

CSR Report >

Nowy Styl Group towards the world and the man

< *To be a man is to be responsible.* >
Antoine de Saint-Exupéry



About Nowy Styl Group >

Nowy Styl Group is one of the largest and fastest developing furniture groups in the world.

We aim at facing our clients' various needs all over the globe. Therefore Nowy Styl Group offers four diversified furniture collections, the collection of wooden floors and the possibility of realising products at individual orders and following a client's requirements. We propose countless solutions for public interiors: offices, cultural, sports and gastronomic facilities as well as for private homes: flats and houses.

Nowy Styl Group products reach the users via 10 daughter companies situated in strategically important points of Europe and via over 3500 distributors in over 60 countries. 50 million users all over the world use our products. Each user is different. Each one is special and very important to us. Observing their expectations, creating hundreds of new items and interiors, we do not forget about being responsible for the environment we operate in. For many years we have been realising consistent proecological policy within the most vital production areas and the policy of social responsibility towards our staff, clients and the whole society.

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Message from Nowy Styl Group >

Dear Messrs,

Each subsequent year is a period of intensive work for Nowy Styl Group aimed at dynamic development. It results in gaining new markets and, what follows, increase in production, employment level and in turnovers, as well as growing number of stakeholders: **trade partners, consumers, workers and local communities** for whom our activity is significant also with respect to the corporate social responsibility.

We perfectly realise that our production activity can exert significant impact on the **natural environment**, we are fully aware of dangers resulting from short-sighted organisation management. We cannot afford to ignore the problem as we feel how great obligation we have towards the environment. That is why, one of our basic targets is constant implementation of new environment policy steps, objected first of all to limit CO₂ emission.

We count on **long-term and trustful relation** with everyone we meet each day, personally or through our products. Therefore, we attend so much to recognising the needs of our clients and employees.

A company's success is usually measured by its financial results. Nowy Styl Group is aware of the fact that such estimation is not complex. The current market and society greatly appreciate and anticipate also other values. **What matters, is balanced development and social responsibility.**



Adam Krzanowski



Jerzy Krzanowski

Forests for living >

The Earth's atmosphere is created by the layer of gases which retain heat what allows to maintain life on our planet. This is the natural greenhouse effect, however the man's activity- industrial processes, clearing and processing of forests or wrong residue management – add to an unnatural increase of that phenomenon through **excessive emission of greenhouse gases**.

For a few million years the development of forest areas was disturbed by the man's activity. The life of forests was regulated by the natural law. However, for a few thousand years the man's activity has increasingly influenced their development. One hectare of a broadleaf forest produces ca. **700 kilograms** of oxygen what creates a daily demand of over **2,5 thousand** people. Felling such forest will lead to releasing huge amounts of carbon dioxide into the atmosphere.

What do we do?

Plan- perform- check- act

Nowy Styl Group is fully aware of what great damage can be caused by uncontrolled use of wood resources. Therefore, the wood used in our production comes from the controlled tree clearing. The material we use is certified by the **Forest Stewardship Certificate** what guarantees that the wood comes exclusively from legal clearing, from certified woods which are not highly protected and from trees that are not genetically modified.

Production of wood elements in the Wood Processing Factory belonging to the Group, happens according to the European environmental norm **ISO 14001** which means constant implementation of the strategy: "plan-perform-check-act" and consists in exact identification of environmental targets and their realisation. In 2008 **ISO 14001** is going to be implemented in the next production plants of Nowy Styl Group: Baltic Wood and the Metal Processing Factory.



First step >

Currently the Earth's climate is warmer than 1000 year ago. Until the end of this century, if the current trends prevail, the temperature on our planet will be higher than ever within the last two million years. The consequences of this drastic temperature increase, caused by burning fossil fuels, will be **dramatic**: unnatural weather phenomena, melting ice covers of Greenland and Antarctica, flooding seaside areas and weakening winds that warm Europe.

Burning fossil fuels needed for energy production and transport causes releasing into the atmosphere **billions of tons of carbon dioxide** - the main greenhouse gas influencing the temperature around the globe. In 2005 the International Protocol of Kyoto was implemented, obliging the industrialised countries to reduce the total emission of greenhouse gases by 5,2%. It is the first step towards limiting the progress of the greenhouse effect.

What do we do?

Clean an unlimited energy

Considering our company's huge demand for energy, we rely on maximal use of **renewable energy sources**. According to the scientists, these sources can appease the world's demand for energy even six times, in a clean and unlimited way.

In order to limit CO₂ emission to atmosphere Nowy Styl Group produces energy using wood residue and dust. Our plants are equipped in systems producing heat energy – incelerators and boiler rooms producing water steam that is an additional energy source for the remaining plants. With the aid of European Union structural funds we commenced constructing of waste material storage, handling and grinding down system, which results in reclaiming of energy from wood wastes and reduction of CO₂ emission. At the same time, we constantly **modernise** the machinery in our plants in order to save electric energy and optimise the production process.



