

Management Standards

A fundamental part of Neutral Posture's corporate environment is responsibility! Whether it be a Customer, an Employee, or Third-party Partner, all practices are established with the idea(s) of quality and continuity. Neutral Posture has proudly been certified to the Internal Standards of Operation since 1999 and believes the regulations set the foundation for our "capacity to endure" philosophy. Below are several examples of how our company incorporates the philosophy into our everyday culture.

- Processes are identified and measured against the Company's Overall Objectives
- Employees are provided their expectations and how they fit with the corporation
- Managers analyze key process measurements monthly with employees to review areas of concern or opportunities for improvement
- Suppliers are provided with rating guidelines and evaluated bi-annually to understand our commitment to service and how they measure to it
- Training courses are designed specifically for certain groups of people to maximize shared knowledge and potential outcomes – including our nationwide sales force
- Product changes are systematically analyzed with a cross-functional team prior to final changes
- NP product warranty system is designed to satisfy the customer in the most efficient and economical way possible, using replacement components and fully instructional assembly sheets when possible
- Management system is viewed as a long-term strategy created to reach the satisfaction of Third-Party Partners by continually monitoring, measuring and improving products and services based on interested parties

Employee Health & Safety

Neutral Posture recognizes that effective environmental management is imperative in minimizing the impact on our environment and natural resources. We are committed to the health and safety of our employees and community, and to protecting and respecting the natural environment. We will:

- Operate all facilities in accordance with all applicable laws and regulations.
- Promote effective environmental management and responsibility by our business partners.
- Design products, processes, and facilities that are environmentally sound, prevent pollution, conserves resources and energy, minimize the use of hazardous materials and reduce waste performance.
- Train and educate employees on environmental management and responsibility to improve employee environmental performance.
- Continually improve in environmental performance and in environmental management.
- Conduct operations in a manner that minimizes our consumption of natural resources and manages waste through responsible disposal and the reuse of recycling of materials.

Labor and Human Rights

Human rights are the standards of treatment to which all people are entitled. The most widely recognized definition is the Universal Declaration of Human Rights, adopted by the United Nations in 1948. Although human rights are principally the responsibility of national governments, this has become an increasingly important issue for business.

Neutral Posture is committed to respecting our employees' human rights. Managers are responsible for ensuring adherence to our personnel policies and guidelines. We support and respect the protection of international human rights within the sphere of our influence, and ensure that we are not complicit in human rights abuses.

Neutral Posture adheres to the following Labor and Human Rights Policies:

Freely-chosen employment

Ensure no forced, bonded or involuntary labor is used in the production of Neutral Posture products or services. Ensure that the overall terms of employment are voluntary.

No child labor

Comply with local minimum age laws and requirements and do not employ child labor.

Minimum wages

Compensate workers with wages and benefits that meet or exceed the legally required minimum.

Working hours

Do not require workers to work more than the maximum hours of daily labor set by local laws. Comply with overtime pay requirements

No discrimination

Prohibit discrimination based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity, religion, disability, union membership or political affiliation

No harsh or inhumane treatment

Prohibit physical abuse, harassment or the threat of either.

Freedom of association

Respect the rights of workers to organize in labor unions in accordance with local laws and established practice.

Interested Parties

Neutral Posture understands the strength and success of business today is derived from the nature of relationships with and responsibilities between all interested parties – including Employees, Customers, Suppliers, Community and World. Our commitment to these relationships is clearly displayed by our everyday interactions and on-going activities, and characterized within our policies:

- Third Party Partners
 - Customers
 - Community
- For any specific information, see the individual sections above, or contact the factory for further details.

Third Party Partners

Our high-level expectation to meet the needs of our customers is largely impacted by the strength of service from our 3rd Party Partners – including Suppliers, Conformance to Regulations/Standards and Freight Carriers. Therefore, within each category of partnership, Neutral Posture establishes the highest level of standards and conformance from all, as provided below.

