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# Modus Sustainability Policy

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**Our mission is simple. To create furniture of the highest standards in terms of design, quality and durability that enriches life today without compromising tomorrow.**

## A SUSTAINABLE FUTURE

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We want to create the very best furniture without jeopardising the wellbeing of future generations. This means that we have clearly defined goals to ensure that our business practice respects environmental limits, avoids depletion of resources, promotes social justice and equality of opportunity and understands the interconnectedness of a healthy economy, society and environment.

## RESPONSIBLE MANUFACTURING

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The wellbeing of our planet depends on sustainable business practice, and as a manufacturer we acknowledge the antagonism between industrial production and sustainability, and we understand the responsibility we bear for reducing consumption of energy, water and raw materials and minimising loss of habitat, biodiversity, production of waste and emissions. Because we manufacture in-house we have greater control over the environmental impact of our production activities and we are able to closely monitor this impact.

We are committed to preventing pollution of the watercourse, air and ground and to operating in a manner that is both concurrent with all current legislation and reaches beyond our legal requirements so that we are operating in a way that causes, not only the least harm, but also provides the greatest benefit.

## INTELLIGENT DESIGN

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We consider the design process to be an integral part of sustainable practice and see creativity and sustainability as inseparable. At the heart of the business is the belief that the best approach is a very carefully considered one. We do not manufacture short-lived, fashion inspired products with a transient value, a Modus product has an inherent longevity in terms of both aesthetic and function.

We believe that the design stage is the single most important stage for sustainable consideration and informs the product's carbon footprint, or embodied energy. Our goal is to embed sustainability in the design process, to promote the sustainable design credentials of each product and to use innovation and the power of design as a force for change.

## CIRCULAR ECONOMY

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As much as possible we are working towards circular practice. Every Modus product has been designed with ease of disassembly, repair or refurbishment in mind, replacement parts are available wherever possible and we offer a take back service that sees products rehomed, refurbished or remanufactured and given a new life.

We always aim to use materials with the highest recycled content and well-established recycling streams, to design products with extremely long lifespans, using the most environmentally sensitive materials that will re-enter their respective loops at the end of their life. Our entire in-house production is powered by renewable energy. Dematerialisation and decarbonisation are two key considerations.

We started with one and now we have seven chair ranges with replacement covers. These are chairs that traditionally have fixed covers, instead we developed loose covers that can be bought separately to vastly extend life in use. Alongside this we have developed a soft seating range that forgoes a traditional seat base.

Instead, it is constructed entirely from separate components so that only one will need replacing if it becomes damaged, giving it infinite possibilities for repair. At end of life, products may be returned to us for remanufacture via our take back system 'ReWork'.

## CONTINUOUS IMPROVEMENT

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We will always seek the most sustainable way forward and continue to assess and modify our methods so that best practice can be achieved. Sustainability is a continual journey along which many incremental changes need to be made. The true environmental cost of a product is the sum of all its impacts throughout its lifecycle from cradle to grave. To this end, we aim to scrutinise and improve every aspect of a product, from the design and development stage, to material selection, the supply chain, production processes, distribution and use right through to end of life, via a carefully considered life cycle analysis. This process of continuous improvement takes into account emerging innovative materials, processes and practices in order to progress ever in a more sustainable direction.

This commitment to an intelligent use of resources, minimising environmental impact and producing products of the highest quality with exceptionally long life cycles, is integrated into the company. Employees are actively encouraged to put forward their own suggestions for sustainable practice so that even very small changes can be implemented, that will, over time, make a considerable difference. We believe that every individual has a part to play in promoting sustainability so that profit does not come at the expense of people or planet.

## SOCIAL RESPONSIBILITY

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Above and beyond quantitative results that demonstrate improved environmental or social performance, we also value a qualitative approach that cannot be measured in numeric language but rather in more human terms such as charity involvement, relationships with clients, employees, and suppliers, recognising the needs of the local community and fostering positive engagement with all stakeholders. Modus seeks to make a positive contribution to society that forms part of its progressive legacy.

## RESPONSIBLE PERSONS

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The board of directors has overall responsibility for ensuring that this policy is adhered to.

The Sustainability Manager has day-to-day responsibility for implementing this policy, monitoring its use and effectiveness and auditing internal control systems and policies and procedures to ensure they are effective in preventing the risk of environmental pollution and minimising environmental harm. The Compliance Manager is also responsible for investigating claims of environmental pollution and for updating this policy to remain in line with legal obligations.

Line Managers are responsible for ensuring that those reporting to them understand and comply with this policy.

The Sustainability Manager is responsible for reviewing and updating this policy in line with current changes to socio-environmental issues and company progress.

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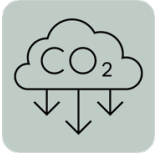
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We have a six part strategy to help us with our mission that sets out our objectives and targets and how we will try to achieve them.

## REDUCING CARBON

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Choosing clean energy is central to the way we work. Our HQ, showroom, and all our production facilities are powered by 100% renewable energy, 39% of which is generated by solar panels on our factory roof.

By using local supply chains and manufacturing as much as we can in house, we keep embodied energy to a minimum, and furniture miles as low as possible.

