

**2024**

**Responsible Business Report**



# Doing What's Right Is In Our DNA

Since Vari sold the first VariDesk® in 2013, we have been committed to having a positive impact on our customers, employees, and the communities in which we work and live. This commitment shapes how we develop, design, and deliver our products and services and how we care for our team and customers.

We **Believe it's Possible** to do business in an environmentally sustainable way.

We have a positive social impact when we make decisions to better the lives of our people and communities, **Creating Lifelong Fans.**

By **Being Authentic** and ensuring we do everything with transparency, we can provide governance that keeps our business running free of dishonesty.

And we seek to **Raise the Bar** to be better each day by creating tangible goals for improvement.

# Core Values

Creating a specific focus on environmental, governance, and social improvement has become a vital part of our strategy, as it is a testament to our commitment to serving the community. This report reflects our achievements to date, what we're working on, and the goals Vari as a brand aims to reach as we forge ahead.



Create Lifelong Fans

Believe It's Possible



Embrace Change

Be A Team Player



Raise The Bar

Be Authentic



# Our Report

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# Believe It's Possible

## Our Commitment To The Environment



We are dedicated to fostering a positive influence on the environment worldwide.

In 2023, we intentionally focused on understanding our global footprint, aiming to recognize and enact enhancements that minimize negative environmental impact. We hope that the lasting benefits of these improvements outlive Vari, its employees, and its products.

Our products are sold in 130 countries, and we ship daily to 30+ countries worldwide. From sourcing to vendor selection to distribution, we have evaluated and improved our processes to create an environmentally efficient supply chain.



Our focus is on creating a resilient business model. We partner with multiple third-party service providers across the supply chain, including freight carriers, warehouse providers, ocean import freight forwarders, and installation service teams.

One of our goals is to look for partners with similar commitments. We are also making changes to our internal operations.

## 2023 Progress

In 2023, we took steps to remove paper instruction sheets from many of our products. As of today, 50% of our items ship without any paper inserts. By the end of 2025, our aim is to remove paper inserts from an additional 15% of our items.

As we create new products, we are evaluating product packaging and reducing when possible. Our goal is to reduce packaging by 5% by the end of 2026.

In 2020, we began using domestic manufacturers for production of units sold in North America. In 2023, we produced 8% of our items domestically. Our goal is to increase nearshore production to 9% by 2025.

Finally, Vari Community Giving prevents returned products from reaching landfills by donating products and design services to underfunded non-profit organizations across the United States.



## **Creating A Healthy Environment For Our Team**

At Vari, our mission is to create workspaces that elevate people. We embody that every day by providing our team with a happy, healthy, productive space where they can come to work and collaborate.

We ensure that the Vari team has fair and safe labor conditions. Providing a pleasant working environment is vital to the satisfaction and happiness of our employees.

To reduce the carbon emissions related to commuting to and from the office, we offer our corporate employees whose roles qualify a Hybrid Work Program that gives them the option to work remotely for part of the week.

# VariSpace Coppel has received Fitwel's Best in Building Health Award

For developers, the Fitwel standard is a blueprint for making positive changes that are scientifically proven to enhance occupant health and well-being. VariSpace Coppel has achieved Fitwel certification based on wellness criteria such as:

Policies encouraging the use of stairwells over elevators

Access to nature and green spaces

Provision of standing desks, collaboration spaces, and a healthy marketplace

Indoor and outdoor amenities, such as a fitness center and walking trails





## Greener Solutions For Our Fans

We design our products to create healthy indoor environments.

