total Emissions FY22 (tCO ₂ -e)	Contribution to Total	Change on FY2020	% Change on FY2020	Change on FY2021	% Change on FY2021
Scope 1	Direct emissions such as those resulting from fuel use or refrigerant leakage.	35.3	22.8	0.01	0.0004%	-35.2	-99.98%	-22.8	-99.97%
Scope 2	Indirect energy import such as purchased electricity.	86.9	120.8	118.3	7.6%	31.4	36.2%	-2.5	-2.1%
Scope 3	All other indirect upstream and downstream emissions resulting from activities along the value chain.	2,028.1	789.3	1,433.4	92.4%	-594.7	-29.3%	644.1	81.6%
Total		2,150.2	932.9	1,551.7	100%	-598.5	-27.8%	618.8	66.3%

Source: Pangolin Associates, Greenhouse Gas Assessment for Living Edge (Aust) Pty Ltd Financial Year 2022

Scope 1 : 0.01 tCO₂-e

Scope 1 emissions for FY22 have been adjusted to exclude transport fuels. In previous years, transport fuels have been included as direct (scope 1) emissions from owned assets. The vehicles Living Edge operate are leased assets, therefore this activity has been moved to third party services (Scope 3).

Scope 2: 118.3 tCO₂-e

Scope 2 emissions remained consistent with FY21 with a small decrease of -2.1%. Scope 2 emissions remain 63.8% lower than FY2019, prior to the switch to carbon neutral power at The Woolstores and 650 Church Street.

Scope 3: 1,012.9 tCO₂-e

Total Scope 3 emissions increased 81.6% compared to FY21, but remained 29.3% lower than FY20. The increase on FY21 is likely the result of a significant increase in freight volumes linked to increased revenue and the ending of COVID-19 restrictions, as well the addition of new activity categories to the emissions boundary (see next page).

Greenhouse Gas Emissions

We made significant changes to our data collection methodology in FY21, and we have therefore excluded FY20 from this comparison as the FY20 data set is not comparable with FY21 and FY22.

We have also expanded our operational boundary for FY22 when compared to FY21 to include:

1. ICT Services - software licenses for key IT platforms including Salesforce and Microsoft 365
2. Advertising & Marketing Services - traditional print marketing and a more accurate capture of events and digital marketing
3. Synthetic Greenhouse Gases - emissions from air conditioning at Brisbane and Melbourne (activity data was not available for Sydney or Perth)
4. Products, Materials & Equipment – packaging materials
5. Stationary Fuels – third party transport fuels transferred from Scope 1 in previous inventories
6. Water & Wastewater – new water consumption data from landlords

Summary of GHG emissions (tCO₂-e) for Living Edge

Category	Total Emissions FY2021 (tCO ₂ -e)	Total Emissions FY2022 (tCO ₂ -e)	Contribution to Total	Change on FY2021	% Change on FY2021
Postage, Courier & Logistics	380.2	802.8	51.7%	422.6	111.1%
ICT Services	65.0	188.6	12.2%	123.5	189.9%*
Electricity	171.1	144.6	9.3%	-26.5	-15.5%
Waste	75.0	91.5	5.9%	16.5	22.0%
Employees	42.5	85.2	5.5%	42.6	100.2%
Business Travel	46.2	64.1	4.1%	17.8	38.6%
Advertising & Marketing Services	34.3	57.5	3.7%	23.2	67.6%*
Food & Beverage	49.5	55.1	3.5%	5.5	11.1%
Office Supplies & Services	62.1	32.5	2.1%	-29.6	-47.6%
Synthetic Greenhouse Gases	0.1	16.3	1.0%	16.2	*
Products, Materials & Equipment	1.4	4.7	0.3%	3.3	228.5%*
Professional Services	0.0	3.4	0.2%	3.4	*
ICT Equipment	5.2	2.4	0.2%	-2.8	-54.2%
Stationary Fuels	0.1	1.6	0.1%	1.5	*
Water & Wastewater	0.0	1.6	0.1%	1.6	*
Total	932.9	1,551.7	100%	618.8	66.3%

*New scope added to emissions category

Source: Pangolin Associates, Greenhouse Gas Assessment for Living Edge (Aust) Pty Ltd Financial Year 2022



Carbon Offsetting

In April 2022, Living Edge purchased Verified Carbon Standard (VCS) carbon credits through Pangolin Associates to offset 3,500 tonnes of greenhouse gas emissions. These credits will be retired through the period of 1st July 2020 to 30th June 2023 to offset Living Edge's operational emissions in FY21, 22 and 23.

VCS Project: Allain Duhangan Hydroelectric Project (ADHP), India

The ADHP project is a run-of-the-river 192 MW hydro power project at the confluence of Allain & Duhangan rivulets in the Himachal Pradesh state of India. The project consists of high head underground power plant that utilises flows from a combination of glacial snow melt and monsoon rains in these two rivulets for the purpose of harnessing hydro power. The project energy benefits have been assessed at (CEA approved) 678.18 GWh year in 90% dependable years.

