

## **JARDAN**

The data presented in this report covers the period 1 July 2021 - 30 June 2024 (unless otherwise stated). Case study materials presented are current as of March 2025. The report covers Jardan's operations, including our showrooms, manufacturing sites and support offices in Australia.

We'd love to hear your feedback on the report. Feel free to send comments and questions to our team at info@jardan.com.au



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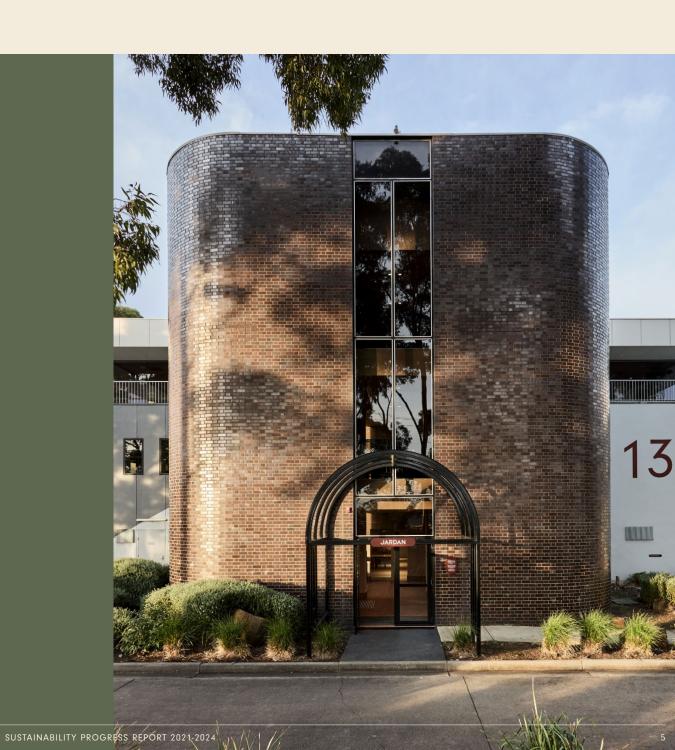
## About Us

Jardan is a privately owned and operated furniture manufacturer. Our simple mission is to make beautiful pieces for people's homes with a sustainable and responsible approach. This intention has allowed us to carve out an identifiable Australian aesthetic, making our pieces locally and using natural materials.

We take our responsibility toward the environment and people seriously. We actively seek to understand and manage how our business impacts on the environment and people, but also where and how we can make a positive difference through what we do.

Jardan is an Australian-owned business led by brothers Nick and Michael Garnham. Since taking over the company in 1997, we've continued to grow—expanding our offering beyond furniture to include lighting, textiles, and homewares.

In 2023, we moved into a larger, consolidated factory in Scoresby, Melbourne which combined our timber, upholstery and office teams. The expanded floor space of more than 16,000 square metres, has provided more opportunities to focus on lean and efficient manufacturing but has also laid foundations for a collaborative space where production and design teams can work closely, making products that last.



## **Our Locations**



## **Key Achievements**

OUR MAJOR ACHIEVEMENTS OVER THE PAST THREE YEARS

CI	RTIFIED	
В	CORPORATION	1

Jardan achieved formal and verified certification as a B Corporation in 2023.

## 11 YEARS CARBON NEUTRAL

Jardan has been a nationally certified carbon neutral organisation since 2013.

#### **ISO14001 CERTIFIED**

Jardan has maintained ISO14001 certification for its environmental management system since 2018.

## 100% CERTIFIED FEATHER & DOWN SUPPLIERS

All feathers and down used in the manufacture of our furniture in FY24 was sourced from certified sustainable suppliers.

## 500KW SOLAR POWER INSTALLED

Our solar system is installed and now operating at our manufacturing site.

## **80%+ RENEWABLE ELECTRICITY**<sup>2</sup>

More than 80% of the electricity used across the business is from renewable sources.

## 15% EMISSIONS REDUCTION TARGET SET

New target – reduce emissions per m<sup>3</sup> of furniture shipped to customers by 15% by 2028.

## 46% INCREASE IN CERTIFIED LEATHER

Over three financial years we've increased our use of certified sustainable leather in furniture from 18% to 64%.

#### MORE THAN 50% OF SENIOR LEADERS ARE WOMEN<sup>3</sup>

Women make up over half of our senior team, reflecting our ongoing commitment to gender equality.

## NEARLY 19% SAFETY IMPROVEMENT

Reduction in safety incidents per 1,000 operating hours in three years.

#### NEARLY 3,000KG LEATHER DIVERTED

Leather offcuts diverted to a local small business for repurposing in FY24.

100% RENEWABLE ELECTRICITY AT FACTORY<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Nationally certified carbon neutral operations by Climate Active https://www.climateactive.ora.gu/

This is achieved through a combination of solar generation on site and the purchase of large-scale generation certificates.

<sup>3</sup> Leadership roles include: Managing Director Creative Director General Manager, Operations Manager, Financial Controller, HR Manager, State Managers, Showroom Managers and Factory Manager.

## **Director's Statement**

This is our fourth public Sustainability Report. We made a commitment in 2015-2016 to implement a sustainability strategy and to publicly report our progress against our goals to 2025. Our strategy has focused on our most significant impacts – climate change and resources, staff safety and diversity.

Jardan is now a certified B Corporation and has maintained carbon neutral status since 2013. Our new manufacturing site at Scoresby features a 500 kW solar system, which meets most of the site's needs. The move to our new site also allowed us to upgrade some of our machinery. This was supported by a grant from the Victorian State government in 2022 – Made in Victoria – aimed at supporting small and medium sized businesses that are on a growth trajectory.

