At Herman Miller, we solve problems like designers. We may not all have degrees in industrial design, and, yes, we're also accountants and machinists and supply chain managers and marketers, but at our core, the people who make up this company tackle challenges the same way that Charles and Ray Eames or Yves Béhar or George Nelson would. It's just part of our DNA, and it turns out that the creative approach to problem-solving that we take when making furniture works just as well when it comes to ensuring the health and prosperity of our people, our communities, and our planet. We're committed to creating a better world. Design is how we're getting there.
Over 1 million Eames Shell Chairs sold since launch.

“A business is rightly judged by its products and services, but it must also face scrutiny as to its humanity.”

—D.J. De Pree, Founder, Herman Miller, Inc.

Better World Report 2017

AWARDS AND ACHIEVEMENTS
10 of the last 12 years received “Corporation of the Year” by the Michigan Minority Supplier Development Council
10 consecutive perfect scores on Human Rights Campaign Foundation’s Corporate Equality Index
12 of the last 13 years on the Dow Jones Sustainability World Index
2016 Healthiest 100 Workplaces in America
5 years in a row as one of Michigan’s Best and Brightest Sustainable Brands
12 years in a row on the RobecoSAM Group Sustainability Yearbook

HERMAN MILLER AND THE U.S. GREEN BUILDING COUNCIL
Herman Miller was a founding member of the United States Green Building Council, a nonprofit organization dedicated to understanding and promoting sound environmental building practices. We also helped formulate Leadership in Energy and Environmental Design (LEED) Certification guidelines.

HERMAN MILLER PERFORMANCE SYSTEM
Launched in 1999, Herman Miller Performance System is our lean manufacturing approach focusing on quality, reliability, lead-times, and delivery. It’s also our approach to employee-owner development—the way we help team members become problem-solvers and drive change at all levels.

Action Office sales since 1964 have surpassed $8 billion
Over 1 million Eames Shell Chairs sold since launch
7 million Aeron Chairs sold since the 1994 launch

Herman Miller at a Glance
Herman Miller was founded in 1905, went public in 1970, and today, the Herman Miller family of brands employs over 8,000 people worldwide.
**STRENGTHENING COMMUNITY**
As a corporation, we give back in lots of ways and places, and we empower our people to do the same.

**INCLUSIVENESS AND DIVERSITY**
Each person has gifts—and the more we encourage the expression of these gifts, the more we nurture our creativity and innovation as a company.

**HEALTH AND WELL-BEING**
Who makes the world a better place? People. It’s Herman Miller’s job to make sure that ours are at their best.

**EARTHRIGHT**
When it comes to natural resources, our role is to serve as stewards of the environment, ensuring that we’re borrowing, not taking, from future generations.

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Throughout our more than 100-year history, a lot at Herman Miller has changed, but our values and principles have not. We know that we need to develop great products and services for our customers that will also provide good returns for our investors. Yet, we’ve always believed in a higher calling—that we must do right by humanity.

At its core, Herman Miller is a company focused on people. “Inspiring designs to help people do great things” is the mission we embrace because design is where we excel, and through design, we believe we can impact the world for the better. For us, design-driven problem-solving is both a practice and philosophy, and it is the lens through which we view our work, our people, and the world at large.

“A Better World” is the guiding light in our journey to have a positive impact on humanity. We pledge to serve our people by providing them jobs, prioritizing their health and safety, and investing in their personal and professional growth. We will be good stewards of the Earth’s resources, because we are simply borrowing them from future generations, and we have a responsibility to ensure they remain abundant. We will reinvest wealth back into communities across the globe, and forge partnerships that scale our efforts and achieve greater impact. We will perpetuate a culture where the giving of our time and talent is not only celebrated, but expected. And, we will build inclusive communities that value uniqueness in people and thrive on what binds us together instead of what makes us different.

Our Better World Report is merely a snapshot of how we live out our values every day. It’s also my promise that by enacting our values, we’re holding ourselves accountable to creating a better world now and in the future. It’s an aspirational way to live, and we know we’ll make mistakes along the way. But we’ll never settle for less, and we certainly won’t stop trying. Designing a better world is not so much achieving a goal as a continuing journey.

Yes, we are a business. But unless we create value for our employees, customers, investors, and communities, we have no real reason to exist. I believe businesses that earn trust and lead with a moral authority are the businesses of the future. People must believe business has a conscience that goes beyond the bottom line.

Together, we can harness the power of a global collective, become a force for good, and create a better world. We hope you will join us.

All the best,

Brian Walker, CEO, Herman Miller, Inc.
Zeeland, Michigan, where Herman Miller was founded, is a close-knit community where people have always helped each other out without thinking much about it. It’s what being a community means. As our company grew and expanded outside West Michigan, so has our community. Our giving reflects that.
It All Starts with People

Our community is global and so is our commitment to doing good for the people we serve.

“People are the heart and spirit of all that counts.”
—Max De Pree, former Herman Miller CEO

POSH/HONG KONG WALK
In Hong Kong, employees of POSH, a Herman Miller company, participated in the New Territories Walk, raising $5,600 (USD) on behalf of over 150 local member agencies. Proceeds benefited children, families, and community development efforts.