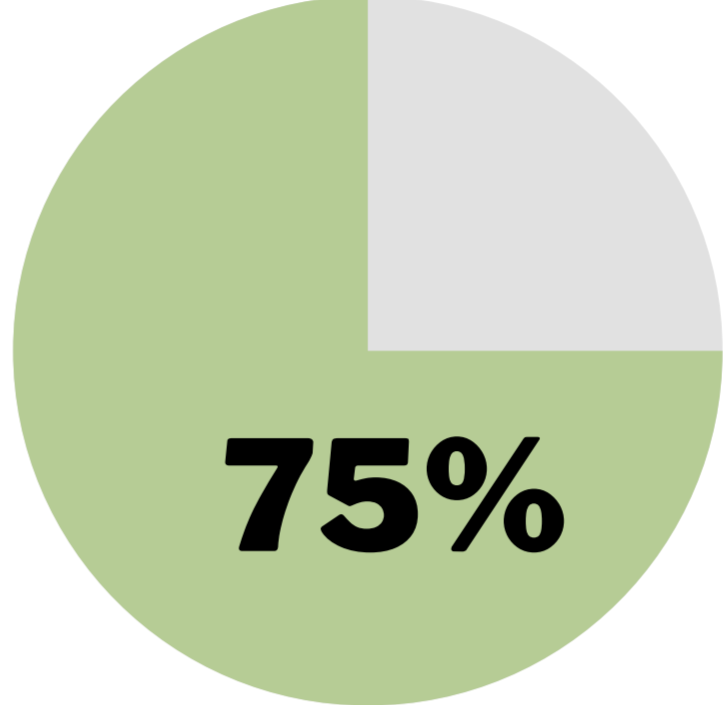
Whenever possible, Vari's products are certified following UL's GREENGUARD standards, and many are GREENGUARD Gold Certified.

Products that have achieved GREENGUARD Certification are scientifically proven to meet some of the world's most rigorous, third-party chemical emissions standards, helping to reduce indoor air pollution and the risk of chemical exposure while aiding in the creation of healthier indoor environments.



We design our products to last. All our products are tested to ensure they meet or exceed the standards set by the Business and Institutional Furniture Manufacturers Association (BIFMA), the organization that is responsible for setting the design and safety standards for our industry.

Our products are built to stand up to high commercial usage over time. For example, our QuickFlex Walls® modular wall system allows companies to change the layout of their space without using drywall and other construction materials that would end up being dumped into the landfill.



According to the EPA, an estimated 75% of drywall ends up in landfills.



# Create Lifelong Fans



## Our Support For Social Causes

Supporting underrepresented groups is critical to our business success.

We actively hire and support women, people of color, members of the LGBTQIA+ community, and individuals with disabilities.

By giving back through local charitable activities, we participate in the well-being of the communities we operate in and reaffirm our commitment to making a positive impact.





Vari deeply values our people. We engage in initiatives to uplift communities, ensure fair and safe work environments, and celebrate global diversity. We are committed to a culture of diversity, equity, and inclusion, and we believe that to truly have a thriving culture, this commitment must be intentionally fostered, cultivated, and preserved.





## **Maintaining A Fair And Safe Work Environment**

One of our goals is always to maintain a fair and safe environment.

In 2023, we formalized the annual process for reviewing compensation and addressing inequities. This process will ensure we proactively correct and prevent pay disparity\* in the organization, creating a more just and inclusive work environment.

Our employees also benefit from an open-door policy and are welcome to report anonymously any concerns that require the attention of Vari's People Team or an Advisory Director.

In 2023, Vari updated our employee reporting tool to Report It. Report It allows for employees to escalate concerns directly to Vari's People Team or to the Advisory Board discreetly and in real time. By partnering with Report It, the People Team now can anonymously communicate with the reporter, a feature that did not exist with the former vendor.

Vari has a robust emergency preparedness plan and committee to ensure team safety during a crisis. Our comprehensive cybersecurity program includes ongoing training and testing for employees.

\*Disparity of \$10,000 or greater



## Supporting Our Communities

Vari Community Giving is our award-winning charitable giving program. By donating Vari office furniture to non-profit organizations, we help to alleviate their operational costs, allowing them to focus their funds where they matter most. We also encourage our team to donate their time to local non-profits by providing them with paid volunteer time off to support causes they care about. Together, we can play a part in making the world a better place.

Since 2018, Vari has donated more than \$8 million in products to non-profit organizations.