Why We Purchase Carbon Credits

Living Edge sources products from manufacturers and designers from around the globe, including Australia, Asia, Europe and the USA. Whilst this allows us to offer our customers access to leading local and international brands, it requires a significant investment in road, sea, rail and occasionally air freight. Heavy-duty transport is recognised as one of the hardest to abate industry sectors, and whilst important progress is being made in zero emissions technologies such as hydrogen fuel cell and battery powered vehicles, the heavy-duty transport sector is unlikely to decarbonise until the 2040s at the earliest. Strategies are therefore required in the interim period to help capture and sequester carbon and accelerate the transition to emissions-free industry. To balance the impact of our total emissions footprint, we purchase carbon credits through our carbon consultants, Pangolin Associates, to contribute towards the financing of carbon avoidance projects.

Whilst we recognise that carbon credits will not provide the long-term solution to reaching net-zero, we believe they play an important short to medium term role in helping to protect and regenerate natural carbon sinks and financing the development of low carbon and zero emissions technologies.

Transparency

We believe that transparency and education are essential to building a sustainable future in our industry.

Making sustainable choices often requires a personal and financial investment in a product or service and we believe that such choices are easier to make when you are provided with all the information you need about a product and its story.

That's why we have launched an initiative to increase the availability and transparency of sustainability information about the products we bring to market. Our aim is to provide easy to understand, meaningful sustainability information about our products through all our sales channels, including in-store, online and through our work with designers and specifiers.

We have developed a set of 'Sustainable Product Indicators', aligned to the requirements of sustainability assessment schemes such as B Corp, GreenStar, WELL, and Living Building Challenge. We have used these indicators to create Product Sustainability Profiles for our products that are available to download on the Living Edge website. So far, we have published profiles for range of certified products, and we hope to extend this to more of our range in the future.

These sustainability indicators also allow us to create metrics to measure sustainability performance across our portfolio. Analysis of our sales data for FY22 showed that:

- **69%** of the products we sold (by revenue) had a third-party product certification that assesses the environmental impacts of the product or its production process,
- **43%** of our revenue came from products that hold LBC Red List Approved certification - which certifies that a product does not contain harmful levels of toxic materials, and,
- **21%** of revenue came from recycled materials, helping to reduce resource consumption.



Third Party Product Certification

We collaborate with our suppliers to ensure that our key product ranges are accredited internationally recognised environmental certification schemes. These third-party accreditations provide our customers with independent assurance about the sustainability of the products we bring to market. Third-party certification also allows our products to contribute towards credits in building rating schemes such as Green Star, WELL and Living Building Challenge.

Herman Miller

Aeron Remastered
Atlas
Caper
Cosm
Express 2
Lino
Mirra 2
OE1
Pronto
Ratio
Sayl
Setu
Verus

Muuto

Around
Connect
Connect Soft
Couple
Cover
Fiber
In Situ
Loft
Nerd
Oslo
Outline
Visu

HOWE

40/4
Moveo (base)
SixE
Tempest (base)

Derlot

Autobahn
Biggie
Brutal
Caterpillar
Crease
Crescent
Fit
Flatliner
Forum
Fragment
Guell
Hext
Homework
Iceberg
Ivi
Kink
Kong
Lerod
Mass
Mochi
Peak
Picket
Pill
Pillar
Pinto
Plug
Pony
Powl

CAON

Bloc+
Prisma
QTZ
Rio
Seed
Sfera
Spire
Strap
Tetromino
Tetromino Soft
Twig
Valet
Volar
Yeti



Think Circular

At Living Edge, we believe the circular economy has the power to help tackle some of our industry's biggest sustainability challenges, and we want to become a leader in circularity in our market.

We have defined three areas of focus that we believe will help us build a more circular business, they are:

- products fit for circularity
- circular models of usership and ownership
- circular end-of-life pathways

What's more, we recognise that these three topics are interlinked, and that a circular business model relies on all three functioning together.

