



SOCIAL RESPONSIBILITY REPORT

2021

NOTE FROM SPEC

About Us

What Drives Us

EMPLOYEE WELLBEING

Ethics

Health & Safety Overview

2021 Health & Safety Indicators

Hiring Policy

Pandemic Response

Health Initiatives

Educational Support

Inclusiveness

OUR COMMUNITY

Humanitarian Work

Community Involvement

QUALITY

NOTE
FROM
SPEC

A decorative graphic consisting of several thick, light gray lines that intersect to form a large 'X' shape across the bottom half of the page. The lines are parallel to each other within each arm of the 'X'.



About Us

Spec Furniture® is a privately held North American Manufacturer of contract seating and tables, directed primarily to the healthcare and institutional marketplace. The company was founded in 1991 and continues to prosper with solid growth and the development of unique customer driven designs. The company is ISO 9001 (Quality Management System), and ISO 14001 (Environmental Management System) certified. Our products are manufactured and ship from Toronto, ON, Canada.

Spec™ has a network of independent sales representatives throughout North America, and is a major supplier to GSA (US Government). Our distribution network is comprised of leading furniture dealers. Spec is an open line, which assures wide distribution, and competitive pricing.

What Drives Us

Spec team comes to work every day to manufacture great product, and provide the highest quality service and personalized response to our customers. We go above and beyond in everything we do: from product design and ensuring its long-term performance, to fast response and assistance in the specification process. In our day-to-day operations, we recognize

the tremendous effect our business has on both internal and external social responsibilities. While making a positive impact on contract office furniture industry, we take a close look at ethics, health and safety protocols, quality control, and our environmental impact that define Spec at its core. We work hard at applying our values every step of the way:

Put health and safety first.

Treat everyone as you want to be treated.

Be a champion for health, safety, and the environment.

Care about your customer.

Lead, follow, or get out of the way.

Lead by example and be accountable.

Embrace continuous improvement.

Have a desire to learn.

Share rewards fairly.

Enjoy what you do.



EMPLOYEE WELLBEING



Ethics

We are committed to observing the highest standards of business ethics and avoiding any activities (such as receipt of gifts, insider trading, and such) that might reflect unfavorably on our integrity and could be adverse to our business interests or reputation.

Spec is an equal opportunity employer and we will not discriminate or condone discrimination in any of our employment or business practices. We are committed to conducting our business in ways that support the dignity of us all and that protect human rights.

We believe that our responsibility goes beyond protecting diversity; it extends to encouraging, educating and valuing our differences and being truly inclusive. We support our communities through outreach projects and by encouraging our people to be involved. All new employees are educated on these policies upon hire, lead by our Director of HR.

Health & Safety Overview

Spec is dedicated to achieving and maintaining a welcoming, safe and healthy workplace for our employees. We are committed to the prevention of occupational illness and injury

as legislated under the Ontario Occupational Health and Safety Act (OHSA).

As evidence of our ongoing commitment to health and safety, we are registered to the ISO 45001 standard. Spec continues to be audited annually by an independent third-party (NSF) and maintains its ISO 45001 registration.

Safety is an essential part of normal operating practices. The safety of all employees is the responsibility of everyone who works at Spec Furniture. We are proud and grateful for our staff for exhibiting timely and proactive approach to ensuring every individual is safe at all times.

An integral part of our health and safety management system is designing the work environment in a way that supports the safety or health of our employees. We conduct extensive job safety analyses for each operation and perform regular workplace inspections with a primary focus on preventive measures.

In addition to this granular approach, we have also established a Joint Health and Safety Committee which is made up of management and worker reps from various departments. The Committee conducts monthly workplace inspections to ensure all safety protocols are being followed. The Committee is also conducting periodical



job safety analysis (JSA) and JSA audits to re-evaluate established practices and identify any opportunity for improvement. The goal is to ensure a work environment that supports safety and security of everyone at Spec, paying special attention to preventative measures.

We are committed to the health and safety of our employees, contractors, visitors, customers, and neighbors. Protection of employees from injury or occupational disease is a continuing objective, and we make every reasonable effort to provide a safe, healthy work environment.