WE CARE, 20 YEARS & COUNTING
Started by Geiger, Herman Miller, and Gensler in Chicago, the We Care event gives at-risk children the opportunity to make holiday gifts for the people they love, in partnership with Herman Miller, the local Boys and Girls Club of America, and architects, designers, dealers, and corporate sponsors. Here’s what it looked like in 2016:

— 8,000 youth and children served
— 28 participating cities around the U.S., plus Vancouver, BC
— 50-plus volunteers in each city
— 280 A+D firms
— 204 dealerships

HERMAN MILLER CARES
Herman Miller Cares is our international corporate giving program. Supported by leadership but led by employees around the world, it focuses on “inspiring youth and children to do great things” through support of charitable organizations that improve lives, engage employees, and strengthen communities. As engagement grows, our giving and our people extend the reach to inspire the Herman Miller collective. This is how we make a difference. These efforts take us beyond just giving to becoming a force for good in the world.

— Over $2 million given back to Herman Miller communities annually
— Doubled our international giving in the last four years to better reflect our global employee base (30% of our employees live outside U.S.)
— Employee-driven fundraising teams earned a corporate match of up to $3,000 for events that meet guidelines
— Community challenge grants, which generated over $75,000 of donations from non-Herman Miller organizations

VOLUNTEER HOURS
Employees can use up to 16 hours of paid time for community service, but volunteerism runs deep in our company, and many employees volunteer much more.

FY 2016 GOAL: 20,000 HOURS
3-YEAR GOAL: 60,000 HOURS

ACTUAL 21,000 HOURS
ACTUAL 67,000 HOURS

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Like a lot of manufacturers, we’ve seen a serious change develop in our talent pool. Highly skilled baby boomers are retiring, and a good number of them are leaving positions that require a knowledge of processes, technologies, and skills that today’s high schools don’t typically teach. And many of the young people in our communities face too many barriers to the additional education and training they need to fill the jobs.

“With an aging workforce, manufacturers see a need to develop a new talent pool,” says our CEO, Brian Walker. “We wanted to be more deliberate about creating bridges.”

At Herman Miller, we believe that there’s lots of local talent. What’s missing is the right exposure to career options, professional networks, and access to the scholarships and work-school programs that might put these young workers on a path to success. Because of the imminent need for skilled talent and the realization of an untapped talent pool, Herman Miller created and piloted a successful educational workforce model, which we then shared with other local businesses including competitors to design a better future for our community, our industry, and the economy.

We call our collective of programs that bridge the school-to-work divide the Herman Miller Academy. The Academy’s goal is to help students see futures they might never have discovered, and then clear a path to achieving those futures.

Only a fraction of the students we work with will wind up choosing to...
work for Herman Miller, which is okay with us. The aim was never to steer every student our way, but to lift a great bunch of them up on a rising tide of education and opportunity.

“The Herman Miller Academy helped me explore different jobs and lit up my small world to an ocean of possibilities that were a mystery to me,” says Abby Chacon, a Herman Miller Academy participant. “I was inspired by the different people I had the pleasure to get to know and was moved by their stories and the obstacles they had to climb to achieve what they had sought.”

The newest program in our portfolio is a partnership between Grand Rapids Community College and the Ottawa-Area Intermediate School District’s CareerLine Tech Center. This is an early college program, designed so that qualified high school students can work toward both their high school diploma and a stackable certificate by completing a thirteenth year of high school at no cost. In fall 2016, nine high school juniors started with the early college program.

“For years,” says Walker, “Herman Miller has recognized the importance of educational partnerships and pioneered efforts to forge these connections within the community.”

Another of our goals is repeatability. Our programs have been duplicated by six other companies throughout our region, multiplying exposure and opportunities, and advancing our region’s education system. Additionally, other companies within the Herman Miller family in North Carolina and Wisconsin are considering similar programs based on our progress.

As for Chacon, she wants to be an engineer. When she finished high school, she earned a place in our partnership program with Grand Rapids Community College, and took a part-time job with Herman Miller, while using a scholarship to earn her associate degree in tooling and manufacturing. She completed that degree in 2016. Today, she works full-time for us, taking advantage of our tuition reimbursement to earn her bachelor’s degree in the engineering program at nearby Ferris State University.

“The Academy put my life into perspective,” says Chacon, “and revealed to me who I am and who I could become.”
Being inclusive is both right and good. It’s right because we value the whole person and all they have to offer. It’s good because to find innovative solutions in a complex world, we need that diversity of perspectives.
Come One, Come All

To design the better world we want, we need everyone’s help.

“A workforce that is diverse in backgrounds, perspectives, and experiences drives innovation, increases our ability to be competitive, and allows us to better serve our customers around the world.”

— Brian Walker, CEO, Herman Miller, Inc.