We apply the principles of circularity, keeping materials at their highest value for as long as possible. This starts with designing products which are made to last a lifetime. Being made to order, making repairs easy and recovering materials throughout their lifecycle contribute to putting circularity into practice in our business. We are working, for example, to recover fabric and leather offcuts from our furniture manufacturing, giving them a second life as raw materials with other businesses.

While we will continue our efforts to address climate change and contribute to the circular economy, we still have more work to do. This includes looking even more closely at our supply chains. We prioritise working with suppliers who share our values and who are recognised for maintaining accepted certification standards in sustainability.

Our business and the rest of the world have changed since our original goals were developed and set to 2025. Our business grew during the global pandemic and, while we are still learning, we know more about where and how we can make a difference in sustainability.

Sincerely, Michael, Nick and Renee Garnham





## **Our Commitment**

JARDAN ADOPTS A 'MADE FOR LIFE' PHILOSOPHY AND THIS INFORMS OUR DECISIONS ABOUT DESIGN, SOURCING OF MATERIALS, BUSINESS RELATIONSHIPS, MANUFACTURING, DELIVERY, USE AND RECOVERY.

A regenerative approach where we seek to manage our own footprint but also make a positive contribution to the environment and society.

A circular economy approach where we consider the complete life cycle of a product at every stage and how its value can endure for as long as possible. Working with local and like-minded people and organisations who share our values and commitment to a sustainable future.

Advocating in our sector and for the role of design in **sustainable development** by collaborating and sharing expertise.









## **Our Business Accreditations**

IN OUR EFFORTS TOWARD BECOMING A MORE SUSTAINABLE BUSINESS, WE HAVE WORKED HARD TOWARD ACHIEVING ACCREDITATION OR CERTIFICATION BY RECOGNISED AND VERIFIED SUSTAINABILITY STANDARDS ACROSS OUR BUSINESS.



#### Corporation

#### **B CORPORATION**

Our business became a Certified B Corporation in 2023. This means we meet certain standards of verified social and environmental performance, transparency and accountability on factors ranging from employee benefits to supply chain practices.



#### CLIMATE ACTIVE

Since 2013, we have been recognised as a nationally certified carbon neutral organisation for our operations. This has been verified by an independent third-party and registered under the Commonwealth government's Climate Active program.



### ENVIRONMENTAL MANAGEMENT SYSTEM - ISO 14001

We address the footprint of our operations through our Environmental Management System (EMS) and policy. The EMS helps us to manage our environmental aspects, comply with regulations, engage staff and demonstrate our environmental commitment to our stakeholders. Our EMS was first certified to the international standard, ISO 14001, in September 2011 and our most recent third-party audit maintaining our certification was completed in September 2024.



# Our Progress

2025 TARGETS ON 2018-2019 BASELINE	OUR PROGRESS BY 2024	TARGET ON MORE WORK ACHIEVED TRACK TO DO
Decrease 10% GHG tonnes/tonne of product <sup>1</sup>	Nearly 15% reduction in emissions per m³ of furniture shipped to customers since 2019-2020	
Maintain carbon neutrality certification under Climate Active	Maintained annually since 2012-2013	
30% of all electricity sourced from renewables	More than 80% of the electricity used by the whole business is from renewable sources	
Decrease waste 2% year on year (tonne/tonnes of product)	More work to do	
Reduce transport 5% (km between sites)	Achieved	
Decrease water by 50% (kl/FTE)	Achieved	
Develop three new products made of 100% recycled or waste materials	On track	
Achieve gender equality (50:50) across the organisation	On track	
Reduce workplace accidents year on year <sup>2</sup>	On track	

<sup>&</sup>lt;sup>1</sup>Intensity metric was revised in 2024 from GHG tonnes/tonne of product to emissions per m<sup>3</sup> of furniture shipped to customer

This target replaces the 2018 baseline target of zero workplace accident

## The United Nations Sustainable Development Goals

JARDAN SUPPORTS THE SUSTAINABLE DEVELOPMENT GOALS. WE HAVE ALSO ALIGNED OUR REPORTING WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS, WHICH PROVIDES A SHARED BLUEPRINT FOR PEACE AND PROSPERITY FOR PEOPLE AND THE PLANET, NOW AND INTO THE FUTURE. THE GOALS WHERE WE HAVE THE BIGGEST IMPACTS OR CONTRIBUTION TO MAKE ARE LISTED.



GOAL	TARGETS	INDICATORS
Affordable & Clean Energy	Integrate climate change measures into national policies, strategies & planning. By 2023, double the global rate of improvement in energy efficiency.	<ul> <li>Total greenhouse gas emissions</li> <li>Energy intensity measured in terms of primary energy and GDP</li> </ul>
Climate Action	By 2030, increase substantially the share of renewable energy in the global energy mix.	Renewable energy share in the total final energy consumption
Responsible Consumption & Production	By 2030, achieve the sustainable management and efficient use of natural resources. By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	Material footprint     Tons of material recycled
Gender Equality	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	Proportion of women in managerial positions
Decent Work and Economic Growth	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors. Eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour.	<ul> <li>Annual Growth rate of real GDP per employed person</li> <li>Proportion and number of children aged 5-17 years engaged in child labour, by sex and age</li> </ul>
Life on Land	By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.	Progress towards sustainable forest management





## Climate

OUR GOAL IS TO TAKE ACTION ON CLIMATE CHANGE AND ENSURE OUR ORGANISATION IS CARBON NEUTRAL.

Since 2013, we have been recognised by Climate Active as a nationally certified carbon neutral organisation for our operations. In practice, this means that our operations have no net negative impact on the climate. Our most recent Climate Active Public Disclosure Statement is available from the Climate Active website.