“Toxic” generations >

The more we will pollute our waters, the more power we will have to engage in order to purify them. According to the experts a typical European uses **trice more** water than the Earth's resources allow. Their opinion is unanimous: soon the potable water will be a scarce product.

According to the UNO as much as 2/3 of city dwellers in the world inhale air containing smog. While breathing we supply to our organism nearly **100 thousand toxic substances** everyday. The man and also all other living organisms are endangered with such “intoxication” everywhere. Organisms of yet unborn children contain ca. 100 compounds which do not normally exist in nature but which are present in the currently emitted pollutions. This alarming fact means that chemical substances released into the environment will exert negative impact not only on us but also on the future generations.

What do we do?

First, purify...

Nowy Styl Group cares about minimising the influence of industry on the life of men, plants and animals. The Group's plants are equipped in the **system of purification** of the released gases that, previously saturated with chemical substances, are purified in 99% and exclusively in such a form released outside. A similar process occurs when sewage is treated- this sewage is thoroughly filtrated in the inner treatment plant and finally it reaches the ground waters.

The production processes incorporated by Nowy Styl Group do not use **toxic substances** such as CFC – chlorofluorocarbons (freon) often used by other producers to produce polyurethane foams. Moreover, we do not use such harmful substances as: cadmium, quicksilver, lead and arsenic trioxide. Our plants with stations of lacquering and gluing wood obtained confirmation of E1 standards concerning low emission of formaldehydes.

Residue for ages >

Residues have accompanied humanity since the beginning of its existence, however the amount we need to tackle is rising each day. That is why, it is so important to **recycle residues** in order to reuse them and to limit using harmful materials. One of the most dangerous residues – mainly because of supportive substances and long time of degradation- are plastics. As much as **250 million tons** of plastics is used every year in the world!

Plastics mainly come from oil processing. Their biodegradation in the natural environment lasts **hundreds of years**; during this slow decomposition toxic substances penetrate the soil which were previously used as stabilising and stiffening agents in producing plastics. Non-recycled plastics may become residues for ages.

Plastics, like many other residues, may be recycled for reuse; some other residues, as a result of burning, may become a renewable **source of energy**.

What do we do?

3R

Almost 100% of elements created in Nowy Styl Group may be recycled. According to the Act of 2001 ordering producers to manage post-usage residues, Nowy Styl Group acts following the **3R rule (reduce, reuse, recycle)** everywhere it is possible.

70 % of plastic elements we produce are made of re-granulated product- previously concentrated and processed polypropylene and polyamide. We also use other post-production residues which are **recycled**: wood gives heat energy while foams and metal elements go back to the suppliers and steel mills.



Be Eco-LOGICAL!

At the beginning of 2008 the program of **environmental education** has been launched, addressed to Nowy Styl Group staff. Our company employs over 7000 people, thus their attitudes – as well as attitudes of those they meet- can significantly influence promoting environmental awareness. “Be Eco-LOGICAL” is a program encouraging to change habits of **everyday office work**: from saving water and energy to conscious using of paper. The action aims at forming conscious, pro-ecological attitudes of the staff and their promoting ecological awareness among business partners, cooperating entities and even family members.



Cooperation the source of satisfaction >

Users of our products, trade partners and suppliers decide upon our market success. We want our cooperation with them to be the source of **mutual satisfaction**. We regularly conduct surveys of their opinions allowing for creating and adjusting offers to the market needs; we provide our trade partners with substantial support via numerous training sessions.

Caring for the **quality of communication with our partners and users** – we have introduced several solutions enabling effective contact with Nowy Styl Group and taking account of our expertise:

- > **web pages of the product brands** and the **corporate web page** helping in establishing cooperation, obtaining information on the products, the place of their purchase and the service.
- > the **Information Centre** providing information and assistance in handling with problems for the Polish clients
- > **educational portal** concerning ergonomics and the ways of its practical incorporation.

Employees – the basic capital >

Nowy Styl Group employees are **the co-authors of our success**. They are the key value of our company, thus their satisfaction, safety and professional development are immensely crucial for us. We feel responsible for them.

Caring about industrial safety is one of our basic assumptions. That is why, we strictly obey the binding industrial safety rules. Each worker participates in trainings where they get acquainted with their post and with the direct **influence their work has on the whole production process**.

In 2006 the Human Resources Department together with the management conducted the research on the professional potential, aimed at creating a base of "spare" managerial staff. For a similar reason, there has been created the Masters' School for the managers of the lower rank and the currently planned Managers' Academy. All that makes us not only one of the biggest employers in the Podkarpackie Province and the southern Poland but also one of the most reliable ones. Working in our company has always meant guaranteed remuneration paid on time, obeying employees' rights and perspectives of promotion for the best workers.

The family atmosphere of openness and straightforwardness that was present in the company at the beginning of its operation, prevailed until the current time. The company staff meet during integration events, Saint Nicholas' Days and others. The company also supports the families of the employees experiencing hardship- their children go to summer camps financed by the company. The staff alone-realising the idea of staff's volunteer actions- support each other e.g. by giving blood, spontaneous money collections for those in need.