**What Matters to Us—Inclusiveness and Diversity**

**AWARDS AND ACHIEVEMENTS**

- Corporate Equality Index 100% (best places for LGBT equality)
  - 10 consecutive years
- Michigan Minority Supplier Development Council
  - “Corporation of the Year” for the tenth time in 12 years

**MICHIGAN COMPETITIVE WORKFORCE COALITION**

Political action is yet another avenue for our inclusiveness efforts. Herman Miller is a member of the Michigan Competitive Workforce Coalition, a partnership of business leaders representing companies and other organizations who are working to get Michigan’s Elliott-Larsen Civil Rights Act (ELCRA) updated to include sexual orientation and gender identity. In fact, CEO Brian Walker co-chairs the coalition.

**INCLUSIVENESS RESOURCE TEAMS (IRTs)**

This year marks the 10-year anniversary of our Inclusiveness Resource Teams, voluntary employee-led teams with shared experiences that work on business initiatives.

- **2007**
  - 7 teams, 30 members
  - in West Michigan
- **2017**
  - 12 teams, over 500 members
  - around the world

For more on IRTs, see page 18.

**THE MILLWRIGHT**

The story of the millwright is foundational to our identity. When D.J. De Pree learned about the death of the company millwright, he visited the family. The widow read him some poetry that her husband had written. The experience made D.J. wonder if the man was a millwright who also wrote poetry, or if he was a poet who also did the work of a millwright. From that time on, De Pree was intentional about creating a culture where people are valued and encouraged to bring their whole selves to work.

**The Millwright**

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What Matters to Us—Inclusiveness and Diversity

**SUPPLIER DIVERSITY**

A strong and diverse supplier network is central to our business, and has been for over 25 years. Here’s where we stand today.

- **250+ MINORITY-OWNED BUSINESSES IN OUR SUPPLY CHAIN**
- **18% CORPORATE DIVERSE SPEND**

PRIDE

We’ve supported PRIDE events for several years, including sponsoring an inaugural 2013 PRIDE event in Holland, Michigan, a community where it is still legal to discriminate based on sexual orientation. Over the years, we’ve hosted events in Grand Rapids, Chicago, San Francisco, and—in 2016, for the first time—London. The combined attendance was more than 9,000 people.

“I truly feel spoiled by Herman Miller because the world does not see equality as a standard. Herman Miller does. It is part of their identity. They had a policy that protected me already in place...they were ready for Tru!”

– Tru Jonkman, chair plant employee, who transitioned to male after attending sexual harassment training

HERMAN MILLER ACADEMY

Our Academy has over 95 student graduates. We’re proud that 100 percent of our students have graduated from high school and 65 percent have pursued post-secondary education, aided by over $200,000 in Herman Miller scholarships. See page 8 for more on the Academy.
There are a host of logistics and packaging pros who make Herman Miller’s waste-free deliveries happen, and one of the most innovative is Patrick Patten, President of Eagle Packaging.

Patten is a problem-solver and a systems thinker, deeply committed to environmentally neutral business processes. He has built his company in Zeeland, Michigan, by sharing his values with his employees.

“Probably 70 percent of my staff here are minorities,” says Patten. “Opportunities I’ve had, I try to pass along.”

A member of Michigan’s Grand Traverse Band of Ottawa and Chippewa Indians, Patten appreciates inclusive and environmentally sustainable business practices. And in Eagle Packaging, we found a partner who works to solve our problems, including one that had been weighing on our minds: wooden pallets.

To meet our environmental goals, we reclaim all the pallets we use to
move our products, but the old wood pallets themselves present a lot of problems—they are heavy, costly to move, hard on their handlers, and they’re not readily recyclable.

Eagle Packaging had a counterintuitive solution that’s a vast improvement over wood: paper. CorrLoc, a pallet system they invented, is made entirely of paper, with corrugation so strong the pallets can each hold up to 2.5 tons. Even the runners (where the forks of the forklift are inserted) are made of a patented paper technology. Not only are CorrLoc pallets much safer for people to move because they’re lighter and less likely to cause injury, but they’re also durable, reusable, and, at the end of their lives, completely recyclable. Being lighter than wood pallets, they help reduce freight costs.

“Eagle Packaging came to us because they understand how much Herman Miller values innovation and design thinking, and now they work with us to solve old problems in new ways,” says Kent Ensing, our Vice President of Supply Management.

“Eagle prides themselves on thinking differently,” says Patten. “A lot of packaging companies begin their thought process based on their own products, asking ‘How can we sell our boxes to a company like Herman Miller?’ But we decided from the outset that we would not think in terms of selling boxes. We think about safer, easier, environmentally neutral transport. That means we may design a solution using any of a number of materials, so long as they solve our customers’ biggest delivery problems.”

At Herman Miller, we operate with over 250 certified woman-, minority-, veteran-, and LGBT-owned businesses. Our goal with these relationships is to drive innovation and performance by building a pipeline of diverse suppliers who share the same goals for quality and corporate sustainability. That group accounts for 18 percent of our supplier spend; industry standard is 15 percent. We’re aiming to get our spend up to 20 percent by 2020.

Currently, Eagle Packaging and Herman Miller are collaborating on even more innovative and efficient practices to do right by the environment and each other.

“We decided from the outset that we would not think in terms of selling boxes. We think about safer, easier, environmentally neutral transport.”