Products fit for circularity

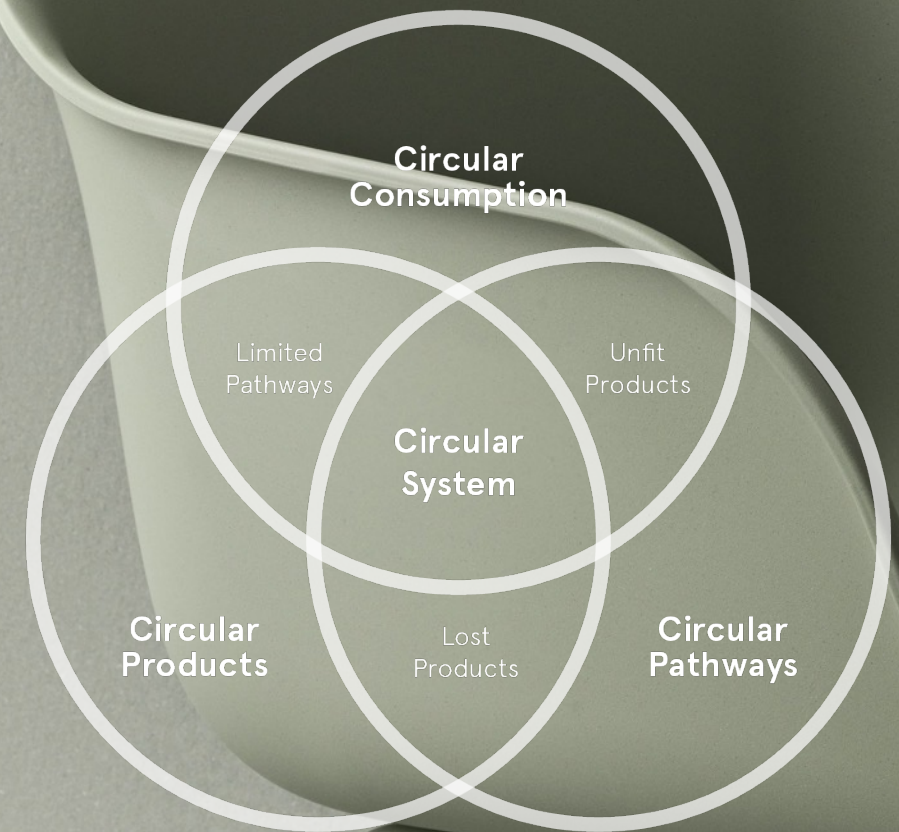
We are committed to promoting high quality products that can be repaired, refurbished, reused, and recycled. Herman Miller, our lead partner for over 25 years, has collaborated with leaders in the circularity movement since its creation.

