

MARTELA RESPONSIBILITY REPORT

2011



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INTRODUCTION

Contents and scope of report

This is the second time that Martela has issued a Corporate Responsibility Report. The report has been written in accordance with the Global Reporting Initiative (GRI) guidelines (version G3) on sustainability reporting. The Martela Corporate Code of Conduct prepared by Martela's Sustainability Steering Group was approved by the Board of Directors, while the other management principles guiding Martela's corporate responsibility were approved by the Group Management Team in February 2011.

The performance indicators chosen for the report are based on a materiality assessment made by the Sustainability Steering Group in 2010.

Any deviations from the GRI guidelines and any shortcomings in presenting indicators that are material for Martela are dealt with in the GRI Comparison Table. In the comparison we also disclose the self-declaration of our reporting level required by GRI. We regard ourselves as a C-level reporter.

REPORTING STRUCTURE

At the beginning of the report we briefly introduce Martela as a company, as well as Martela's values, strategy and governance. After that, we present the stakeholder assessment prepared by the Sustainability

Steering Group and the core risks and opportunities as concerns corporate responsibility.

When presenting Martela's corporate responsibility management, we disclose the related management principles and commitments as summaries – the full texts of our principles can be found at www.martela.com/In_English/Responsibility. In this context, we do not present our governance and risk management principles, as they are dealt with in the Martela Annual Report. In the section "Organization of corporate responsibility", we describe the roles and duties of the Board of Directors, the Group Management Team and the Sustainability Steering Group in developing corporate responsibility.

Detailed information on performance is presented in the economic, social and environmental sections of the report. As this is only our second report, the results we disclose reflect more or less our current situation, and we cannot yet show many targets in addition to the results. At the beginning of 2012 the Group Management Team approved Martela's CR target program for 2012-2014. Thus, in future reports we will be able to monitor the achievement of the targets.

REPORT SCOPE

Our reporting covers all of Martela's operations. Any deviations or limitations are reported in connection with the indicators in question. We have followed the principles for reporting boundary and disclosure levels defined in the GRI Boundary Protocol.

Concerning business units outside Finland, the coverage of performance indicators is not yet satisfactory compared to the data available on the Finnish operations. For instance, with respect to the property we occupy in Poland, the energy costs are included in the rent paid, and getting data on actual energy use and emissions was not possible for this report.

For most indicators, we can show retrospective statistics for 2009-2011, but in the case of social responsibility metrics we can only show statistics for 2010-2011. In the future, we aim to use a three-year time series with all our indicators.

Our reporting covers all of Martela's operations. Any deviations or limitations are reported in connection with the indicators in question. We have followed the principles for reporting boundary and disclosure levels defined in the GRI Boundary Protocol.

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INTRODUCTION

Contents and scope of report

GLOBAL COMPACT REPORTING

Martela joined the Global Compact Initiative in early 2011. The Global Compact charter considers the use of the indicators in the GRI G3 Guidelines as appropriate for monitoring and evaluating progress on the principles. We continue Global Compact reporting (Communication on Progress) in this report by marking, in the GRI Comparison Table, the indicators that evaluate our fulfilment of the principles of human rights, labour rights, environmental protection and anti-corruption.

THE MARTELA REPORT HAS NOT BEEN ASSURED

We have written our report in both Finnish and English, with the Finnish version being regarded as the original text. The report has not been printed, but it is possible to print it out as a PDF document.

The report has not been assured by a third party. The figures in the sections "Martela as a company" and "Economic performance" have been reviewed by the auditors when conducting the audit on the financial statements and Board of Directors' Report.

This report discloses the results for 2011, and in most cases also for 2009 and 2010.

Our next report on 2012 will be published in spring 2013.



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CEO'S REVIEW

Martela helps its clients to act responsibly

Martela started its operations more than 60 years ago by investing in the production of sustainable, safe and ergonomic furniture. We design our products to survive the passage of time. Our furniture's durability and versatility enables it to serve many users throughout its life cycle. Today, Martela is not only a furniture manufacturer and design house, but also increasingly a service company. We have developed our service products to meet diversifying customer needs.

Martela has developed a recycling business which is innovative even by international standards. In 2010, we acquired the Martela Poistomyynti operation, including its two outlets. The renamed Martela Outlet chain now operates six stores around Finland, and sells used and remanufactured furniture to small businesses and home offices. Thanks to the Outlet channel and our extended service capabilities, we are able to provide a furniture recycling service for all our customers in Finland – efficiently, competitively, and responsibly. During 2011, we restored and found a new user for nearly half a million kilograms of second-hand furniture. We have also launched a project to explore the potential for expanding the recycling service to our other home markets.

As a Martela customer and partner you

can be sure that we will think about our environment, our employees and our business responsibly and over a much longer term than the quarterly reporting periods. This is Martela's second Responsibility Report, and, as such, plays an important role in continuously improving the many aspects of responsibility.

Heikki Martela
CEO



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MARTELA IN BRIEF

Martela transforms workspaces

Martela is a family company founded more than 60 years ago and its shares are quoted on NASDAQ OMX Helsinki Ltd. The company has production facilities in Finland, Sweden and Poland. Its main market area is the Baltic region. In 2011, the Martela Group's revenue was EUR 130.7 million and the Group had 791 employees at the end of the year.

Martela's offering of products and services helps customers transform their working environments and public interiors. Martela's interior solutions bring added value to the customer's business and brand, and improve the customer's working environment and the well-being of staff. Martela's collection includes both classics and new innovations that are in tune with changes in workplace culture. Quick deliveries and an extensive distribution network support the efficiency of operations. Martela's objective is to offer its customers ergonomic and innovative furniture and the best service in its field.

Martela is the largest company in its sector in Finland and one of the three largest in the Nordic countries. Martela offers

the widest range of after-sales support and modification services for interior solutions in the entire sector. In Finland, Martela offers a comprehensive service that covers all modifications required for office premises, from initial inventory and lay-out planning to removal and maintenance of the furniture. In addition to furnishing offices, Martela supplies furniture for learning environments, elderly care facilities, auditoriums and hotels.

Martela's product line is based on a strong and flexible supplier network. Manufacture of Martela's collection concentrates on final assembly in logistic centres in Finland, Sweden and Poland. Wood-based board is cut to size, veneered and surface treated or laminated in Martela's subsidiary, Kidex Oy, while form-pressed components are similarly treated in the joint venture company P.O.Korhonen Oy.



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MANAGEMENT OF RESPONSIBILITY AT MARTELA

Values

Managing corporate responsibility is normal everyday work at Martela. Responsibility is an integral part of Martela's values, corporate policies and strategy. In addition, the company has defined specific management principles for steering corporate responsibility work. As all the principles presented here were written or updated at the beginning of 2011, the work of communicating them both internally within the Group and externally to our stakeholders is still unfinished in the end of reporting year 2011.

Our corporate values can be expressed by the terms: Family Business, Passion for Innovations, User Driven Design and Finnish.

Family business explains our long-term way of thinking. We look further than just the next quarter and maintain contacts over generations. We look to the future, but also place the same value on the environment and our roots.

Passion for Innovations is in our DNA. Innovations apply not only to our products, but are also evident in our attempts to improve in everything we do.

User Driven Design can be seen and felt in our products and services in a very concrete way. We can improve the everyday lives of our customers in many ways.

Martela has been developing with Finland ever since 1945 and we are proud of

our Finnish roots. A key thing about being Finnish is keeping your word. At Martela this means keeping our customer promises: we finish the work we have started with pride. Therefore our fourth value is Finnish.

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MANAGEMENT OF RESPONSIBILITY AT MARTELA

Stakeholders

The Martela Sustainability Steering Group has conducted a stakeholder assessment on which to base our CR management model. This assessment consists of the expectations of Martela’s key stakeholder groups concerning Martela’s responsibility, Martela’s actions to meet these expectations, and the indicators that will allow us

to measure how well these actions have succeeded. At this stage, the stakeholder assessment has been conducted internally among the Group’s specialists, utilizing available inquiries and surveys on stakeholders’ opinions.

STAKEHOLDER ASSESSMENT

Stakeholder group	Their expectations	Our actions	Indicators
Key account customers	Product emissions Product supply chain Product materials Code of conduct	Product declarations Code of conduct Responsible purchasing principles CR reporting	Core indicators in reporting Amount of labels & certifications
Customers	Complying with laws and contracts (incl suppliers) Training of employees	Code of conduct CR reporting Product declarations Brand surveys	Social performance indicators Labels & certifications
Customers in Sweden	Environmental labelled productst	Swan labeling of some products	Amount of labeled products
Employees	Continuous work contracts Health and safety Training Career development opportunities Company brand	Employee satisfaction survey Training opportunities Personal appraisal Employee clubs	Training days/costs Sick days,accidents, Employee turnover Appraisal % Internal job rotation
Specifiers (e.g. architects)	Environmental trends Image of the brand	Material studies Brand image surveys	Survey results
Owners	Steady development Successful risk management Ensuring competitiveness	Developing systematics on CR Reporting	Cost saving and competitive advantage indicators Brand image/value
Investors	Steady development Successful risk management Information on CR performance	Systematics on CR Reporting	Cost saving and competitive advantage indicators Brand image/value
Dealers	Same as customers Reliable partnership	Same as customers Exceeding other suppliers’ performance	Same as customers
Suppliers	Steady development Trust Clear instructions and expectations	Long-term cooperation Responsible purchasing principles	Length of contracts Compliance with Martela requirements



MANAGEMENT OF RESPONSIBILITY AT MARTELA

Memberships

With respect to legislation and collective bargaining issues, Martela's voice is heard through its membership of the Association of Finnish Furniture and Joinery Industries, which is a member of the Confederation of Finnish Industries. In Sweden we are a member of Trä- och Möbelföretagen, which is the national trade and employers' association for the wood processing and furniture industry. Martela does not support politicians or political parties in any of its countries of operation.



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MANAGEMENT OF RESPONSIBILITY AT MARTELA

Risks and opportunities

The current strategy of the Martela Group – “We are a leader in inspiring spaces. We offer complete solutions with products and services in our home markets. We add value by strengthening customers’ brands, motivating people, and raising efficiency. We focus on direct customer and specifier relationships.” – does not mention responsibility directly, but responsibility materializes in reliable deliveries.

The valid corporate risk assessment did not show up risks in the corporate responsibility area that would require particular actions. Sustainability risks have been discussed in the Board of Directors’ risk assessment under “business risks”.



Helsinki World Design Capital 2012 toimisto, Helsinki
Rane Vaskivuori

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MANAGEMENT OF RESPONSIBILITY AT MARTELA

Management principles

Martela Corporation's Board of Directors approved the Martela Corporate Code of Conduct at their meeting of 8 February 2011 and confirmed it again at their meeting of 4 March 2012. The Code includes guidance and requirements for the benefit of those who work at Martela and Martela's partners. The Code discloses Martela's position on good governance, social responsibility, environmental responsibility, cooperation with suppliers of goods and services, customer relations, communications and stakeholder relations. Martela's international commitments are also recorded in the Code.

A training program dealing with the Code and other policies for Martela's employees was started at the beginning of 2012. Martela's main suppliers of goods and services were informed during the autumn of 2011 and will continue to be informed as part of regular business negotiations.

The Martela Group Management Team approved the corporate responsibility policies (The Human Resources Policy, The Environmental Policy, The Purchasing Principles and The Social Requirements on Suppliers) that support the Code at their meeting of 5 January 2011 and confirmed them again at their meeting of 17 April 2012.

The complete text of the Corporate Code of Conduct, The Human Resources Policy, The Environmental Policy, The Purchasing Principles and The Social Requirements of Suppliers that support it are presented on Martela's website at www.martela.com/In_English/Responsibility.

CORPORATE GOVERNANCE PRINCIPLES

As corporate governance principles and issues are dealt with in Martela's Annual Report, in the Board of Directors' Statement, Resolution passed by the organizational meeting of Martela Corporation's Board of Directors and Resolution passed by the Annual General Meeting of Martela Corporation they are not treated separately in this report.

RISK MANAGEMENT

Risk management is also dealt with in more detail in the Annual Report and Board of Directors' Statement. Hence, it has not been included in this report.