— Patrick Patten, President, Eagle Packaging
Health and Well-Being

Our people are at the center of all we do. Their physical, emotional, and financial health and well-being is the lens through which we design everything from our benefits program to our facilities.
Healthy, Happy, and Holistic

We’re designing programs and services for our people’s physical, emotional, and financial health.

**WELLNESS BY THE NUMBERS**

85% of employees and their spouses/partners participate in wellness programs.

Since 2013, 29% of participants with high blood pressure moved to either a normal blood pressure range or to a prehypertensive status by 2016.

31% of those with high total cholesterol in 2013 moved into a desirable level of cholesterol (≤199) by 2016.

Healthcare costs fell 1.74% in 2016.

Our average healthcare cost trend over the last four years is 2.4% per year, far outperforming national averages.

**HEALTHY YOU WELLNESS PROGRAM**

Our culture of wellness includes opportunities for employees to manage their well-being and healthfully integrate work and life.

- One-on-one, on-site nutrition classes
- Mindfulness classes
- Organic food delivery service
- Free college coaching
- Emergency backup childcare and elder care
- Well-being reimbursements: bicycle purchase, weight-loss programs, and gym memberships

**MENTAL HEALTH CHAMPION NETWORK**

- New focus on mental health awareness and suicide prevention
- Partnered with be nice, a mental health awareness and suicide prevention organization
- Nearly 50 trained emotional health champions throughout the organization
- Free, onsite one-on-one social worker visits for employees

“We educate our employees about mental health conditions so we can support each other, end the stigma, and so employees can bring their whole selves to work even when they have emotional well-being struggles.”

—Kerri Ploeg, Herman Miller Corporate Health Manager

“Traveling for work while nursing can be stressful enough due to being away from your baby and family, however, knowing that I could safely send milk back home for my little one was a welcome relief!”

—Trina Lichtenwalner, Herman Miller, Senior Product Manager
OUR IDEA OF SAFETY
To us, safety is not just how safe employees are, but also how safe they feel. That’s why Herman Miller, Geiger, and Nemschoff sites conduct safety surveys, developed with each site’s leadership team, asking employees how they feel about their safety. Manufacturing locations also have safety committees, and team members provide coaching to reduce accidents.

INJURY INCIDENT RATE
Industry Average 4.5 per 100 employees

“Throughout the company, team leaders put safety before anything else, even productivity. I preach safety. We always say, ‘We want you to go home safe, the way you came in.’”
— Keva Thomas, Herman Miller, Selections Facilitator and Safety Representative

AWARDS AND ACHIEVEMENTS
Top 100 Healthiest Employer, ranking 49th in country for our commitment to employee health
World at Work Seal of Distinction—the only company in our industry to receive it
One of Michigan’s Best and Brightest in Wellness for fourth consecutive year
MVP award from MiOSHA (Michigan Occupational Safety and Health Administration)

WHERE EVERYONE WORKS
When an organization that helped people with disabilities find employment folded, Kevin Walker, a senior manager in Operations, stepped up and played an instrumental role in establishing the Ability Centered Employment (ACE) Partnership in West Michigan. Today, more than 40 people are employed at Herman Miller through ACE.

“Active Remembering
In 2009, a small group of Herman Miller employees held a cycling event to celebrate the life of a coworker who had died that year. Inspired by this group’s efforts, we now hold “Run Ride Remember” every year. Hundreds of participants pay to either ride or run a route and enjoy a picnic together. Proceeds help those families facing financial hardships as a result of the death of a family member.

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Industry Average 4.5 per 100 employees

2.2 2015
1.6 2016

“What Matters to Us—Health and Well-being

“This is why I’ve worked here for 39 years—because the company is supportive when we see a need in the community and want to respond to it.”
— Kevin Walker, Herman Miller Senior Manager, Operations
At Herman Miller, we don’t hire workers, we hire people—full, complex, wonderful people who represent our great breadth and diversity. We believe that one of the best ways to unlock their potential, and ours, is to understand what they care about, and then figure out how Herman Miller might start to care about it, too.

Inclusiveness Resource Teams (IRTs) are one way that we can get a fuller picture of what counts to the people who comprise our company. Through these voluntary teams, employees with common characteristics and experiences such as ethnicity, gender, sexual orientation, generation, disability, or veteran status can work on initiatives that benefit the business and the broader Herman Miller community.

Mike Ramirez, Herman Miller’s first Director of Inclusiveness and Diversity and current Senior Vice President of People, Places, and Administration, explains what IRTs mean to the people who join them and to the organization that supports them.

How did Inclusiveness Resource Teams originate?
When I was asked to take this role, we didn’t have corporate inclusiveness and diversity. It was an organization of one: me. While benchmarking other companies, I learned a lot about their employee resource groups. Two things stuck with me: If you’re going to succeed, you need the rest of the employees to rally around the initiative. You need support at the top, sure, but it can’t come only from the top. Second, you have to understand the perspectives of your constituents.

So we learned from others, but then improved on what we saw. We called them Inclusiveness Resource Teams because they are truly inclusive. They’re for everyone.

How do IRTs work? And what work do they do?
IRTs are open to anyone, hourly or salaried alike. And you can join any team. For example, employees whose partners or children are of a different ethnicity may join a specific team.
because they feel a sense of kinship with it. Or, they may have a relative who is a veteran or a sibling with a disability and will join those respective teams.