To keep emissions down we have clear incentives to encourage staff to cycle to work. We are yet to transition to an electric fleet and sometimes we need to fly, drive or travel by train, for this reason we have chosen to offset these emissions with Verified Carbon Standard offsets that meet BSI PAS2060 carbon neutrality standard.

We are a Carbon Neutral Plus Organisation, supporting tree planting in the UK and projects protecting forest in the Amazon that sequesters more carbon than our operations create, making us net zero across our scope 1 and 2 emissions and all travel related scope 3 emissions.

Our targets:

Reduce absolute CO2e kg by 5% by 31<sup>st</sup> March 2024

Reduce scope 1 & 2 emissions by 70% by 2025

Reduce scope 3 emissions in our supply chain by 20% by 2027

Reach net zero across scopes 1, 2 + 3 by 2030

## PROTECTING HABITAT & RESOURCES

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Our furniture is built upon wood – our sofa frames, chair legs, table tops and cabinets are all crafted from wood. To help protect our precious forests we use timber from sustainably managed woodland and we hold FSC™ chain of custody certification which means we can supply the vast majority of our products with FSC certification.

To keep us moving in a more circular direction, we choose materials with high recycled content and long-established recycling streams, helping us close the loop on resource consumption and production of waste. Our cork stools and tables are manufactured using 100% recycled cork and can themselves be recycled at end of life.

As part of our efforts to protect biodiversity and reduce climate change, we established ReForest® a woodland creation scheme in which we plant one tree for every ten products we supply.

The grounds of our HQ and production site have been developed to ensure maximum biodiversity including the planting of many pollinator attracting varieties, a wildflower bank and the retention of wild spaces. Hand scything the wildflower bank avoids the use of mechanical mowers (and their associated CO2 emissions) and destruction of species and helps keep traditional, rural methods alive.

Our target:

100% of our wood-based ranges to be FSC certifiable by 31<sup>st</sup> March 2024

## MAKING HEALTHY PRODUCTS

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We make furniture with the health and well-being of people and planet in mind. We use a water-based lacquer with low VOC emissions to help protect indoor air quality. All our slab foam upholstery is CertiPUR certified, meaning harmful substances have been restricted. We have phased out chrome plating from our collection. One by one we are phasing out harmful ingredients, solvents and VOCs.

## REDUCING WASTE

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Responsible production starts with good design. Our products are crafted from the fewest resources, made to last, and designed for repair, refurbishment and disassembly.

To extend life in use, we offer removable covers on seven of our upholstery ranges and replacement tops for all our tables.

To help us transition towards a circular economy we have created a remanufacturing programme, ReWork, enabling us to take back furniture and give it a new lease of life, stripping products down to their component parts and retaining as much value as possible.

We donate timber and board off cuts to the Design & Technology departments of three local schools, diverting our wood from waste and providing schools with a valuable resource and we donate solid

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# Modus Sustainability Policy

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wood and board to two educational settings offering alternative provision to disaffected young people, working to build confidence and creativity through practical, hands on skills.

Our target:

Increase recycled waste by 5% kg /brand output by 31st March 2024

## MINIMISING OUR PLASTIC FOOTPRINT

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Derived from fossil fuels, accumulating on land and choking our seas, we have never been fans of plastic. We choose renewable materials wherever we can, keeping our use of plastic to a minimum, avoiding single use plastics and opting for recycled over virgin material.

Our Richard chair is made using over 100 recycled plastic bottles making best use of post-consumer plastic and creating value from waste.

We are SEAQUAL INITIATIVE licensees which means we are part of a collaborative community helping to fight plastic pollution. We offer many of our collections in fabrics made from upcycled marine plastic, bringing value to plastic reclaimed from our oceans.

Our target:

100% of our packaging to be compostable or recyclable by 31<sup>st</sup> March 2024

## PEOPLE POSITIVE ACTIONS

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We want to do our bit to help strengthen our local community and build a fair and just society. For us this starts with being clear about what we stand for:

We are proud to be an accredited Living Wage Employer, paying a fair rate of pay for a hard day's work. We believe in investing in society, that means paying our fair share of taxes and looking for ways we can support underprivileged or underrepresented groups. We believe in investing in young people, so we offer apprenticeship schemes and paid internships. We sponsor annual Arts awards and donate our fabric and wood scrap to community organisations.

We think carefully about from whom we buy. Our purchasing policy sits in line with the standards of the Ethical Trading Initiative and the UN Global Compact, helping us source responsibly by ensuring extremely high standards of labour practice and human rights. We

look for complete transparency in our supply chain and we use sustainably sourced timber, feathers, down and hides with full traceability.

We use the sales of our cork stools, Bob and Michael to support the good work of Movement On The Ground, giving 5% of all sales to help improve the lives of refugees displaced by war, famine and climate change.

We care about our team and the people we work with so we offer our staff a package of enhanced benefits and an attitude of openness, inclusiveness and approachability, encouraging our team to offer their ideas and suggestions on how we might do things better.

We are a proud member of the FISP, the Furniture Industry Sustainability Programme.

This Sustainability Policy is due for review annually.

Signed:

A handwritten signature in black ink, appearing to be 'Jon Powell'.

Date: 01/08/23

Jon Powell

Managing Director

(on behalf of the board of directors)