HUMAN RESOURCES POLICY

Martela's Human Resources Policy, approved by the Group Management Team, outlines the principles on which responsible HR management is founded, clarifies and harmonises the HR management process,

and shows how to maintain and develop a good corporate and employer image. Martela's success is dependent on a skilled and motivated personnel who enjoy their work. Through responsible HR management, the company ensures that these personnel qualities are maintained in both the short and long run.

ENVIRONMENTAL POLICY

Martela's Environmental Policy, approved by the Group Management Team, aims to decrease the company's environmental impacts and promote recycling. The policy gives detailed instructions on how to apply an environmental approach to developing Martela's collections and production processes, choosing materials, enhancing the recyclability of products, and improving leasing, maintenance and recycling services. Our environmental activities are managed in accordance with the ISO 14001 management system, which is presented in more detail in the environmental section of this report.

MANAGEMENT OF RESPONSIBILITY AT MARTELA

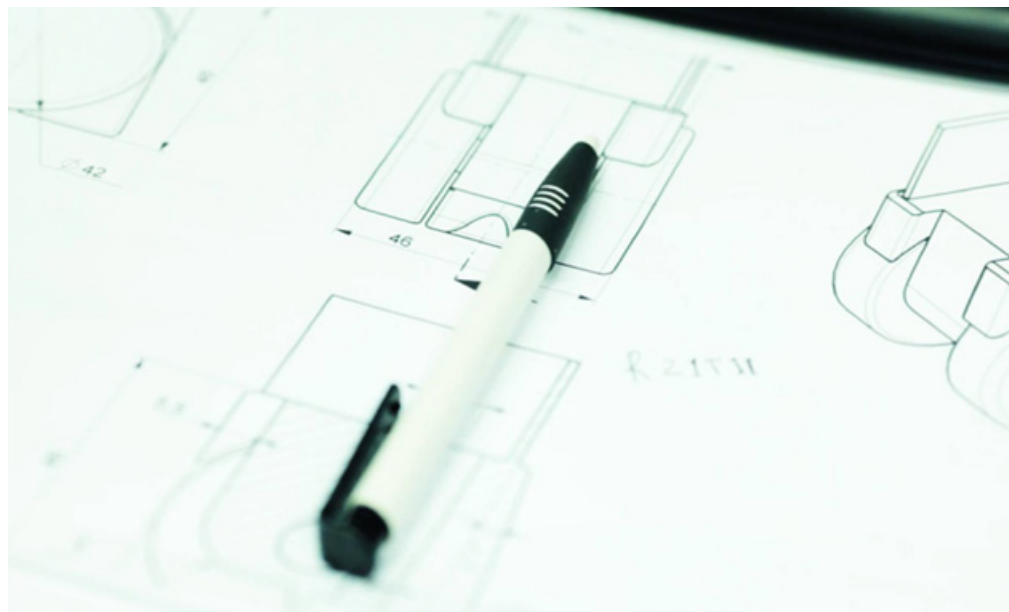
Management principles

PURCHASING PRINCIPLES

Martela's Purchasing Principles, approved by the Group Management Team, present Martela's core requirements of suppliers of goods and services. The principles deal with suppliers' compliance with laws, regulations and the Martela Corporate Code of Conduct, as well as delivery reliability, environmental and other issues. Product-specific and supplier-specific quality and technical requirements, and environmental and social requirements, are dealt with in more detail in the guidance documents.

SOCIAL REQUIREMENTS OF SUPPLIERS

Martela's Social Requirements of Suppliers, approved by the Group Management Team, complements the Purchasing Principles. The requirements are targeted at those suppliers and their subcontractors (mostly in developing countries) that, in our assessment, constitute a reputation risk. The suppliers are required to comply with national labour laws and ILO conventions. The areas under surveillance are working hours, compensation, child labour, forced labour, discrimination, freedom of association and collective bargaining, and health and safety at work. The requirements disclose how suppliers are to be monitored. Only a few of Martela's suppliers are regarded as risk suppliers.



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MANAGEMENT OF RESPONSIBILITY AT MARTELA

Organisation

Corporate responsibility is managed at Martela as part of the normal planning process and everyday work. Therefore, no separate organization is required.

However, because the subject includes plenty of new issues, a Sustainability Steering Group has been set up to prepare development actions, coordinate proceedings in the business units and make all the needed proposals to the Group Management Team. The Sustainability Steering Group will act until it is felt that CR management procedures have become well established. The Sustainability Steering Group will once a year conduct a management review of CR, including CR results, development plans and reporting. The Sustainability Steering Group has representatives from Products and Communications, Production and Logistics, HR, Finance/Administration/IT, Business Unit International and Business Unit Sweden/Norway. Martela's Responsibility Specialist acts as the secretary and reporter for the Sustainability Steering Group.

The Group Management Team (GMT) will follow the development of the responsibility program and deal with the proposals of the Sustainability Steering Group, the Director of the Products and Communication Unit and other GMT members. The

GMT will approve the principles guiding responsibility, except those approved by the Board of Directors, and will approve the annual Responsibility Report before publishing. Of the principles guiding responsibility, the Board of Directors will approve the Corporate Code of Conduct, the governance policies and risk management policy. The Group Management Team will submit to the Board other proposals on CR whenever needed. Board has not nominated any of its members to specialize in CR issues.

The Business Units will implement the Group's CR principles in their own operations within the normal planning process and governance. The CR Target Program for 2012-2014 aims to visibly take CR development programs into future annual planning processes.

Martela's CR policies, performance indicators and reporting responsibilities have been collected into an internal CR Handbook, which is available on Martela's intranet in both Finnish and English.

MANAGEMENT OF RESPONSIBILITY AT MARTELA

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MANAGEMENT OF RESPONSIBILITY AT MARTELA

Action Plan for Responsibility 2012-2014

Martela's first action plan for corporate responsibility includes objectives relating to greater awareness of corporate responsi-

bility, improved employee well-being and increased attention to environmental issues.

Action	Target	Timetable	Owner
Training related to the Martela Corporate Code of Conduct - for Martela's employees - for Martela's suppliers - for Martela's customers and other stakeholders	40 % of employees	3/2012	TProducts and Communications
	100 % of employees	6/2012	Purchasing
	50% of suppliers by material volume	12/2012	Products and Communications, BU Finland, BU Sweden & Norway, Marketing, Sales
	20 % of customers and resale personnel by sales volume	12/2012	
Developing wellbeing at work	Wellbeing model complete, evaluation of current status, development of model	2012	Human Resources
Best working place	Best working place 2013: Action plan based on initial assessment Implementation of action plan (2012-2013)	2013	Human Resources
Statistics on material use (a core GRI indicator) - collecting data on volume of material used, classified by core material groups	Creating dependable metrics to set targets for material efficiency and material choices (material use in tons)	6/2012	Purchasing
Statistics on energy use (a core GRI indicator) - electricity, heating, fuel for transportation	Actions or savings potential studied and targets set.	6/2012	All Business Units Service business
Initiatives to save energy and reduce CO2 emissions - monitoring energy efficiency of premises buying renewable energy, video conferencing	- Actions or savings potential studied and targets set	2011-2012	All Business Units
	-Renewable electricity 20% of purchased electricity	2014	Purchasing
	- video conferencing possibilities and training for 40% of employees (white collar)	06/2012	IT
Assessment and monitoring of risk suppliers	Questionnaires sent to risk suppliers based on risk assessment, and receipt of replies from all recipients of questionnaires.	3/2012	Purchasing

RESPONSIBILITY RESULTS

Materiality assessment

Martela's performance in the area of corporate responsibility is measured and disclosed by indicators compatible with the GRI recommendation. The indicators have been chosen in a materiality assessment carried out by Martela's Sustainability Steering Group. The group chose six economic, nine environmental, nine social and three product responsibility indicators

for the 2011 reporting. The report for 2012 will include two new indicators in addition to those chosen for 2011.

MATERIALITY ASSESSMENT OF GRI METRICS

The Martela Sustainability Steering Group has conducted a materiality assessment as a basis for Corporate Responsibility

Reporting. The GRI recommendations were assessed in relation to the expectations of Martela's key stakeholder groups, and the significance of the measures for Martela was considered. The materiality assessment was conducted internally by the Group's specialists. The chosen metrics are shown by bold blue text.

MATERIALITY ASSESSMENT

Vertical dimension: level of concern to stakeholders
 Horizontal dimension: current/potential impact on Martela

	LOW	MEDIUM	HIGH	VERY HIGH
VERY HIGH		Greenhouse gas emissions Initiatives to reduce greenhouse gas emissions	Workforce by employment type and contract Employee turnover and job satisfaction	Coverage of formal health and safety committees
HIGH			Sick days and injuries Performance and career development reviews Ratio of basic salary of men to women Labelling/information requirements of products sold Customer satisfaction surveys	Indirect energy consumption Energy saving improvements & projects Waste by type and disposal methods
MEDIUM	Incidents of discrimination Freedom of association and collective bargaining	Significant spills Fines and sanctions for non-compliance with environmental laws and regulations	Direct economic value by stakeholder groups Paid salaries, taxes, indirect employee costs Financial assistance from the government Purchases from local suppliers by countries of operation Business units analysed for corruption risks Training in anticorruption policies and procedures Handling of hazardous waste Notice procedures in significant operational changes	
LOW	Direct economic value by countries of operation Total water withdrawal Emissions of ozone-depleting substances Significant suppliers that have undergone human rights screening Employee training on relevant human rights issues	Contributions to political parties and politicians by country	Improvement projects on health, safety and environment Non-compliance concerning health and safety regulations/codes Non-compliance with marketing laws/codes Sanctions for non-compliances	



RESPONSIBILITY RESULTS

Key metrics of responsibility 2009-2011

	2009	2010	2011
ECONOMIC RESPONSIBILITY			
Revenue (million €)	95.3	108.4	130.7
Profit before tax (million €)	0.4	1.1	1.9
Income Taxes (million €)	0.3	0.4	0.3
Return on investment (%)	2.3	3.7	6
Equity ratio (%)	57.4	55.6	44.7
Dividends paid (million €)	2.4	1.8	1.8
Wages and salaries (million €)	20.4	21.8	24.7
Number of employees (average)	x	596	683
Purchases (million €)	66.2	76.5	95.0
Gross investment (million €)	2.2	4.7	6.8
Customer satisfaction (scale 0-5)	4.421)	4.421)	4.391)
SOCIAL RESPONSIBILITY			
Average age of employees (years)	45.32)	45.52)	45.22)
Average length of employment (years)	16.02)	16.02)	15.22)
Staff turnover (%)	x	9.2	11.2
Reasons for leaving (incidents)			
- decided by the employer	x	28	3
- decided by the employee	x	25	69
- retirement	x	5	8
Absences due to illness (% of work time)	x	4.9	4.4
Training days per employee	x	x	1.0
Investment in education (€ / person)	x	377	285
Development discussions (% of staff)	x	73	80
ENVIRONMENTAL RESPONSIBILITY			
Material use (tn)	x	78821)	92671)
Direct energy (GJ)			
- wood based	28 500	28 313	4 175
- heating oil	17 453	19 174	16 424
Indirect energy (GJ)			
- district heating	5 928	7 937	13 024
- electricity	28 452	31 550	32 947
Carbon dioxide emissions (tn)			
- from direct energy	1 489	1 620	1 281
- from indirect energy	1 118	879	1 317
- own transport fleet	x	x	2382)
- company cars	x	2951)	2411)
- business flights	1312)	1612)	2112)
Waste (tn)	2292	2282	4819
- hazardous waste (tn)	27	25	22
- recovery (%)	91	93	95

x no measurement

1) BU Finland

2) Martela Group Finland operations

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RESPONSIBILITY RESULTS

Economic responsibility

Martela Corporation is a Finnish public limited company that is governed in its decision-making and management by Finnish legislation, especially the Limited Liability Companies Act, by other regulations concerning public listed companies, and by its Articles of Association. In addition the Martela code of conduct includes sound financial management policies.

As a stock exchange listed company Martela complies with the NASDAQ OMX guidelines for insiders and the Finnish Corporate Governance Code 2010 published by the Securities Market Association.