We measure our scope 1 and 2 emissions which include emissions such as electricity and gas as well as refrigerants. In FY24, more than 91% of our emissions were scope 3 emissions. This reflects the reductions we've been able to achieve in driving down scope 1 and 2 emissions where we have more control, leaving sources such as freight, transport and waste where we need to work more closely with other businesses in future.

We have been able to reduce our absolute emissions by more than 30% in 2023-2024 through several initiatives:

- Use of more than 80% renewable electricity across the business
- 60% of electricity in the Perth showroom is self-generated by solar arrays on site
- 25% of electricity in the Melbourne showroom is self-generated by solar arrays on site
- 100% of electricity used at our manufacturing site in Scoresby is renewable and will be to at least 1 July 2028. We have installed a 500 kW solar system which is fully operational and generates 40% of the annual electricity needs at our new manufacturing site. The remaining electricity required is managed through the purchase of large-scale generation certificates which are tradable certificates created for eligible large-scale renewable energy power stations.

• We have revised our target to reduce our emissions intensity from using CO<sub>2</sub>e per tonne of product sold as a metric to emissions per m³ of furniture shipped to customers which is more reflective of our overall emissions profile. As a result, we have committed to reduce our emissions intensity by 15% by 2028-29 against 2023-2024 based on emissions per m³ of furniture shipped to

<sup>&</sup>lt;sup>2</sup> https://cer.gov.au/schemes/renewable-energy-target/large-scale-renewable-energy-target/large-scale-generation-certificate

## **Emissions**



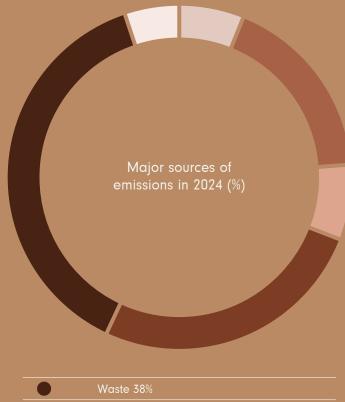
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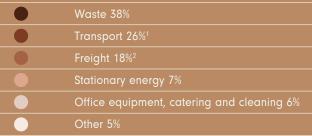
#### ABSOLUTE EMISSIONS (TCO<sup>2</sup>-E)

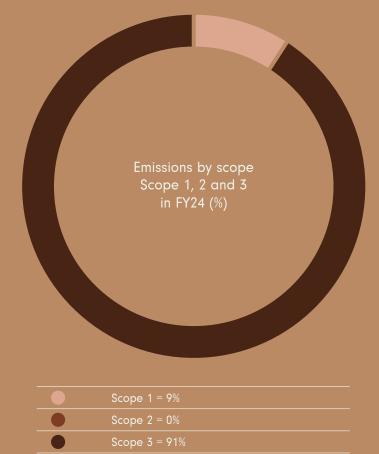


Absolute emissions and emissions per cubic metre of product shipped includes scope 1, scope 2 and scope 3 emissions. For more information refer to our Climate Active Public Disclosure Statement.

## **Emissions**







Numbers have been rounded for reporting purposes

Scope 1 = Direct emissions from sources owned or controlled by Jardan (eg. burning fuel)

Scope 2 = Indirect emissions from purchased electricity

Scope 3 = Indirect emissions from Jardan's value chain (eg. our suppliers

Transport includes air transport for employees and staff use of uber, taxi and hire cars for work purposes

<sup>&</sup>lt;sup>2</sup> Freight includes rail, road, ship and courier for customer delivery and air and ship for supplier delivery

CASE STUDY

# Wilinggin Fire Project

The Wilinggin Fire Project is in the Wilinggin Indigenous Protected Area in the Kimberley region of Northern WA. It is owned and managed by the Traditional Owners of the land – the Ngarinyin people. The project involves strategic and planned burning of savanna areas in the high rainfall zone during the early dry season, reducing the risk of greenhouse gas emissions released into the atmosphere from unmanaged wildfires in the late dry season. Wilinggin's Fire Project reduces greenhouse gas emissions and creates an income stream for the local communities. The project has recently been awarded the 100 millionth carbon credit by the Australian Government under the Emission Reductions Fund.

The project combines Indigenous traditional knowledge and modern scientific practices and employs traditional land-owners as rangers and fire-specialists to conduct annual cool burns in return for carbon credits. Savanna fire management is recognised as an approved activity under the scheme. Funds from the sale of carbon credits are reinvested into ongoing fire management operations and management of Country, protecting vulnerable habitats, cultural sites and community infrastructure from destructive wildfires, and mitigating the impact of weeds and feral animals on threatened species. The Wilinggin savanna fire program has been core to Ngarinyin people being able to speak up for Country, to build a strong corporation and to look after country and culture.







## Circularity Goals

#### **OUR GOALS ARE TO:**

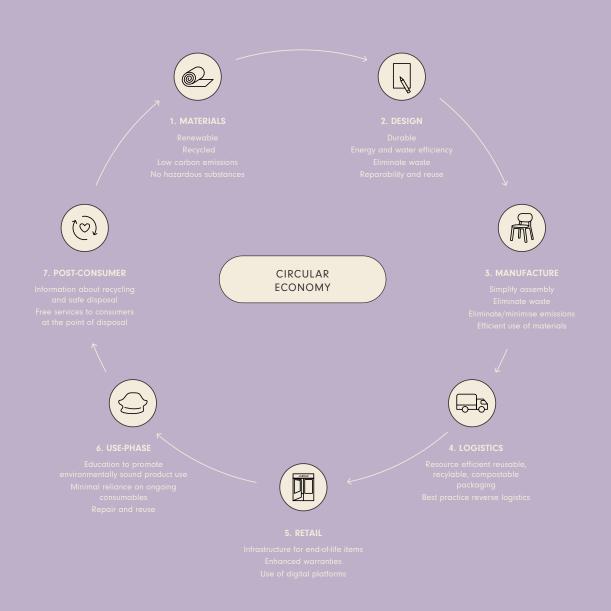
- Take full responsibility for our products throughout their entire life-cycle and drive resource efficiency and sustainable business practices throughout our operations
- Be a leader in sustainable design and manufacturing and use our skills and influence to improve the performance and practices of the sector

