



### **Validation by the SQS:**

The 2010 Sustainability Report of the Girsberger Holding AG was audited by SQS. The data and statements in the report were examined by means of evidence and an audit was performed on site on the basis of sampling. In particular, it was checked whether

- the essential elements have been identified as the basis for the report on sustainability;
- the data collection is appropriate and reliable;
- the statements in the report are understandable and accurate and agree with the collected data.

On the basis of the audited data and information, we confirm that the 2010 Sustainability Report was prepared carefully with respect to content while the published information and quantified statements represent an accurate picture of the reality.

Swiss Association for Quality and Management Systems (SQS)

CH-3052 Zollikofen



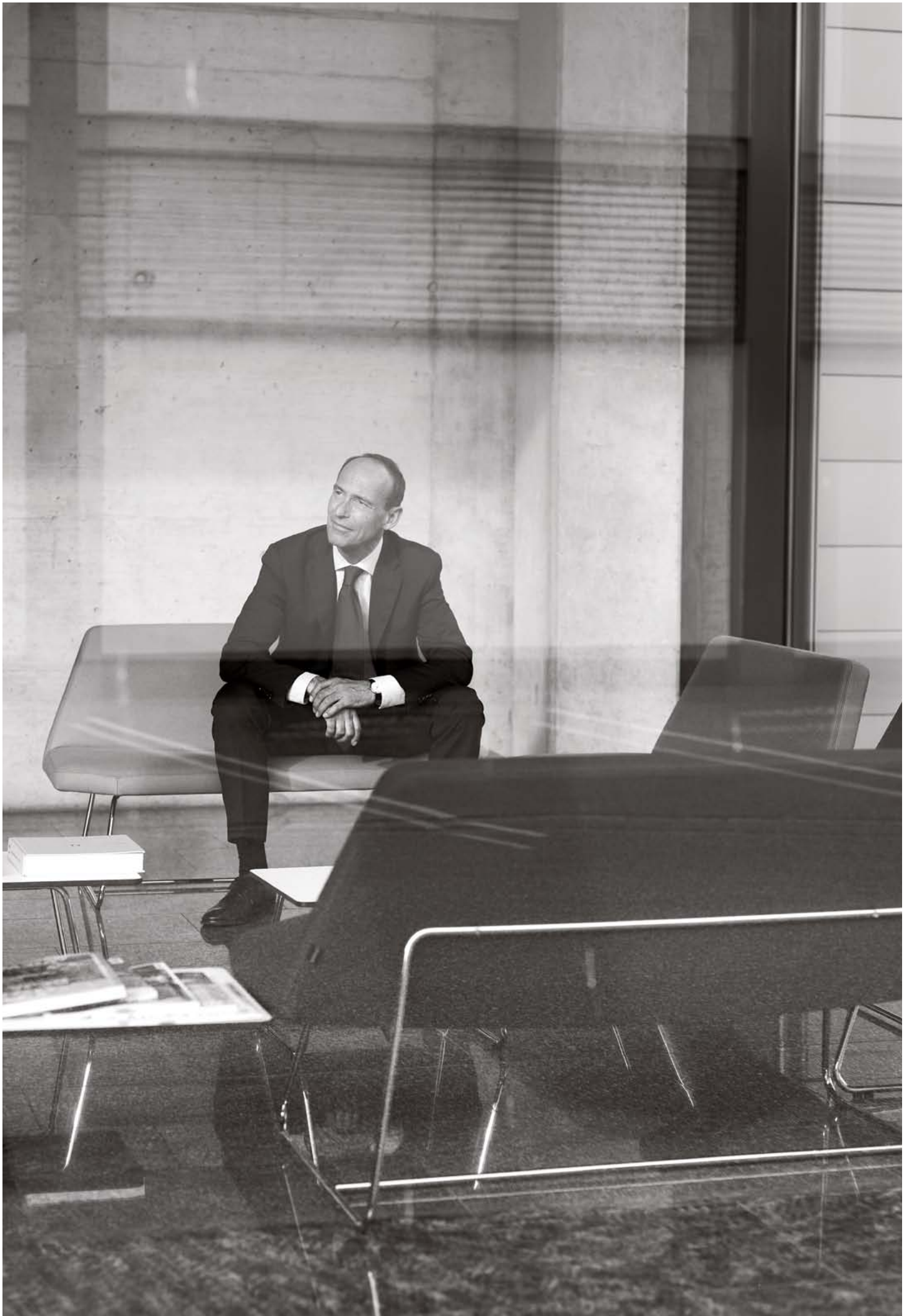
Peter Mollet  
Lead Auditor



Oliver Stankiewicz  
Auditor

<b>4</b>	Introduction
<b>6</b>	Girsberger – the company
<b>10</b>	Stakeholder groups
<b>12</b>	Employees
<b>16</b>	Products
<b>20</b>	Product life cycle
<b>22</b>	Procurement and transportation
<b>24</b>	Wood – a key natural resource
<b>26</b>	Materials
<b>28</b>	Protecting the environment
<b>31</b>	Energy and emissions
<b>32</b>	Objectives
<b>34</b>	Key performance indicators
<b>36</b>	GRI content index





## Introduction

**Michael Girsberger,**  
CEO Girsberger Holding AG,  
on the values of  
the Girsberger brand

Since our company was founded in 1889, it has always been our aim at Girsberger to keep economic success in balance with social and ecological responsibility. In order to review our efforts in this area and to formulate new, concrete objectives, we will from now on be publishing a sustainability report every two business years. This is the first such report.

Operating in a sustainable manner is not only part of our business philosophy but also of our corporate policy and strategic focus. This is shown most clearly by the fact that, to this day, our production operations are based in countries with high levels of pay, such as Switzerland and Germany. Unlike most other furniture manufacturers, we have very consciously decided against outsourcing production or purchasing activities to Asia. What we don't produce ourselves comes mainly (93%) from suppliers whose production sites are based within a circumference of 600 kilometres of our facilities in Switzerland and Germany.

This reflects our conviction and is also a strategic decision. As a medium-sized company, we can only achieve success in the marketplace by differentiating ourselves from large mass-production operations. One of the ways in which our products are set apart from the competition is thus how they are made. Customers buying a piece of Girsberger furniture are opting for a high-quality, long-lasting product and at the same time consciously supporting equitable employment policies and the sustainable use of natural resources.

Of course, this comes at a price. However, conscientious consumers are nowadays aware that genuine sustainability is not compatible with cheap products. They are quite prepared to pay a higher price – if it is justified.

In standing by our policy of procurement and production in high-wage countries, we are also safeguarding local jobs. However, this makes it an even bigger challenge to keep our prices competitive, despite high location and salary costs. With this in mind, continuous innovation at Girsberger stretches beyond designing and producing unique products. Constantly reviewing all of our working processes in manufacturing and logistics lets us optimize our productivity and is thus just as essential to success.

The guiding principles from our company principles are emphasized in this report in italics. They tell us how we are to conduct ourselves in business, in society and within our environment. In this respect – and this seems very important to me – they also stand for the inner values of the Girsberger brand.

This report and the objectives contained within it are limited to the ISO-certified Girsberger companies. However, our efforts to promote sustainability, including our internationally uniform company principles, quality commitment and management guidelines, also apply in full to all Girsberger Holding AG subsidiaries.