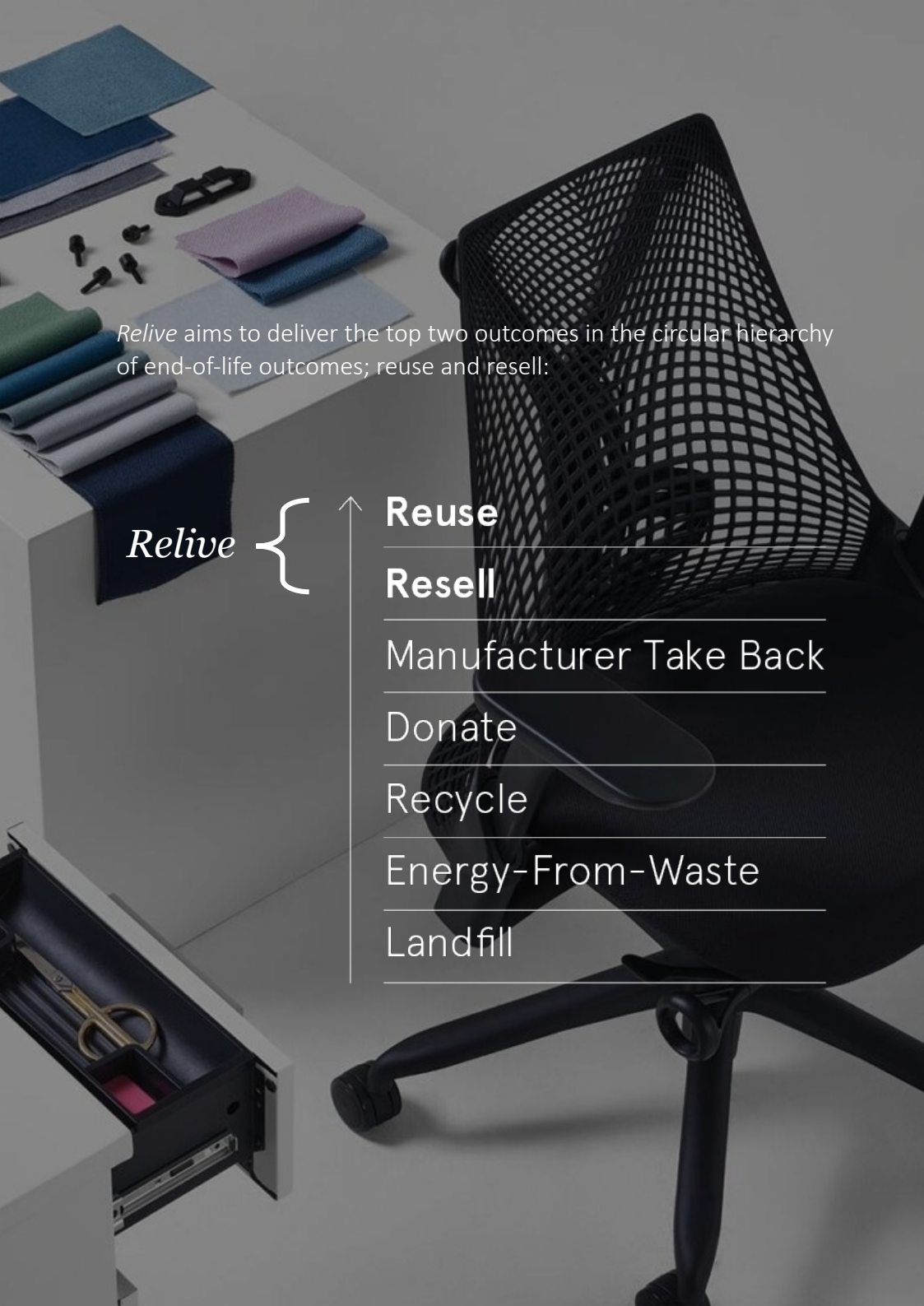
Circular consumption

We are exploring new modes of consumption for furniture products through a furniture-as-a-service procurement model we call Lifecycle. Lifecycle has an inherent product stewardship commitment.

Circular end-of-life pathways

The successful recovery of products and materials at the end of each use lifecycle is essential in a circular economy. We have launched Relive, a program that aims to create a second-life for Living Edge products.





Relive aims to deliver the top two outcomes in the circular hierarchy of end-of-life outcomes; reuse and resell:

Relive {

Reuse

Resell

Manufacturer Take Back

Donate

Recycle

Energy-From-Waste

Landfill

Think Circular - Relive

Relive is a sustainability program that aims to create a second life for authentic, original, and sustainable furniture.

Relive includes two services:

- A repair & refurbishment service, and,
- A sales platform for second-life products.

Living Edge has been previously delivered these services to contract customers as part of its commitment to the highest levels of service. Relive provides the opportunity to proactively promote circular end-of-life solutions to the market.

Repair & refurbishment

Living Edge has an established national network of specialist manufacturers, craftspeople, and contractors that can offer a wide range of repair and refurbishment services. Our consultants will work with you to understand how your existing products can be repaired or reconditioned to give them a new lease of life.

Relive products

Relive products are products that have been recovered from the commercial and residential furniture market through buy-back and take-back schemes, and professionally reconditioned for a new life. Relive products are offered with a Relive warranty, backed by Living Edge.

Think Circular: Lifecycle by Living Edge

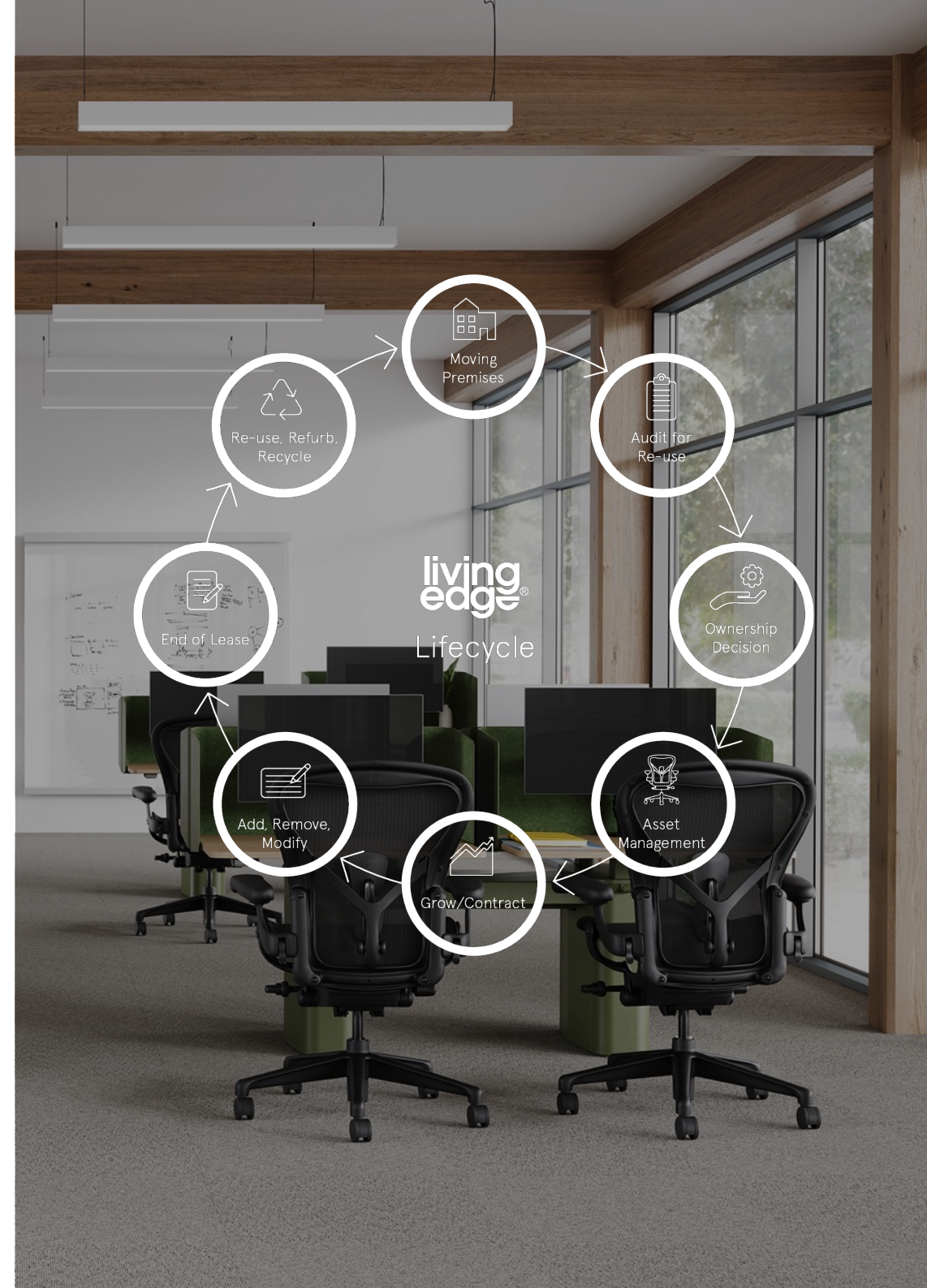
Lifecycle is a circular procurement model developed by Living Edge to enable a more flexible and sustainable approach to furniture procurement.