IRTs are more than just a brand-bearer within the demographics they represent in the community. They can influence things like product design and benefits. Our dependent care benefit was an outcome of our millennial “NextGen” IRT’s work. They explored onsite childcare and saw that it would only benefit 20 percent of the employees. So they recommended that we subsidize dependent care instead. It was a more holistic solution that benefits more employees.

An IRT treats an idea like a seed, waters it, gives it sun, and then it either grows or it doesn’t. But at least it had a chance. IRTs show our employees we want your voice. We need your voice. We have to have that voice. That’s empowering.

In what other ways do you think IRTs make Herman Miller a better place to work?
They demonstrate that people can bring their whole selves to work. Hiding a piece of yourself is distracting and disempowering. It makes you act all day in a way that is untrue to who you are, and you’re not as productive because you’re not truly yourself. This goes beyond making Herman Miller better. This is about creating an inclusive community in a broader sense. That’s why we’ll share what we know about this with other companies, including our competitors.

“Hiding a piece of yourself is distracting and disempowering. It makes you act all day in a way that is untrue to who you are.”
— Michael Ramirez, Senior VP, Herman Miller

People, Places, and Administration

IRTs GO GLOBAL
The Championing and Nurturing Gender Equality (ChanGE) IRT has been one of the most active and effective at Herman Miller. Here are a few examples of how they’ve been making a difference in their communities around the world.

On International Women’s Day, 2017:
— Employees from our Sao Paulo, Brazil, office delivered “self esteem” kits to a women’s rest home.
— Employees in India volunteered on a Habitat for Humanity build.
— In Australia, employees worked at an organization that helps families who have hit a rough spot.

To inspire the next generation of female leaders, ChanGE participated in the Wiltshire Festival of Engineering in Chippenham, England, which aims to generate interest in STEM among 12- to 16-year-olds. Herman Miller talked to the students about engineering, design, and later gave some participants a tour of our new PortalMill facility.
Earthright is our 10-year sustainability strategy that keeps us on the path of continuous improvement. Protecting the environment has been a core value since our founder D.J. De Pree first articulated it in 1953 when he said, “We will be a good corporate neighbor by being a good steward of the environment.” We believe every generation’s obligation is to manage the Earth’s resources responsibly so they will be there for the next generation.
**Resource Smart**

We use processes that eliminate waste from our facilities, borrow the water we need and manage it well, reduce energy intensity, and use renewable forms of energy.

### HERMAN MILLER’S ENERGY USE AT A GLANCE

This is the energy that’s gone into powering our buildings and manufacturing over the last five years.

<table>
<thead>
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<th>Year</th>
<th>ELECTRIC</th>
<th>GAS</th>
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<td>Megawatt hours</td>
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<tr>
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<td>85,000</td>
<td>$49.3</td>
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</tbody>
</table>

**THE NUMBERS**

Sometimes seeing the quantification of our efforts is encouraging. Other times, it shows us where we’re falling short. Either way, we want to know.

- Tons of waste
  - FY16 Goal: 276, Results: 269, FY17 Goals: 147, FY23 Goals: 0
- Millions of gallons of water used
  - FY16 Results: 51, FY17 Goals: 68, FY23 Goals: 43
- Megawatt hours used per $ million sales
  - FY16 Results: 97, FY17 Goals: 106, FY23 Goals: 91
- Percent of energy from local and on-site renewable sources
  - FY16 Results: 15, FY17 Goals: 12, FY23 Goals: 20

Electric is 100 percent renewable; 8 percent is through Power Purchase Agreement and the balance through Green-e certified RECs.
**GREENHOUSE GAS EMISSIONS**
We rigorously track our greenhouse gas emissions and submit our findings to the Carbon Disclosure Project. Here are our numbers from the last three years.

<table>
<thead>
<tr>
<th></th>
<th>2013 METRIC TONS*</th>
<th>2014 METRIC TONS*</th>
<th>2015 METRIC TONS*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Scope 1 Emissions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stationary Combustion (owned and leased)</td>
<td>20345</td>
<td>22664</td>
<td>25235</td>
</tr>
<tr>
<td>Local Fleet (North America)</td>
<td>16409</td>
<td>18609</td>
<td>20408</td>
</tr>
<tr>
<td>Company Vehicles</td>
<td>2636</td>
<td>2786</td>
<td>2580</td>
</tr>
<tr>
<td>Combustion Emissions (outside North America)</td>
<td>338</td>
<td>328</td>
<td>340</td>
</tr>
<tr>
<td><strong>Total Scope 2 Emissions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchased Electricity (owned and leased North America)</td>
<td>59611</td>
<td>62436</td>
<td>61954</td>
</tr>
<tr>
<td>Purchased Electricity (owned and leased outside North America)</td>
<td>57010</td>
<td>58900</td>
<td>54830</td>
</tr>
<tr>
<td><strong>Renewable Energy Certificates (RECs)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewable Energy Certificates (RECs)</td>
<td>71160</td>
<td>52463</td>
<td>46309</td>
</tr>
<tr>
<td><strong>Scope 3 Emissions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Delivery (North America)</td>
<td>37108</td>
<td>36549</td>
<td>34001</td>
</tr>
<tr>
<td>Business Travel (North America)</td>
<td>31545</td>
<td>31099</td>
<td>28479</td>
</tr>
<tr>
<td><strong>Biomass</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CO₂ From Biomass**</td>
<td>15688</td>
<td>10950</td>
<td>6005</td>
</tr>
</tbody>
</table>

* Metric Tons CO₂e (CO₂ equivalent)
** Wood waste

Note: Table shows location-based emissions before application of RECs.

