
Modus Sustainability Policy (Full Version)

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

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. Every decision made now must be formulated with a clear understanding of its impact on the future.

Responsible Manufacturing

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, 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

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 work with a broad roster of both British and international designers, including well established names and emerging creative talent, all of whom are committed to a sustainable methodology. 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. The 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

As much as possible we aim for circular practice. In contrast to traditional linear practice (extraction of raw materials, production of goods, distribution, use and end of life), circular practice is inherently regenerative, minimal materials are used, and, having been recovered from closed loops, are kept in circulation without reducing their value. Products themselves are kept in use as long as possible, then, at the end of their lifespan, each component is

disassembled and re-used or recycled so that zero landfill is generated. We will 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. Wherever possible we will use renewable energy.

Case Study: The Milo Chair



A product that has replacement parts designed-in can have its in-use life extended considerably. This is the case with the Milo chair by Simon Pengelly. The most vulnerable and least durable part of any piece of upholstery is the fabric cover itself. Milo has a padded, removable cover and contrasting zip. Once the upholstery cover reaches the end of its life, or a new interior scheme is being introduced, a replacement cover can be made which can simply be zipped on, vastly extending the life of the chair and creating an absolute minimum of resources to be recycled.

Continuous Improvement

In our quest for excellence, 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, administration, 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 processes and practices in order to progress ever in a more sustainable direction. The entire supply chain is involved, requiring close collaboration and a shared responsibility between all concerned.

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. A positive dialogue is actively encouraged and a team of Sustainability Ambassadors, representing each department, that champion our

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goals, is nurtured in every area of operations from production to sales, warehouse to administration. 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

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

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

The Compliance 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 CSR officer is responsible for updating this policy in line with current changes to socio-environmental issues.

We have set out a seven point plan to help us with our mission that sets out our goals and targets and how we will try to achieve them.

We aim to keep our energy use and CO2 emissions to an absolute minimum, making reductions whenever and wherever we can



We understand that the single most important environmental consideration for any business practice is the de-coupling of CO2 emissions from growth. To help keep our CO2 emissions as low as possible, our HQ and our production facilities draw over 80% of their power from a local solar array and our London showroom uses

electricity from 100% renewable sources 1. and gas that is 6% biomethane and carbon neutral.

We try to keep our furniture miles to a minimum by opting for local suppliers whenever possible, carefully managing distribution schedules, keeping all warehousing as close to production as possible and ensuring products and packaging can be flat packed and nested wherever possible.

We have clear incentives to encourage staff to cycle to work and car share. All our showroom staff cycle to work, drive electric vehicles or use public transport.

We have a clear energy efficiency programme that helps our staff keep our energy use as low as possible. All light bulbs are low energy bulbs, monitors have timers and led desk lamps adjust to ambient light levels.

We will always avoid depletion of habitat and resources



We shun the superfluous or frivolous, preferring instead, classic products that are designed to last and that are crafted from a minimum of raw materials. In addition to longevity of design, quality of finish and environmental considerations, materials and finishes are chosen for their ease of maintenance and durability.

In order to protect our precious forests and the biodiversity they support we aim to use only FSC or PEFC certified timber, board and recycled cardboard and paper (recycled paper uses 49% less water, 33% less energy, and 37% less CO2 2.). Wood and timber products from carefully managed forests, whilst not recycled or recyclable in the truest sense, belong to a loop in which timber products form part of a cascade strategy, their embodied energy being used to generate new energy for production or heat. Well-managed forests are important ecosystems in their own right, protecting biodiversity and playing a key role in mitigating climate change 3.

We choose materials with the highest possible recycled content and well-established recycling streams so that we can use closed loop systems wherever possible. We give preference to fabrics that have been created from rapidly renewable materials with lower water demands such as flax, nettle or hemp. 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. We do not use pesticides or artificial fertilisers but instead opt for organic alternatives. 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.

We limit and avoid the use of potentially harmful substances and the creation of emissions

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VOCs



Due to their impact on climate change, environmental pollution and human health, we try to keep to an absolute minimum our use of products containing any volatile organic compounds (VOCs) or potentially toxic substances, giving preference to board product with the lowest emissions, naturally flame retardant fabrics and naturally dyed fabrics and hides. Our cork products are bound with a solvent free binder, we are phasing out all chromium plating and GRP and we will always opt for the least harmful material, process and finish to help protect IAQ, people and planet.

We aim to create an absolute minimum of waste and divert as much as possible from landfill

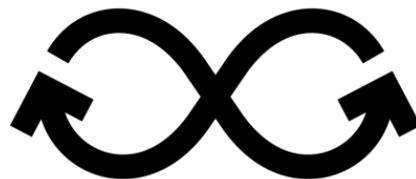


First and foremost, we design products to last and offer replacement parts wherever possible. Several of our ranges can be refurbished with new components; table tops, upholstery covers, or bases, to extend their life, and when it comes to end of life we design for ease of disassembly so that individual components may be separated for recycling. We have clearly identified recycling streams for everything that can be reused or recycled. We donate all waste Dacron wrap, fabric and leather scrap and a wide number of packaging components including strapping, bubble wrap, net and used reels to a local organisation that provides training opportunities for young adults with learning difficulties and gives access to art and craft materials to local schools, care homes, colleges and creative organisations. All timber waste is either donated to local schools or is recycled less than a mile from our site. All foam remnants are collected for recycling into chip foam. We donate all used ink cartridges to a local charity for recycling. We have carefully nested cutting procedures for CNC board and fabric cutting so as to minimise waste. We carefully monitor any waste that is unable to be recycled or re-used so that we can take steps to phase out waste with no recycling stream.