#### CIRCULARITY IN DESIGN

The furniture industry is a major contributor to landfill waste representing more than 7% of disposed items. The bulk of the furniture products that are sent to landfill are imported products with 'fast furniture' following in the footsteps of 'fast fashion'. We take the opposite approach.<sup>4</sup>

We take inspiration from nature in our designs and in nature there is no such thing as waste – only raw materials for another purpose. Our aim is to fully participate in the circular economy - the recycling, recovery and re-use of materials used in our furniture. This starts with the design process itself. Jardan products are designed and made to last a lifetime. Repairs, if needed, are designed to be made easy and components easy to replace. Our furniture is also made to order, eliminating waste from potential over supply. Our product stewardship agreement means that our customers can return a product which we will re-purpose as whole or through disassembly. Timber parts may be used for making smaller components and foam can be returned to our supplier to be recycled into reconstituted foam.

We remain firmly committed to water-based finishes as a cornerstone of our sustainability strategy. Water-based lacquers offer a significantly lower environmental impact compared to traditional alternatives, with reduced VOC emissions and improved air quality for both our makers and customers. Over the past 18 months, we've made strong progress in adopting water-based systems, and while we're working through some performance challenges, we continue to invest in new technology, supplier partnerships, and application techniques to ensure this transition is long-lasting and scalable. Our goal is to embed water-based finishing across our range in a way that enhances durability, quality, and environmental responsibility.



https://australianfurniture.org.au/australias-furniture-waste-crisis-importing-waste

<sup>&</sup>lt;sup>4</sup> Visual is modified from the Australian Furniture Associatio

CIRCULARITY IN DESIGN

# Case Studies

Two of our flagship products – the Rye Chair and the Pia Table range – demonstrate our approach to circular design and what this looks like in practice

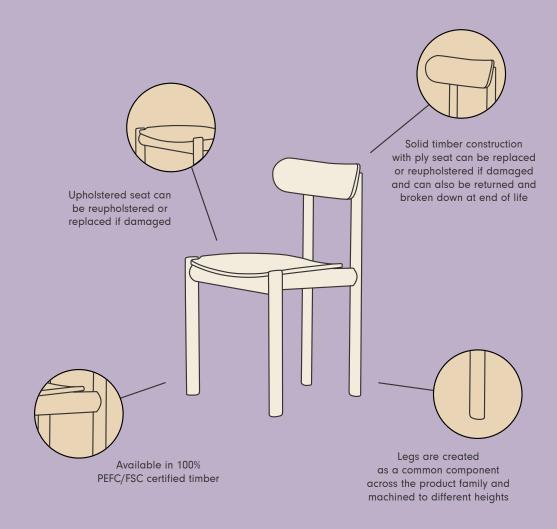
CASE STUDY

## Rye

Our Rye chair draws on inspiration from sculpture and the dynamic interplay of light and form. It features intricate almond-shaped details that are incorporated into both the leg profile and joinery.

Rye is made exclusively in our Melbourne factory using common components. Rye was designed to optimise material yield, reducing waste through shared componentry, tooling and nesting - which is the practice of fitting multiple parts as closely and efficiently as possible. The straight language of the legs, while still part of the aesthetic identity, helps to eliminate waste compared to curved components manufactured on the CNC machine, a computer controlled multi-axis router. We use an advanced inventory control system for lean manufacturing which allows us to deploy common components across the entire product family so that we are not overproducing.

Rye's simplistic construction streamlines production and reduces energy consumption per component. Rye also has an innovative removable backrest developed using custom machined components, meaning both the seat and back can be replaced or re-upholstered if damaged. This also enables it to be broken down into material components at end of life for easier waste stream management.





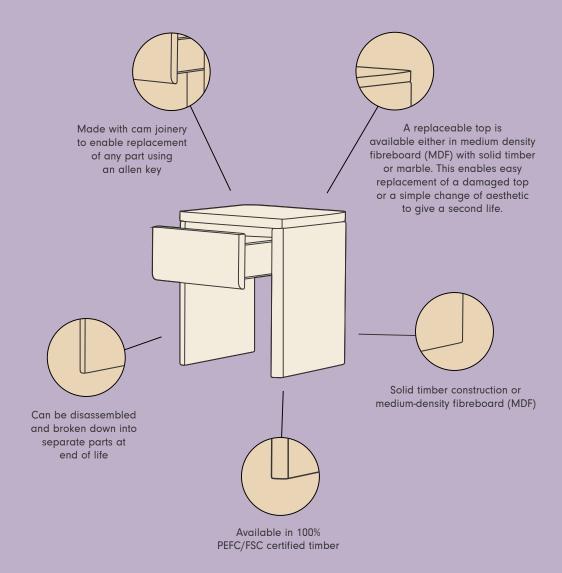
CASE STUDY

## Pia

The Pia range is designed for individual parts to be user replaceable if damage occurs while also simultaneously being a streamlined and efficient product through the factory. The table range's flexibility and playfulness derives from its mix-and-match top and base colour and material options.

Available in multiple configurations, the Pia can be customised with different tops including natural stone and solid timber.

The simplistic construction due to cam joinery (a flat pack construction method) eliminates the need for traditional joinery methods and enables assembly with an Allen key. This has the dual benefit of extending the product lifespan, while also allowing easy material separation at end of life. The top, which can be created in a range of materials and colours, can be replaced to give the product a new aesthetic, allowing it to adapt and change.