Most indicators of economic responsibility are derived from the consolidated financial statements, the preparation and disclosure of which are based on the IFRS standards.

OWNERS

Martela has two share series, with each K share entitling its holder to 20 votes at a General Meeting and each A share entitling its holder to one vote. Private holders of K shares have a valid shareholder agreement that restricts the sale of these shares to other than existing holders of K shares. There are altogether 604 800 K shares and 3 550 800 A shares. K shares account for

14.6% of all shares and 77.3% of the total votes. Almost all the stock exchange trading concerned the A-shares with a 2011 turnover rate of 19.2%. The fifty largest shareholders held 71.5% of the company's shares at the end of year 2011, and the company's market capitalization was EUR 24.1 million.

RESPONSIBILITY RESULTS

Economic value

REVENUE AND OPERATING PROFIT

The consolidated revenue in January-December was EUR 130.7 million, an increase of 20.6 per cent on the previous year. BU Finland's contribution to revenue was EUR 89.4 million. The operating profit for the corresponding period was EUR 2.6 million (1.3), and the operating profit for Finland was EUR 6.5 million (5.0). The equity ratio was 44.7 per cent (55.6), the gearing ratio was -2.6 per cent (-14.1) and gross capital expenditure was EUR 6.8 million (4.7).

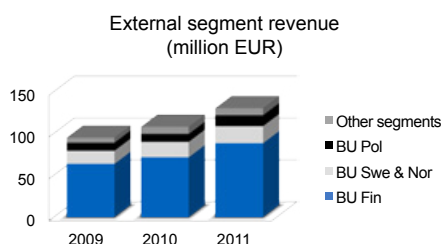
Capital expenditure mainly concerned the acquisition of the companies, Muuttopalvelu Grundell Oy and Grundell Henkilöstöpalvelut Oy, as well as the ERP project and production replacements.

DIRECT ECONOMIC VALUE BY STAKEHOLDER GROUP

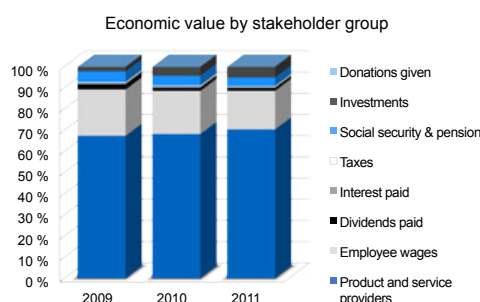
Around 70% of the Martela Group's EUR 130.7 million revenue is distributed to suppliers and service providers as payments for purchases of materials, goods and services. The second biggest portion of economic

value goes to personnel in the form of employee salaries and wages and, in relation to that, in the form of indirect employee benefits (pension contributions and other social security). Shareholders receive economic value in the form of dividends, which are paid annually. Income taxes are paid according to the legislative requirements of each country of operation, and the tax rate differs depending on the economic value retained in the local units.

Segment profit (EUR million)	2009	2010	2011
BU Fin	3,9	5,0	6,5
BU Swe & Nor	-1,0	0,0	0,3
BU Pol	-0,7	-1,4	-0,6
Other segments	-1,0	-0,5	-2,3
Other	-0,4	-1,8	-1,2
Total	0,8	1,3	2,6



Economic value by stakeholder group	2009	2010	2011
Product and service providers	67,4 %	68,2 %	70,4 %
Employee wages	21,9 %	20,4 %	18,3 %
Dividends paid	2,4 %	1,6 %	1,4 %
Interest paid	0,5 %	0,2 %	0,4 %
Taxes	0,3 %	0,4 %	0,3 %
Social security & pension	5,3 %	4,9 %	4,3 %
Investments	2,2 %	4,2 %	5,0 %
Donations given	0,0 %	0,0 %	0,0 %



RESPONSIBILITY RESULTS

Economic value

WAGE AND SALARY COSTS

Due to the increased number of employees in the Martela Group, the total paid salaries, wages and social costs increased during 2009-2011.

The graph shows the share of salaries and wages, indirect employee costs and taxes in the main market areas. The biggest share is naturally in Finland, as it has the biggest number of employees, while the rest is divided between Sweden and Poland. The share of Sweden also contains Norway every year, and share of Poland contains Hungary starting from 2010. The

group entitled "Others" contains minor markets whose share has increased due to acquired or started businesses in recent years in e.g. Denmark and Russia.

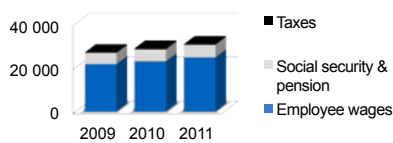
FINANCIAL ASSISTANCE

The Martela Group started applying for, and receiving public subsidies in 2009. The subsidies have been granted by Finland's Ministry of Employment and the Economy for a presence at international design fairs. Research and development has also benefitted from some subsidies from TEKES (the Finnish Funding Agency for Technology

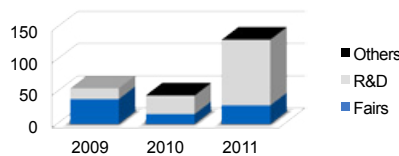
and Innovation).

Subsidies for research and development increased in 2011, mainly because of various projects in developing working environments. Developments have required more working hours and costs, and hence a bigger received subsidy level in 2011. Some part of the subsidy received in 2011 concerns projects completed in two years 2010-2011.

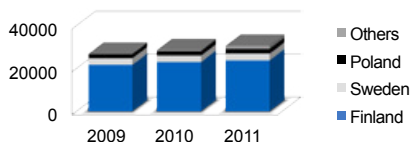
Salaries, employee costs, taxes distribution (1000 EUR)



Public subsidies (1000 EUR)



Salaries, employee costs and taxes by countries (1000 EUR)



RESPONSIBILITY RESULTS

Economic value

PURCHASES FROM LOCAL SUPPLIERS

Martela has logistics centres in Finland, Sweden and Poland. Purchases from all these countries are considered as purchases from local suppliers. However, the country of manufacture of components, sub-assemblies and products is not always the same as the supplier's home country. Therefore, assessments of the social risk of purchases must be supplier-specific.

The percentage of purchases from outside Europe has increased slightly and consists mainly of component purchases.

In 2011 about 65% of total purchases were for materials, components and ready products needed in order to manufacture products for customers. 35% of purchases

included marketing costs, for example, and products and services related to real estate and information management.

In 2011, Martela used about 250 suppliers of materials and components for standard products. Three quarters of material purchases originated from Finland and Sweden. Half of all material costs went for the purchase of metal and wood based materials and components.

CORRUPTION RISKS

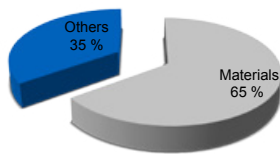
The Martela Group has identified the corruption-related risks of its market areas. Such risks arise mainly in the Russian and Eastern European markets. Martela does not accept any kind of corrupt practices in

carrying out business transactions in any market. The giving or receipt of bribes is not acceptable in any circumstances.

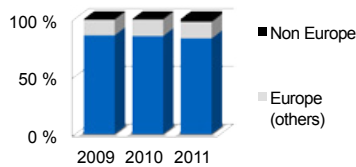
Martela ensures the integrity of its local personnel, especially in markets with high corruption-related risks, by relying on thorough recruitment processes conducted with recruitment companies of reliable reputation.

All business transactions are recorded in each subsidiary's financial accounting, and are inspected annually by an external auditor (KPMG) in each subsidiary. An auditor's report is regularly presented to the annual general meeting of the Martela Group. All financial accounting is transparent to group control in Martela's head office.

Purchases 2011



Purchases by areas



RESPONSIBILITY RESULTS

Social responsibility

Martela's Human Resources Policy outlines the principles on which responsible HR management is founded, clarifies and harmonises the HR management process, and shows how to maintain and develop a good corporate and employer image. Martela's success is dependent on a skilled and motivated personnel who enjoy their work. Through responsible HR management, the company ensures that these personnel qualities are maintained in both the short and long run.

The HR indicators are designed to provide a comprehensive picture of Martela's employees and their importance to the company. The indicators also demonstrate how Martela structures its activities and human resources to implement its overall strategy. They present information on the

number and composition of the personnel, employee turnover, notice procedures in cases of major change, personnel competence, health and safety, and remuneration systems.

There are key indicators for Finland, Sweden and Poland, which are the biggest regions by number of personnel. The figures for Finland include BU Finland, BU International, Group functions, Kidex Oy and P.O.Korhonen Oy. The units in Denmark, Russia, Norway and Hungary are so small in terms of employee numbers that the figures for Denmark and Russia are included in the Group, the figures for Norway are included in Sweden and the figures for Hungary are included in Poland.

The HR indicators are based on changes and results in 2011.

REVIEW OF 2011

As motivated, committed and skilled people are the key to Martela's success, the Group's personnel have a very significant role to play. The positive momentum started in the second half of 2010 continued in 2011 and during the year there were a large number of development projects. More employees were recruited than in earlier years and a major acquisition was made at the end of the year.



Inspiring
spaces

Martela

RESPONSIBILITY RESULTS

Social responsibility

NUMBER AND COMPOSITION OF PERSONNEL IN GROUP

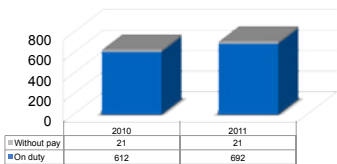
At the end of the year, the Martela Group employed 713 people, 21 of whom were on unpaid leave. The number of personnel increased by 80. Most of the employees were permanent and worked full-time. Some temporary employees were recruited to help with seasonal peaks. Summer employees were recruited after a few years' break. According to the company's strategy,

the number of employees should always be correctly aligned with the company's goals. The number of personnel is therefore followed up monthly, and every recruitment must have permission before it is actuated.

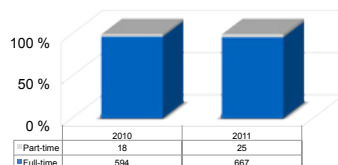
Employment contracts are typically long at Martela, with 20+ years in service being typical in Finland and Sweden. Employees stay for a shorter time in Poland. Office employees were the largest personnel group in 2011. The gender split was

39% women and 61% men. The largest age group was 40-to-49-year-old employees. The proportion of employees aged under 30 years increased to 10.3%. In 2011 the Martela Group's Board of Directors comprised seven members, including one woman and six men. The Group Management Team had nine members, including one woman and eight men.

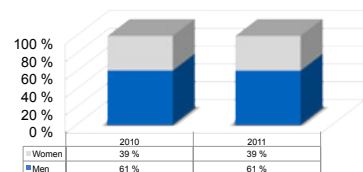
Amount of personnel at the end of year, Group



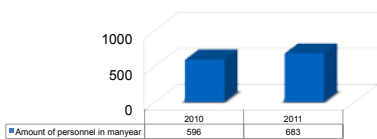
Personnel: full-time and part-time end of year, Group



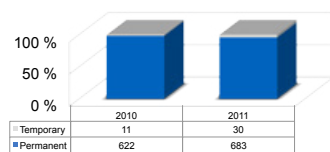
Gender distribution, Group



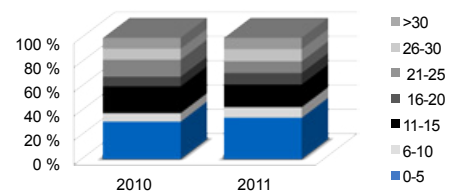
Amount of personnel in man years, Group



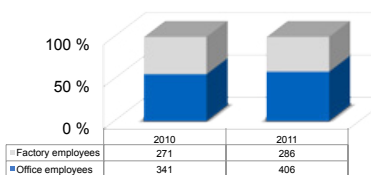
Temporary and permanent at the end of year, Group



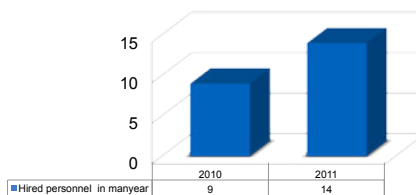
Years in service, Group



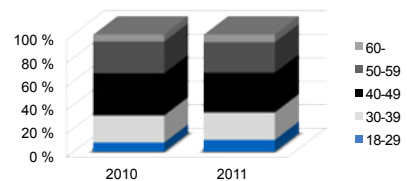
Personnel groups at the end of year, Group



Hired personnel in manyear, Group



Age distribution, Group



RESPONSIBILITY RESULTS

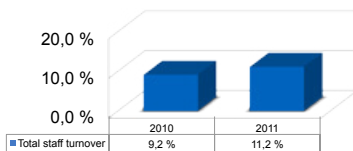
Social responsibility

EMPLOYEE TURNOVER IN GROUP

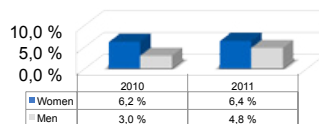
Employee turnover has typically been low at Martela. The low turnover and long years spent in service indicate a high degree of commitment. As a result, the personnel are very competent and experienced in the industry, which gives added value to Martela. The number of those leaving Martela's employment in 2011 was higher than in 2010, partly as a result of the greater number of temporary

employment contracts made in 2011. 80 employees left Martela during 2011, 69 of them voluntarily and three due to dismissal. Most of the leavers were men aged under 30 years. The leaving rate was highest in Finland and in Poland. The figure is affected in Finland by the number of temporary contracts and in Poland by the over-heated labour market.