Note: 100 percent of our greenhouse gas emissions from electricity and 62 percent of our Scope 1 and Scope 2 emissions were offset by RECs.

Note: 12 percent of total Scope 1 and Scope 2 emissions, including biomass, are from renewable on-site energy.

### NONHAZARDOUS SOLID WASTE
Materials that are wastes resulting from our processes (manufacturing and other) that are not considered hazardous per the Resource Conservation and Recovery Act (RCRA), the 1976 public law that created the framework for the proper management of hazardous and nonhazardous solid waste.

See how it breaks down below:
- Recycled
- Waste to Energy (On-site)
- Waste to Energy (Off-site)
- Sent to Landfill
- Composted
What Matters to Us—Earthright

Eco-Inspired Design

We design products that contain materials with safe chemistry, use recycled or bio-based materials, can be part of a closed-loop recycling system, and minimize the total life cycle impacts.

DESIGN FOR THE ENVIRONMENT (DfE) SPOTLIGHT Aeron: Next Generation in Design—and Sustainability

When we set out to re-master the Aeron, we made it healthier. Not only is it three pounds lighter, but it’s also free of carcinogens, mutagens, and reproductive toxins. It also has these certifications: Cradle to Cradle V3 Silver, BIFMA level 3, and GREENGUARD Gold. As the first company in the industry to have a product with this combination of certification levels, Herman Miller is once again raising the bar.

MAHARAM GETS SCRAPPY

As part of a long-term goal to reduce the impact of its products, Maharam recently started donating scraps to FABSCRAP, a New York City-based nonprofit textile recycler. FABSCRAP diverts materials from landfills by collecting scraps from manufacturers and providing them to artists, craftspeople, and students for their creative projects.

“It’s not easy when you have to go out and talk to [Wall Street] analysts and explain why it costs one cent a share more to do the right thing versus the economic thing.”

— Brian Walker, CEO, Herman Miller, Inc.

<table>
<thead>
<tr>
<th></th>
<th>FY16 Goal</th>
<th>FY16 Results</th>
<th>FY17 Goals</th>
<th>FY23 Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design for the Environment (DfE)-approved products</td>
<td>80</td>
<td>73</td>
<td>85</td>
<td>100</td>
</tr>
<tr>
<td>BIFMA level 3 certified products</td>
<td>41</td>
<td>54</td>
<td>50</td>
<td>100</td>
</tr>
<tr>
<td>Tons of used product per year diverted from landfill</td>
<td>31,000</td>
<td>3,874</td>
<td>45,000</td>
<td>125,000</td>
</tr>
</tbody>
</table>
EAMES AND SANTOS PALISANDER LIVE HAPPILY EVER AFTER
This year saw the 10-year anniversary of the marriage between the Eames Lounge Chair and santos palisander. In 1990, upon concluding that the Brazilian rosewood was non-sustainable, Research Manager Bill Foley recommended that Herman Miller stop using Brazilian rosewood on its Eames Lounge Chair. Eventually, management agreed with the controversial decision, substituting walnut and cherry and hoping sales wouldn’t suffer. In 2006, we switched to santos palisander, which looks like Brazilian rosewood, but is a sustainable alternative.

MAKING SOMETHING OF NOTHING
Our rePurpose program helps customers send used furniture and other assets to deserving nonprofits. For more on rePurpose, see page 29.

— Launched in 2009
— 150 cities across U.S. and Canada
— Diverted more than 27,000 tons of product from landfill since its inception
— Generated $18 million in charitable in-kind donations
— Participants have included
  General Motors
  John Deere
  BP America
  Shell Oil
  Adobe

“We saw profit as the normal consequence of doing the right thing and doing it well.”
— Max De Pree, former Herman Miller CEO
Community Driven

We strengthen communities by increasing employee engagement and connecting employees with our grassroots history of environmental advocacy, and asking our supply chain to adopt our Earthright strategy.

More than 25 years ago, a group of our employees launched the Environmental Quality Action Team (EQAT), putting into action in a new way D.J. De Pree’s intent that Herman Miller would be a good steward of the environment. Since then, we have worked in every part of our business to make decisions that benefit the environment. We’ve also asked partners and suppliers to join us in our environmental efforts, so we can maximize our impact.

EMPLOYEES
More than 780 employees participated in a Sustainable Hero contest by identifying simple things they could do to better the environment, from using a clothesline to carpooling.

CUSTOMERS
Now more than ever, environmentally aware customers are interested in partnering with us because of our long-standing commitment to the environment, the knowledge we share, and our products.