Suppliers

In order to become a Supplier for Neutral Posture, all candidates must go through a series of qualifications in order to be considered. These qualifications include financial verification, product evaluation, reference checks, and corporate policy verification. Once approved, all Suppliers are enrolled into our Supplier Evaluation system and rated bi-annually on the following criteria: Quality, Delivery, Service, Price and Corporate Responsibility.

Conformance to Regulations/Standards

Neutral Posture actively pursues standards and regulations that will showcase our commitment to quality and continuity. Our current certifications include ANSI/BIFMA G1 standards, ANSI/BIFMA X 5.1 Standards, ANSI/HFES 100 Regulations, and Greenguard Environmental Institute Standards, ISO 9001:2008. In addition, we are self-certified to the BIFMA e-3 Sustainability Standards, and working toward becoming level™ certified mid-fall 2010.

Freight Carriers

Neutral Posture holds their freight carrier partners accountable to similar criteria as Suppliers, however, due to the immense impact freight companies have on the environment, all carriers must also become a partner in the Environmental Protection Agency (EPA) SmartWay program within 1 year of service. All freight carriers are screened through a logistics company and become a partner associate with Neutral Posture based on monthly evaluation reports provided by the logistics company.

Community Outreach

As an active member of society, Neutral Posture has a responsibility to act as a good corporate citizen. Neutral Posture may provide charitable donations of products, funding or services to non-profit organizations through its Community Outreach policy.

We know we can make the greatest impact on our community by supporting causes that are important to our employees and customers. Neutral Posture encourages employees to support programs that make a positive difference in their community through volunteer efforts. The program's overall objective is to support organizations and projects that provide support or assistance at both a local and national level. All outreach activities should be in line with Neutral Posture's core values of integrity, honesty, and diversity.

From 2007 - 2009, Neutral Posture supported over 200 charitable and community-focused organizations through both financial and product donations. Our objective is to focus our donations and continuously correlate them with our community outreach policy. Neutral Posture does not donate funds to political parties, causes or campaigns.

Environmental Commitment Policy

Contained within our corporate policies, Neutral Posture defines its commitment in considering all aspect of the affect on our world in its practice of business. Not just because it's the right thing to do for our environment, but because there is also so much opportunity to be fiscally responsible. It is our conscious effort to analyze data, within areas specified below, in order to determine continuous efforts to reduce or recap costs and become more socially responsible at the same time.

- Energy Use Management
- Solid Waste Management
- Chemical Management
- Corporate Initiatives

For any specific information, see the individual sections above, or contact the factory for further details.

Energy Use Management

Within the realm of our Energy & Atmosphere Policy, the Energy Use Management practice begins with yearly analysis against our Energy Use baseline, established in 2010, using data from 2006 - 2009 and continues analysis at least annually in order to search out factors which could reduce or eliminate use of electricity and natural gases. The Energy Use Management system has benchmarks and strategic goals to measure against and is controlled through our NPMS.

The basic fundamentals of the system include considerations of the following:

- **Renewable Energy sources**
Purchased or created
- **Consumption measuring tools**
Used to measure and track sources of electricity for the largest consumers
- **Environmentally-friendly equipment updates**
Keep up-to-date with newest technology and rebate programs
- **Capital investments/ROIs**
Facility and equipment updates

Product Waste Management

Solid Waste Management is one area in which our employees are 100% responsible for their efforts and the impact they have on the environment. Therefore, the Solid Waste Management section of our corporate policies is fully incorporated into our management system and continues to be an area of focus on what we can do better. Neutral Posture integrates the practice of solid waste management throughout our company by partnering with environmentally responsible waste companies, researching newest endeavours of recycling & refurbishing and working with suppliers in determining how to manage post-consumer waste. All efforts are measured against benchmarks on an annual basis.

Some of the current programs practiced within the Solid Waste Management program, as relating to our products and production of products, are as follows:

- **Recycling**
All plastic bags, paper filler and miscellaneous production aids are researched and taken to appropriate centers or approved agents
- **Post-consumer efforts**
All cardboard boxes, steel/aluminum parts, foam scraps and general product scraps are returned to manufacturer or other approved agent for recycling back into product or new product
- **Landfill diversion**
All remaining trash is picked-up by a certified LEED facility for further recycling efforts
For full details on our End-of-Life product and other corporate initiatives (i.e., office waste, etc.), see the individual sections within the Environment Policy.