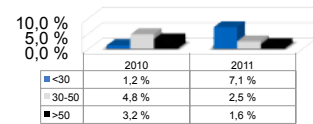
Staff turnover %, Group



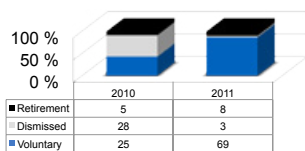
Relative staff turnover by gender, Group



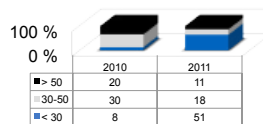
Relative staff turnover by age group, Group



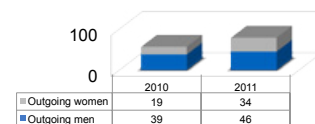
Reason for leaving, Group



Outgoing employees by age, Group



Outgoing employees by gender, Group



RESPONSIBILITY RESULTS

Social responsibility

NUMBER AND COMPOSITION OF PERSONNEL IN FINLAND

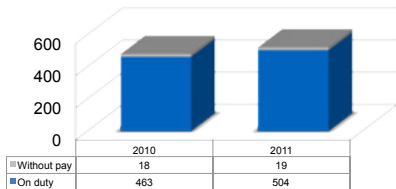
At the end of the year, the Martela Group in Finland employed 504 people, 19 of whom were on unpaid leave. The number of personnel increased by 41. Most of the employees were permanent and worked full-time. Also temporary employees were recruited to help with seasonal peaks. Summer

employees were recruited after a few years' break. According to the company's strategy, the number of employees should always be correctly aligned with the company's goals. The number of personnel is therefore followed up monthly, and every recruitment must have permission before it is actuated.

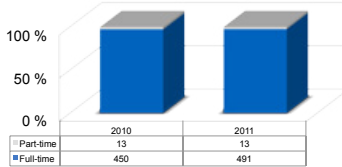
Employment contracts are typically long at Martela. In Finland, 45% of the who-

le work force had served 16 years or more. Office employees were the largest personnel group in 2011. The gender split was 40% women and 60% men. The largest age group was 40-to-49-year-old employees. The proportion of employees aged under 30 years increased to 8.4 %

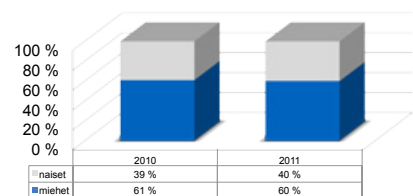
Amount of personnel at the end of year, Finland



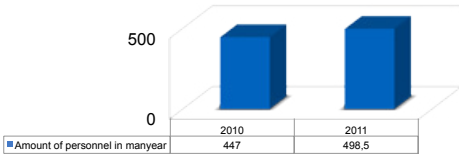
Personnel: full-time and part-time end of year, Finland



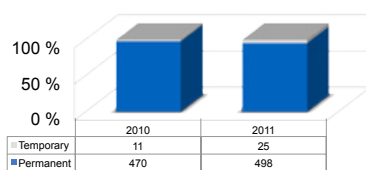
Gender distribution, Finland



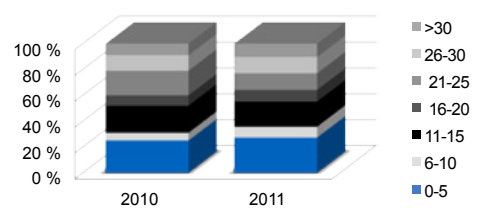
Amount of personnel in man years, Finland



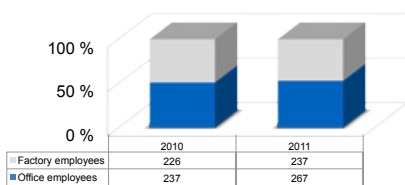
Temporary and permanent at the end of year, Finland



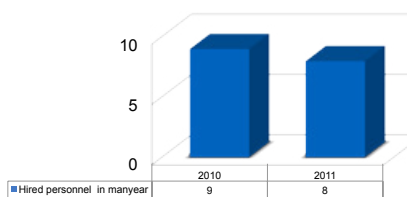
Years in service, Finland



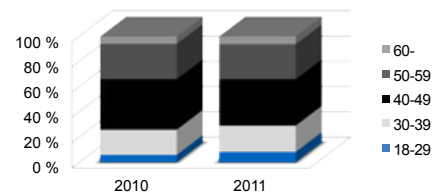
Personnel groups at the end of year, Finland



Hired personnel in manyear, Finland



Age distribution, Finland



Inspiring spaces

Martela

RESPONSIBILITY RESULTS

Social responsibility

EMPLOYEE TURNOVER IN FINLAND

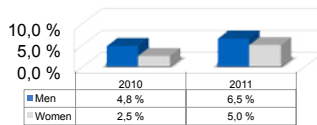
Employee turnover has typically been low at Martela. The low turnover and long years spent in service indicate a high degree of commitment. As a result, the personnel are very competent and experienced in the industry, which gives added value to Martela. The number of those leaving Martela's emp-

loyment in 2011 in Finland was higher than in 2010, partly as a result of the greater number of temporary employment contracts made in 2011. 60 employees left Martela in Finland during 2011, 53 of them voluntarily. Most of the leavers were men aged under 30 years. The figure is affected in Finland by the number of temporary contracts.

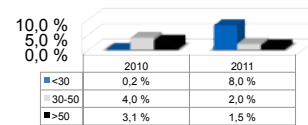
Staff turnover %, Finland



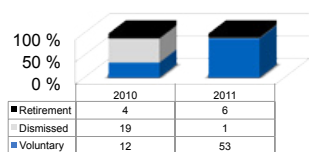
Relative staff turnover by gender, Finland



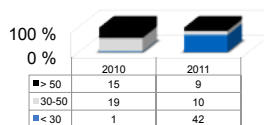
Relative staff turnover by age group, Finland



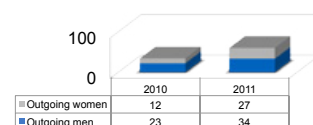
Reason for leaving, Finland



Outgoing employees by age, Finland



Outgoing employees by gender, Finland



RESPONSIBILITY RESULTS

Social responsibility

NUMBER AND COMPOSITION OF PERSONNEL IN SWEDEN

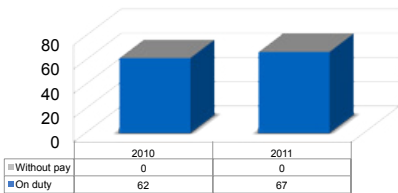
At the end of the year, the Martela Group in Sweden employed 67 people. The number of personnel increased by five. Most of the employees were permanent and worked full-time. Some temporary employees were recruited to help with seasonal peaks. According to the company's strategy, the

number of employees should always be correctly aligned with the company's goals. The number of personnel is therefore followed up monthly, and every recruitment must have permission before it is actuated.

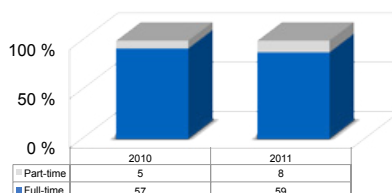
Employment contracts are typically long at Martela. In Sweden, 41% of the whole work force had served 16 years or more. Office employees were the largest

personnel group in 2011. The gender split was 37% women and 63% men. The largest age group was 40-to-49-year-old employees, but there was almost as many 50-to-59-year-olds. The proportion of employees aged under 30 years increased straight to 4.6 %.

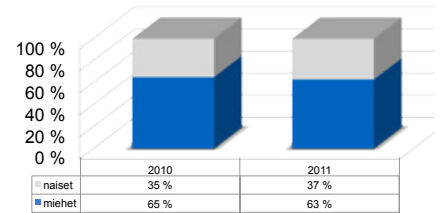
Amount of personnel at the end of year, Sweden



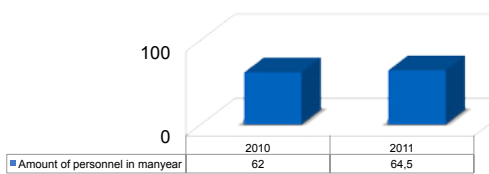
Personnel: full-time and part-time end of year, Sweden



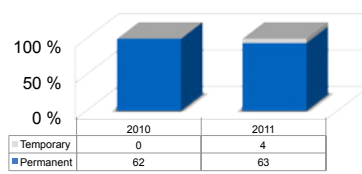
Gender distribution, Sweden



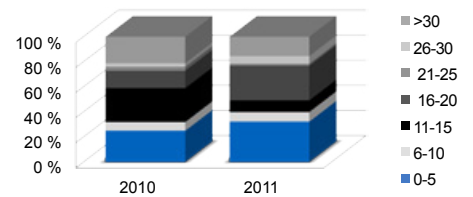
Amount of personnel in man years, Sweden



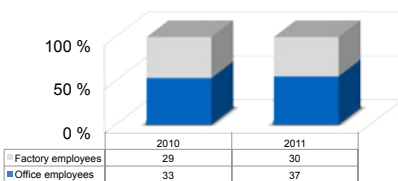
Temporary and permanent at the end of year, Sweden



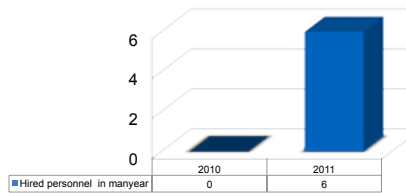
Years in service, Sweden



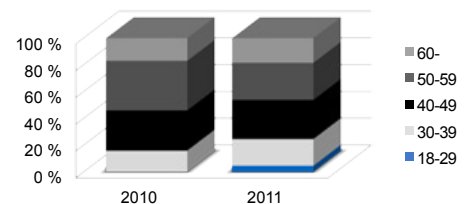
Personnel groups at the end of year, Sweden



Hired personnel in manyear, Sweden



Age distribution, Sweden



RESPONSIBILITY RESULTS

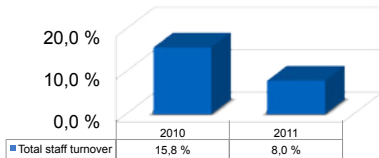
Social responsibility

EMPLOYEE TURNOVER IN SWEDEN

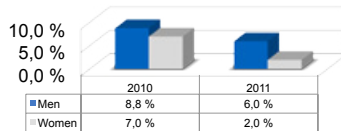
Employee turnover has typically been low at Martela. The low turnover and long years spent in service indicate a high degree of commitment. As a result, the personnel are very competent and experienced in the industry, which gives added value to Martela. The number of those leaving Martela's

employment in 2011 in Sweden was lower than in 2010. Five employees left Martela in Sweden during 2011, three of them voluntarily. Most of the leavers were men from age group 30-to-39-year-olds.