Girsberger – the company

**Henning Schweizer,**  
Managing Director Girsberger GmbH,  
on the structure and  
history of the company

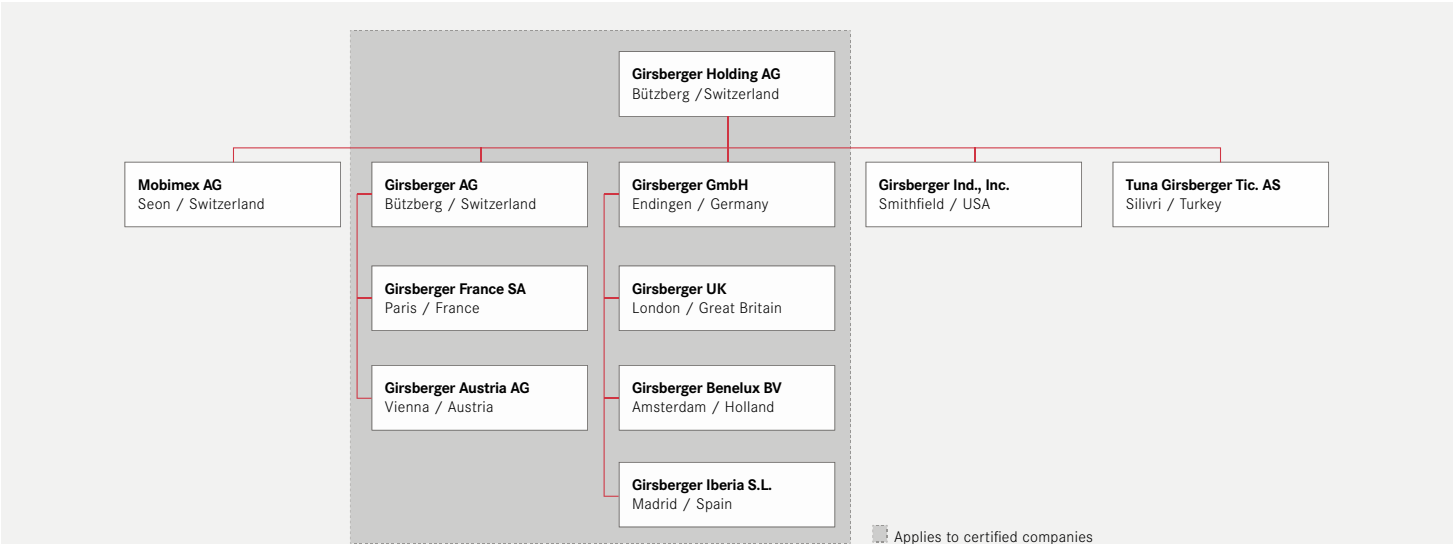


Johann Heinrich Girsberger was not yet 23 years old when he invested all of his savings in setting up his own woodworking shop in Zurich in 1889. That original company has evolved into the modern-day Girsberger, a furniture manufacturer headquartered in Switzerland with production and sales companies in Germany, Austria, France, Benelux, Spain, Great Britain, Turkey and the USA. The company has retained the Girsberger name – and the independence of a family business. Michael Girsberger now runs the company in the fourth generation of the family. Since 2007, Zoom by Mobimex ([www.mobimex.ch](http://www.mobimex.ch)) has been a full subsidiary of Girsberger Holding AG.

The company began making seats and chairs in 1907, when it produced a height-adjustable piano stool. Since then, developing and producing innovative solutions relating to all aspects of sitting has been Girsberger’s core area of expertise. The company’s main focus is on office swivel chairs, visitor and conference chairs and items of lounge furniture, which are produced in Germany, the USA and Turkey. In Bützberg, Switzerland, where the group’s headquarters are located, solid wood is the main material used in producing tables, chairs and sideboards for use at home.

In recent times, two new divisions have been added: Customized Solutions and Service & Remanufacturing. These have evolved from our expertise in craftsmanship and industrial manufacturing in areas ranging from wood and metal construction through to upholstery and surface technology. Today, we create complete seating and dining concepts to architects’ custom designs. In addition, we also restore seats and chairs of all kinds, from an individual favourite all the way to complete banks of auditorium seating.

Three group subsidiaries, Girsberger Industries, Inc., Tuna Girsberger and Mobimex AG, are not ISO-certified and have therefore not been taken account of in this sustainability report.









## Girsberger – the company

**Hans Zingg**, Head of Finance  
Girsberger Holding AG,  
on the company's  
economic growth

*“While achieving the best possible profitability and continual liquidity, we seek to increase our capacity to make capital investments, to ensure the company’s financial independence and to preserve jobs and create new ones in the greatest numbers possible.”*

Taken from Girsberger’s company principles

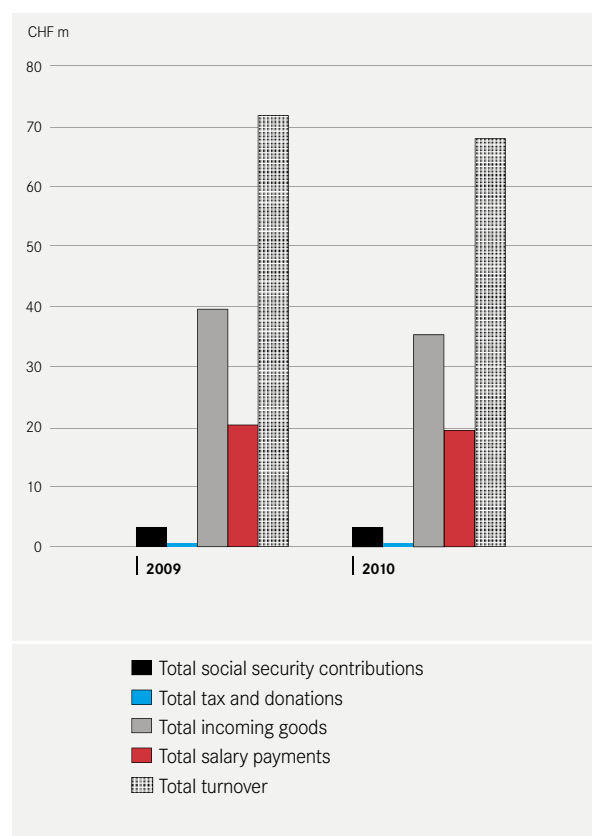
In the 2010 business year, Girsberger succeeded in keeping to this company principle only to a limited degree. The year-on-year fall of 17% in the value of the euro against the Swiss franc, the ongoing pressure on margins from our competitors and the subdued demand in our sector led to a drop in turnover of over 6% in the certified company divisions.

Calculated in the respective local currency, however, we recorded sales increases in the major markets. We fulfilled all of our financial obligations to suppliers, relevant authorities and the state in full and on time. We complied with legal regulations at all times.

Taking into account the negative effect of the exchange rate, orders received by the balance sheet date of 31 December 2010 were 6.4% down on the previous year. In order to increase productivity, Girsberger invested 2.9 million Swiss francs in 2009 and 1.2 million in 2010. Material costs, the largest expense factor in our profit and loss statement, went down from 54% of net turnover to 52%.

Owing to currency effects, cashflow improved significantly. In the Girsberger AG and Girsberger GmbH subsidiaries, we are budgeting in 2011 for total growth in turnover of at least 9% and a cashflow of 5.3%. These are required for the sustainable development of the company.

The chart on the right shows how our turnover breaks down into wages, goods purchases and contributions for tax and social security.



## Stakeholder groups

Shareholders, employees, customers, suppliers and the authorities are our main stakeholder groups. To obtain an external point of view of how sustainable our company is, we spoke to an important customer, a supplier and a representative from the authorities. Questions, concerns and suggestions are being pursued, and will be presented in the next report.

Our aim is to communicate in a proactive, open and contemporary way with all internal and external stakeholder groups.

All Girsberger employees are informed on a monthly basis of the current business trend.

We ensure in the course of annual meetings with our customers at the start of each year, as well as in monthly discussions, that our partners' needs are met in relation to performance and quality and with new environmentally friendly products and materials.

In press releases, we provide details of important topics and product innovations. All current information is available online.

Girsberger maintains proactive collaboration with the public and with local communities. We support employees who are involved in helping their community. We also support local club activities with donations. Our aim in particular is to back projects in the local vicinity of our sites and to financially support charitable and not-for-profit organizations at home and abroad.



Hans-Joachim Schwarz, Mayor (Endingen, Germany), talks to Henning Schweizer, Managing Director Girsberger GmbH

As Mayor of Endingen, Germany, you are responsible for over 9'000 local people. What role does sustainability play in your local authority policies?

The first nuclear power station in Germany successfully stopped by objectors would have been built just four kilometres from Endingen. The people of the town were the most vocal protesters. Consequently, there are a high number of people here who are opposed to nuclear power. Sustainability is always an issue for us. For instance, we are intent on switching the power that the town needs for its facilities over to new forms of energy. That began with overnight storage heaters in the school. Today, we're in the process of testing out a woodchip system for heating public buildings. The very latest development concerns street lighting. However, our aim in launching a community energy company is not to generate power but to save energy costs. The savings from low-energy LED streetlamps would then be shared between the council and the townspeople, so that the investors get a decent rate of return on the capital they invest.

What do you expect from businesses in the region – and from Girsberger in particular?

Girsberger is a valued employer, whose jobs also generate purchasing power in the town. The company's building, which certainly has some attractive elements, is also located on the main access road into the town and is thus in a way our calling card. What I expect from industry is that – as we do – it behaves in an energy conscious way. That, however, happens automatically, as energy is, of course, a cost factor. Sustainability should also be reflected in the corporate culture and in the attitude of individual employees.

What can companies like Girsberger do in particular to encourage sustainable behaviour?

It is my assumption that the nature of mobility is going to change radically. If, as the first relatively large business, a company like Girsberger were to present an initiative extending beyond what is actually required, thus showing that it was thinking ahead to the future, that would in my opinion be helpful. A symbolic action such as setting up a recharging point for electric bicycles would provide positive impetus. Endingen also runs a group for the town's larger companies to exchange experiences – and many of them have the same energy consultant as the council. Coordinated measures are therefore also easy to implement.



