

# 2025 Impact Report



Room&Board



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# A Letter From Our CEO

In 2025, we continued to build from the foundational values that guide our work, including quality craftsmanship, sustainable design and helping our communities. We made meaningful progress toward our sustainability goals to continue offering furniture and decor that's made responsibly and designed to last.

One of our proudest accomplishments in 2025 was achieving 100% sustainably sourced wood. Reaching this goal represents years of planning, partnership with our manufacturers and a belief that timeless design and environmental stewardship go hand in hand.

We also recertified as a B Corp™, significantly increasing our score from 80.6 to 112.7. The improvement reflects our evolution to a 100% employee-owned company in 2024, which gave our staff members direct ownership interest in Room & Board. This change underscored our dedication to our culture of belonging, collaboration and shared success.

Finally, our long-standing commitment to American manufacturing allowed us to maintain guaranteed pricing. It's one more way we work to build confidence through consistency.

Thank you for letting us be part of your home. Helping you create spaces you love is the best part of our work.

Sincerely,  
Bruce Champeau  
Chief Executive Officer



# Meeting Our Wood Sourcing Goal

At the end of 2025, we achieved our goal of 100% sustainably sourced wood from North American forests and certified sources. Sourcing wood responsibly is a key to designing more sustainable furniture. “Wood is our most used material. Sourcing it responsibly just makes sense,” shares Emily McGarvey, Director of Sustainability.

## **The importance of sustainable forestry**

Wood is a vital renewable resource that must be managed responsibly to ensure forests can thrive. Global deforestation remains a recognized issue, and international trade of agriculture products, including wood, can contribute to forest loss when not properly regulated. Research assessing the risk for legally harvested timber and responsibly managed forests for commercial use identifies the U.S. and Canada as low-risk regions due to sustainable forestry practices, low risk for corruption and strong governance locally and nationally. For countries with higher risk, certifications are an acceptable solution to mitigate risk and verify responsible sourcing.

## **Sourcing with integrity**

Room & Board aims to be a leader in sustainable wood sourcing while helping to protect the world’s forests. We are unique in the furniture industry, with 90% of our wood harvested in the U.S. and Canada and more than 90% of our furniture and decor made by artisans in the U.S. In addition to sustainably harvesting wood, we value creating timeless furniture that helps support American craftspeople and prioritizes local supply chains. Our sustainable wood sourcing policy follows a risk-based approach grounded in the country of origin. We work closely with our manufacturing partners to verify our wood comes from responsibly managed North American forests or certified, recycled or reclaimed sources. This policy is implemented through our formal verification process and ongoing conversations with our manufacturing partners.

## **Exploring Alternative Wood Sources**

In addition to our sustainable wood sourcing policy, we are supporting thriving forests through innovation and philanthropy. Our Urban Wood Project uses reclaimed wood, which decreases our use of forested lumber. We also provide philanthropic support to nonprofits, research, internships and scholarships focused on forestry.

## **A lasting commitment**

Meeting our goal of sustainably sourcing all wood used in our products shows our commitment to prioritizing manufacturing partners who adhere to our sustainable wood sourcing policy. We recognize that business environments change over time; however, we expect our vendors to continue to fully meet this policy. If potential irregularities are identified, we will take action to remedy them and maintain accountability across our supply chain.

# 2025 Sustainability Highlights

Recertified as a B Corp™

## Better Products



Diverted the equivalent of 365 trees from the waste stream through our Urban Wood Project



Achieved 82% recyclable packaging



Achieved our goal of **100%** sustainably sourced wood

Set a goal to achieve **90%** of upholstery fabrics with a chemical certification such as GREENGUARD Gold Certified® by 2030; ended 2025 at 76%



Launched Renew, our first **99%** bio-based chair

## Better for People



Celebrated our first full year as a **100%** employee-owned company



Held Belonging and Inclusion leadership training sessions with voluntary participation from 60% of leaders



Continued to have more than **90%** of our products made in the U.S. using top-quality domestic and imported materials



Donated **2%** of profits to more than 60 nonprofits across the country



Volunteered more than 1,500 hours

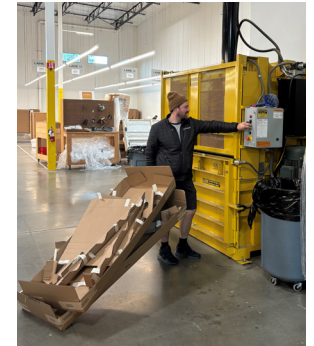
## Better for the Planet



Achieved **68%** renewable electricity

Created a climate plan to ensure we are good stewards of our business and making progress toward our 2030 goals