Lifecycle is delivered through a **leasing model**, allowing our customers to benefit from using our best-in-class products whilst Living Edge retains ownership of, and ultimately responsibility for, those assets. Lifecycle is based on the circular concept of **usership over ownership**.

Lifecycle includes a suite of integrated services that enhance the usership experience and enable Living Edge to deliver **furniture-as-a-service**.

Through consultation, Living Edge can create a product service package that is tailored to your organisation's specific needs and circumstances, **all delivered through a simple monthly fee**.

Most importantly, Lifecycle includes an inherent product stewardship commitment that focuses on keeping high-quality products in use for multiple lifecycles, before they are retired through **sustainable end-of-life pathways**.



Think Circular: Advocacy

As part of commitment to be a leading voice for circularity in the industry, Living Edge has participated in numerous initiatives to increase awareness and understanding of circularity in the built-environment.

During Melbourne Design Week 2022, Living Edge hosted 'Full Circle', a panel discussion featuring industry leaders that explored the role of architecture and design in a circular economy. We also partnered with The Green Boat, a leading workplace and property strategy consultancy, to organise a interdisciplinary workshop titled 'We Need to Talk About Furniture' with stakeholders from across the construction industry.

MELBOURNE DESIGN WEEK



Timber Sourcing

At Living Edge, we are committed to sourcing all timber from legally harvested sources, meeting our obligations under the Illegal Logging Prohibition Act, and promoting the specification and sale of third-party certified wood products.

The world's forests are a precious resource. Forests and woodlands oxygenate the air we breathe, act as vast carbon sinks, regulate water systems, provide diverse habitats that support wildlife and human populations, and protect coastal areas from sea level rise. The health of these vital ecosystems is under extreme and unsustainable pressure from human activity. Together with the increasingly severe effects of climate change, the illegal harvesting of timber is leading to deforestation, forest and soil degradation, habitat loss and water pollution. Illegal harvesting is also contributing towards significant social issues, including unacceptable pay and working conditions, corruption, and armed conflict.

We recognise that as an importer and supplier of a wide range of high-quality timber products, we have a legal and moral responsibility to minimise the risk of illegal logging in our supply chain.

The Illegal Logging Prohibition Act 2012 commenced on 28 November 2012, making it a criminal offence to intentionally, knowingly or recklessly import timber or timber products into Australia, or process Australian raw logs, that have been illegally logged. The Regulation subsequently commenced on 30 November 2014, describing the due diligence process that businesses are legally required to undertake to minimize the risk of importing illegally logged timber and timber products, or processing illegally logged Australian timber.

Living Edge is committed to meeting the requirements of The Regulation and acting in full accordance with Australian law. We have implemented a due diligence system in line with the requirements of The Regulation, and undertaken risk assessments for all the timber products we import into Australia.

How does our timber sourcing due diligence system work?

Our due diligence system is based on guidance provided for importers by the Australian Government Department of Agriculture, Water and the Environment.

Step 1: Collect supply chain data

We collect the following information for all the wood and wood products that Living Edge directly imports into Australia:

- The timber species in the product (e.g., *Quercus rubra*/American Oak)
- The country and region of harvest
- The identity of the suppliers in the timber supply chain and details of their licenses, governance, and due diligence processes

Step 2: Risk assessment

We use this information to carry out a risk assessment of the risk of illegal logging occurring in that supply chain. We determine a risk rating by assessing:

- The FSC Country Risk Assessment for the country and region of harvest
- The Corruption Perceptions Index rating of the country of harvest
- The legitimacy of the members of the supply chain, the Chain of Custody licenses and procedures in place, and the evidence of responsible sourcing policies

Step 3: Remedial action (if required)

If our risk assessment results in a risk rating of anything other than 'low risk', we work with the supplier in question to obtain further evidence that the timber has been legally sourced, for example by requesting evidence of harvest licenses and import documents. If we are unable to satisfactorily demonstrate that there is no more than a low risk that the timber has been illegally sourced, we remove the product in question from our range until satisfactory evidence has been provided.