Philippe Blondel, Property Director at PricewaterhouseCoopers (Neuilly sur Seine, France) talks to Bruno Duchesne, Managing Director Girsberger France

What does sustainability mean for you personally?

Sustainability is a development philosophy that embraces financially, socially and ecologically responsible and respectful conduct.

What do you expect from Girsberger in relation to sustainability?

That the company remains financially profitable and also continues to produce long-lasting quality seats and chairs – and in the process respects the rules of sustainable development.

What is your perception of Girsberger among the competition?

I see Girsberger as true specialists for good seats and chairs. Our six years of working with Girsberger is testimony to the reliability and durability of the company's products. Girsberger listens to its customers, be that in terms of product development or how it structures its services.

Is there anything in particular that you would like Girsberger to do in relation to sustainability?

We are confident that Girsberger will continue to manufacture high-quality products and protect its European production sites.



Armando Donati, DONATI S.p.A. (Rodengo Saiano, Italy) talks to Roland Ammann, Head of Central Procurement Management, Girsberger Holding AG

What does sustainability mean for you personally?

The term "sustainability", which appeared publicly for the first time in the Brundtland Report in 1987, describes a process that pursues specific economic, social, institutional and environmental goals by means of closely linking natural resources with economic and social development. Indeed, the main concept of sustainability is utilization of natural resources for the present generation without, however, endangering the well-being of generations to come. In this context, the term "responsibility" applies as well: use resources today without putting the future at risk.

What do you expect from Girsberger in relation to sustainability?

In respect of sustainability, what I expect from Girsberger and from the company's suppliers is that to produce their products, they all use advanced technologies that avoid any unnecessary waste of natural resources. I also expect them to use recyclable materials, make their employees aware of environmental issues and pursue an environmentally friendly quality policy.

What is your perception of Girsberger among the competition?

If you research globally these days, you notice that companies pay a lot of attention to pricing policy and to environmental aspects. In addition to these two criteria, however, it is also important to take into account ethical and social aspects by utilizing local human resources in order to safeguard the jobs that already exist locally and to secure new ones, thus helping the country to flourish both now and in the future. With Girsberger also taking these last two aspects into account, we perceive this company as a responsible partner that uses natural resources responsibly and pays attention to environmental and social factors.

Is there anything in particular that you would like Girsberger to do in relation to sustainability?

Donati considers Girsberger to be a responsible partner that already deals with all of these important issues owing to the standards it sets itself. We therefore have no special requests.





## Employees

**Manuela Kurbjuhn**, Head of Human Resources Girsberger GmbH, on equal opportunities and fair pay at the company

*“Irrespective of gender, origin, culture or religion, we are always honest, fair and helpful in our dealings with other people.”*

Taken from Girsberger’s company principles

There are people from 17 nations and numerous different cultural groups working at Girsberger. For us at Human Resources, sustainability means that all employees feel comfortable at the company, experience fair treatment and are able to make their contribution to the company’s success. We measure this both by assessing employee satisfaction and also by looking at turnover rates and absenteeism, which are an indicator of the working atmosphere within a company.

Girsberger pays fair wages. We don’t pay premium salaries for management positions. The pay spread, i.e. the ratio between the highest and the lowest salary for a full-time employee (excluding trainees) is 8, which we regard as moderate.

At 16%, the proportion of female managers remained low at the end of 2010. As the only things that are assessed in the management selection process are qualifications and character, there is essentially nothing to stop this percentage from rising.

### Number of employees and employee turnover rate

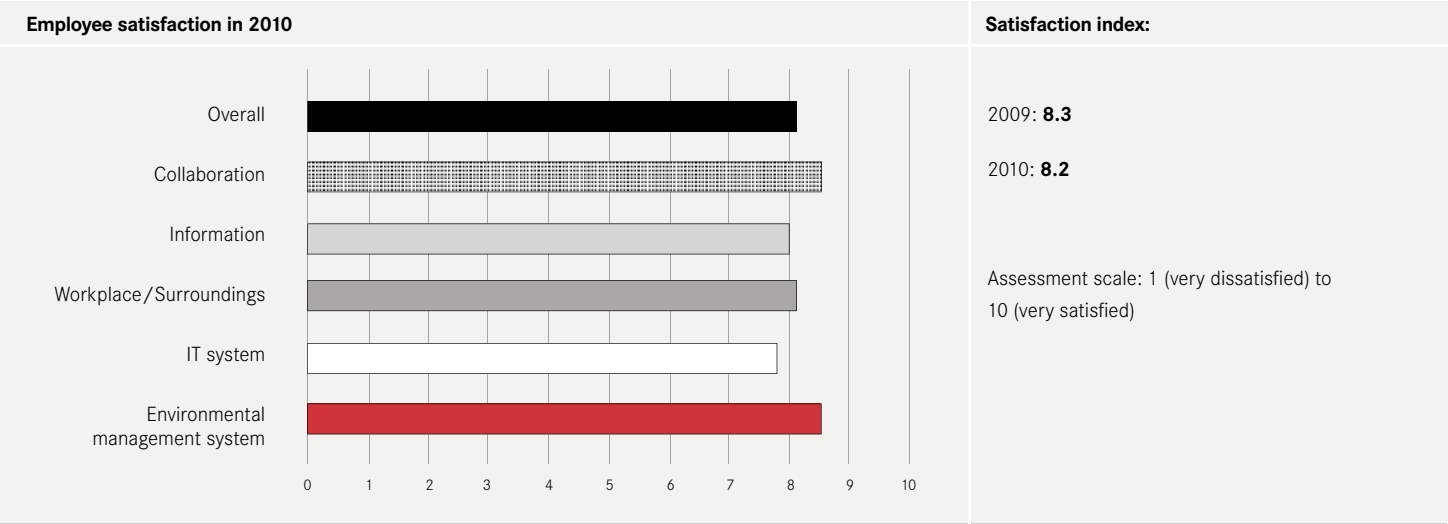
A very difficult business environment forced Girsberger to cut a number of jobs as at 31 December 2010. This explains the increased employee turnover rate (departures of full-time employees, excluding retirements and trainees). For 2011 we anticipate positive business growth, so the turnover rate ought to settle down again at the 2009 level.

Total number of employees at certified companies	2009	293
	2010	288
Number of employees at Girsberger Holding AG, Bützberg	2009	21
	2010	24
Number of employees at Girsberger AG, Bützberg (incl. Paris and Vienna)	2009	150
	2010	150
Number of employees at Girsberger GmbH, Endingen (incl. London, Amsterdam, Madrid)	2009	122
	2010	114
Total employee turnover	2009	7.02%
	2010	9.93%

Employee satisfaction

At 8.2 out of 10 possible points, employee satisfaction is at a consistently high level, although it fell slightly due to the job losses announced in 2010.

We assess employee satisfaction levels in employee appraisals. We hold an appraisal meeting with each employee at least once every twelve months. The conversations held are assessed and analyzed by general management and the respective employee’s line manager. After giving feedback to the employee, appropriate actions are implemented, as necessary.



Training

*“Well-trained employees safeguard our future. We therefore offer apprenticeships in a wide range of careers and foster good working relationships with universities and technical colleges. We seek to continually ensure our employees’ professional development with training courses, international secondments and career development schemes.”*

Taken from Girsberger’s company principles

Basic and ongoing training form the cornerstones of any sustainable management of a business, which is why at Girsberger great importance is attached to this company principle. The instrument for ensuring that this important aspect is properly addressed is the employee appraisal, and we strive to ensure that an appraisal is carried out with every member of staff.

We offer universities and technical colleges tasks for term papers and dissertations, as well as internships and student project jobs.



## Time with the company

Another indication of employee satisfaction is the time that employees stay with the company. The chart on the right provides information on length of employment. The average is around ten years. The number of employees that have been working at Girsberger for over twenty years is more than 14% – undoubtedly a good indicator of the company's ability to create a good working environment.

## Collective bargaining agreements

A collective bargaining agreement is a tool used by employer and workforce representatives in order to guarantee adherence to mutual agreements and to promote improved labour relations. Governed in such an agreement are, for instance, minimum levels of pay, working hours, levels of compensation for overtime, and pay in the event of illness or accidents.