## Circularity in Practice

AT OUR NEW MANUFACTURING SITE, WE HAVE INVESTED IN STATE-OF-THE-ART MACHINERY TO INCREASE PRECISION, ENCOURAGE EFFICIENCY AND REDUCE RE-WORK AND WASTE. WE USE LEAN MANUFACTURING PRINCIPLES AND PROJECT MANAGEMENT TO MANAGE WORK-FLOW, IMPROVE OUR PROCESSES AND INCREASE RESOURCE EFFICIENCY.

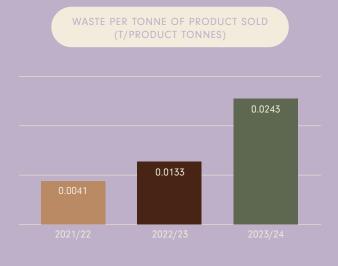
During the manufacturing process, we generate both large and small offcuts of foam, fabric and leather. Our foam suppliers collect the foam offcuts to be reconstituted, and larger offcuts of fabric and leather are used to create scatter cushions for our homewares. We have started to explore how we may contribute to larger scale recovery and reuse of timber, fabrics and leather. Our staff are instrumental in identifying opportunities and taking the initiative.

We have commenced partnerships with:

- An Australian mattress manufacturer to use our smaller fabric offcuts. So far, we have diverted more than 17 tonnes of fabric away from landfill and to another useful purpose through this project.
- Leather Circle, a small business, to divert leather offcuts to loca artists, craft shops and schools. Approximately 2,993 kilograms of leather offcuts were diverted to Leather Circle in FY24 and repurposed through their business.
- Reverse Art Truck, a not-tor-profit organisation based in Melbourne with a mission to pursue and promote creative re-use in the community by repurposing rejects, seconds and factory offcuts.

Our commercial and industrial waste has increased in the past three years, representing both a loss of resources and an increasing contribution to our greenhouse gas emissions. While we are committed to innovation in the recovering and repurposing of materials, we don't yet have business solutions to address all of our recycling needs.





CASE STUDY

# Recovering timber waste for energy

Like our customers, we place a high value on the use of timber in our furniture and respect the time and energy nature has put into it. It is vital then that the timber we use maintains the highest possible purpose and value for as long as possible. We separate our timber waste streams and reuse larger offcuts in smaller furniture items. Damaged pallets, timber horses and plywood are diverted to a timber recycling facility. Small burnable offcuts and sawdust are captured on site.

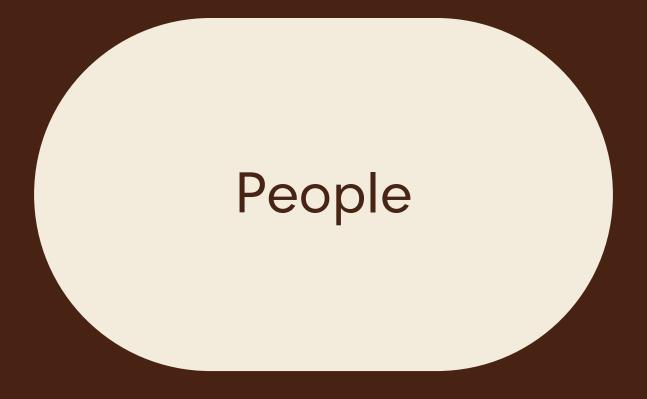
Issues with the recovery and recycling of timber has seen some of our timber go to waste, resulting in an increased contribution to our greenhouse gas emissions and the loss of an otherwise valuable resource In 2022, we purchased a machine to compress sawdust into briquettes to be sold for domestic use in wood burning stoves and fireplaces. While the machine successfully compressed materials into briquettes, we encountered some problems with their combustion. Like many new initiatives in circularity, the project relies on a mix of unfamiliar technology consistent supply, a business case for our local partners and a demand for the final product.





To address these issues and meet the expected demand for our briquettes, we purchased a larger machine in March 2024. The new machine was commissioned in January 2025 and we have partnered with a Victorian small business, ECO247, to purchase the briquettes from Jardan directly and market and sell them for domestic uses. The new machine has an estimated pay-back period of around two years, financed through the expected sale of the new briquettes and savings from diverting sawdust and small burnable offcuts from landfill. We are confident that this project can ultimately convert up to 90% of our burnable timber waste into a useful source of home heating in the local area.

The original machine will now be used to create briquettes from non-burnable timbers, which can still be used to fuel high temperature incinerators, with appropriate safety protection.





## Health and Safety

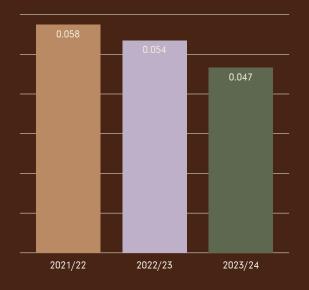
We are committed to providing and maintaining a safe and healthy working environment for all employees, contractors, clients and visitors.

Our Workplace Health, Safety and Wellbeing Policy was revised in February 2024 and acknowledges our duty of care to employees, contractors and employees from other companies working at our sites. Our Occupational Health and Safety Committee participates in the review of action plans, inspections, hazard identification and remediation. The Committee meets six times a year and includes representatives from across the business including human resources, production management, upholstery and cabinetry.

We acknowledge that the best health and safety outcomes are achieved through the cooperation of management and employees. Employees are consulted on the identification, assessment and control of hazards, changes in or to the workplace and/or systems of work that may impact on their health and safety. Employees are also consulted on the amount and adequacy of training and the suitability of facilities for their welfare.

Over the past three years, the number of occupational health and safety incidents has continued to decline from 0.058 incidents per 1,000 operating hours to 0.047 incidents per 1,000 operating hours.