Implemented plastics recycling at all delivery centers



Achieved **87.8%** diversion of operational waste



Celebrated one year of rooftop solar at our Central campus, resulting in a

**68%** decrease in annual electrical costs

# Sustainability Strategy

## Overview

Room & Board is a 100% employee-owned modern furniture and home decor retailer. Based in Minneapolis, Minnesota, we have more than 1,000 staff members and 21 stores nationwide. Since our founding in 1980, sustainable practices have been fundamental to our company. We recognize there's more to do, from better sourcing and more responsible materials to investing in the well-being of people and communities. We aspire to be a sustainability leader that positively impacts society and the world. Room & Board is proud to be a Certified B Corporation,<sup>™</sup> solidifying our long-standing commitments to sustainability and the community.

## Materiality & priorities

We prioritize social and environmental issues based on their material importance to Room & Board as well as the ability to create internal and external value. In 2024, we conducted our second materiality assessment, engaging internal and external stakeholders, including an all-staff survey. Based on our materiality assessment, we organized our top-priority issues into three pillars: Better Products, Better for People and Better for the Planet.

## Governance & Reporting

Our director of sustainability is responsible for evaluating and communicating environmental and social risks and opportunities. Our Board of Directors and Operations Team receive regular updates on sustainability performance and measurement. Our reporting is aligned with the Global Reporting Initiative (GRI) for disclosure. The data included in the report dates from January 1, 2025–December 31, 2025. Room & Board is not a publicly traded company, so we do not publish financial statements. The topics covered in the report include our headquarters, stores and distribution centers, which are all located in the United States of America. The report has not gone through an external assurance process. Details are included in the GRI section.





# BETTER PRODUCTS

We are committed to more sustainably designing and sourcing products through improved materials and practices.

Renew chair



# Sustainable Design

Room & Board's furniture is thoughtfully designed and expertly crafted to stand the test of time. Our in-house team designs 95% of our collections, focusing on trend-proof styles that maintain their appeal as styles evolve. We're committed to durable construction and high-quality materials, so every piece holds up to daily use, becoming an enduring part of your home. All of this supports conscious consumerism and minimizes the environmental impact associated with frequently replacing furniture.

## Designing for the future

A 2025 study analyzing the life cycle of furniture\* found that material selection has the biggest potential for reducing environmental impact. In fact, 76% of the carbon footprint of furniture comes from material selection. That's why our in-house design team thoughtfully incorporates material selection into their design process, focusing on bio-based, upcycled and recycled materials.

## From principle to practice

In 2025, we proudly introduced Renew, our first 99% bio-based chair. Renew reimagines what responsible furniture can look like; it's built from natural and renewable materials such as wool, cotton, latex and wood, without sacrificing comfort, durability or design. Renew is influenced by classic Scandinavian design. A sculptural reclaimed wood frame hugs comfortable latex and wool cushioning with refined lines for enduring appeal.

## New wood and finishes, thoughtfully chosen

We added red oak furniture in two new finishes—salt and rye—giving customers more options while also supporting more responsible material sourcing. Incorporating abundantly available red oak helps reduce pressure on higher-demand species like white oak.

## Partners in sustainability

We work closely with manufacturing partners who share our commitment to sustainability. Heller, our long-term vendor, introduced an innovative material called Worry Free Plastics, which is both durable and considers the end of the product's lifecycle. This polypropylene is mixed with an organic enzyme from Worry Free Plastics that's Intertek™ Green Leaf certified for biodegradability. Made for outdoor use, this material is used in our Bellini chairs and Gehry cube collections.

## Form meets function

A partnership with Gensler, serving as product design consultant, led to the launch of the Lincoln Desk Collection, an adjustable standing desk and console collection designed with integrity, made with sustainably sourced wood and built to last. This collaboration blended our commitment to quality craftsmanship with Gensler's expertise in human-centered design.

## Coming in 2026

Introducing bio-based plastic lighting

# Sustainable Materials and Packaging

Room & Board's aim is for key raw materials to be ethically and sustainably sourced. Therefore, we work closely with our vendor partners on materials, finishes, manufacturing processes and packaging that support a fair and sustainable system for people and the planet. It's worth noting that these collaborations helped us achieve our goal of using 100% sustainably sourced wood at the end of 2025.