Chemical Management

At Neutral Posture, not only is our Chemical Management program a part of our corporate policy, it is a part of our Safety program. We believe in the safeguard of our employees prior to the safeguarding of our customers and environment. Although this program cuts across several departments within our company, the main focus of this particular section comes down to the identification of Chemicals of Concern (as identified by BIFMA) categorized by area designated for use (i.e., Product level, Maintenance level, or Manufacturing process level) and the establishment of safe practices for use and disposal.

Other considerations for identifying chemicals of concern include the ability to assess for alternate sourcing or evaluation of alternate manufacturing techniques or processes.

The basic structure of our Chemical Management program contains the following areas of responsibility:

- **Chemical Identification system**
Any chemical purchased is accompanied with an MSDS and entered into the Chemical Management system for identifying necessary actions of emergency response, logging storage location, determining special disposal instructions and monitoring actual disposal activities.
- **Item Sustainability Form**
All product components are assigned an Item Sustainability form to gather information on the environmental impact of the product and to assist in the evaluation of sourcing.
- **Design for Environment**
Within the design & product improvement phases, full consideration of environmental aspects of components and materials of composition are considered when sourcing or designing. Systems for Chemical Management are established and maintained for all areas of control within our management standards and are continuously analyzed and considered for improvement opportunities.

Corporate Landfill Diversion Initiatives

In addition to our Solid Waste Management initiatives, Neutral Posture is committed to continuing to find partners or new ways to divert any trash into landfills. Over the course of the last 10 years, the company has become very active in our recycling efforts and has a system of tracking the impacts of our environment versus our efforts. Some of the current programs practiced within the company include the following:

- Paper Recycling
- Aluminum Can Recycling
- Plastic Reusable Plateware & Utensils for Breakroom
- Computer Parts & Equipment Recycling

Product & Design Commitment Policy

Neutral Posture's very foundation is in Design! We are known for our design concepts and ideas and have succeeded over the years due to our innovation & creative approach to design. From the very beginning, Neutral Posture has designed a product based on its application in work, longevity and true fit to its use. The original design of our product has been aesthetically enhanced over the years, but the concept of "fit" and "function" has always remained fundamental. Still true to this day, our products are conceptualized based on the ability to put the chair together in the easiest possible manner, to design components with as little waste as possible and to have the ability to interchange parts and pieces to fit any person who may need the chair over its lifetime.

As the design aspect is one of the most fundamental pieces of our company, all design activities are firmly entrenched within the management standards and controlled continuously through a system of customer feedback, quality reviews and opportunities for improvement. As there are many facets to our Product & Design Commitment system, it is necessary to address each area specifically to get a full picture of NP's commitment to design.

The following policies are included in the Product & Design Commitment Program:

- Design Management
 - Product Warranty Management
 - End-of-Life Management
 - Environmentally-Friendly Product Initiatives
- For any specific information, see the individual sections above, or contact the factory for further details.

Design Management

Commitment to design is one of the most well-known strengths about Neutral Posture for our customers, suppliers and competitors. Our corporate culture revolves around the design activities and holds the integrity of these activities in highest regard. Within the distinct areas of responsibility for design – Product Development, Product Modification/Change, Custom Design – the following elements of design are given full consideration before a design is finalized.

- Material Use Efficiency
- Renewable Materials
- Recycled Materials
- Recyclable & Biodegradable Materials
- End-of-Life Management
- Energy Efficiency
- Human & Ecosystem Health Considerations

Each element listed above, used as guidelines for material sourcing and product selection, allows Neutral Posture a roadmap in the general direction to **Design for the Environment** and to consider the endurance factor of all products. All employees involved in designing and sourcing products are educated and trained in the expectancy to continuously increase efforts and activities within the elements.

All of the activities within the design realm are controlled within our management standards and measurement reviews are established to monitor increased activities.

To learn more about what these elements mean, contact the factory for general information.