OHS INCIDENTS PER 1000 OPERATING HOURS



## Diversity and inclusion



We aim to create a safe, inclusive and diverse workplace culture that is supportive and builds the capacity and capability of our staff.

We are committed to providing a workplace that is inclusive of differences, encouraging and enabling each employee to fully contribute. We recognise the diversity of our employees and aim to provide a culture that recognises, respects, values and enables everyone to work effectively towards the achievement of our business goals.

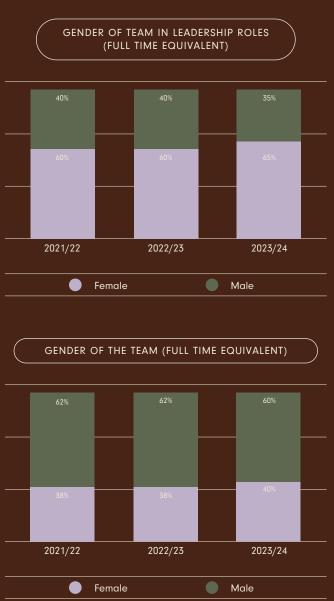
Our commitment to diversity is detailed in our Diversity - Equal Employment Opportunity Policy, updated in May 2024. Jardan is an equal opportunity employer and does not discriminate against employees or qualified job applicants on the basis of race, sexual orientation, religion, colour, sex, age, national origin, disability, veteran status or any other status. We report annually under the Workplace Gender Equality Act 2012 on our actions, and this is available from the Workplace Gender Equality Agency website.

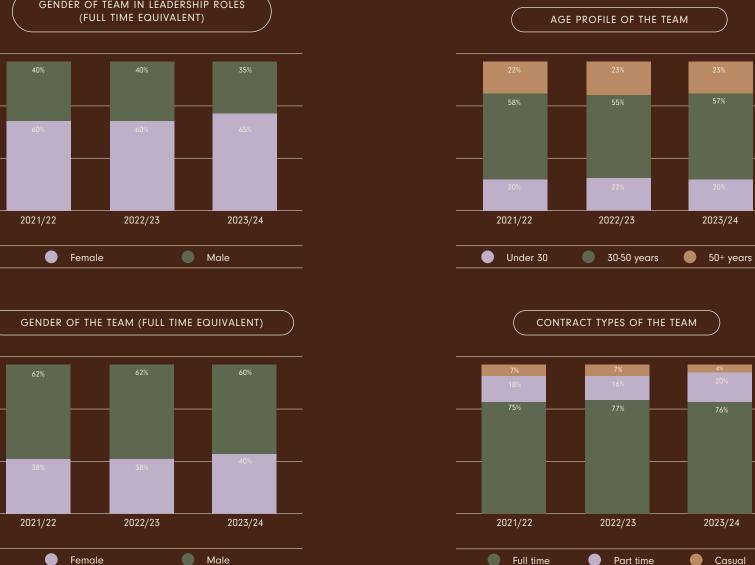
The majority of our employees work on a full-time basis with casual roles occupying less than 4% of our workforce. Since 2018-2019, the proportion of full-time roles has remained much the same. Part-time roles have increased slightly with the biggest change being a reduction in casual staff of 13% over the same period. Our workforce of over 220 full time equivalent staff is 40% female overall.<sup>6</sup> However, 65% of our leadership roles are occupied by women.<sup>7</sup>

<sup>6</sup>Part-time and casual employees are included in full time equivalent calculation by totalling all hours worked by part-time and casual employees during the financial year dividing this total by how many hours a full-time employee would work over the same period.

Teadership roles include: Managing Director, Creative Director, General Manager, Operations Manager, Financial Controller, HR Manager, State Managers, Showroom Managers and Factory Managers.

# Diversity and inclusion





<sup>&</sup>lt;sup>7</sup>Leadership roles include: Managing Director, Creative Director, General Manager, Operations Manager, Financial Controller, HR Manager, State Managers, Showroom Managers and Factory Managers.

2023/24

2023/24

# Community

WE ACTIVELY ENGAGE WITH OUR STAFF, CLIENTS AND COMMUNITY ON INITIATIVES THAT BUILD SOCIAL CAPITAL AND ENHANCE LOCAL VALUE.

THE PARTICIPATION AND SUPPORT OF PROGRAMS OUTSIDE OF THE BUSINESS OF TARDAN PROMOTES DIVERSITY AND HEALTHY LIVING

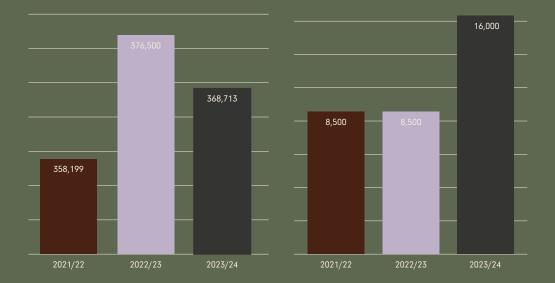
## Prosperity

OUR GOAL IS TO ACHIEVE A ROBUST FINANCIAL PERFORMANCE THAT SUSTAINS THE LONG-TERM SUCCESS OF THE BUSINESS BY IMPLEMENTING APPROPRIATE PROCESSES FOR ACCOUNTABILITY AND OBJECTIVE AND EFFECTIVE DECISION MAKING.

Our sales and production increased rapidly during the Covid-19 pandemic when spending on furniture in Australia grew significantly. Since then, our production has returned to more closely align with pre-pandemic levels. Our move to a single, large manufacturing facility has increased our manufacturing floor space and it will take time to adjust to a new business as usual and to monitor efficiencies and trends resulting from the move.

In the coming reporting cycle, we will review and refresh our current sustainability strategy and embed sustainability further into our governance, accountability and decision-making processes.