Our employees receive training in their work tasks to protect their health and safety, and

health and safety of others. We work in compliance with the law, and with safe work practices and procedures established by the company. People are responsible for ensuring that machinery and equipment are safe, hallways clear and stored materials and products secured.

2021 Health & Safety Indicators

Spec tracks all Near Miss, First Aid, Medical Aid, and Lost Time Accidents. How many of each as well as our Total Reportable Incident Rate (TRIR) on those measures is reviewed in detail by the Joint Health and Safety Committee and presented at our monthly meetings to all employees.

Our company-wide goal is to have zero Lost Time accidents and zero Medical Aid incidents. In 2021 we made significant improvements across the board, seeing both an increase in Near Miss reporting as an important proactive measure, as well as a sharp decrease in reportable incidents, bringing our average TRIR down to less than half that of 2020.

Near Miss reporting is a critical part of our Health, Safety and Environment (HSE) program as it helps to identify and address issues before they cause harm to people, equipment, or products.

Taking into account total hours worked, our overall safety incident rate for 2021 remains "Low Risk".





Hiring Policy

Spec Furniture is an equal opportunity employer and practices fair hiring. We recruit, hire, compensate, train, assign, promote, transfer, demote, lay off, recall and terminate without regard to race, color, religion, sex, ethnic origin, disability, age, marital status, sexual orientation, or any other prohibited grounds under the Ontario Human Rights Code. As such, there were no human rights violations in 2021.

With regards to job opportunities, Spec posts job openings both internally and externally.

We encourage current employees to evaluate job opportunities and pursue careers they have interest in and qualifications for. Vertical and horizontal movements are Spec's practice, and as a result our employees stay loyal to Spec for many years.

Our external recruitment partners include, but are not limited to, Service Canada's Job Bank (which posts jobs on Indeed, Monster, as well as its own Job Bank site, including specifically assisting First Nations people, Métis and Inuit find employment opportunities and succeed in the labour market); Career Connections; and the Rexdale Women's Centre.

Workplace Benefits

Spec Furniture provides Group Benefits to its employees. In addition to Life Insurance, Long-Term Disability, Extended Health Care, Dental Care, and Vision Care, our Group Benefits program offers the following:

- Employee and Family Assistance Program (EFAP)
- Travel Assistance
- Access to Best Doctors
- PeopleConnect - A mental health site designed to complement an organization's EFAP offering

In addition to our Group Benefits plan, Spec Furniture offers a Health Care Spending Account that provides reimbursement to eligible employees for health-related expenses.

Pandemic Response

Throughout 2021, Spec's response to the ongoing pandemic was to put our employees' health and safety first. We committed to a variety of updated policies, including:

- Limiting number of people in shared areas
- Providing PPE to all staff
- Hired certified nurse to covid test on-

- site 3x weekly
- Hired full-time hygienist to frequently disinfect areas that are most prone to transmitting virus & bacteria
- Offered unlimited sick-days for employees with covid symptoms or who were covid-positive

Outside of Covid-related initiatives, Spec holds an annual Flu Clinic for our employees.

Educational Support

We firmly believe in personal growth, and as such, Spec offers a Tuition Reimbursement Program to all of our employees. For example:

- Courses and programs less than 1 year long: 100% reimbursement of tuition and materials.
- Part-time Degree/Diploma Programs longer than 1 year: Spec Furniture provides paid time off, and time away must be reviewed and pre-approved.
- Maximum annual support/person is \$3,000.

Inclusiveness

All individuals have a right to be treated with respect in the workplace. We are committed to providing a work environment in which all individuals are treated with respect and dignity and that supports productivity, personal goals, and the self-esteem of all employees.

We will not tolerate or condone discrimination in the workplace on the basis of sex, race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, age, handicap, sexual orientation, record of offences, marital or family status, receipt of public assistance or any other characteristic protected by law.

We are proud to nurture a diverse community of employees who positively impact our customer experience with their expertise and experiences.

Spec actively promotes employee wellbeing through monthly employee meetings, "Wellness Wednesday" internal newsletters and by organizing company events such as sports events (eg. hockey games), barbecues, bowling events, and other.