In 2023, our team gave 787 hours of time to volunteer causes.



**We comply with all applicable laws and regulations, including:**

- Equal Employment
- Employment at Will
- Americans with Disabilities Act
- Final Pay Compliance
- California Consumer Privacy Act
- General Data Protection Regulation (EU)
- Digital Advertising Alliance
- OSHA



## **Creating An Active Workspace**

The Vari Wellness Committee leads health and wellness initiatives for the company. The Committee is comprised of Vari volunteer employees and is responsible for our workplace gyms, workout class schedules and offerings, fitness-inspired events like 5K runs and adventure races, and mental health initiatives, including our Employee Assistance Program.

Wellness is at the heart of our Benefits Program. We offer a voluntary Health & Wellness Package including virtual care, alternative medicine coverage, fitness centers, and vitamin discounts. In addition, our Vari Wellness Program is a year-long program that provides opportunities to earn entries into monthly wellness prize drawings for participating in activities such as on-site fitness classes, flu shot clinics, 5k runs, meal prep classes, on-site yoga classes, and more.



## 2023 Progress

In 2023, we leveled up our Pay Equity Exercise and as part of an ongoing effort to address major pay disparity\*

In 2023, we launched company-wide DEI training to support efforts in Equal Employment

We gave back to our communities, volunteering for 787 hours in 2023 and passing \$8 million in non-profit donations

\*Disparity of \$10,000 or greater





# Be Authentic

## Our Commitment To Good Governance

At Vari, we recognize that good governance is essential to the success of our business. We are always committed to maintaining the highest standards of ethics and integrity in all our operations. From company-wide ethics training to advisory committees comprised of senior strategic leaders serving in roles that span a variety of disciplines and industries, we ensure that integrity is rooted in our company culture and upheld by every team member in every department.



“Having the depth of knowledge that these incredible experts bring will give us new ways of thinking and drive our business forward,” said CEO and Co-Founder Jason McCann. “With the traditional workspace model changing, we are focused on evolving our product and service offerings to help the world reimagine the future of workspace to elevate people.”

## Values-Driven Company

At Vari, our values are more than words on a page. They are ingrained in the DNA of our culture and are reflected in how we engage with our employees, vendors, customers, and community.

## Advisory Board

In 2021, we announced the formation of the Vari Advisory Board, a group of innovative business leaders who will provide strategic counsel.

The Advisory Board brings a wealth of experience in scaling the business as Vari continues its national expansion of sales offices and showrooms in new markets. Members also provide critical insight into advancements in workspace innovation and technology.

## 2023 Progress

In 2023, we established required company-wide annual ethics and harassment training.

In August 2023, we launched Information Security Training for leaders. This is an added layer to the all-employee information security training that ensures company leaders have added accountability and monitoring capabilities.

We have increased the visibility of our employee handbook and built a system for annual employee acknowledgment.





# Raise The Bar

## Looking Forward

We are committed to doing the right thing for our fans, employees, and planet. In everything we do, we look to Raise the Bar and be better each day, and we have made tangible commitments to improve.

Dedicated to advancing our goals, we commit to:



## Environmental

- By 2025, we will require all manufacturers to recycle according to set standards of responsibility.
- By the end of 2025, we will remove an additional 15% of paper instruction sheets from our packages.
- By the end of 2026, we will decrease 5% of packaging materials.
- By the end of 2025, we will increase our proportion of near-shore production to 9%, reducing our emissions and carbon footprint.





- By the end of 2024, we will evaluate equity in pay and address any identified disparity\*.
- In 2024, we will launch a “Close the Gap” mentorship program as part of our effort to create more diversity in our company’s leadership team.

\*Disparity of \$10,000 or greater





## Governance

- By the end of 2024, institute an annual employee handbook audit and ongoing annual employee acknowledgment.







“Creating a dedicated focus is the best way to drive movement and progress,” said McCann. “As we continue to evolve and grow, we know we are doing what's right for our business, fans, and employees.”

**The best is yet to come.**