## Procurement

OUR AIM IS TO PRIORITISE SUSTAINABILITY IN OUR PROCUREMENT AND INVESTMENT DECISIONS AND WORK WITH OUR SUPPLIERS TO PURSUE AND DEVELOP SUSTAINABLE BUSINESS OUTCOMES.

The focus of our work over the past ten years or more has been on our operations and manufacture, where we have direct control. Achieving B Corporation status and maintaining our climate neutral position are significant achievements, of which we are enormously proud. Understanding and addressing the environmental and social impacts of the raw materials we buy is an important and growing area of focus.

Our approach to ethical and sustainable procurement is founded on a first principle of showcasing Australian designers and local manufacture. Our homewares business showcases our partnerships with Australian designers, artists and iconic businesses including: Alex and Trahanas, Bendigo Pottery, Dinosaur Designs, Jess Sellinger, Simone Karras and Natalie Rosin.



## Procurement



We then focus on building long term relationships with suppliers offshore with a preference for suppliers and materials which have globally recognised sustainability certifications. The number of suppliers we work with has increased sharply from just over 700 in 2016 to more than 2,500 in FY24. This represents challenges in how we work with suppliers to understand sector and commodity-specific risks and how they may be mitigated. We source a range of raw materials including timber, foam, cotton, wool, leather and feathers and down for our furniture manufacture and, while some of this is sourced within Australia, other materials are sourced globally. We also source finished goods, such as rugs, from offshore. Depending on their country of origin and supply chain, some of these materials and goods can be associated with issues ranging from deforestation, animal welfare breaches and land degradation to labour standards and human rights abuses.

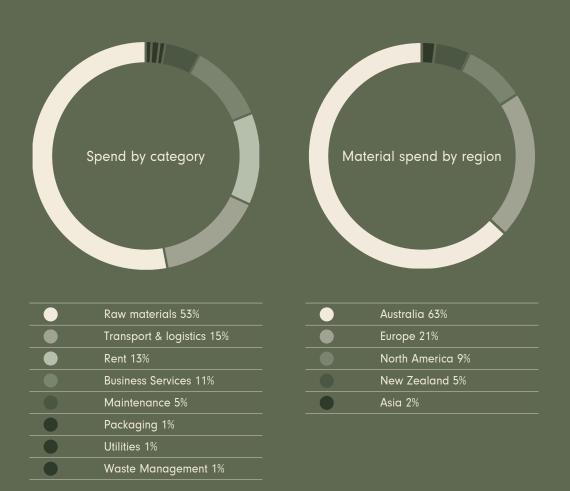
Our position is to source specific raw materials and finished goods from suppliers who can provide evidence to us that their operations are consistent with a recognised, third party, sustainability standard. This then gives us the option of providing a final step in the chain of custody for our customers when requested.

## Suppliers

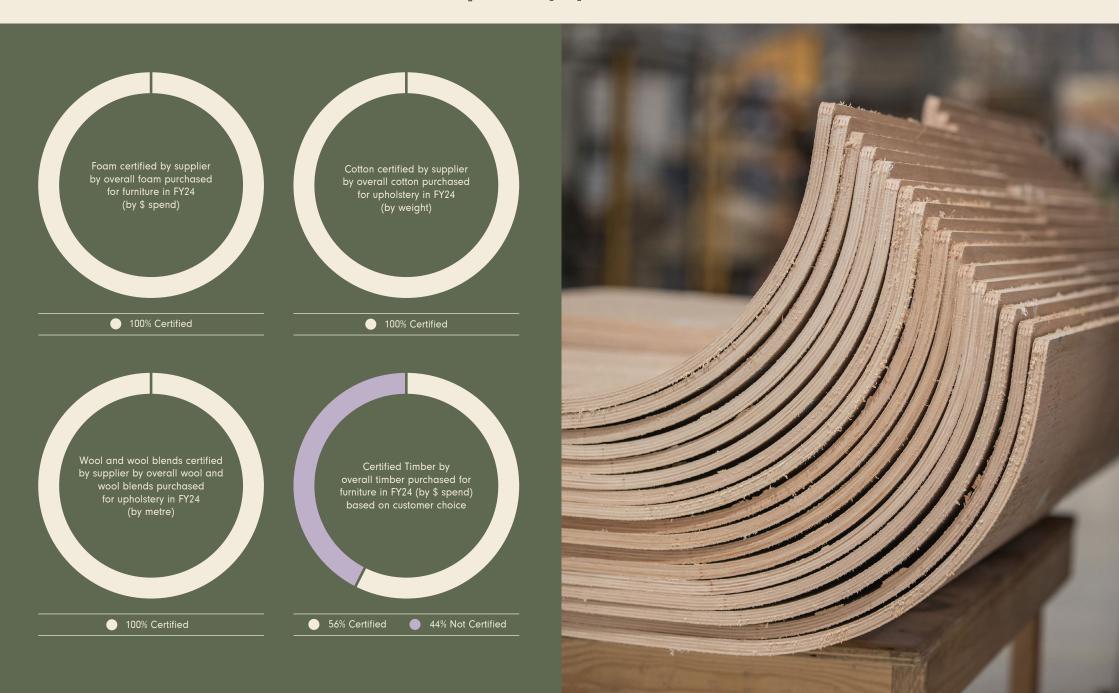
OUR AIM IS TO BUY MATERIALS FROM SUPPLIERS WHO SHARE OUR VALUES AND AMBITIONS IN SUSTAINABILITY. WE PRIORITISE SUPPLIERS WHO MAINTAIN RELEVANT SUSTAINABILITY CERTIFICATIONS FOR THEIR PRODUCTS.