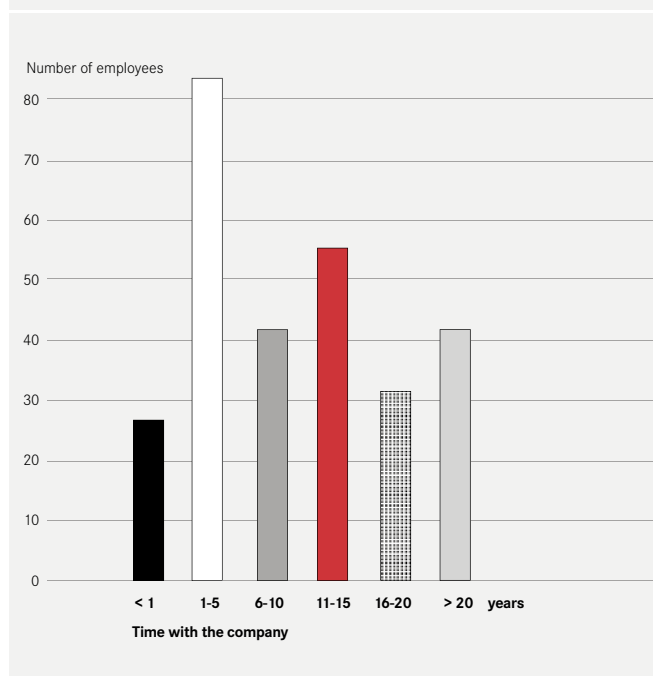
In 2010, around 21% of employees at Girsberger Holding AG were covered by a collective bargaining agreement (excluding managers). At Girsberger AG (including Vienna and Paris) it was 64%. With the exception of the Amsterdam site, Girsberger GmbH based in Endingen (including London and Madrid) is not linked to any collective agreement.

## Absences

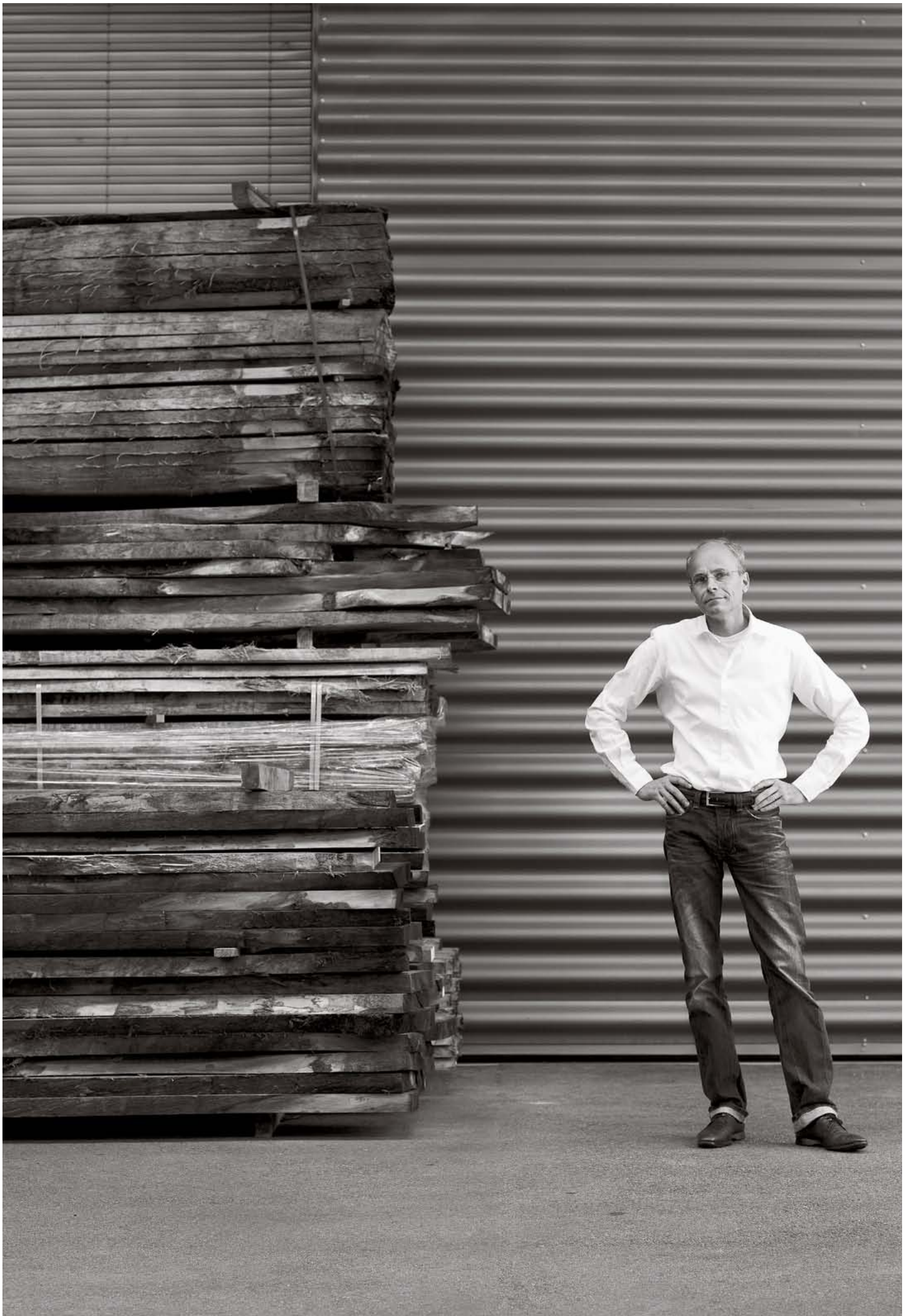
At just under 7 days per employee, absence levels in 2010 at Girsberger AG (excluding Paris and Vienna) and at the holding company in Bützberg were below the Swiss average of 8.4 days (Federal Office of Statistics, Neuchâtel, 2011). Of this figure, 0.3 days were accounted for by workplace accidents. In Endingen (excluding London, Amsterdam and Madrid), the average number of sick days per employee was higher at just under 13. Workplace accidents, on the other hand, accounted here for just 0.1 of a day per employee.

Using targeted measures and preventative healthcare, we plan to reduce the number of days lost by 5%. To this end, action is being taken in all departments to assess risks, find solutions and raise employee awareness.

Time with the company in 2010



Absence in days per employee and year	2009	2010
Girsberger AG and Holding AG, Bützberg (excl. Paris and Vienna)	7.06	6.59
Girsberger GmbH, Endingen (excl. London, Amsterdam and Madrid)	11.97	12.96



## Products

**Mathias Seiler**, Head of Design and Marketing Girsberger Holding AG, on the sustainability of Girsberger products

The sustainability of a product is defined first and foremost by how long it lasts. Products that are not thrown away or replaced do not use up any further resources. The fact is, however, that today's furniture market is dominated by products that are cheap and of low quality. Such furniture is designed to be replaced by something new after just a few years, either due to poor quality or because the user no longer likes it and can pick up a new item of furniture at low cost. The result is an ongoing replacement of goods – the opposite of sustainability and the preservation of natural resources. We all know that this kind of consumer behaviour cannot go on any longer. Especially as the only reason that it is possible for the products to be cheap is because they are made in low-wage countries. In such countries, production methods are generally not very environmentally friendly and the working conditions are often desperate.

Girsberger products are not cheap. For over 100 years, Girsberger has been making high-quality furniture that lasts for many years thanks to its timeless design and essential practical value. Girsberger solid wood tables, for example, are made exclusively from carefully selected tree trunks. The wood is stored and conditioned over many years before it is expertly crafted by hand. The result is a high-quality piece of furniture that nobody will want to replace in a hurry. On the contrary, it can and should be passed down to future generations.

Over the course of many years of use it can, however, happen even to high-quality pieces of furniture that they become worn or even damaged. That does not necessarily mean, that they have to be replaced. In many cases they are worth repairing or restoring. We therefore established our Service & Remanufacturing division, which provides a professional overhaul and reconditioning service. Depending on complexity, location and time, we either perform the work on our premises or take our mobile workshop out to our customers.

This service is being increasingly requested for our office swivel chairs in particular. Such chairs are put through a great deal every day. It is thus quite possible that, after several years, the covers or upholstery may become worn, or the functions may even develop a fault. It is an important aim for us that such office chairs should not be simply disposed of and replaced, but instead kept in use longer through expert repair and maintenance. That, we believe, is a genuine contribution to the preservation of resources and sustainability.







**Thomas Gasser**, Head of Product  
Development Girsberger Holding AG,  
on sustainability in product  
development

The product development process bears a high level of responsibility for the sustainability of Girsberger furniture, as a piece of furniture's sustainability is largely dictated right at the development stage. The choice of materials, the design and the production methods used are critical.

At Girsberger, we consider a piece of furniture's complete life cycle – from procurement of the materials right through to its disposal. The aim is for the least possible burden to be placed on people and the environment at every stage. We therefore choose materials that are produced in an eco-friendly way and can be disposed of in pure form, and we avoid those with poor ecological properties, such as PVC, heavy metals or azo dyes. We also refrain from using any additives or coatings that could harm the environment in any way at any stage of the product life cycle.