## Extending the life of urban trees

Since 2018, we've been building a national network of urban and reclaimed wood suppliers, steadily increasing the number of trees diverted from the waste stream. In 2025, we diverted the equivalent of 365 trees from the waste stream, falling short of our original goal of 1,000 trees annually.

We remain committed to this impactful work and have extended our goal timeline to 2030. Our strategy focuses on increasing the use of dimensional lumber in casegoods, dining tables and accent tables. In 2025, this work continued with the launch of our popular Prospect coffee table in a rectangular shape and the expansion of our Orlin collection in reclaimed oak with rye stain.

## Extending our impact through philanthropy

We recognize that our responsibility goes beyond the products we offer. Through philanthropic partnerships, we support efforts that help forests and communities thrive. That's why we support the Arbor Day Foundation's Alliance for Community Trees® program, helping engage our local team members in volunteer tree planting opportunities across a variety of community gathering spaces where urban canopy is needed.

While our Urban Wood Project is focused on using reclaimed wood, we also recognize the importance of planting trees in communities where they are needed most. We also support research, internships and scholarships that advance forest stewardship and sustainability.

## Fabric performance, sourcing and materials

Upholstery fabric is another key material in our products. With more than 250 fabrics to choose from, our design team works directly with textile mill partners to balance country of origin, finish-free construction and fiber selection.

Today, 75% of our fabrics are woven in the U.S. by trusted partners such as STI, David Rothschild and Valdese. In 2025, we completed the removal of added chemical finishes from our upholstery fabric. This shift has led to a greater use of synthetic fibers, which are inherently durable and easier to clean. Looking ahead, we continue to prioritize recycled and/or renewable materials wherever possible and have set a goal for 90% of our upholstery fabrics to contain recycled, upcycled or bio-based content by 2030. Progress to that goal included:

- 77 fabrics made with recycled polyester

- 146 fabrics with upcycled polypropylene, which has the smallest synthetic textile carbon footprint

- Launching Terra fabric, which contains 47% wool, 34% cotton, 19% nylon and is available on our 99% bio-based Renew chair

## Third annual Every Last Yard event

As part of our ongoing commitment to sustainability, we're always looking for ways to extend the life of great materials. As we refresh styles and update our fabric offerings, some first-quality fabrics and leathers are left behind. Instead of letting these materials go unused, we put them to work.

Discontinued materials are matched with some of our most popular seating collections to create limited edition pieces with purpose. In 2025, we used over 11 thousand yards of fabric and over 21 thousand square feet of leather, keeping these materials out of landfills. As Emily McGarvey, Director of Sustainability, puts it, "Our Every Last Yard event responsibly uses leftover materials, which supports our efforts to reduce waste throughout our operations and supply chain." All products in this event are built by U.S. craftspeople, helping keep production lines moving and supporting skilled makers across the country.

### Progress on recyclable packaging

In 2025, we achieved 82% recyclable packaging. While it is an important milestone, it falls short of our goal to reach 100% recyclable packaging by 2025. Over the last several years we have made significant improvements across our packaging systems.

For the 90% of products delivered by our teams, our long-standing practice is to remove packaging from customers' homes and return it to our delivery centers. All delivery centers now recycle plastic bales in addition to cardboard, allowing packaging to be recycled through a responsible end market. For the remaining 10% of products shipped directly to customers via UPS, we worked with vendors to move away from EPS (Styrofoam).

Some challenges remain: Flexible film packaging is not curbside recyclable nationwide, and acceptable paper-based alternatives are not yet compatible with certain wood and metal finishes, which will burnish when wrapped with paper. We remain focused on improving packaging while limiting the risk of product damage, and have set a new goal to reach 90% recyclable packaging by 2030.

### Helping customer make informed choices

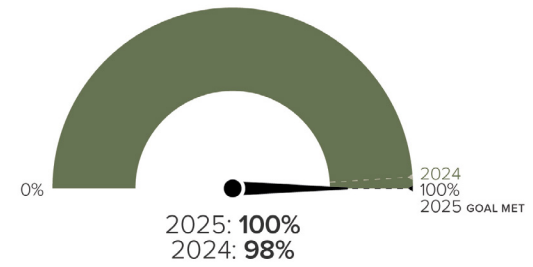
In June 2025, we launched the third and final phase of our Responsibly Made website project, which gives customers clear, accessible information about the sustainability specifications of specific pieces, like sustainably sourced wood or chemical certifications. We also conducted a sustainable product claims audit to ensure accuracy. We are seeing customers engage with this information—in 2025, 7% of all sales were considered influenced by sustainability content.