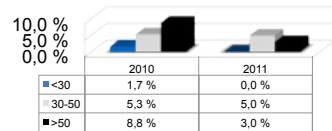
Staff turnover %, Sweden



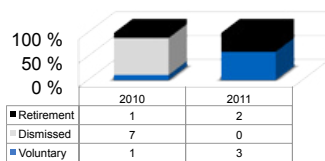
Relative staff turnover by gender, Sweden



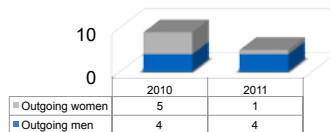
Relative staff turnover by age group, Sweden



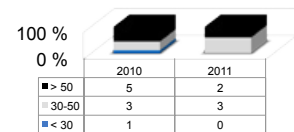
Reason for leaving, Sweden



Outgoing employees by gender, Sweden



Outgoing employees by age, Sweden



RESPONSIBILITY RESULTS

Social responsibility

NUMBER AND COMPOSITION OF PERSONNEL IN POLAND

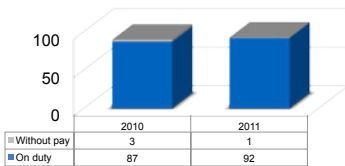
At the end of the year, the Martela Group in Poland employed 92 people, one of whom was on unpaid leave. The number of personnel increased by five. All of the employees were permanent and worked full-time. According to the company's strategy, the number of employees should always

be correctly aligned with the company's goals. The number of personnel is therefore followed up monthly, and every recruitment must have permission before it is actuated.

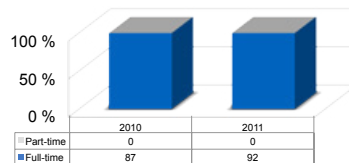
Employment contracts are shorter at Martela in Poland than in other units. In Poland, 67% of the whole work force had served five years or less. Office employees were clearly the largest personnel group in

2011. The gender split was 40% women and 60% men. The largest age group was 30-to-39-year-old employees. The proportion of employees aged under 30 years decreased to 22.2%.

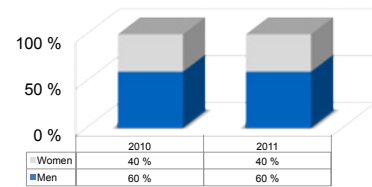
Amount of personnel at the end of year, Poland



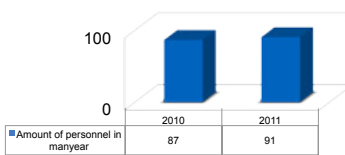
Personnel: full-time and part-time end of year, Poland



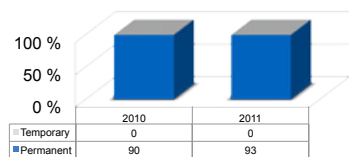
Gender distribution, Poland



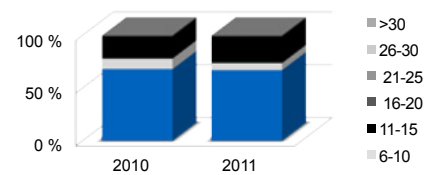
Amount of personnel in man years, Poland



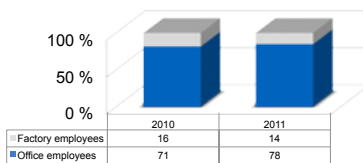
Temporary and permanent at the end of year, Poland



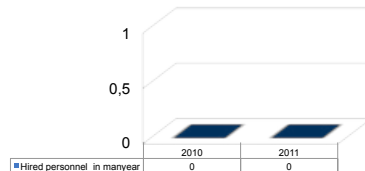
Years in service, Poland



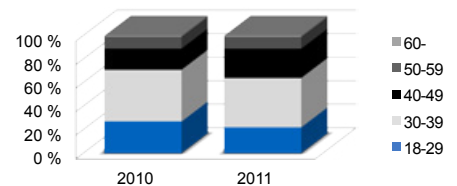
Personnel groups at the end of year, Poland



Hired personnel in manyear, Poland



Age distribution, Poland



RESPONSIBILITY RESULTS

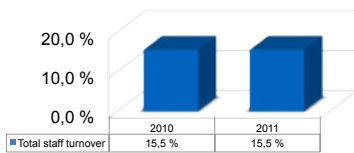
Social responsibility

EMPLOYEE TURNOVER IN POLAND

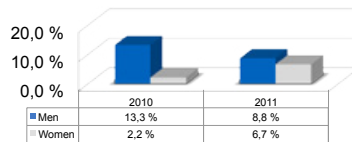
Employee turnover has typically been low at Martela. The low turnover and long years spent in service indicate a high degree of commitment. As a result, the personnel are very competent and experienced in the industry, which gives added value to Martela. The number of those leaving Martela's

employment in 2011 in Poland was on the same level than in 2010. 14 employees left Martela during 2011. Most of the leavers were men aged under 30 years. The leaving rate figure is affected in Poland by the over-heated labour market.

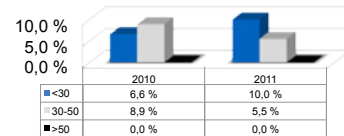
Staff turnover %, Poland



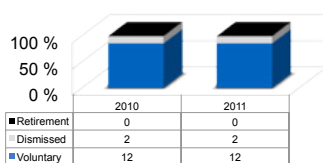
Relative staff turnover by gender, Poland



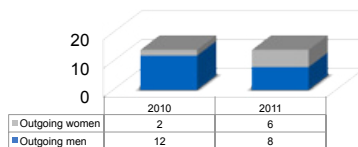
Relative staff turnover by age group, Poland



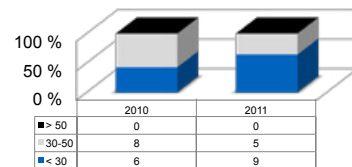
Reason for leaving, Poland



Outgoing employees by gender, Poland



Outgoing employees by age, Poland



RESPONSIBILITY RESULTS

Social responsibility

CHANGE MANAGEMENT

Significant operational changes such as restructuring, outsourcing or acquisitions may have an impact on the personnel. In these cases Martela follows the standard negotiation procedures and, in the case of dismissals, the minimum notice period defined by the law or collective agreements in each region. The negotiation procedures and negotiation periods, for example, are different in different regions. Commonly they depend on the size of the company, the number of employees, the number of those who have to leave and the type of contract. There are also some differences in minimum notice periods. For example, the notice period for employees who have worked for Martela for 3 years is 1 month in Finland, 2 months in Sweden and 3 months in Poland.

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RESPONSIBILITY RESULTS

Social responsibility

HEALTH AND SAFETY

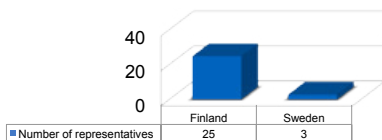
Martela has established a health and safety committee in all regions where this is required by law. In the case of Poland, which has no such law, there are health and hygiene regulations that each company must fulfil before starting any activity. The requirements are controlled by authorised persons who work independently .

The expertise of the health and safety committees is utilized in both preventive and corrective actions. There are 25 occupational health and safety employees in Finland and three in Sweden, and their area

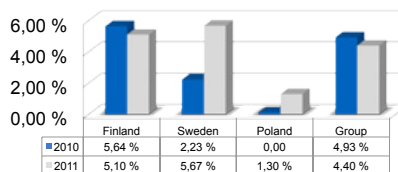
of responsibility covers the whole of the Finnish and Swedish operations. As the wellbeing of the personnel has a big impact on employee satisfaction, positive development in this field is important for Martela. This is also ensured by close cooperation with occupational health partners. In Finland, only 2.3% of the employees have been included in more intensive health monitoring due to work environment exposures. These employees are exposed to surface treatment vapours and to sanding dust. There are no work phases involving such exposures in Martela's other countries of operation.

Martela pays much attention to the occupational health of its personnel. Well-run occupational health services and systematic health, safety and leisure time activities promote wellbeing and employee satisfaction. As sickness absences were a little higher than usual in Finland, corrective actions were planned and taken. Absentee days due to job-related injuries or sicknesses accounted for 0.65% of all the work days in the Group.

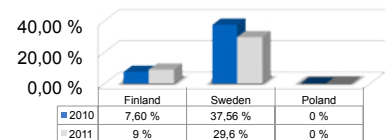
Number of H&S representatives 2011



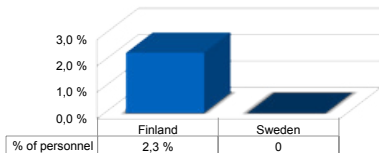
Sickness absence %



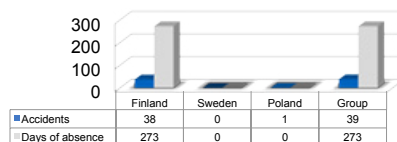
Occupational disease of all sickness absences



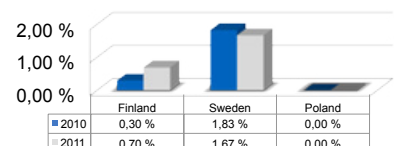
Share of personnel in intensive health monitoring



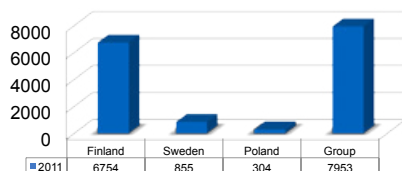
Occupational accidents 2011



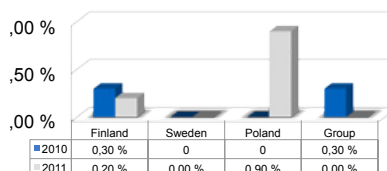
Lost day due to occupational disease



Sickness absence in days 2011



Accident %



RESPONSIBILITY RESULTS

Social responsibility

PERSONNEL COMPETENCE

Development discussions are an important part of Martela's management system. Their goal is to give feedback to employees about their performance, set future targets, make development plans and discuss issues related to the work environment.

Each employee should be able to discuss her/his personal development with a supervisor. The number of these discussions is monitored annually, with 80% of employees attending such discussions in 2011. This percentage is higher than in previous years, but is still short of target.

Job satisfaction is measured every two years, and the survey conducted in the autumn of 2011 showed that job satisfaction and working atmosphere are rated as good.

Personnel training and development courses were mainly arranged with the aim

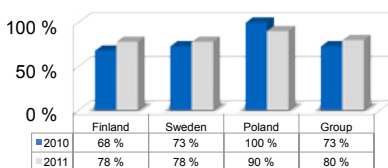
of improving vocational skills, brand values, productivity and supervisor skills. There was an average of one training day per employee. Many development projects were on-going during 2011, and the knowledge and skills of the participating employees improved as the projects progressed.

Martela operates a system whereby employees can submit suggestions for improvements in the company's operations. This includes not only the traditional method of submitting suggestions but also methods focusing on continuous improvement, which are mostly used by production units. The extent to which employees are active in submitting suggestions is measured as the number of suggestions per 100 employees. In 2011, this was 25 per 100 employees (the respective numbers for 2010, 2009 and 2008 were 35, 60 and 55).

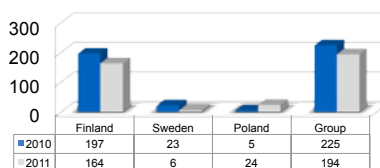
STAFF SUGGESTIONS

Martela operates a system whereby employees can submit suggestions for improvements in the company's operations. This includes not only the traditional method of submitting suggestions but also methods focusing on continuous improvement, which are mostly used by production units. The extent to which employees are active in submitting suggestions is measured as the number of suggestions per 100 employees. In 2011, this was 25 per 100 employees (the respective numbers for 2010, 2009 and 2008 were 35, 60 and 55).

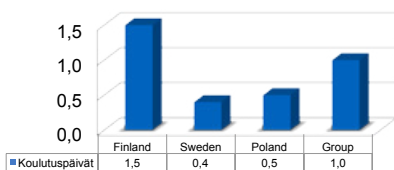
Development discussion %



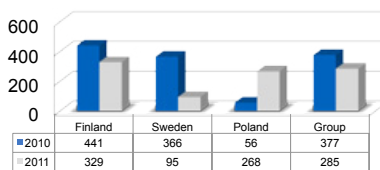
Investment in training(1000€)



Training days/employee 2011



Investment in training (€/per)



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Martela

RESPONSIBILITY RESULTS

Social responsibility

REMUNERATION SYSTEMS

Remuneration systems play an important role in motivating and committing the personnel, giving them an incentive to engage in independent self-development and produce good results. Annual bonus and incentive plans are used in Martela to promote the achievement of long and short-term objectives.