Chain of Custody Certification

Living Edge's portfolio of authentic, original, and sustainable products includes a wide range of FSC & PEFC certified products, and we are committed to transparently sharing information about product certification with our customers to help them make responsible choices.

The Forestry Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC) are global not-for-profit organisations that provide independent auditing, monitoring and certification of responsible forest management and responsibly sourced timber-based products. Third party certification from the FSC and the PEFC provides manufacturers and consumers with the highest level of assurance that the timber they purchase has been responsibly sourced.

In the context of our product portfolio, there are two types of compliance:

Chain of Custody Certified Products

The highest level of compliance is a chain of custody certified *product*. In this scenario, every member of the supply chain, *including the final manufacturer, assembler or brand* must hold a chain of custody license. Every member of the chain must meet their due diligence obligations and prevent the cross contamination of certified and uncertified timber.

Chain of Custody Certified Content

In some cases, a manufacturer or assembler will commit to solely purchasing chain of custody certified timber but will not hold a chain of custody license themselves. This is referred to as a 'broken chain of custody' and compliance can be evidenced through the provision of purchasing records and third party verified environmental management systems such as ISO 14001:2015.

The Australian Packaging Covenant

Living Edge is proud to be a signatory to the Australian Packaging Covenant.

Our Sustainable Packaging Commitment

We recognise that we have a responsibility to reduce the environmental impact of the packaging used across our supply chain by designing and sourcing sustainable packaging products that are reusable, recyclable, or compostable, manufactured from recycled or renewable materials, and by making it easy for our customers to understand how to treat our packaging after they receive it at home or in store.

We are committed to integrating the Sustainable Packaging Guidelines into core business processes such as design and procurement processes, and we have pledged to collaborate with our brand partners to improve the sustainability of packaging materials across our supply chain. Our commitment to improving the sustainability of our packaging extends beyond the in-house packaging materials we design and source, to include the packaging used by our brand partners, and the business-to-business packaging used in our third-party distribution network.

Our priority will be to evaluate our own in-house packaging and transition to new sustainable alternatives in 2023 and 2024. Once this transition is complete, we intend to roll-out these new sustainable packaging standards to our third-party distribution partners in Australia, to ensure our products are shipped with a consistent level of quality. Finally, we will engage with our local and international brand partners to understand their own sustainable packaging goals and collaborate towards shared improvement.

As an APCO member, Living Edge benefits from access to insights, resources and programs designed to help build a sustainable national packaging ecosystem in Australia. As a signatory to the Covenant, we commit to publishing an annual report of our progress against an externally verified action plan, including quantifiable key performance indicators.

The **Australian Packaging Covenant** is managed by APCO, a not-for-profit organisation leading the development of a circular economy for packaging in Australia. The Covenant aims to reduce the environmental impacts of Consumer Packaging by supporting two core goals; optimising resource recovery of consumer packaging through the supply chain, and; preventing the impacts of fugitive packaging on the environment. To help achieve this goal, APCO has developed the Sustainable Packaging Guidelines, or 'SPGs'. The SPGs provide a common framework for member organisations to evaluate existing packaging solutions, and principles to inform sustainable alternatives.

APCO's 10 Sustainable Packaging Principles

1. Design for recovery
2. Optimise material efficiency
3. Design to reduce product waste
4. Eliminate hazardous materials
5. Use recycled materials
6. Use renewable materials
7. Design to minimise litter
8. Design for transport efficiency
9. Design for accessibility
10. Provide consumer information on sustainability

By integrating these principles into the design and procurement of packaging materials, APCO members can collectively work to meet **Australia's 2025 National Packaging Targets**:

- 100% of all Australia's packaging will be reusable, recyclable or compostable by 2025, or earlier
- 70% of Australia's plastic packaging will be recycled or composted by 2025
- 50% average recycled content will be included across all packaging by 2025
- Problematic and unnecessary single-use plastic packaging will be phased out through design, innovation or introduction of alternatives.