SUPPLIERS
When we ask suppliers to join us in making the world a better place, we know we are asking a lot. They must track and show an ongoing reduction on a number of measures, and that takes work. It says something about the quality of our suppliers that 82 percent have joined us. Just as importantly, they are sharing best practices with each other.

<table>
<thead>
<tr>
<th>% of employees engaged</th>
<th>FY16 Goal</th>
<th>FY16 Results</th>
<th>FY17 Goals</th>
<th>FY23 Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>22</td>
<td>25</td>
<td>53</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of our suppliers engaged</th>
<th>FY16 Goal</th>
<th>FY16 Results</th>
<th>FY17 Goals</th>
<th>FY23 Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>81</td>
<td>82</td>
<td>83</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

TEACH AND LEARN
We want to work with best-in-class suppliers, and a supplier’s willingness to learn about and implement sustainability measures is key. We share what we know, often working with a supplier at their facility, teaching them as we audit their practices. At the same time, we learn from them. One supplier suggested a more environmentally efficient way to wash parts that decreased water and energy use and saves us $300,000 a year.
AWARDS AND ACHIEVEMENTS

For the twelfth consecutive year, the RobecoSAM Group included Herman Miller in its Sustainability Yearbook, a listing of the world’s most sustainable companies.

The Michigan Occupational Safety and Health Administration (MiOSHA) renewed Herman Miller’s “Star” status, the highest workplace safety and health designation, for the Hickory facility in Spring Lake, Michigan.

Herman Miller earned national recognition from the National Association for Business Resources as one of the “Best and Brightest Sustainable Companies in Michigan.”

PORTALMILL HIRES A BOUNCER

Two hundred seagulls nesting on the roof of PortalMill, our new facility in the UK, were literally making a mess of things and interfering with the rooftop rainwater collection system needed for flushing toilets. So we brought in some muscle—Willow, the trained hawk. She came with her handler every day for a month, which was long enough to convince the seagulls to relocate. Now she comes once a month to make sure they don’t change their minds.

BEE THE CHANGE YOU WANT TO SEE IN THE WORLD

When wasps invaded the Greenhouse facility in Zeeland, Michigan, we imported bees. Once the bees took over the main source of food, the wasps left. And, thanks to cross-pollination, there’s a proliferation of wildflowers on the grounds. We also bottle the honey the bees make and give it to customers.

Recycling in Action to Support Alianza Anticancer Infantil Condesa, Mexico City

Last fall, the Herman Miller Cares Latin Team began collecting recyclables at the Condesa office and donating them to a local organization, Alianza Anticancer Infantil (Alliance Against Child Cancer). AAI recycles the materials to raise money, which is then used to assist children and their families. The Monterrey office plans to implement this initiative, as well.
The Fabric of Design

The small gift shop at Herman Miller’s Design Yard is stocked with all manner of company paraphernalia—pencils, notebooks, water bottles, books about Charles and Ray Eames. But one shelf in particular stands out for its brightly colored bags, each an appealing riot of pattern and hue, rather unlike its neighbors. The bags are made from Herman Miller fabrics, but their designers are neither Nelsons nor Girards nor Eameses. These totes, laptop bags, dopp kits, and the like are designed and made by a group of low-income mothers in Haiti, budding artisans who are quite literally making treasures from what to some might be trash. In the process, they’re supporting their families and communities.

Fabric scraps do present a problem for us insofar as we produce tons of them. Though we work diligently and creatively to make sure they avoid landfills—we offer them to employees, sell them in the company store, and recycle them—our dream is finding another organization that could use and profit by them. Enter the Haitian moms, who present an ideal solution. Not only do the scraps now benefit humanity, but they bolster creative communities abroad and improve our environmental bottom line.

Our involvement with the moms and the Haiti Foundation Against Poverty (HFAP) both sprang up from a Herman Miller employee. Gay Strobel, a project manager on our Brand Design team, and her family helped HFAP and its Gift of Hope program receive gifts of sewing machines and supplies, and by teaching sewing and business skills.
In 2015, Strobel visited Haiti where she met the sewers at work in the Gift of Hope program, saw the expense of the materials the women were using for their bags, and wondered if Herman Miller could help. Thus started a series of key connections.

Gay connected with Dan Broersma, our sustainability specialist, trained to design circular economies, systems in which products’ organic parts return to the earth and their technical parts—metals and plastics and resins and such—are reclaimed to make new things. Dan connected with Herman Miller Cares, our corporate foundation that supports our culture of charitable giving. Its course is largely determined by everyday employees like Strobel and Broersma. These connections helped make the Gift of Hope program a wonderful story of giving and receiving.

The team talked fabric scraps, how they move through which manufacturing lines, and how they might be channeled to the Haitian seamstresses. Broersma tapped our manufacturing groups and our suppliers and in no time we filled a shipping container full of gorgeous fabric scraps, big enough for bags and more, and sent it to Haiti. Herman Miller Cares helped fund the process, and Gay watched her dream of sending scrap materials to the seamstresses she met come true.

We took even one step further in closing the loop in this circular economy within the four walls of Herman Miller. The Haitian moms send the bags to us, where we sell them to an ever-growing market of our employees who, in turn, spread the word about a wonderful cause and a simple way that everyone can help.