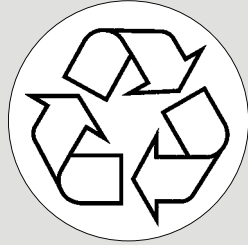
When designing our furniture, we place great importance on no material being wasted. We configure the products in such a way that the desired function can be achieved using as little material as possible. Using 3D models to simulate functional features on the computer enables us to cut down considerably on material-intensive prototypes. Finally, our production processes generate few rejects or offcuts and little waste. As they are simple to dismantle into their constituent parts, our products can also be easily repaired or fed into the appropriate recycling processes.

Over and above this, in the future we aim to ensure that the energy needed by the company and our suppliers to make our products is sustainably produced. We also aim to identify and document the level of CO<sub>2</sub> emissions created during the production process.



8

1



Raw material recycling

Ecologically focussed procurement

Optimized energy efficiency

2



Reduced solvent emissions

3



Energy generation from waste wood



Use of green electricity



Shorter transport distances

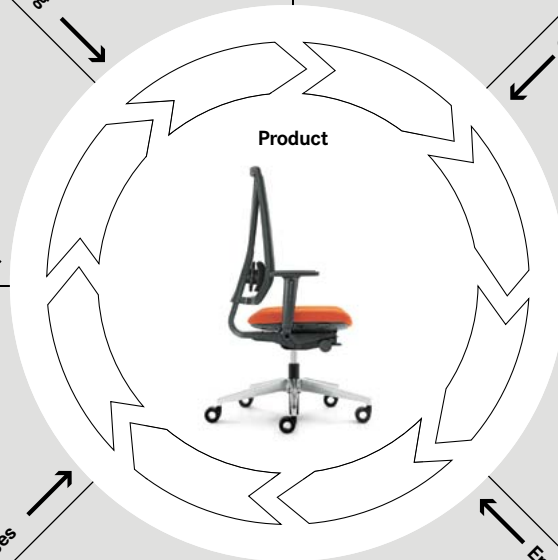
6



Durability



Raw material recycling



4

5



The sustainability of a piece of Girsberger furniture results from the sum of all the measures taken during the individual stages of the product life cycle. This begins with using eco-friendly materials and resources and ends with incorporating the raw materials into new production processes.

- 
- 1** When procuring raw materials and resources, the factors assessed include ecological aspects. We determine and analyze the environmental relevance. Hazardous materials for production and cleaning are subject to strict internal guidelines.

---

  - 2** We constantly review and optimize the energy efficiency of our systems (electricity and heat). Through monitoring the volume of waste, we achieve optimum utilization of raw materials and resources.

---

  - 3** By switching in 2006 to water-based upholstery adhesives, solvent emissions have been reduced by 60%.

---

  - 4** Almost all waste wood in the Bützberg factory is used to produce thermal energy. Generating the same amount of heat using fossil fuels would create 500 tons of CO<sub>2</sub> a year.

---

  - 5** At least 10% of our electricity needs are covered by green electricity from wind, hydro-electric or solar power.

---

  - 6** In granting contracts we consider suppliers that are based as close as possible to the processing plant. 93% of our suppliers are based within a circumference of 600 km.

---

  - 7** Long-lasting products are an important prerequisite for the sustainable use of resources. With our Service & Remanufacturing division, we are committed to ensuring that office chairs are not prematurely thrown out and replaced, but instead remain in use longer thanks to expert maintenance and repair.

---

  - 8** Thanks to professional disposal by a certified company, we create the right conditions for the raw materials to be fed back into the material cycle.
-



## Procurement and transportation

**Roland Ammann**, Head of  
Central Procurement Management,  
on sustainable procurement at  
Girsberger

Any sustainable procurement strategy places importance on short supply distances. When awarding orders, Girsberger therefore gives preference to suppliers that are closely geographically located to the processing plant. This reduces emissions caused by transportation and supports the economy in regions where our customers live. If we receive two identical quotations, the job is given to the company that has created the better ecological conditions, better addresses its social responsibility and uses natural resources more sparingly in its own operations.

Future supply partners are assessed not only on commercial and technical aspects, but also based on their ecological and social behaviour. Girsberger has few suppliers from critical regions (e.g. Asia). Where we do, we require them to carry out a CSR (Corporate Social Responsibility) audit and we check that the requirements involved are adhered to by visiting the site.

Every year we reclassify our existing A and B suppliers based on their environmental relevance. Suppliers of high environmental relevance (such as foundries, tanneries and electroplating shops) that are not certified to ISO 14001 or a comparable standard have to show what measures they are taking to ensure adherence to the applicable environmental protection regulations.

We monitor the situation with our two suppliers from Asia particularly closely. One of these suppliers undergoes a continual CSR risk assessment. We receive this report once a year or – if urgent measures need to be taken – at shorter intervals.

We visited the second supplier's Chinese production site in person in June 2010 and will continue to observe its development.

We consider it important to know where our products' components are made. Our general purchasing terms require component suppliers to declare where and how this is done. Once approved by Girsberger, the suppliers are not allowed to change or outsource this process without our prior agreement. When we next revise the general purchasing terms we will also look at integrating a standard for working conditions and workers' rights at production and service provision companies.

For consumables such as paper, cardboard boxes and packaging, we use products that are sustainably produced or have a high percentage of recycled content wherever possible.

### Logistics and packaging

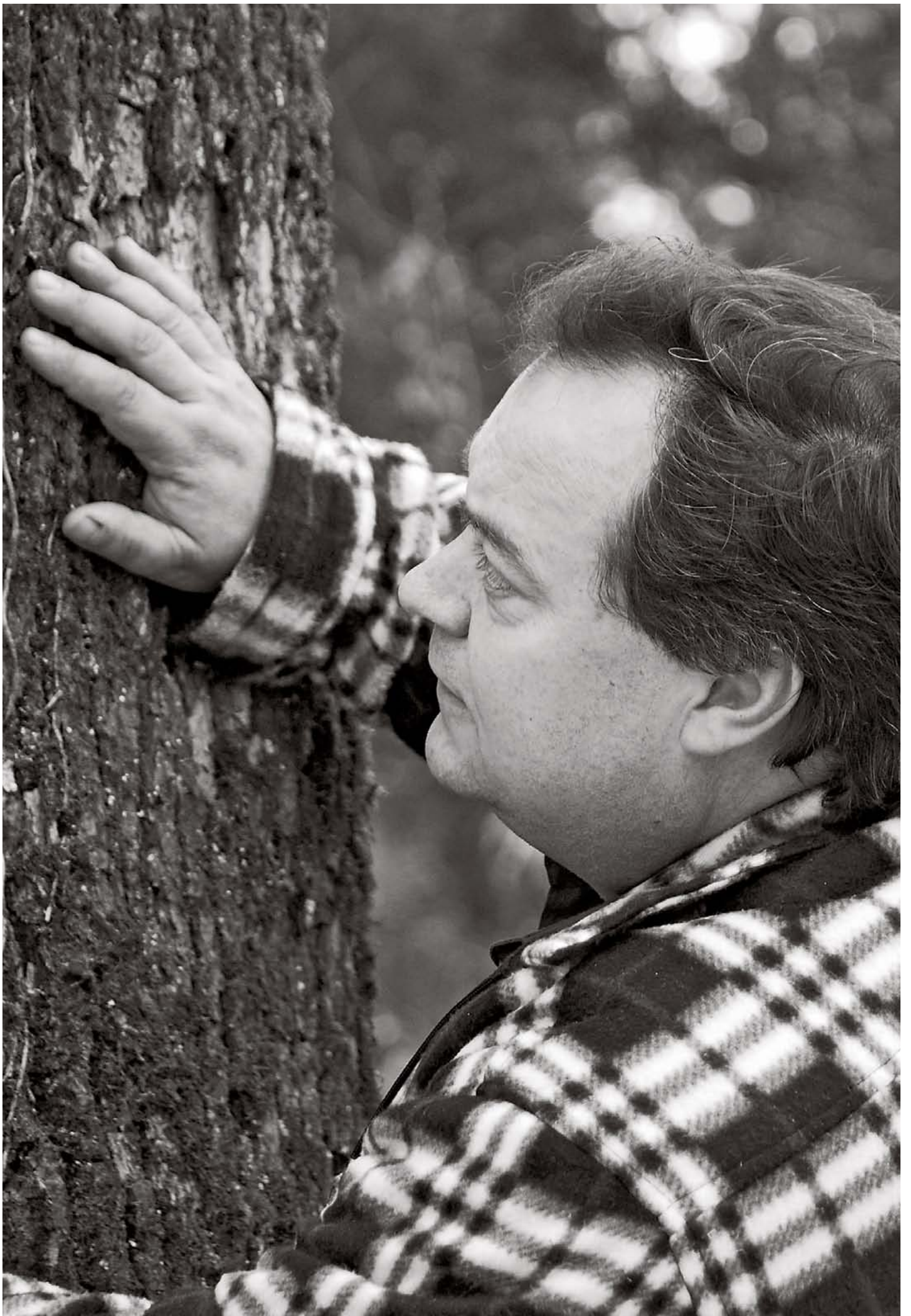
We transport the finished products to our customers by lorry using optimized route plans. We utilize the return journeys to bring raw materials or semi-finished goods back to the factory. We seek to avoid any unnecessary packaging of the parts delivered to us. We design the packaging necessary for transporting and storing parts and furniture to protect them from damage so that it can be reused several times. The remainder that cannot be used again can be appropriately recycled.