We aim to reduce our plastic footprint to an absolute minimum

Due to its accumulation in the natural environment, its toxicity and its non-renewable status, we try to keep our plastic footprint as small as possible, opting for renewable materials wherever we can. Where we do use plastic, our aim is to keep use to an absolute minimum and to reuse or recycle everything we possibly can. Our moulded foam products use substantially less plastic than traditional upholstery methods and produce no waste. Any offcuts of foam produced by traditional methods are collected for reuse so that every scrap is diverted from landfill. We aim for plastic components to be made from recycled rather than virgin material wherever possible and to be fully recyclable. We are currently using 100% recycled polyethylene and 60% post-consumer PET for two of our product lines. We give preference to fabrics constructed from sustainable fibres or fibres from post-consumer waste. We are currently phasing out all plastic from our packaging, so that it is entirely recyclable and renewable and we are working with our suppliers to phase out plastic packaging further up the supply chain. Our canteen has no single use plastics, and never has, no plastic cups, plates, cutlery, straws or plastic lined paper cups are used. We use reusable containers for food storage and all staff are provided with refillable water bottles and fabric shopping bags. Our environmentally friendly cleaning products are refillable and we use pens made with recycled paper barrels.

We think carefully about from whom and where we buy



We look beyond price and quality to the wider, whole cost implications of procurement. Wherever possible we will buy locally. We have clear procurement policies in line with the Ethical Trading Initiative 5. and the UN Global Compact 6. to ensure that no one along the supply chain has been exploited.

We have a positive impact on the local community and on society as a whole

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Our staff are our greatest asset and the people whose lives we can affect most directly so we like to reflect this in the way we work, this means that our team of employees enjoy enhanced benefits such as extended holiday for those who have been with us for three years or more, family friendly employment, flexible working, generous staff discounts on our products and a comprehensive wellbeing package. All staff are paid, as a minimum, the real living wage as per the living wage foundation's recommendation 7.

We carefully consider how our business practice can benefit our local community and we have close links with several local schools and colleges, providing apprenticeships, internships and donating materials so that creativity can thrive. We donate fabric to the Art Department of a local college and the sewing club of a local school and have links with a local arts organisation that gives artists access to our fabric scrap. We sponsor local teams, clubs and Young Enterprise schemes. We encourage our staff to take part in one big annual charity event and we sponsor the work of various charities including Maggie's 8, Hope for Children 9, The Stephen Lawrence Charitable Trust 10 Southwark Tigers 11 and Movement On The Ground 12. Our Bob stools support the work of Movement On The Ground, providing displaced individuals with the basics we all need to survive.

Case Study: The Bob Stool



The Bob stool (formerly known as Casper), is linked to the foundation Movement On The Ground whose work supports refugees at the forefront of the European crisis. 10% of the profits from the sale of every stool goes directly to Movement On The Ground and for the past two years we have run projects to raise funds for this cause. In 2015, the Where's Casper? Project saw 15 one-off stools auctioned for Movement On The Ground and in 2016 the Who's Casper?

Project saw 15 leading creatives customise a stool before each was sold in an online auction. The money raised from the sale of these stools was used to fund outdoor shelters and support the 'Just Giving' food truck that provides hot meals to individuals at the forefront of the European refugee crisis.

The Who's Casper? Instagram competition, which ran alongside this project, encouraged over 50 students to submit their designs for the Casper stool and one year 3 student from a London Primary School won an original Casper stool. We are proud to encourage the creativity of young minds.

Case Study: Southwark Tigers

We have supported Southwark Tigers 12 since 2015. Southwark Tigers is a community rugby team and charity that assists young people in one of London's most deprived inner-city areas. Through rugby, Southwark Tigers aims to provide children with structure, discipline, community, exercise and fun. We have funded tours, allowing Southwark Tigers to participate in the world's largest youth rugby tournaments and compete against the largest and most established clubs in the country. We have also donated essential kit and equipment, as well as Sales Director, Ed's time spent coaching the team 8.

We follow a detailed internal Environmental Management System and we are independently audited on an annual basis. We are a member of FISP, the Furniture Industry Sustainability Programme.



This Sustainability Policy is due for review on the 30th of April 2019 and thereafter annually.

Signed:

Date: 13th September 2018

Jon Powell
Managing Director
(on behalf of the board of directors)

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References

1. Our energy is supplied by Good Energy who follow a strict procurement policy and source all electricity from UK based solar power, wind power, hydroelectric power and biofuels that have been grown in areas without food shortages and without the loss of natural habitat or reduction of biodiversity. Gas emissions are balanced via verified carbon reduction programmes that support local communities in Nepal, Vietnam and Malawi.

<https://www.goodenergy.co.uk/our-energy/>

2. Paperwork: Comparing Recycled to Virgin Paper Susan Kinsella Conservatree

<http://conservatree.org/learn/WhitePaper%20Why%20Recycled.pdf>

3. COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

A new EU Forest Strategy: for forests and the forest-based sector {SWD(2013) 342 final} {SWD(2013) 343 final} Brussels, 20.9.2013 COM(2013) 659 final

https://ec.europa.eu/agriculture/sites/agriculture/files/forest/strategy/staff-working-doc_en.pdf

4. <http://www.currentscience.ac.in/Volumes/102/12/1645.pdf>

5. <http://www.ethicaltrade.org>

6. <https://www.unglobalcompact.org/what-is-gc/mission/principles>

7. <https://www.livingwage.org.uk>

8. <https://www.maggiescentres.org>

9. <https://www.hope-for-children.org>

10. <http://www.stephenlawrence.org.uk/architecture/>

11. <http://www.southwarktigers.com>

12. <http://movementontheground.com>