Today, thanks to the good work of Gift of Hope, this corps of Haitian moms is developing new skills, breaking free of the generational cycle of poverty, and providing the food, shelter, and education that their families need to thrive. Our story has even inspired two of our partners—Milliken & Co. and Subassembly Plus—to send materials to Gift of Hope as well.

“The network of caring here is inspiring. I asked a few questions about helping these Gift of Hope women support their families and the Herman Miller community took over.”

—Gay Strobel, Herman Miller, Project Manager
Values in Action

General Motors’, Generous Mission

How our rePurpose program is keeping an American automaker’s unused furniture out of the dump

General Motors, like a lot of our customers, is adapting to a radically changing business landscape. GM is in the midst of transformation from a traditional automotive company to a business that will redefine personal mobility. To meet this business objective, GM needs to attract tech workers to its Detroit campus and encourage a highly collaborative design culture. As they began plans to transform their Global Technical Center and other locations to meet these demands, they were faced with excess Herman Miller furniture in need of a good home.

The Environmental Protection Agency reports that nearly 8.5 million tons of discarded office products wind up in landfills in the U.S. annually. A lot of that is office furniture, and an uncomfortable amount of that office furniture has had our name on it. Because we’re serious about keeping our products out of the trash heap, we’ve investigated ways to create a circular economy for our products and materials. Turns out, a lot of that dump-bound furniture can be refurbished or disassembled into parts and materials.

In 2009, we introduced rePurpose, a system for our customers to recycle, resell, or donate old products to organizations in the nonprofit sector. GM sees waste as a misused resource, and looks for opportunities to keep it out of landfills. So, as GM set to the task of revamping office environments across three key locations, they picked Herman Miller, in large part, because our rePurpose program could help them do right by the environment.

The scale of GM’s project is enormous; they’ll renovate more than 6 million square feet of building space that currently houses 21,000 workers. “This is an awesome opportunity for us not only to transform GM’s work environment and culture, but also to benefit the communities in Michigan where we live and work,” says Candice Messing, Program Manager of General Motors Global Technical Center Transformation.

Over the next two years, rePurpose will manage the removal and assessment
of more than 2,000 tons of material from GM, diverting it from landfills and donating it to approximately 100 community organizations across the state. With 152 landfill-free sites and growing, GM’s diversionary tactic is helping them reach their goal of becoming a zero-waste manufacturer. What’s more, total donations are expected to reach $1 million.

One of the first rePurpose makeovers is already underway at Cody—Detroit Institute of Technology College Prep High School, where GM has long been a community partner. Herman Miller and its local dealer, MarxModa, are redesigning three multi-purpose and parent-teacher spaces using GM’s furniture to make better working environments for students, faculty, and working parents.

Johnathon Matthews, Principal of Cody Academy says, “This program exemplifies the kind of corporate and community partnership we rely on to thrive and succeed.”

Next up is the Michigan Urban Farming Initiative (MUFI), a sustainable urban agri-hood in Detroit’s lower North End. Since its first growing season in 2012, MUFI has distributed some 50,000 pounds of free produce among its neighbors.

MUFI, an all-volunteer nonprofit, is partnering with GM, Herman Miller, BASF, and Sustainable Brands to restore a vacant three-story building adjacent to its garden. The building will become a Community Resource Center complete with meeting spaces and a café under a repurposed greenhouse adjacent to the building. These areas will also make use of furniture previously owned by GM.

To date, our rePurpose system has channeled 99 percent of old office products we have removed from our customers’ offices away from landfills—more than 27,000 tons of material—and generated $18 million in charitable donations.

Michael Ramirez, Herman Miller’s Senior Vice President of People, Places, and Administration says, “By partnering with companies like General Motors, we’re reducing our collective environmental footprint and positively impacting the communities where our customers live and work.”

The first phases of the GM transformation have been completed, with employees entering new, open spaces with lots of natural light, work tables for sitting and standing, lounge areas, meeting tables and whiteboards for collaboration, phone rooms with treadmills, and coffee bars. They all encourage the mixing and mingling of people and their ideas. The tech workers and engineers are starting to return, and the project is scheduled for completion in 2018.
At Herman Miller, design-driven problem-solving is a practice, a philosophy, and the means by which we seek to improve the world.

This Better World Report itself was designed as a window into how we’re having a positive impact on humanity. It’s a chance to reflect on where we’ve been, to celebrate what we’ve achieved, and to assess whether we’re living up to our own standards. The truth is, we’re still a long way from the vision we have for our people, our communities, and our planet. But part of getting there is stopping to take a hard look at where we’ve been, where we’re going, and to share our successes and our challenges with the wider world. The only way we’ll get to the better world we dream of is by traveling there together.
We hope our Better World Report will give you some idea of the scope of our efforts to make the world a better place. We update this report annually. In this report we followed G4 standards and the reporting principles issued by the Global Reporting Initiative (GRI).

We are a family of leading global brands:
Herman Miller / Maharam / POSH / Nemschoff / Colebrook Bosson Saunders / Geiger / DWR / naughtone

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