#### Purchase volumes\* by value, 2010

Girsberger AG, Bützberg		Girsberger GmbH, Endingen	
Switzerland	68%	Germany	44%
Germany	18%	Central Europe	49%
Austria	10%	Eastern Europe	5%
France	3%	USA and Canada	0.7%
Italy	1%	Asia	0.9%
Rest of Europe	0.4%		

\* Due to rounding differences, the total does not amount to precisely 100%







**Jakob Röthlisberger**, Wood  
Purchasing, Girsberger AG, on  
sustainable timber procurement

We buy our timber as log wood from forests and log yards or from saw mills as round or sawn timber. We are thus close to the source and can monitor that the timber is correctly produced. Whenever possible, Girsberger does not buy any wood from forest clearance regions or from unclear sources. Due to the differing demands in terms of colour, structure and form, the individual types of wood used come from a variety of regions. Over 90% of the wood we need comes from European countries, while around 5-7% is special kinds of wood that are procured to customer specification from the USA or Canada.

Girsberger's commitment to sustainable wood procurement is shown in particular by the company's work in support of the native Elm. Since the early 1970s, there has been a spread of Dutch elm disease in Switzerland. The disease is a form of fungal attack that was first observed in Europe around a hundred years ago. All kinds of indigenous elm are affected. The fungus is carried by the elm bark beetle, a wood pest from the generic bark beetle family. It blocks the vessels that carry water up the trunk, the tree's foliage begins to wilt and the elm dies – often even in the same vegetation period.

There are hardly any viable methods to directly combat Dutch elm disease. Attempts to use the elm bark beetle's natural enemies were not very successful. The use of fungicides and insecticides should be avoided for ecological reasons. Cultivating resistant hybrids by crossing with Asian and American elms is also viewed critically by experts from a purity of species perspective.

To date, the best prospect of success therefore comes from quickly removing afflicted elms from the forest and systematically nurturing the growth of new ones. This is where the elm initiative that we began in 2010 comes in. For every elm table made in Bützberg, Girsberger restocks the forest with an elm seedling. The first 210 elms were planted on 4 November 2010. This idea, coupled with the company's willingness to support academic elm research, has generated interest among many partners: regional forestry operations are now planting and looking after the young elms, and various public research and educational institutions are providing information on the challenges that lie ahead in relation to the native elm.

The website [www.schweizerulme.ch](http://www.schweizerulme.ch) provides information on the elm reforestation project.



## Materials

Girsberger has made it an objective that all raw materials used are produced by environmentally compatible methods and can be disposed of separately. By constantly checking the volume of waste produced, we also ensure optimum utilization.

### Steel

All semi-finished steel products that we use or process, such as tubes and steel sheet, contain a high proportion of recycled metal. At the end of the product lifespan, they are fully recycled. Wherever possible, surfaces are finished without chromium 6.

### Aluminium

Aluminium is very strong, easy to shape and can be finished in many different ways. It is also a material that can practically be recycled ad infinitum. A large proportion of the aluminium used in manufacturing today has been in circulation for decades.

### Thermoplastics

Our synthetic components are made primarily from polypropylene, polyamide, polyethylene and ABS (acrylonitrile-butadiene-styrene). As a foam material, we use polyurethane foam expanded without the use of CFCs. We label every synthetic component so that at the time of disposal they can be separated into material type. A certain proportion of recycled material is also always used in suitable components. For quality and safety reasons unlimited recycling is, however, not possible for plastics.

### Seat cover materials

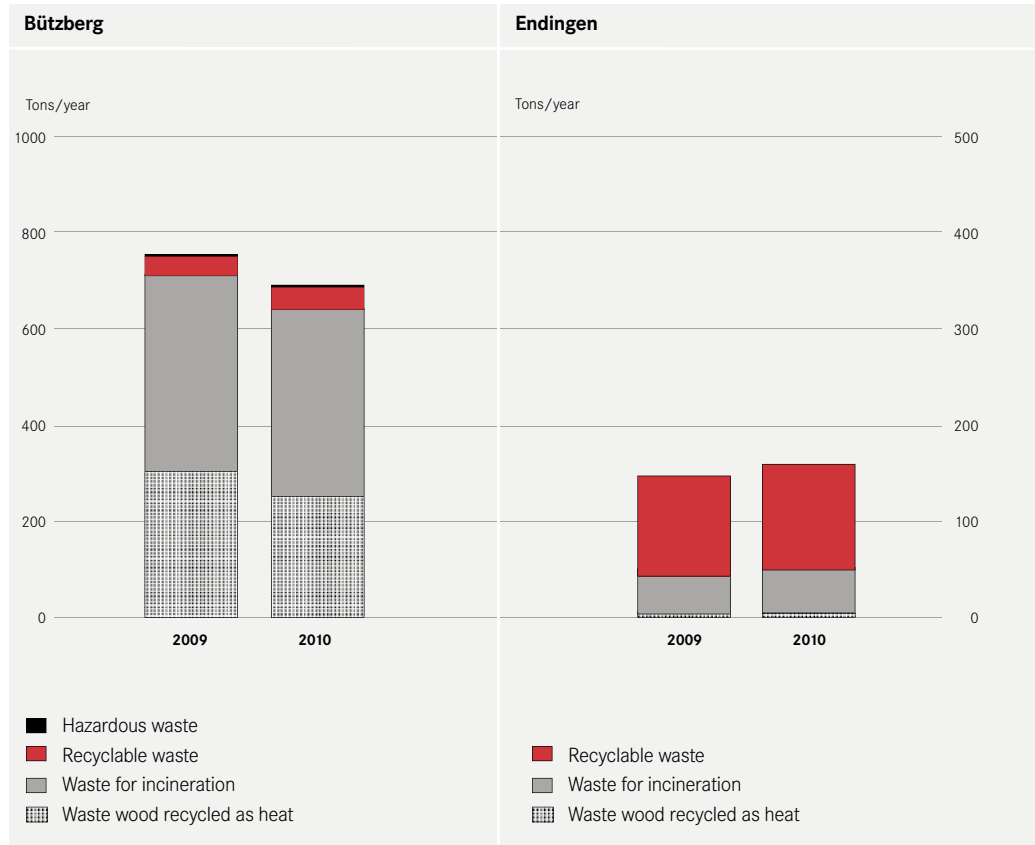
The seat cover materials we use conform to Oeko-Tex Standard 100. We are able to give some mono-form materials made of natural fibres back to the suppliers, where they are torn apart and new covers are made from the fibres. Seat covers made of synthetic materials can be recycled after use.

### Disposal

We recycle not only our own office chairs, but other brands as well. Individual chairs are broken up into their separate materials on our own premises and disposed of in an environmentally friendly way. Large numbers are sent for professional disposal to certified disposal companies. This process sees around 95% of the material recycled and 5% used to generate heat.

### Waste

Around 40% of waste at the Bützberg site is waste wood and can be burnt to generate heat. Approximately 10% goes for recycling (plastic, metal, leather, batteries, etc.). The main items of hazardous waste are solvents, which at 0.5% make up a very small percentage of the total amount. In Endingen around 29% of waste is used to generate heat and 70% goes for recycling.







## Protecting the environment

**Peter von Känel**, Quality and Environment Officer, on the Girsberger Group's awareness of quality and the environment

Environmental awareness and an understanding of quality have been integral parts of Girsberger's philosophy for over 100 years. While in the beginning it was exclusively indigenous types of wood that were worked with at Girsberger, even today over 90% of wood still comes from European forests with monitored reforestation.

Since 1995, the Girsberger companies have had a quality management system certified to EN ISO 9001 for assuring quality in design and development, production, assembly, sales and customer service. Our chairs also carry the seal of proven product safety issued by the Bavarian Trading Standards Department. This was supplemented in 2007 by the EN ISO 14001 environmental certificate for a comprehensive environmental management system. We have thus committed ourselves to adhering to the standard's regulations, continually improving our environmental performance, systematically pursuing key environmental aspects and complying with to the relevant legislation.