As Martela's salary system varies according to the region, salary data is not comparable for the whole Martela Group. The average annual salary in the Martela Group was about EUR 39,600. Salary costs and development are monitored in each region. In Finland the salary system is based on job requirements. It has been created together with the personnel, and its functioning and salary progression is followed up regularly with personnel representatives. Each job is classified according to requirements based on the job description. The progress of salaries is monitored by requirement class, and in each class by a gender comparison. If any deviations occur, an action plan is made together with personnel representatives.

Martela's minimum monthly salary is EUR 1,712, compared with the minimum monthly salary of EUR 1,552 set for the joinery industry in Finland. This minimum salary level is applied to the whole staff of the Finnish operations, and covers more than 70% of the Group's total employees. All Martela employees are covered by collective agreements.



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Martela

RESPONSIBILITY RESULTS

Environmental responsibility

Martela's product selection relies on a strong and flexible supplier network. Its own manufacturing concentrates on final assembly at logistic centres in Finland, Sweden and Poland. Wood-based board is cut to size, veneered and surface treated or laminated at the Martela subsidiary Kidex Oy, located in Kitee, Finland. Form-pressed components are manufactured, and the final assembly of seating furniture is carried out, at P.O. Korhonen Oy in Raisio, Finland. Despite the fact that P.O. Korhonen Oy (previously a fully-owned subsidiary of the Martela Group) has been jointly owned with Artek Oy since February 2011, the statistics include information on its total operations. The new Outlet logistics center unit in Riihimäki has been included in the statistics starting from 2011.

The Martela Group's head office is in Pitäjänmäki, Helsinki. Martela has several sales offices around Finland and Poland as well as sales offices in Sweden, Denmark, Russia, Norway and Hungary. Sales of Martela products in other countries are through dealers.

The direct environmental impact of Martela's logistics centres and offices comes mainly from property services such as heating, lighting and ventilation systems. There are also significant environmental impacts from the use of materials, business travel and journeys to and from work.

Martela Corporation and Kidex Oy (originally part of Martela Corporation) have

both had a certified ISO 14001 environmental management system since 1999. The environmental management system of P.O. Korhonen Oy was certified for the first time in 2000, and that of Martela AB in 2010. Certification is valid for all operations except manufacturing in Poland and local sales offices.

MATERIALS

Martela's products are mainly made of recyclable materials such as wood-based panels, metal components and recyclable plastic. Martela uses only commercially grown wood-based material such as birch, beach and oak for its products. According to the ERP system, Martela's Nummela logistics centre alone used more than 9 million kilograms of materials, components and sub-assemblies during 2011. Purchase item data reveals that half of the purchased items were wood-based and nearly a third metal-based. Material usage increased by about 18% compared to 2010. The use of wood increased by about the same percentage as the total material usage, but the use of metals increased more while the use of plastics decreased.

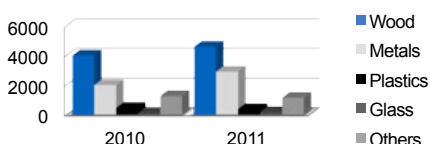
Of the materials used by Martela, metals included the highest amount of recycled raw material. Some use is made of recycled plastics for various purposes, and of recycled fibre for upholstery fabrics. If the recycled material content of metals is estimated at about 40%, then the recycled

materials used by Martela account for about 13% of the total estimated material usage.

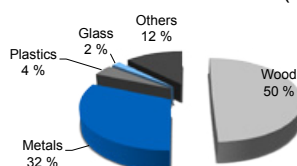
The reliability of the statistics is affected by the limitations of the ERP system in use. The system allows only one material to be stated for each component and sub-assembly, and only the total weight of the component is entered. Usually no weight information is recorded for customer-specific products and traded products. Determination of the recycled material content of items is almost impossible, since the degree of processing varies and there are many suppliers for the same item, and some production chains are long for items purchased by Martela.

It is possible to determine the amount of recycled materials for individual products by using the average recycled material content of metal-based components, for instance. The determination of recycled material is of course possible for components that are designed and manufactured by Martela itself. A barrier to the use of recycled plastic material is the lack of an effective material-specific recycling system. Problems with the appearance and technical usability of components usually prevent the use of mixed recycled plastics. Martela, however, constantly examines opportunities for incorporating products utilizing recycled materials into its product portfolio.

Purchased items by materials (1000 kg)



Purchased materials 2011(kg)



RESPONSIBILITY RESULTS

Environmental responsibility

ENERGY

Martela's units produce the energy they need mainly from heating oil and wood-based materials. Riihimäki Outlet unit, which is the latest unit to be monitored, also uses fuel oil for heating. In the first half of 2011 Kidex Oy stopped burning its own wood chips and joined the district heating system. The wood chips are now delivered to a neighbouring incinerator that is able to use the year-round supply of chips for the heating needs of the surrounding area, even during the summer period when the plant's heat demand is at its minimum. Now, only P.O.Korhonen, the Martela Group's joint venture, continues to burn the chips it produces as a by-product. An energy factor of 0.9 MWh/m³ has been used as the estimated heating value of wood-based fuels. In 2011 the total amount of direct energy decreased to less than half that of the previous year, i.e. to 20,700 GJ. 79% of the energy was produced from fossil fuels and 21% from renewable fuels.

Martela's indirect energy consists

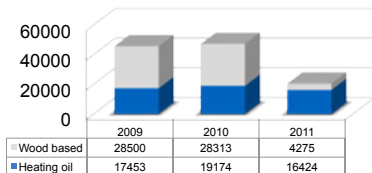
mainly of electricity and district heating. The head office in Finland and the units in Nummela, Raisio and Kitee purchased their electricity from a single supplier, while the logistics centre in Sweden, The Outlet unit in Riihimäki and the sales offices used local suppliers. For the purposes of this report, information on electricity consumption in 2009-2011 has been gathered from the regional sales offices in Oulu, Tampere, Jyväskylä, Kuopio and Turku. The Kuopio data starts at the beginning of July 2009. Some of the sales offices are located in shopping centres, where there is no customer-specific monitoring of energy consumption, but electricity is billed as part of the rent.

The energy sources of purchased energy have been determined on an annual basis for the main energy supplier for the Finnish operations, but the calculations for 2011 also use energy factors determined for 2010. With respect to the logistics centre in Sweden, the distribution given by the electricity supplier for 2009 has been used. The energy bought from these two

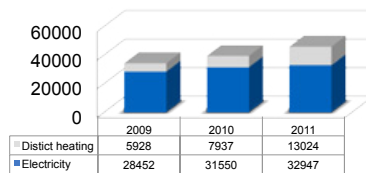
electricity producers covers about 80% (for 2009-2010) and nearly 70% (for 2011) of the total consumption of indirect energy measured in the Martela Group. Based on these figures, the total amount of indirect energy used in 2011 was about 46,000 GJ, of which 6% was produced from fossil fuels, 22% from renewable energy sources and 72% from nuclear power.

Local environmental action groups monitor the results of the environmental indicators, and initiate and monitor the necessary energy-saving measures. At the Nummela logistics centre, for example, changes in lighting control have been introduced to allow the use of lighting only in actively used working areas, and the fluorescent lighting has been upgraded to be more energy-efficient. Energy saving opportunities are also studied during the planning phase of new equipment investments. For example, there is an exhaust air heat recovery system for heating incoming air and water at the Kidex Oy factory.

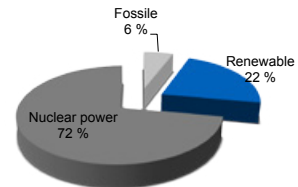
Direct energy (GJ)



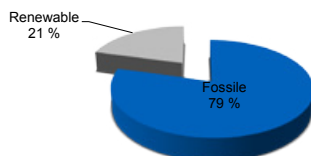
Indirect energy (GJ)



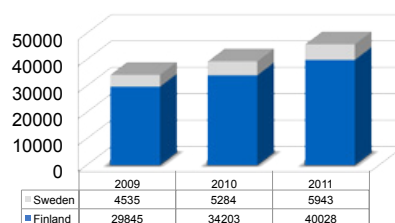
Indirect energy 2011



Direct energy 2011



Use of indirect energy (GJ)



RESPONSIBILITY RESULTS

Environmental responsibility

EMISSIONS

The carbon footprint emissions related to Martela's energy use in 2010 and 2011 have both been calculated using the factors calculated by Finland's main energy supplier for 2010. For Sweden they are the factors of the energy supplier for 2009 and, for the Riihimäki Outlet unit and the local sales offices, they are the country-specific factors. In calculating the carbon footprint emissions of heating oil, wood-based fuels and district heating, general factors obtained from the literature were used. The results show that, in 2011, CO₂ emissions from direct energy fell to nearly 1,300 tonnes, while CO₂ emissions from indirect energy rose to a little over 1,300 tonnes. The change

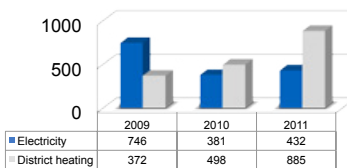
was due almost entirely to the Kidex factory changing over from wood chip combustion to district heating

Due to the renewal of the transport fleet, the average CO₂ emissions from leasing cars in Martela's BU Finland operations decreased to 146 gCO₂/km, even with two vans kept for deliveries. Based on the estimated kilometre amounts for leasing cars, the total emissions from company cars at BU Finland in 2011 came to about 241 tonnes.

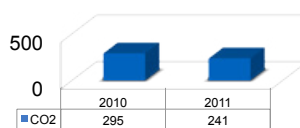
About 80% of the business trips made by Martela's personnel are ordered via the centralized reservation system. According to the reservation system data, the CO₂ emissions of Martela's work-related flights in

2011 rose by over 30% to about 211 tons. The increase is mainly due to the trips made between Helsinki and Warsaw related to the start of the new ERP system.

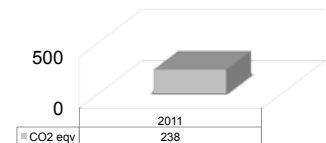
Indirect energy CO₂ (1000 kg)



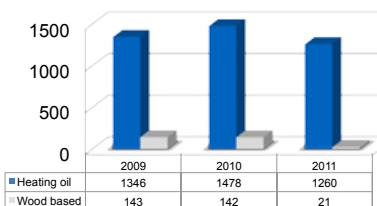
Company car emissions (1000 kg)



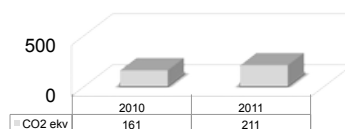
Emissions of own transport (1000 kg)



Direct energy CO₂ (1000 kg)



Business flight emissions (1000 kg)



RESPONSIBILITY RESULTS

Environmental responsibility

The environmental impact of transportation has been monitored since 1999 by following the monthly fuel consumption of each of Martela's vehicles. Economical driving training has been given to drivers and those who have used the least fuel in relative terms have been rewarded by gifts of bicycles, for example. The 2011 carbon dioxide emissions from Martela's own transport were calculated on the basis of vehicle kilometres travelled using LIPASTO factors with a 50% filling degree. The kilometre tracking covered the car fleet of the Helsinki metropolitan area, Riihimäki, Oulu, Jyväskylä, Tampere and Kuopio. The carbon dioxide equivalent emissions of Martela's transport fleet for 2011 were calculated to be just under 240 tons.

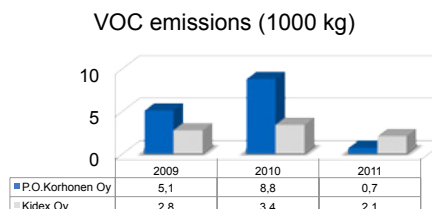
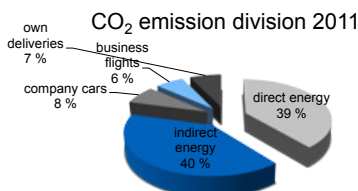
It can be seen from the previous carbon dioxide emissions calculations that the largest carbon dioxide emissions come from direct and indirect energy, which covers nearly 80% of emissions. The remaining emissions are quite evenly divided between company cars, Martela's own transport and business

flights. To achieve an overall understanding of the carbon dioxide emissions of the entire operation, one should also study the indirect emissions from transport and the emissions from the use of materials. So far there are no international standards for calculating the carbon footprint of materials. In the work undertaken in this field, no decision has yet been made on how the carbon embedded in wood-based materials should be evaluated in the calculation. Since wood constitutes a significant proportion of the materials used by Martela, no estimation has been made of the carbon footprint of the materials used.