While 80% of our overall spending on materials is in Australia, we do work with specific suppliers in Asia, Europe, North America and New Zealand. Materials supplied from offshore ranges from rugs and bed linens in our homewares range to textiles, leather and timber for our furniture components and upholstery. We have started to assess environmental and social risks more systematically in our supply chain. We have started an initial assessment, based on the country of origin. We have used data from the Global Slavery Index (GSI), the Global Rights Index (GRI) ratings and the US Department of Labor (USDoL) List of Goods Produced using Child and Forced Labour. Our spending on rugs, while very small, has been highlighted. The rug and carpet making industries, and their countries of origin, carry a risk to human rights. The majority of our rug suppliers provide a level of assurance that our rugs are produced without child labour or forced labour. In FY24, 97% of our rugs sold were certified to one or more recognised social standards by our suppliers with the remaining 3% produced in a low-risk country of origin.

Many of the other commodities we purchase are the subject of similar social and environmental systems, standards or certifications and some of these programs are more mature, credible and accepted by business than others. We are in the process of assessing the certifications held by our key suppliers and how we might progress our own commitments to a more sustainable supply chain. Unless otherwise stated, the data presented here is for materials purchased in FY24 for Jardan's range. In some cases, multiple third-party certifications are considered for a single commodity.



# Materials Certified by Suppliers



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# Appendix A

TERM	DEFINITION
B Corp	Certified B Corporations, or B Corps, are companies verified by B Lab to meet high standards of social and environmental performance, transparency, and accountability.
FSC	Forest Management Certification. This ensures that forests are inspected and certified in line with ten internationally agreed principles, including legal compliance, worker wellbeing, and Indigenous rights.
FTE	Full Time Equivalent
FY	Financial Year
GHG	Greenhouse Gas
ISO 14001	A set of standards by the International Organization for Standardization (ISO) that outline best practices for reducing environmental impact via an Environmental Management System (EMS).
kL	Kilolitres
OHS	Occupational Health and Safety
PEFC	Programme for the Endorsement of Forest Certification – an international non-profit promoting responsible forest management. In Australia, governed by Responsible Wood.
tCO <sub>2</sub> -e/t	Tonnes of Carbon Dioxide Equivalent per Tonne
Tonnes	1,000 kilograms
VOC	Volatile Organic Compounds – chemicals found in many building and maintenance products that release into indoor air over time.

# Appendix B - GRI and SASB Navigation Index

THIS IS OUR FOURTH SUSTAINABILITY REPORT AND COVERS THE PERIOD 1 JULY 2021 – 30 JUNE 2024. THE REPORT REFERENCES THE GRI STANDARDS 2016 AND SASB STANDARDS. DATA PRESENTED IN THIS REPORT COVERS JARDAN'S OPERATIONS, INCLUDING OUR SHOWROOMS, MANUFACTURING SITES AND SUPPORT OFFICES IN AUSTRALIA.

#### GRI CONTENT INDEX

Statement of use	Jardan Australia Pty Ltd has reported the information cited in this GRI content index for the period 1 July 2021 to 30 June 2024 with reference to the GRI Standards.	
GRI 1 used	GRI 1: Foundation 2021	
GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	2, 5-6
	2-2 Entities included in the organization's sustainability reporting	2, 6
	2-3 Reporting period, frequency and contact point	2
	2-6 Activities, value chain and other business relationships	5, 8, 38-42
	2-7 Employees	34-35
	2-22 Statement on sustainable development strategy	8, 10, 12
	2-23 Policy commitments	12
GRI 303: Water and Effluents 2018	303-5a Water consumption	28
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	17-18. See Climate Active Report.
	305-2 Energy indirect (Scope 2) GHG emissions	17-18. See Climate Active Report.
	305-3 Other indirect (Scope 3) GHG emissions	17-18. See Climate Active Report.
	305-4 GHG emissions intensity	17
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	41-42
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	33
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	35
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	41-42

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#### SASB BUILDING PRODUCTS AND FURNISHINGS INDUSTRY STANDARD OCTOBER 2018

Topic	Accounting Metric	Category	Unit of measure	Code	Page number(s)
Energy Management in Manufacturing	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	CG-BF-130a.1	16 - Partially reported
Management of Chemicals in Products	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion & Analysis	N/A	CG-BF-250a.1	Not reported
	Percentage of eligible products meeting volatile organic compound (VOC) emissions and content standards	Quantitative	Percentage (%) by revenue	CG-BF-250a.2	Not reported
Product Lifecycle Environmental Impacts	Description of efforts to manage product lifecycle impacts and meet demand for sustainable products	Discussion & Analysis	N/A	CG-BF-410a.1	22-27
	(1) Weight of end-of-life material recovered, (2) Percentage of recovered materials recycled	Quantitative	Metric tons (t), Percentage (%) by weight	CG-BF-410a.2	Not reported
Wood Supply Chain Management	(1) Total weight of wood fibre materials purchased, (2) percentage from third-party certified forestlands, (3) percentage by standard, and (4) percentage certified to other wood fibre standards, (5) percentage by standard	Quantitative	Metric tons (t), Percentage (%) by weight	CG-BF-430a.1	41 - Partially reported
	Annual production	Quantitative	See note	CG-BF-000.A	Not reported
	Area of manufacturing facilities	Quantitative	Square meters (m²)	CG-BF-000.B	37

<sup>[1]</sup> Note to CG-BF-430a.1 - The entity shall describe its practices for sourcing: (1) wood fibre materials from forestlands that are not certified to a third-party forest management standard, and (2) wood fibre materials not certified to other wood fibre certification standards.
[2] Note to CG-BF-000.A - Production shall be disclosed in typical units tracked by the entity such as number of units, weight, and/or square feet.
[3] Note to CG-BF-000.B - The scope shall be limited to total area under roof, including manufacturing and administrative functions.