2020 Packaging Description		Sustainable Packaging Alternative	Progress & Targets
Living Edge Packaging – In Store Retail			
Retail carrier bag (S/M/L)	Body: 250gsm artboard, matt laminated exterior, matt varnish interior Handles: Herringbone tape (material unknown), threaded and glued Recycled Content: 0% Recyclability: Not recyclable Recycling Artwork: None	Body: 220gsm black dyed FSC kraft paper Handles: Fine weave woven paper handle, threaded and glued Recycled Content: 100% Recyclability: 100% recyclable in one piece Recycling Artwork: APCO approved ARL logo	Sustainable Alternative Approved The new sustainable design for our retail carried bags has been rolled out for our small format carrier bag. We will transition our medium and large carrier bags to the new design once we have exhausted the stock of existing bags.
Tissue paper	100% paper Source: Unknown Recyclable	100% paper Source: FSC certified 100% recyclable	Ongoing project
Branded ribbon	Material: Unknown Recyclability: Not known to be recyclable	Further research required into recyclable ribbon products	Ongoing project
Branded stickers	100% paper Source: Unknown Recyclable	100% paper Source: FSC certified Recyclable	Ongoing project
Living Edge Packaging – E-Store, Warehouse & Shipping			
Shipping cartons	Material: 100% cardboard Source: Unknown Recycled Content: Contains recycled material but no data available from supplier on amount Recycling Artwork: None	Material: 100% cardboard Source: FSC certified if available Recycled Content: Target 50% Recycling Artwork: ARL logo for each separable item (carton/void fill)	100% recyclable cardboard cartons in use Artwork and consumer messaging project ongoing

2020 Packaging Description		Sustainable Packaging Alternative	Progress & Targets
Living Edge Packaging – E-Store, Warehouse & Shipping			
Packaging tape	General packaging tape Recyclability: Not recyclable	Paper-based packaging tape Source: FSC certified if possible Recyclability: Recycling friendly according to the INGEDE 12 Method	TESA paper-based packaging tape approved for use on small to medium shipping cartons
Void fill	BioFill natural cornstarch void fill Recyclability: Degradable in compost or extended exposure to water. Not classed as recyclable in the APCO PREP assessment tool. Recycling Artwork: None	Ranpak FillPak TT Material: Kraft paper Source: FSC if available Recyclability: 100% recyclable Recycling Artwork: ARL logo applied to carton	Complete Ranpak FillPak TT machine successfully introduced
Heavy duty strapping	Material unknown Recyclability: Not known to be recyclable	Further research required	Ongoing project
Chair bags	d2w® biodegradable plastic	Investigate whether d2w® plastic is acceptable in our contractor's organic waste stream	Ongoing project
Pallets	Industry standard timber shipping pallet	Further research required	Ongoing project
Pallet wrap	LLDPE pallet wrap Recyclability: Conditional recycling	Biodegradable plant-based pallet wrap	Ongoing project A range of alternative products have been tested, however, to date they have not met quality and durability standards required to safely store and ship our products
External / Third Party Packaging			
Supplier Packaging	Our current priority is to source sustainable alternatives to all packaging procured directly by Living Edge. Once this process is completed, we will collaborate with our our brand partners to assess their packaging materials against the APCO SPGs and, where required, work with our partners to help them transition to sustainable alternatives, in line with Australia's 2025 Packaging Targets.		



Social



LivingOn Giving

Each year, we run a program of charitable giving and team volunteering to contribute to local and national good causes.

- Every year, we donate the money we would have spent on corporate Christmas gifts to charity. In 2022, we donated this fund to Lifeline and Black Dog Institute to support mental health research and support services in Australia.
- In 2022, we made a donation to the Australian Marine Conservation Society's 'Wavemaker' campaign for World Oceans Day. We donated a portion of the profits made from the sale of the Herman Miller Aeron Onyx chair – a chair manufactured using ocean bound plastic recovered from coastal waterways.
- Our Sydney team volunteered at Addi Road's Hampers for Hope program, helping to pack Christmas hampers for those in need. Living Edge also donated 1,000 packets of Ferrero Rocher treats to include in the hampers.



Our WELL Platinum Showroom

Our Perth Showroom at 7 Queen Street has received the first Platinum WELL Certification in Western Australia for its focus on sustainability and wellbeing.

The WELL Building Standard is a vehicle for buildings and organizations to deliver more thoughtful and intentional spaces that enhance human health and wellbeing. Living Edge engaged global advisory firm ARUP to assist with the certification, this included special focus on improving the quality of air, water and light with inspired design decisions to support mental health, facilitate a good night's sleep and foster a space where people can do their best work each day.

"On behalf of all of us at the International WELL Building Institute, I would like to congratulate Living Edge for achieving WELL Platinum Certification at their Perth office and showroom. This project is significant: not only was Certification achieved in a beautiful 1900s heritage-listed building, but from the very start of the process, it was clear that there was a strong commitment from Living Edge to both the physical and mental well-being of their staff and customers. This commitment has resulted in a warm and inviting space, supported by leading organisational policies, and a dedication to maintaining this high performance over time."

Jack Noonan
Vice President Asia Pacific, IWBI





Health & Wellbeing

Our health & wellness program focuses on improving the wellbeing of all those who interact with our brand, including our customers, our people, and our partners in the design community.

The program features team activities, tools and resources, support services and physical spaces that combine to help improve the wellbeing of all our stakeholders.