Special emissions from production consist of organic solvents in surface treatment processes. In the Martela Group, surface treatment is only undertaken at the premises of Kidex Oy and P.O. Korhonen Oy. For level surfaces the method of surface treatment was changed in the 1990s to water-soluble and UV-hardened treatments, and with form-pressed surfaces the change to water-soluble treatment was achieved at the beginning of

2011 in P.O. Korhonen Oy. Neither unit has ever needed an environmental permit for its operations, as the emissions have always been below the permit limit. The 2011 volatile organic compound (VOC) emissions were 2.1 tonnes from Kidex Oy and 0.7 tonnes from P.O. Korhonen Oy.

Martela commissioned a Master's thesis on the subject of determining the environmental impact of products during 2010. A cradle-to-gate life cycle assessment was done for two P.O. Korhonen Oy chair designs to identify their carbon footprint. The study revealed that the majority of the environmental impact comes from the materials used. The carbon footprint of the materials represented 66 - 86%, the manufacturing processes 12 - 32%, and logistics 2 - 5% of the total carbon footprint of the products studied. The footprint of each chair was about 6 - 33 kg CO₂ before delivery to the customer.



RESPONSIBILITY RESULTS

Environmental responsibility

WASTE

In 2011 the waste generated by the Martela Group more than doubled to 4,800 tonnes. The increase was mainly due to the termination of Martela’s own wood chip burning operations in Kitee. More than 95% of the waste in Finland and almost 100% of the waste in Sweden was sent for recovery. In all, 88% of the recovered waste in Finland and 79% of the recovered waste in Sweden consisted of wood-based materials. Wood waste is generated from production processes, packaging, pallets and damaged components, as well as from the regional scrapping of used furniture. Other usable by-products from production processes include cardboard, metal and combustible waste. The Nummela, Kitee, Raisio, Riihimäki (since 2011) and Bodafors factories and the Pitäjänmäki head office have been included in the calculation of these waste volumes.

Product transportation to the customer site and subsequent installation is an integral part of Martela’s way of operation. Products are unpacked at the customer site

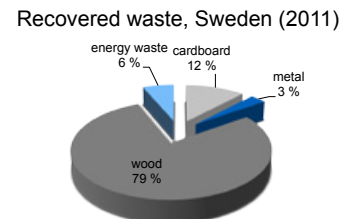
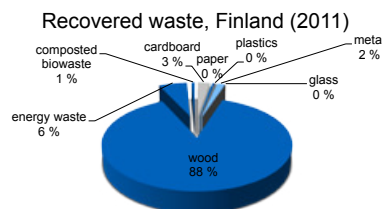
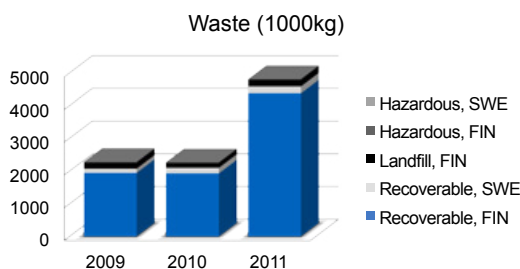
and useful packaging material is returned to the manufacturing units or sorted by material according to the local waste disposal limitations. Almost all the packaging material is recyclable, either as material or as combustible waste. Especially at the Nummela logistics center, used packaging materials returned in mint condition from customer sites are re-used for packaging new products.

The effective use of materials forms part of the planning at the research and development phase for the product. The amount of waste generated during production is monitored locally by Environmental action groups and the necessary measures taken to reduce waste volumes. Employees also participate by pointing out development needs as part of the staff suggestions process.

A materials efficiency study carried out by Motiva Oy as a pilot project in the Kidex Oy factory was concluded in 2011. The study revealed that only about 76% of the melamine board used in production, and only about 51% of wood-based panels

used in table top component production, ends up in the product received by the customer. The project found plenty of savings ideas that may not even need substantial investments – ideas concerning pauses in the running of dust removal systems, the monitoring of compressed air leakages, and lighting control. Customers can also determine the material efficiency of a table by, for example, choosing a rectangular top instead of a form cut top.

Only a very small amount of hazardous waste is generated, mainly through surface treatment and gluing processes and in property management and maintenance. Operations in Finland and Sweden produced 22 tonnes and 0.3 tonnes respectively of hazardous waste in 2011. This is processed by local service providers that transport the waste away from the property to hazardous waste treatment facilities. The keeping of hazardous waste tracking records on site and the inspection of the permits of hazardous waste service providers are a normal part of every waste-generating unit’s operations.



RESPONSIBILITY RESULTS

Environmental responsibility

RECYCLING SERVICE

Martela has developed a recycling business which is innovative even by international standards. In 2010, Martela acquired the two outlets and production unit of the Martela Poistomyynti operation from Pa-Ri Materia Oy. The renamed Martela Outlet chain now operates six stores around Finland, and sells used and remanufactured furniture to small businesses and home offices. Martela now possesses an entire value chain of recycling.

Martela offers its customers in Finland not only inventories of used furniture in good condition and their inclusion in new interior designs, but also a recycling service for used furniture. Good-condition furniture is made available to customers, after cleaning and refurbishment, at the nearest

nationwide Outlet store. The most demanding refurbishment tasks are concentrated in the Riihimäki logistics center.

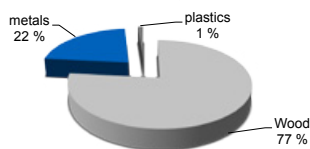
Almost 0.6 million kilograms of used furniture were reported as having been restored and sold by the Martela recycling service in the Helsinki metropolitan area and the Häme and Pirkanmaa regions in 2011. The statistics include only free-standing office furniture. The weight-based statistical study does not include items such as electrical and electronic equipment as well as mixed construction waste. The furniture received by the recycling service contained about 77% wood, 22% metal and 1% plastic.

More than half of all furniture sold by the Martela Outlet chain in 2011 was totally or partly recycled furniture, while the rest

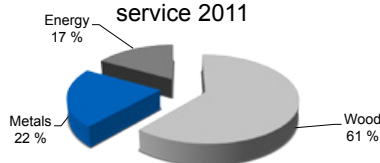
comprised unused furniture such as various factory items, discontinued products, old models and special Outlet items. Approximately 0.4 million kilograms of used furniture found a new user through the Outlet chain.

A partner in Riihimäki, responsible for material recycling, received more than 0.2 million kilograms of furniture unfit for refurbishment. Of that material 61% could be recovered as wood fractions, 22% as metal and 17% for energy production. The statistical study did not include regional scrapping done at the Nummela logistics center and, for example, WEEE scrap, which was forwarded for recycling under the producer responsibility scheme.

Material content of products received by recycling service 2011



Material fractions from recycling service 2011



Outlet - sales 2011 (kg)



Inspiring spaces

Martela

RESPONSIBILITY RESULTS

Product responsibility

Martela products are mainly furniture items for use in normal office environments and they do not have any specific product liability risks. There is no particular authority for overseeing these products, nor is there any certification requirement. The products do not pose any specific health impacts. All chemicals used in the manufacturing processes are identified and controlled on the basis of employee health and safety requirements.

Environmental requirements for furniture focus on the source of any wood used, the extent of recycled materials in metal and plastic components and the chemicals used in the product, such as in surface treatment and adhesives. The Nordic Swan ecolabel is used in connection with

environmental requirements for furniture in the Nordic countries. At the beginning of 2010 Martela received the right to use the Nordic Swan ecolabel in the Swedish and Norwegian markets for its most significant product lines. The Swan label is a voluntary, commercial, environmental label that is specific for each market and product group. When required by the customer, the extent of fulfilment of the environmental criteria defined for specific products by that specific customer is investigated.

The technical characteristics of products can be studied on the basis of specific standards for particular product groups or intended uses. Martela has its own research laboratory at the Nummela logistics centre, where tests are performed

according to European EN standards. The technical durability and usability of products is verified at the product development stage through testing. Martela does not have the instruments necessary for studying volatile substances of products, but instead usually relies on manufacturer's material-specific emission tests. In individual cases product-specific testing has been carried out by independent research institutes.



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RESPONSIBILITY RESULTS

Product responsibility

CUSTOMER SATISFACTION

The quality of Martela products and services is monitored through surveys in which customers are asked how satisfied they are with the quality of sales and the services offered. Up to the summer of 2011, the survey was sent out to all Business Unit Finland customers who received deliveries of a value exceeding a certain sum. The questionnaire was not sent more than once a year to the same customer, however.

In July, 2011, a mobile survey was piloted in Turku and the Helsinki metropolitan area. It contained fewer questions, but the questionnaire was sent once a week. Through the mobile surveys it was possible to respond to any problem cases faster, and it was also easier to handle the event internally when only a short time had elapsed from the actual delivery.

However, a more extensive survey (like the former one) was also carried out to gain a general view of the whole year. The results

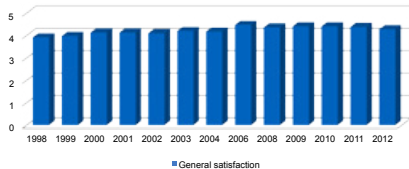
of this survey will affect the bonus paid to the sales personnel. The reports provide information on each sales office, or even on each salesperson, and on each function. At the beginning of 2012 a questionnaire similar to the previous study was sent to 1493 customers who had not received a questionnaire concerning deliveries that had taken place in the second half of 2011. The customer feedback is processed by an independent research institute, which compiles a report when required.

Thus, the results for 2011 have been recorded as the results of the questionnaires sent in January-July 2011, while the results for 2012 have been recorded as the results of the single questionnaire concerning customers that received deliveries during the period 15.11.2011 – 15.2.2012.

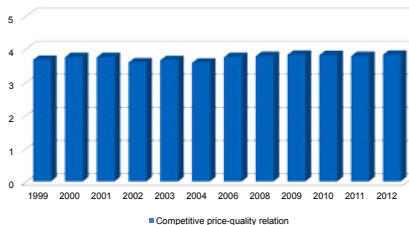
According to the report on the more extensive questionnaire, all of the individual propositions were assessed as being at least "good". The highest assessments

concerned the service given by the sale personnel and the removal service, the reliability of operations and the smoothness of co-operation. The reaction to errors and problems, and overall satisfaction, were those matters where the assessments declined the most. While the keeping of timetables was considered as being better than last year, the free-form feedback showed that there was still room for improvement. The free-form feedback also praised many contact persons / salespersons by name. Particular mention was made of Martela's competent, professional and friendly staff. There was a general consensus that Martela's staff have extremely good and comprehensive product knowledge. They paid much attention to the customer's needs and found just the right solutions. The quality of Martela's products was also universally regarded as high.

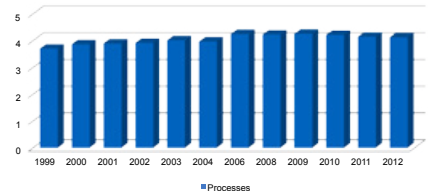
Customer satisfaction to Martela as entity



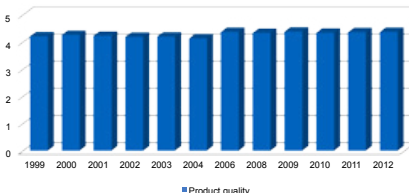
Product price-quality ratio development



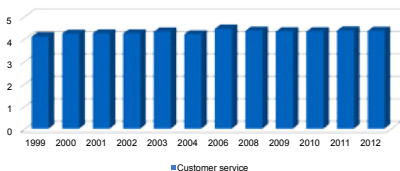
Development of Martela operations



Product quality image development



Development of Martela customer service



RESPONSIBILITY RESULTS

Product responsibility

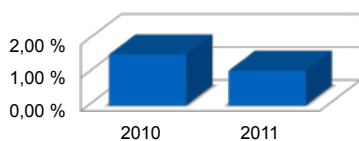
CUSTOMER CLAIM

If a customer is not satisfied with Martela's products or processes, there are various ways of addressing this. Products can be returned, a discount can be given, or replacement products or components can be delivered free of charge. If customer dissatisfaction is caused by a product or process which should be improved in order to prevent recurrence of the problem, the salesperson is required to document the details of the customer complaint. Customer satisfaction is monitored in terms of the amount of unbilled deliveries and the number of actual customer claims.