Nearly 40% of the staff have been employed in Nowy Styl Group for **over 5 years**. Our company realises the policy of equal rights prohibiting discrimination of anyone for any reason. Recently, the number of women employed at the posts so far exclusively taken by men is rapidly increasing. We appreciate professional knowledge, diligence and eagerness to work- regardless the sex, nationality, religious or political convictions.



For eight years we have been publishing the staff's newspaper "Spinacz" with 4-5 issues a year. each worker receives an issue, where, in an accessible way, the company's plans and important company events are described. Especially vital facts are communicated to the staff via an electronic bulletin – "e-serwis". Since 2007 we have been also communicating through the Intranet.

We assume constant developing and improving communication tools so that they could meet the staff's expectations. In 2006 we conducted a complex **Research of the Inner Communication** and the information needs of our staff. The research covered ca. 1000 people working directly by the production line and about 250 people from other company areas. The research resulted in initiating a number of new procedures and ideas.

We share with success >

We believe that business activity run globally as well as locally should be conducted in a way allowing not only for reaching desired profit but also for positive influence on the local community.

Sharing our success with the environment we operate in, we realise the idea of responsible business. Our social activity is focused on the Podkarpackie Province, the region where the company was set up and where it operates until the present. The help Nowy Styl Group provides is not only temporary (e.g. collecting money for the victims of flood): for a few years we have been realising the program of support for the institutions and associations working with and for children- children's homes, charity organisations, healthcare centres. Our help is received by over 800 children from 26 facilities in the Podkarpackie Province. Every year we organise summer holidays, cultural events and New Year's balls for them and we also provide them with items needed for proper functioning: sports and electronic equipment, toys, learning aids, money for renovation, scholarships for talented children and others. Nowy Styl Group offers employment for those with relevant qualifications.

The support for talented youth from the Podkarpackie Province is also given by **The Janusz Korczak Foundation**, raised by the company's co-owner Adam Krzanowski. The Foundation helps several tens of teenagers, providing them with scholarships.

Beside our regional activity, we are engaged in national actions of aid. We were engaged in e.g. actions undertaken with the Foundation- "Humanitarian Child Delivery" and the Foundation "I Have A Dream", in 2006, within the action "Humanitarian Child Delivery 2006", we rewarded 8 hospitals with, especially designed, together with medical experts, chairs for vertical labour. These are the first chairs in Poland enabling giving birth in a vertical position.

Celebrating 15 years of the company's existence, together with the Foundation- "I Have A Dream", we conducted the action - "**Crystal Chair For Crystal Heart**". Within the action, an exactly 50 millionth chair produced by Nowy Styl Group was auctioned in the Internet. Additionally, we invited our trade partners to take part in this action; they participated in the lottery of a chair number 50 000 001. We collected almost 25 thousand zlotys total what allowed for realising dreams of 15 children, charges of the Foundation "I Have A Dream".



Awards >

Consistent environment support is a crucial aspect of Nowy Styl Group operation. Our care has been observed by many independent institutions what is proved by numerous awards, thanks and symbols of gratitude, among others:

2001

Medal Pro Memoria Grata – awarded by the Chapter operating by The Specialist Provincial Hospital in Krosno, for supplying versatile help (money donations for purchase of equipment, donating chairs and armchairs) to the hospital

2002

Statuette of The Merciful Samaritan „for the whole range of charitable activity”
Organising party: CARITAS of the Rzeszów Diocese

2003

Silver Bag Pack from the Foundation My Own Bag Pack for supporting its activity (the Foundation helps to equalise educational chances for the children coming from Bieszczady and Beskid Niski)

Medal of six hundredth anniversary of The Cracow Academy restoration- „the proof of gratitude for Nowy Styl for donating facilities to equip the Collegium Maius vaults.
Organising party: Jagiellonian University

2004

Andrzej Wierzbicki Award for Adam and Jerzy Krzanowski „for creating and running a modern company,”
Organising party: The Polish Confederation of Private Employers

Patron of The Jasło Culture 2003 – statuette from the local government „for long term cooperation in sponsoring cultural events in Jasło”

2005

Merit Diploma of Friendship towards John Paul II Podkarpacki Hospital in Krosno – “for long term material and financial aid”.
Organising party: The Hospital Friends' Association operating by John Paul II Podkarpacki Hospital in Krosno

2006

Optimus Hominum – special reward for supporting humanitarian activity, title of „The Sponsor of The Year”
Organising Party: The Polish Committee for Social Help

Caring Employer – award for „for innovative program-The Masters' School”
Organising party: IMC Career and the editorial of „Rzeczpospolita”

2007

Reliable Employer – for pro-social employment policy
Organising party: Legal Gazette

2008

Polish Ecology Partner – for supporting environmental actions
Organising party: Centrum Wspierania Inicjatyw Pozarządowych (Centre for Supporting Extragovernmental Initiatives)

Donor of the year – for charity programs realised in the Podkarpackie Province
Organising party: The President of Krosno