### Coming in 2026

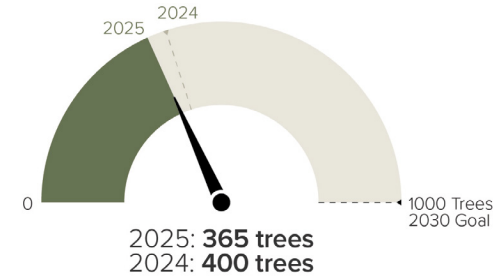
Offering reclaimed oak in our Marin and Montego outdoor collections

Expanding our top-selling Hensley storage collection with a reclaimed elm option

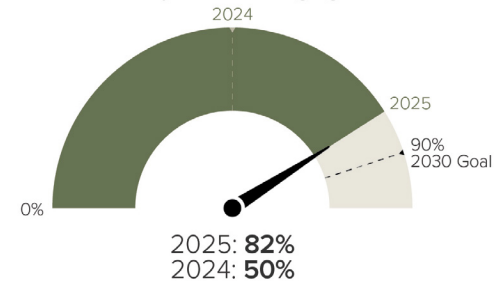
Sustainably Sourced Wood



Urban Wood Project



Recyclable Packaging



# Chemical Management



Chemicals are a dynamic and ever-evolving topic that's important to both Room & Board and our customers. Chemicals of concern can impact our customers, manufacturing partners and the environment. We partner with vendors and engage in industry dialogue to both monitor regulations and proactively remove chemicals of concern, where possible.

## **Finish-free fabrics**

We began removing added chemical finishes from our upholstery fabrics more than a decade ago, and our velvets were the last frontier in this work. While the velvet treatments did not include per- and polyfluoroalkyl substances (PFAS), they still conflicted with our approach to offer fabrics that have inherently stain-resistant fibers and do not rely on additional chemicals. In 2025, we reached an important milestone by launching Windsor and Redding, two velvet fabrics that do not use an added chemical finish.

## **Cleaner chemistry goal for fabrics**

Alongside finish-free fabrics, we continue to prioritize third-party chemical certifications throughout our upholstery assortment. At the end of 2025, over 200 of our upholstery fabrics had a chemical certification, either GREENGUARD Gold Certified® or OEKO-TEX® STANDARD 100.

We also set a new goal to have 90% of all upholstery fabrics carry a cleaner chemistry certification by 2030; we are at 76% today.

## **Highlighting water-based finishes**

In 2025, as part of our Responsibly Made website enhancement, we now note when a product has a water-based finish. Water-based finishes typically emit lower levels of VOCs compared to oil-based stains, contributing to improved indoor air quality and reduced environmental pollution.

## **Healthier workplaces**

Sustainability goes beyond the products we sell to the environments in which we work. In response to feedback from our internal staff sustainability survey, we introduced a sustainable products cleaning guide for our delivery centers and retail stores. The guide helps teams understand the differences between cleaners and disinfectants while offering better alternatives for both. The recommended products help reduce our environmental footprint and support healthier work environments for staff members.

## **Coming in 2026**

Work with additional fabric mill partners to increase the number of upholstery fabrics with cleaner chemistry certifications

# BETTER FOR PEOPLE

We are committed to supporting and building the well-being of staff, craftspeople and local communities.





# Focused on American Craftsmanship

More than 90% of our furniture and decor is made right here in the United States using top-quality domestic and imported materials. Keeping the majority of our production in the U.S. helps support local communities, sustain businesses and reduce the environmental impact of long-distance manufacturing. Room & Board has partners in over 30 states who share our commitments to quality, service and sustainability. And we have built long-term relationships by working with our top 15 U.S. manufacturing partners—accounting for 80% of our sales—for 27 years on average.

## Guaranteed pricing

Our decades-long focus on American manufacturing helped us mitigate tariff-related risk in 2025. In April, we guaranteed prices through July (later extending that guarantee through August) while monitoring the impact of tariffs across the furniture industry. At that time, select imported designs and products relying on imported materials saw prices increase. In 2026 and beyond, we will guarantee prices for six months at a time, with updates in January and June, to provide greater predictability for our customers.