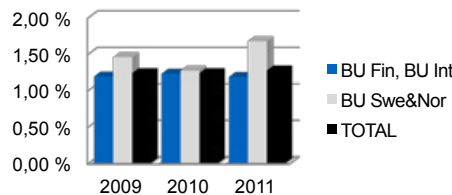
The number of complaints is monitored in relation to the number of deliveries on an annual basis, as delivery volumes vary according to the fluctuations in the market. In 2011, Business Unit Finland received complaints equivalent to about 1.05% of deliveries, i.e. there was an average of one complaint to every 95 deliveries. Nearly half the complaints were classified as repairs under warranty, and nearly a fifth of complaints as quality problems in production. The third largest number of complaints were assembly or collection errors, and the fourth largest cause of discontent was transportation-related issues.

In addition to product-related problems, deliveries made free of charge may be due to misunderstandings over product characteristics or an error in recording an order. As the zero-priced deliveries are recorded at standard price, a comparison is made against standard price sales. In 2010 the value of all zero-priced orders in Business Unit Sweden and Norway and Business Unit Finland compared to the value of total sales at standard price was 1.2%, i.e. each delivery worth €810 was accompanied by a delivery of products worth of €10 for free.

Customer Claims in relation to Deliveries



0-priced deliveries of std sales



RESPONSIBILITY RESULTS

Product responsibility

MARKETING COMMUNICATION AND PRODUCT LABELLING

Due to the nature of the products, there is usually no special labelling or instructions for use for Martela products. Office chairs, however, are delivered to the customer with instructions on making adjustments, as the ability to change positions during the day is important for ergonomics perspective, especially if seated at a desk for long periods during the working day. Electrically adjustable desks are classified as tables rather than electronic devices, but Martela nevertheless requires that suppliers' electronic components comply with the requirements for materials set by the directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS).

Cleaning and maintenance measures for Martela products are consistent with the normal maintenance of home furniture. General instructions for the maintenance of furniture can be found on Martela's website or in its brochures. Mechanical joinery is preferred in Martela's products, enabling maintenance of furniture without special tools and, for example, re-upholstery. Mechanical joinery also makes it easy to separate the materials at the end of the product's life.

Inspiring
spaces**Martela**

Comparison of the report with the GRI Guidelines

	GC	GRI	Responsibility Report 2011	Shortages/deviations/explanations
1. Strategy and analysis				
1.1. CEO's statement		R	CEO's Review	
2. Organisational profile				
2.1. Name of the organization		R	Martela in Brief	
2.2. Primary brands, products and services		R	Martela in Brief	
2.3. Operational structure		R	Martela in Brief	
2.4. Location of headquarters		R	Martela in Brief	
2.5. Geographical areas of operations		R	Martela in Brief	
2.6. Nature of ownership and legal form		R	Martela in Brief	
2.7. Markets served		R	Martela in Brief	
2.8. Scale of the reporting organization		R	Martela in Brief	
2.9. Significant changes during the reporting period regarding size, structure, or ownership.		R	Martela in Brief	
2.10. Awards received in the reporting period.		N/A		
3. Reporting principles				
3.1. Reporting period		R	Introduction	
3.2. Date of most recent previous report (if any).		R		
3.3. Reporting cycle		R	Introduction	
3.4. Contact information		R	Managment of Responsibility	
3.5. Process for defining report content.		R	Introduction	
3.6. Boundary of the report		R	Introduction	
3.7. Limitations on the scope or boundary of the report		R	Introduction	
3.8. Basis for reporting on joint ventures, subsidiaries, leased facilities etc.		R	Introduction	
3.9. Data measurement techniques and the bases of calculations		R	Introduction	
3.10. Explanations of re-statements of information in the previous reports		R		
3.11. Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.		R		

GRI-column = comparison with GRI Guidelines

R=reported

RP = reported partially or insufficiently

NM = not material

N/A = not applicable

GC-column = Global Compact -reporting

COP = relevant in Global Compact

-reporting (Communication on Progress)

Inspiring spaces

Martela

GC GRI Responsibility Report 2011 Shortages/deviations/explanations

3.12.	GRI Content Index		R	Introduction	
4. Governance, commitments and engagement					
4.1.	Governance structure		R	Management of Responsibility	
4.2.	Independence of the Chair of the Board of Directors		N/A		
4.3.	Independence of the Board members		R		Resolution passed by the organizational meeting of Martela Corporations's Board of Directors
4.4.	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.		N/A		
4.5.	Linkage between compensation and corporate responsibility		RP		
4.6.	Processes to avoid conflict interests in the Board		N/A		
4.7.	Expertise of the Board members for guiding corporate responsibility		RP		
4.8.	Mission, values and ethical principles guiding corporate responsibility		R	Management of Responsibility	
4.9.	Procedures of the Board for overseeing management of corporate responsibility, inc. Risks		R	Management of Responsibility	
4.10.	Processes for evaluating Board's own performance		RP		Self-assessment
4.11.	Addressing a precautionary approach		NM		
4.12.	External corporate responsibility initiatives to which the organization subscribes		R	Management of Responsibility	
4.13.	Memberships in associations		R	Management of Responsibility	
4.14.	Stakeholder groups engaged by the organization		R	Management of Responsibility	
4.15.	Basis for identification and selection of stakeholders		R	Management of Responsibility	
4.16.	Approaches to stakeholder engagement				
4.17.	Key topics and concerns highlighted by stakeholders				
Management Approach and Performance Indicators					
ECONOMIC RESPONSIBILITY					
	Management approach to economic responsibility		R	Responsibility Results	
Economic performance					
EC1	Direct economic value generated and distributed		R	Responsibility Results	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	COP	N/A		
EC3	Coverage of benefit plan obligations		R		Self-assessment
EC4	Financial assistance from government		R	Responsibility Results	
	Market presence				
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	COP	R		
EC6	Locally based suppliers		R	Responsibility Results	
EC7	Local hiring	COP	RP		
	Indirect economic impacts				
EC8	Infrastructure development		N/A		
EC9	Significant indirect economic impacts		N/A		
ENVIRONMENTAL RESPONSIBILITY					
	Management approach to environmental responsibility		R	Responsibility Results	
Materials					
EN1	Use of materials	COP	R	Responsibility Results	
EN2	Use of recycled materials	COP	R	Responsibility Results	
Energy					

		GC	GRI	Responsibility Report 2011 Shortages/deviations/explanations	
EN3	Direct energy consumption	COP	R	Responsibility Results	
EN4	Indirect energy consumption	COP	R	Responsibility Results	
EN5	Energy saved due to conservation and efficiency improvements.	COP	RP	Responsibility Results	Monitored by local environmental groups
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	COP	NM		
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	COP	RP	Responsibility Results	Monitored by local environmental groups
Water					
EN8	Water withdrawal	COP	N/A		
EN9	Water sources significantly affected by withdrawal of water.		N/A		
EN10	Percentage and total volume of water recycled and reused.		N/A		
Biodiversity					
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.		N/A		
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.		N/A		
EN13	Habitats protected or restored.		N/A		
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	COP	N/A		
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	COP			
Emissions and waste					
EN16	Total direct and indirect greenhouse gas emissions by weight.	COP	R	Responsibility Results	
EN17	Other relevant indirect greenhouse gas emissions by weight.	COP	NM		
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	COP	RP	Responsibility Results	
EN19	Emissions of ozone-depleting substances by weight.	COP	NM		
EN20	NOx, SOx, and other significant air emissions by type and weight.	COP	R	Responsibility Results	
EN21	Total water discharge	COP	N/A		
EN22	Total weight of waste by type and disposal method.	COP	R	Responsibility Results	
EN23	Spills of chemicals, oils etc.	COP	NM		
EN24	Hazardous waste handled/transported	COP	N/A		
EN25	Water bodies significantly affected by the organization's water discharge	COP	N/A		
Products and services					
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	COP	R	Responsibility Results	Development of recycling service
EN27	Products and their packaging materials reclaimed	COP	RP	Responsibility Results	
Compliance					
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	COP	NM		
Transports					

		GC	GRI	Responsibility Report 2011	Shortages/deviations/explanations
EN29	Environmental impacts of transportation	COP	R	Responsibility Results	
General					
EN30	Total environmental expenditures and investments	COP	N/A		
SOCIAL PERFORMANCE					
Management approach to social responsibility					
Employment			R	Responsibility Results	
LA1	Total workforce by employment type, employment contract, and region.		R	Responsibility Results	
LA2	Total number and rate of employee turnover by age group, gender, and region.	COP	R	Responsibility Results	
LA3	Benefits to full-time employees only	COP	R	Responsibility Results	
Labor/management relations					
LA4	Percentage of employees covered by collective bargaining agreements.	COP	R	Responsibility Results	
LA5	Minimum notice periods regarding significant organisational changes	COP	R	Responsibility Results	
Occupational health and safety					
LA6	Percentage of workforce represented in formal health and safety committees	COP	R	Responsibility Results	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	COP	R	Responsibility Results	
LA8	Training of workforce regarding serious illnesses	COP	N/A		
LA9	Health and safety topics covered in formal agreements with trade unions.	COP	N/A		
Training					
LA10	Average hours of training per year per employee by employee category.		R	Responsibility Results	Monitored by local wage and salary group
LA11	Programs for skills management and lifelong learning		R	Responsibility Results	
LA12	Percentage of employees receiving regular performance and career development reviews.		R	Responsibility Results	
Diversity and equality					
LA13	Diversity of governance bodies	COP	R	Responsibility Results	
LA14	Ratio of basic salary of men to women by employee category.	COP	RP	Responsibility Results	Monitored by local wage and salary group
HUMAN RIGHTS					
Investment and procurement practices					
HR1	Human right issues in investment decisions	COP	N/A		
HR2	Screening of human rights in the supply chain	COP	NM		
HR3	Employee training on relevant human rights issues and procedures	COP	NM		
Discrimination					
HR4	Total number of incidents of discrimination and actions taken.	COP	NM		
Freedom of association and collective bargaining					
HR5	Operations identified in which freedom of association and collective bargaining may be at risk	COP	NM		
Child labour					
HR6	Significant risks of child labour and actions taken	COP	N/A		
Forced labour					

		GC	GRI	Responsibility Report 2011	Shortages/deviations/explanations
HR7	Significant risks of forced labour and actions taken	COP	N/A		
Security practices					
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	COP	N/A		
Indigenous rights					
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	COP	N/A		
SOCIETY					
Community					
SO1	Managing the impacts on communities		N/A		
Corruption					
SO2	Percentage and total number of business units analyzed for risks related to corruption.	COP	R	Responsibility Results	
SO3	Percentage of employees trained in anti-corruption policies and procedures	COP	R	Responsibility Results	
SO4	Actions taken in response to incidents of corruption.	COP	N/A		
Public policy					
SO5	Public policy positions and participation in public policy development and lobbying.	COP	R	Responsibility Results	
SO6	Donations to political parties and candidates		R	Responsibility Results	
Anti-competitive behaviour					
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.		N/A		
Compliance					
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.		N/A		
PRODUCT RESPONSIBILITY					
Customer health and safety					
PR1	Health and safety impacts of products	COP	R	Responsibility Results	
PR2	Non-compliances of product health and safety regulations	COP	N/A		
Product and service labeling					
PR3	Product and service information		R	Responsibility Results	
PR4	Non-compliances with regulations and voluntary initiatives				
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.		R	Responsibility Results	
Marketing communications					
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.		N/A		
PR7	Non-compliances with regulations and voluntary initiatives		N/A		
Customer privacy					
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.		N/A		
Compliance					
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.		N/A		