The result is environmentally compatible production. The use of high-quality materials from sustainably managed sources and designs geared towards recycling contribute significantly to the long life of our products and thus to the conservation of natural resources. We have greatly reduced the use of paints containing solvents, using oils instead, and since 2006 we have used only water-based adhesives. In recent years, Girsberger has also intensified efforts to improve the energy efficiency of the company's infrastructure. At the Bützberg site, this has resulted in there now being only minimal dependence on bought-in fossil fuels.

An environmental relevance analysis, a programme of measurement and checks and a detailed list of the statutory requirements act as the basis for everything we do. We have our adherence to the regulations regularly checked in an audit carried out by an external, certified body.



### Project Smaragd

Over and above environmentally compatible production, Girsberger also works in concrete ways to protect the environment and preserve biodiversity. To that end we have been supporting the "Smaragd" project since 2009. This is a European network for the protection of endangered animals, plants and habitats. As part of this project Girsberger is sponsoring the resettlement of the beaver in the Oberaargau region. Using regular information leaflets and activities, we seek to raise our employees' awareness of the issues and motivate them into getting actively involved in protecting the environment.

## Protecting the environment

In pursuing annual environmental objectives, we strive for continual improvement of our environmental performance. In 2010, we achieved re-certification to ISO 14001:2004 standard. The certificate has to be renewed every three years and in the intervening period, the progress we are making with our environmental efforts is checked each year by the external certification body. We also review the methodology of our management systems several times a year and implement measures for improvement.

The environmental relevance matrix shows the main areas of focus of our efforts to protect the environment and indicates where there are any special legal requirements. The matrix is based on detailed relevance criteria, which are periodically updated to reflect the latest state of academic and technical knowledge. A high level of environmental relevance is not necessarily equated with there being a lot of catching up to do. It does, however, mean that this aspect has to be constantly pursued, that statutory regulations also generally exist and that there is a need for increased monitoring. In the case of aspects with high relevance, we set ourselves medium-term objectives, which we review every year. However, in the case of aspects with medium or low relevance we also seek to make improvements wherever possible. Energy consumption, the use of raw materials (wood) and waste are among the environmental aspects of highest relevance at Girsberger.

2010 environmental relevance matrix (excerpt)

	Product development	Sales / Customer service	Procurement	Production / Infrastructure	Personnel	
Indirectly through product during use and disposal	2	2				
Indirectly through transportation and employee travel		2	2		2	
Indirectly at suppliers			3			
Raw material resource consumption	3		3	3		
Energy resource consumption (electricity and heat) <sup>1)</sup>				3		
Air emissions incl. greenhouse gases <sup>1)</sup>				2		
Effluent <sup>1)</sup>				2		
Noise <sup>1)</sup>				2		
Waste <sup>1)</sup>	2			3		
Risks (transportation, storage, fire, safety at work, etc.) <sup>1)</sup>			2	2	2	

1) At both the Bützberg and Endingen sites

3 High relevance 2 Medium relevance 1 Low relevance

### Energy consumption

Energy consumption in Bützberg rose in 2010 by 0.3%, which is attributable solely to the increased use of oil for heating. During the refurbishment of the sliding bottom of the shavings silo, the site had to be heated using oil instead of wood shavings.

Electricity consumption was held at the 2009 level. The proportion of certified renewable electricity in Bützberg is 10%. This is made up of 10'000 kWh of wind power and 100'000 kWh of hydro-electric power. In 2011, we are looking into the feasibility of installing a solar power system on the Bützberg production building.

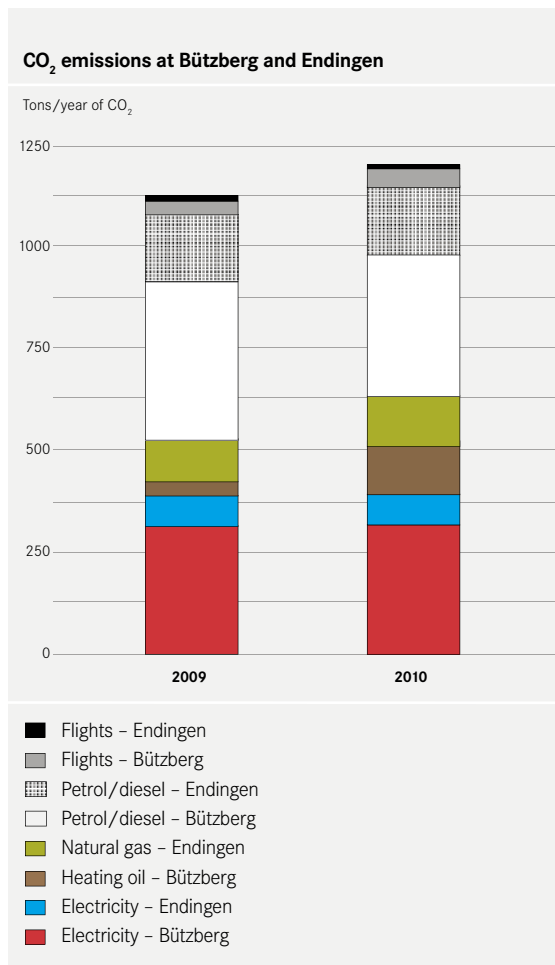
Energy consumption in Endingen rose year on year by 12.8%. This rise is explained in part by the increased production output, while gas consumption also rose due to the period of intensive heating caused by the cold weather. In 2010, almost 30% of electricity was obtained from renewable energy sources, i.e. from wind power, biomass, solar energy and hydro-electric power, as well as from landfill gas, biogas and methane. We aim to maintain this level in 2011.

Energy consumption in MWh	2009	2010
Girsberger AG, Bützberg		
Oil	160	305
Wood	2'061	1'925
Electricity	1'120	1'121
Girsberger GmbH, Endingen		
Gas	713	818
Electricity	235	251

### Emissions

Thanks to carbon-neutral wood heating in Bützberg and the use of natural gas in Endingen, we were able to keep greenhouse gas emissions constant at a low 1'218 tons a year. This is equivalent to the average output of 200 people in Switzerland – clearly a good figure for a manufacturing company with multiple sites and around 300 employees.

The remaining emissions, such as particulate matter, nitrogen oxides and solvents, are checked in accordance with the relevant statutory regulations and kept within the prescribed limits.



## Objectives

The following list shows to what extent the objectives set for the end of 2010 were achieved, and presents the objectives for the period to 2012.

Objective achievement 2010	New objectives	Objective date
<b>Company</b>		
Financial objectives: Cashflow of 3% ● Not achieved by end of 2010	Cashflow of 5.3%	2011
Growth: Turnover growth of 9% ● Not achieved by end of 2010	Turnover growth of 9%	2011
<b>Stakeholder groups</b>		
Defined as a sustainability objective as of 2011	Annual survey among our key stakeholder groups	2011 / 2012
<b>Employees</b>		
Percentage of employee appraisals performed ● Not achieved	100% performed	2011 / 2012
Training ● Personalized training based on annual employee appraisals	Every employee with line management responsibilities to attend at least one leadership seminar for their level	2012
Absences New objective as of 2011	Reduction of days lost by 5%	2012
<b>Products</b>		
Defined as sustainability objectives as of 2011	Development of a new chair concept that makes a large contribution towards sustainability. The seats should feature minimal use of materials, exclusive utilization of green electricity in the production process, high use of recycled materials and short transport distances in the procurement process. CO <sub>2</sub> emissions produced in the manufacture of a chair should be declared.	2012
	Creation of a life cycle assessment system to evaluate our products	2012
<b>Procurement and transportation</b>		
● Increased consideration of ecological and social aspects when choosing suppliers and drafting contracts	Annual confirmation of environmental relevance	2011
Assessment of suppliers from Asia ● Supplier assessment updated ● Asian suppliers reviewed	Consideration of a standard of working conditions and workers' rights for production and service provision companies Further monitoring and review of Asian suppliers	2012 2011 / 2012



Objective achievement 2010	New objectives	Objective date
<b>Resources and raw materials</b>		
Resources and raw materials ● Ongoing objective	Optimum utilization of wood, leather and fabric through monitoring the volume of waste	2011/2012
Commercial waste ● Production of a current situation analysis	Increase the proportion of reusable waste by 10% at both Bützberg and Endingen	2011/2012
<b>Environmental protection / Energy and emissions</b>		
Energy efficiency Keep consumption at 2009 level with the same output ● Improvement of plant efficiency implemented	Keep consumption at 2010 level with the same output	2011
Renewable energy: Proportion of total consumption at least 10% ● Proportion in Bützberg 10% ● Proportion in Endingen 28.9%	Keep proportion of renewable energy in Bützberg and Endingen at 10% and 28.9% respectively	2011
	Look into fitting solar panels on the production building in Bützberg	2011
	Produce a business ecology concept for quantifying areas of energy efficiency potential in Bützberg	2011
	Determine main consumption of energy in Endingen and formulate measures	2011
Emissions ● Compensation through tree-planting scheme partially achieved ● Procurement of new efficiency class A vehicles partially implemented ● Employee training and issue of leaflets	Continuation of compensation process with tree-planting scheme	2011
	Efficiency class A company vehicles	2012
	Further raising of employee awareness of environmental matters	2011/2012