Spec's employee composition in 2021 was as follows:





OUR COMMUNITY

Humanitarian Work

Spec actively pursues opportunities to help our community. Our employees are encouraged to share humanitarian initiatives they feel strongly about, allowing Spec to expand our reach to a variety of organizations.

Due to Covid restrictions, instead of in-person donations Spec decided on a company level that most of our contributions for 2021 were to be of monetary nature. Some of them include:

Movember Foundation

The Movember foundation raises money for prostate cancer research. In 2021, 15 of Spec's employees volunteered to be a part of the Spectacular Mo's Team, and our employees and business partners are invited to donate.

November 2021

Toronto, Canada

Make-A-Wish

Make-A-Wish Foundation is a nonprofit organization that helps fulfill the wishes of children with a critical illness. Every Christmas Spec organizes a raffle that raises money for this noble cause. By donating big ticket items as prizes, the participation from all 150 Spec employees generates sizeable donations to bring joy to the little ones during the holiday season.

December 2021

Toronto, Canada

Habitat for Humanity

Spec has a long standing relationship with Habitat. Working together, we find ways to help build homes, communities and hope. Our most frequent contribution is the donation of excess fabric rolls that are further used to regenerate and grow communities.

Year round

Toronto, Canada

The Sashbear Foundation

The Sashbear Foundation focuses on building environments for the advancement of life coming skills. With our participation, we are helping to amplify the voices that educate about early prevention, recognition, timely intervention and access to treatment of individuals with emotional dysregulation.

February 2021

Toronto, Canada

Sick Kids Foundation

Known as specialists in child and adolescent care, the Hospital for Sick Children and Sick Kids Foundation are transforming the lives of children and their families. By donating to the cause we are proud to be taking part in building a better world by providing care and healing to our youngest population.

December 2021

Toronto, Canada

Canadian Critical incident Stress Foundation and Camp F.A.C.E.S. (Family and Children of Emergency Services)

A national organization that supports active duty front line personnel, and the families of those who have made the ultimate sacrifice. Along with the assistance of trained personnel and mental health oversight, Camp FACES provides a unique opportunity for these families to come together, support each other, and know they are not alone. Families are allowed to develop, mature, and grow with guidance, as they navigate the road to healing.

As in-person activities were restricted in Ontario for the majority of 2021, our Social Committee elected to donate the funds otherwise used for in-person events to a local cause. Our team researched a variety of programs, educated our employees on the programs to increase awareness, and collectively agreed upon donating money to F.A.C.E.S.

August 2021

Hamilton, Canada

Sjogren's Society of Canada

Sjogren is a serious autoimmune disease with is often under-diagnosed, misunderstood and under-treated. The Sjogren's Society of Canada is a national volunteer organization dedicated to improving the lives of people living with Sjogren's through support, education, awareness and raising funds for Sjogren's medical research.

December 2021

Toronto, Canada

Community Involvement

Since 2013, Spec has partnered up with a Toronto college to organize annual furniture design challenges for their students in the Furniture Craft and Design program. Sheridan College is one of Ontario's leading postsecondary institutions, attracting students from across Canada and around the world.

What is now known as the Spec Furniture Design Award has become a highly soughtafter recognition by the college talent. Started by Stefan Robertson, college alumni, now Spec's Director of Operations, the competition was a way to inspire, recognize, support further development, and financially assist the highly skilled and talented furniture designers and makers at Sheridan College. A panel of judges made of half a dozen established Spec employers of various expertise reviews student admission and votes the winners.

Award winners are presented with a tuition grant, as well as an opportunity to learn and develop their skills at Spec through paid summer internships. Many of them continue their design journeys as full-time Spec employees



QUALITY



Quality

We are committed to providing the marketplace with the highest quality seating and tables. We practice rigorous quality control at every stage of production, from design to assembly and shipment, and have implemented a quality management system compliant with ISO 9001.

We aim to “do it right the first time,” with a focus on developing a culture of continual improvement. This culture is fostered by maintaining a positive and productive work environment that promotes employee engagement and satisfaction.

The performance of our quality system is continually reviewed through monitoring and measurement of company performance indicators and regular management reviews.





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