The Features of Our Health & Wellbeing Program

- 24/7 access to a Wellbeing Program from Assure Programs for our staff and their family, including Assure's Wellbeing Gateway app.
- Educational resources about health & wellbeing shared through our company intranet and Slack messaging service.
- On site amenities including showers to help encourage our staff to actively commute and exercise during the day.
- High quality working environments for our staff that deliver the WELL concepts of air, water, nourishment, light, movement, thermal comfort, sound, materials, mind and community.
- Tools & resources to help our customers and design professionals select products that will help create healthier, happier homes and places of work.
- A portfolio of high-quality ergonomic products that support physical wellbeing and contribute to meet the criteria of the WELL Building Standard.

Reconciliation

Living Edge's Reflect RAP

Living Edge has recently submitted the first draft of its Reflect Reconciliation Action Plan to Reconciliation Australia. We are currently awaiting feedback and suggestions from Reconciliation Australia as part of the review and accreditation process, and we hope to formally launch our RAP in FY24. We have established a RAP Working Group to deliver the objectives of our Reflect RAP, which include completing the Reflect actions and deliverables set out by Reconciliation Australia, successfully relaunching Mura Projects with our partners (see below) and developing the policies and initiatives that will help generate opportunities for Aboriginal and Torres Strait Islander people in our own operations and supply chain.

Mura Projects

In 2021, Living Edge became a shareholder in Mura Projects Pty Ltd, a Supply Nation registered furniture company, alongside Designcraft and Gulanga Group, an Indigenous owned business based in ACT. The original intent of Mura Projects was to create a vehicle capable of reinvesting a share of the profits earned from the delivery of commercial, state, and federal government contracts into creating opportunities for Indigenous workers in the furniture industry.

Following the sad passing of one of the key shareholders of Mura Projects in 2022, Living Edge has been exploring a new structure and strategy for the business in collaboration with new and existing partners. In this interim period Mura Projects Pty Ltd is no longer registered with Supply Nation.

In May 2023, an agreement was reached in principle between the new partners in Mura Projects and a new Shareholder Agreement is currently being established. The vision for the business remains the same, but with a new goal to leverage the combined experience and capabilities of the partners to develop Mura Projects into a standalone, 100% Indigenous owned furniture company. The new Mura Projects entity will be seeking Supply Nation accreditation in the first quarter of FY24.



The Modern Slavery Act

Living Edge is committed to carrying out the due diligence and remedial actions required to identify, assess, address, and monitor the risks of modern slavery practices occurring in its operations and supply chain.

What is Modern Slavery?

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. The Modern Slavery Act defines modern slavery as including eight types of serious exploitation: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and the worst forms of child labour. The worst forms of child labour means situations where children are subjected to slavery or similar practices or engaged in hazardous work. The United Nations and Walk Free Foundation estimate there are approximately 40 million victims of modern slavery around the world. 16 million of these victims are exploited in the private economy. Australia is not immune from modern slavery. The Australian Government estimates there were 1,567 modern slavery victims in Australia between 2015 and 2017.

The Modern Slavery Act (2018) & Modern Slavery Statements

The Modern Slavery Act (2018) requires organisations with a consolidated annual revenue of at least AU\$100 million to publish an annual Modern Slavery statement. The statement must explain what they are doing to assess and address the risks that modern slavery practices may be occurring in its operations and supply chain.

Although Living Edge does not currently meet the threshold for statutory reporting, Living Edge has published a formal Modern Slavery Statement aligned to the Guidance for Reporting Entities under The Act. This statement has not been formally submitted the Australian Border Force as a voluntary statement. A copy of our formal Modern Slavery Statement is available on request.

How does our Modern Slavery due diligence system work?

Our due diligence system is based on guidance provided by the Australian Government for reporting entities under The Act.

Step 1: Supplier Code of Conduct

We request that all of our suppliers agree to Living Edge's Supplier Code of Conduct. This Code of Conduct requires all Living Edge suppliers to comply with strict labour standards that explicitly prohibit all forms of modern slavery.

Step 2: Modern Slavery Questionnaire

Our suppliers are required to complete a questionnaire that has been developed to assess the level of governance in place in the first tier of our supply chain and the nature and location(s) of their supply chain (our extended supply chain).

Step 3: Risk Assessment

We carry out a risk assessment on each supplier based on the following factors:

- The location of operation and the nature of the products or services supplied
- The GSI Prevalence Index Rank of the country of operation
- The GSI Import Products at Risk Report
- The nature of the governance and control measures described in the supplier's response to our modern slavery questionnaire and the nature of their supply chain

Step 4: Remedial Action (if Required)

If our risk assessment identifies a potential risk of modern slavery occurring in our supply chain, we pledge to act proactively and collaboratively to help that supplier address the issue through direct action and improved organisational governance.

Thank you

If you would like to learn more about LivingOn,
please don't hesitate to get in touch:

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