● Objective achieved / ● Objective partially achieved / ● Objective not achieved

## Certified companies' key performance indicators

Indicator	Unit	2009	2010
<b>Company</b>			
Total turnover	Million CHF	72.80	68.02
Wages of all employees (excl. social security contributions)	Million CHF	20.38	19.18
Of which in Switzerland (incl. Paris and Vienna)	Million CHF	13.84	13.64
Of which in Germany (incl. London, Amsterdam, Madrid)	Million CHF	6.55	5.54
Incoming goods – Swiss production site	Million CHF	21.43	19.73
Incoming goods – German production site	Million CHF	18.01	15.69
Capital expenditure	Million CHF	2.89	1.21
Tax and donations – Switzerland	Million CHF	0.11	0.17
Tax and donations – Germany	Million CHF	- 0.06	0.01
Total social security contributions	Million CHF	3.10	3.02
Of which in Switzerland (incl. Paris and Vienna)	Million CHF	2.16	2.22
Of which in Germany (incl. London, Amsterdam, Madrid)	Million CHF	0.94	0.80
<b>Employees</b>			
Number of management staff			
Managers – male	Number	47	52
Managers – female	Number	9	10
Fairness of pay			
Pay spread	Factor	8.2	8.1
Disciplined of discrimination			
Disciplined cases of discrimination	Number	0	0
Percentage of employee appraisals performed			
Employees of Girsberger AG (incl. Paris and Vienna) and Holding AG, Bützberg	Percent	86.3	79.4
Employees of Girsberger GmbH, Endingen (incl. London, Amsterdam and Madrid)	Percent	78.4	86.5
Assessment of employee satisfaction			
Overall (scale of 1-10)	Average	8.3	8.2
Collaboration	Average	8.7	8.6
Information	Average	8.3	8.0
Workplace/surroundings	Average	8.4	8.2
IT system	Average	7.7	7.7
Environmental management system	Average	8.6	8.5
Training			
Number of trainees as percentage of all employees	Percent	6.8	6.6
Trainees at Girsberger Holding AG, Bützberg	Number	2	2
Trainees at Girsberger AG, Bützberg	Number	10	10
Trainees at Girsberger GmbH, Endingen	Number	8	7
Total internal and external training days	Days	297	227
Number of hours of training per employee	Hours	9.1	7.1
Collective bargaining agreements			
Employees at Girsberger AG, Bützberg (incl. Paris and Vienna)	Percent	66.0	64.0
Employees at Girsberger Holding AG, Bützberg	Percent	23.8	20.8
Composition of the workforce			
Employees at Girsberger AG, Bützberg, (incl. Paris and Vienna)	Average age	41.5	42.2
Employees at Girsberger Holding AG, Bützberg	Average age	42.2	42.1
Employees at Girsberger AG, Endingen (incl. London, Amsterdam and Madrid)	Average age	43.9	44.4

Indicator	Unit	2009	2010
<b>Percentage of reusable packaging material</b>			
Girsberger AG, Bützberg			
Wood (partially reused to generate heat)	%	100	100
Cardboard	%	100	100
Plastic film	%	*	*
Other plastics	%	*	*
Girsberger GmbH, Endingen			
Wood (partially reused to generate heat)	%	100	100
Cardboard	%	100	100
Plastic film	%	100	100
Other plastics	%	100	100
<b>Resources and raw materials</b>			
Raw materials			
Wood	m <sup>3</sup>	985	930
Metal	t	232	203
Leather	m <sup>2</sup>	24'571	21'770
Fabric (in metres)	m	75'985	79'729
Paper	kg	No data	5,931
Waste at Girsberger AG, Bützberg			
Wood reused to generate heat	t	302.3	256.6
Waste for incineration	t	412.6	397.4
Recyclable waste	t	39.7	45.2
Hazardous waste	t	3.5	3.2
Waste at Girsberger GmbH, Endingen			
Wood reused to generate heat	t	1.3	2.6
Waste for incineration	t	40.8	46.5
Recycled waste	t	108.8	115.1
<b>Energy and emissions</b>			
Energy			
Water consumption at Girsberger AG, Bützberg	m <sup>3</sup>	2'629	2'679
Water consumption at Girsberger GmbH, Endingen	m <sup>3</sup>	626	631
Waste water fed into public water treatment plants from Girsberger AG, Bützberg	m <sup>3</sup>	2'629	2'679
Waste water fed into public water treatment plants from Girsberger GmbH, Endingen	m <sup>3</sup>	626	631
CO <sub>2</sub> emissions at Girsberger AG, Bützberg			
Electricity	t	327	327
Heating oil	t	34	117
Petrol/diesel	t	371	344
Flights	t	33	42
CO <sub>2</sub> emissions at Girsberger GmbH, Endingen			
Electricity	t	69	73
Heating oil	t	110	127
Petrol/diesel	t	180	177
Flights	t	20	11
Other significant emissions at Girsberger AG, Bützberg			
VOC	t	6.00	6.03
SO <sub>x</sub> (not measurable in 2009, traces)	t	-	0.20
NO <sub>x</sub>	t	4.56	4.33
Particulate matter (not measurable in 2009, traces)	t	-	1.16
Other significant emissions at Girsberger GmbH, Endingen			
VOC, SO <sub>x</sub> and particulate matter (not measurable, traces)	t	-	-
NO <sub>x</sub>	t	1.52	1.50

\* There is currently no appropriate means of recycling the small volumes of plastic that accrue at Girsberger AG due to packaging

This 2010 Sustainability Report is based on the specifications and guidelines of the Global Reporting Initiative (GRI), at application level B+. The guidelines of the GRI define the internationally accepted requirements for sustainability reports. The guidelines can be viewed online at [www.globalreporting.org](http://www.globalreporting.org)

The following list shows where performance indicators pursuant to the GRI are to be found in the report. The full content index can be found online in the supplementary 2010 Sustainability Report on our website [www.girsberger.com](http://www.girsberger.com)

		Page
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	9, 34
EC3	Coverage of the organization's defined benefit plan obligations.	9, 34
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	13, 34
EC6	Policy, practices, and proportion of spending on locally based suppliers at significant locations of operation.	23, 34
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	10, 11
EN1	Materials used by weight or volume.	35
EN3	Direct energy consumption by primary energy source.	31, 35
EN5	Energy saved due to conservation and efficiency improvements.	31
EN8	Total water withdrawal by source.	35
EN16	Total direct and indirect greenhouse gas emissions by weight.	31, 35
EN20	NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by type and weight.	35
EN21	Total water discharge by quality and destination.	35
EN22	Total weight of waste by type and disposal method.	27, 35
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	27, 35
LA1	Total workforce by employment type, employment contract, and region.	13, 34
LA2	Total number and rate of employee turnover by age group, gender, and region.	13
LA4	Percentage of employees covered by collective bargaining agreements.	15, 34
LA7	Rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities by region.	15
LA10	Average hours of training per year, per employee by employee category.	34
LA12	Percentage of employees receiving regular performance and career development reviews.	14, 34
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity.	34
HR2	Percentage of significant suppliers and contractors that have undergone human rights screening, and actions taken.	23
HR4	Total number of incidents of discrimination and actions taken.	34
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	9
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	20, 21
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	29



Girsberger AG, Bützberg, CH  
Girsberger AG, Vienna, A  
Girsberger France, Paris, F  
Girsberger GmbH, Endingen, D  
Girsberger UK, London, GB  
Girsberger España, Madrid, E  
Girsberger Benelux BV, Amsterdam, NL  
Girsberger Industries, Inc., Smithfield, USA  
Tuna Girsberger Tic. AS, Silivri, TR

**[mail@girsberger.com](mailto:mail@girsberger.com)**  
**[www.girsberger.com](http://www.girsberger.com)**

#### **Publishing details**

Publisher: Girsberger Holding AG / Layout: Mathias Seiler, Michael Schade / Photography: Rainer Spitzenberger /  
Printed in Switzerland on FSC-certified paper /

If you have any questions on the Sustainability Report, please contact Brigitte Cina, Girsberger Holding AG ([brigitte.cina@girsberger.com](mailto:brigitte.cina@girsberger.com))