## Inclusive procurement

We are part of a B Corp community group to deepen our understanding of supplier inclusion and the barriers that can face underrepresented communities. By incorporating these insights, we aim to create a more inclusive business environment. In 2025, we partnered with 54 businesses within our inclusive procurement framework, representing approximately 23% of total sales and 36% of our manufacturing partners. Small businesses and women-owned and -led businesses make up the majority of that number.

## Sharing the benefits of U.S. furniture manufacturing

Room & Board for Business took an exciting step in 2025 to strengthen our position as a leader in the design industry. We developed a Continuing Education Unit (CEU) focused on the social, environmental and financial benefits of U.S. furniture manufacturing. CEUs provide licensed professionals, like interior designers and architects, with ongoing education required to maintain certifications and credentials. In 2025, more than 350 professionals completed the course.

## Coming in 2026

Add three new American artisan partnerships that fall within our supplier inclusion framework

Introduce a new CEU, “Designing With Purpose: The Case for Working With B Corp Suppliers”

# Investing in Holistic Well-being

Our goal is to help our staff members build their careers and quality of life. We continue fostering a culture that supports our staff members' physical, mental and financial well-being.

## **Well-being in motion**

What started in 2021 as a friendly squat and push-up challenge among our distribution and delivery centers has grown into a company-wide event. In 2025, more than 250 staff members nationwide participated, committing to goals that ranged from movement to mindfulness. The goal was simple: build consistent habits and prioritize well-being together. Our New Jersey and San Diego Delivery Centers took home trophies for having the strongest participation rates.

That same spirit of personal choice carries into our ThrivePass benefit, which provides monthly Thrive Dollars for experiences that support mental wellness. From pottery classes to museum passes, staff members can choose their own wellness adventure. Business Analyst Deanna E. uses her Thrive Dollars for national and state park passes to encourage spontaneous wellness moments, making it easier to say “yes” to nature and exploration, “I’ll pull into a park for 30 minutes of walking even if that’s all the time I have.”

## **Financial health and an ownership mindset**

We are dedicated to empowering staff members with the tools and knowledge to build a secure financial future. In 2025, we continued offering initiatives such as our profit-sharing program and access to expert financial planners, offered through a blend of virtual sessions and in-person group financial education visits at our locations nationwide.

We also celebrated our first full year as an ESOP in 2025. To underscore the impact of an ownership mindset, we shared our initial ESOP account statement and held peer-led Employee Ownership Month education sessions, which drew participation from over 100 team members. In October, we highlighted stories each week from our staff members about what employee ownership means to them. “If Room & Board does well, all staff members do better,” shared Design Associate Heather H. “We’ve always been a customer-focused company and go the extra mile for our clients. We take care of each other. Our company is built on teamwork and empathy, and it wouldn’t run smoothly if that wasn’t ingrained in each one of us.”

## **Building a culture of belonging & inclusion**

In 2025, we launched our Leaders for Belonging & Inclusion (LBI) resource group, providing a dedicated space for leaders to deepen their understanding of inclusive leadership. Topics ranged from fostering growth mindsets to building environments where everyone thrives. Through monthly calls, leaders explored practical tools and strategies such as using inclusive language, practicing allyship and having respectful conversations to support belonging and inclusion across the company. Leaders described these calls as supportive to their leadership and personal growth. As one leader shared, “These sessions have broadened my understanding of what belonging and inclusion means, which I appreciate.”

## **Coming in 2026**

Launch a Belonging & Inclusion Core Orientation session for new staff members

Share monthly Ownership in Action stories from staff members on our intranet

# Local Communities



We believe community involvement is connected to our overall well-being. That’s why we donate 2% of our profits annually to organizations that protect the environment, provide relief after natural disasters and build better futures for people and communities.

## **Making an impact**

We aim to strengthen the communities where we live and work. Each of our markets selects a local nonprofit of their choosing, providing support through donations and volunteer efforts. In 2025, we worked with more than 60 nonprofit organizations, and our staff members contributed 1,500 hours through these partnerships. We actively share those stories both internally and externally, engaging our staff members, customer and manufacturing partners on the impact we’re making together.

Our teams go through a rigorous process to find community partners whose values translate into community impact. We evaluate several nonprofits in a market and choose one with whom we can build a long-term relationship, while looking for organizations whose values and philosophies are similar to ours. In 2025, we welcomed new community partners in Chicago, Dallas, New Jersey, Otsego, MN, and San Francisco, supporting initiatives from support for homeless youth and housing access to sustainability and environmental stewardship.

## **Our partnership journey with Zenger Farm**

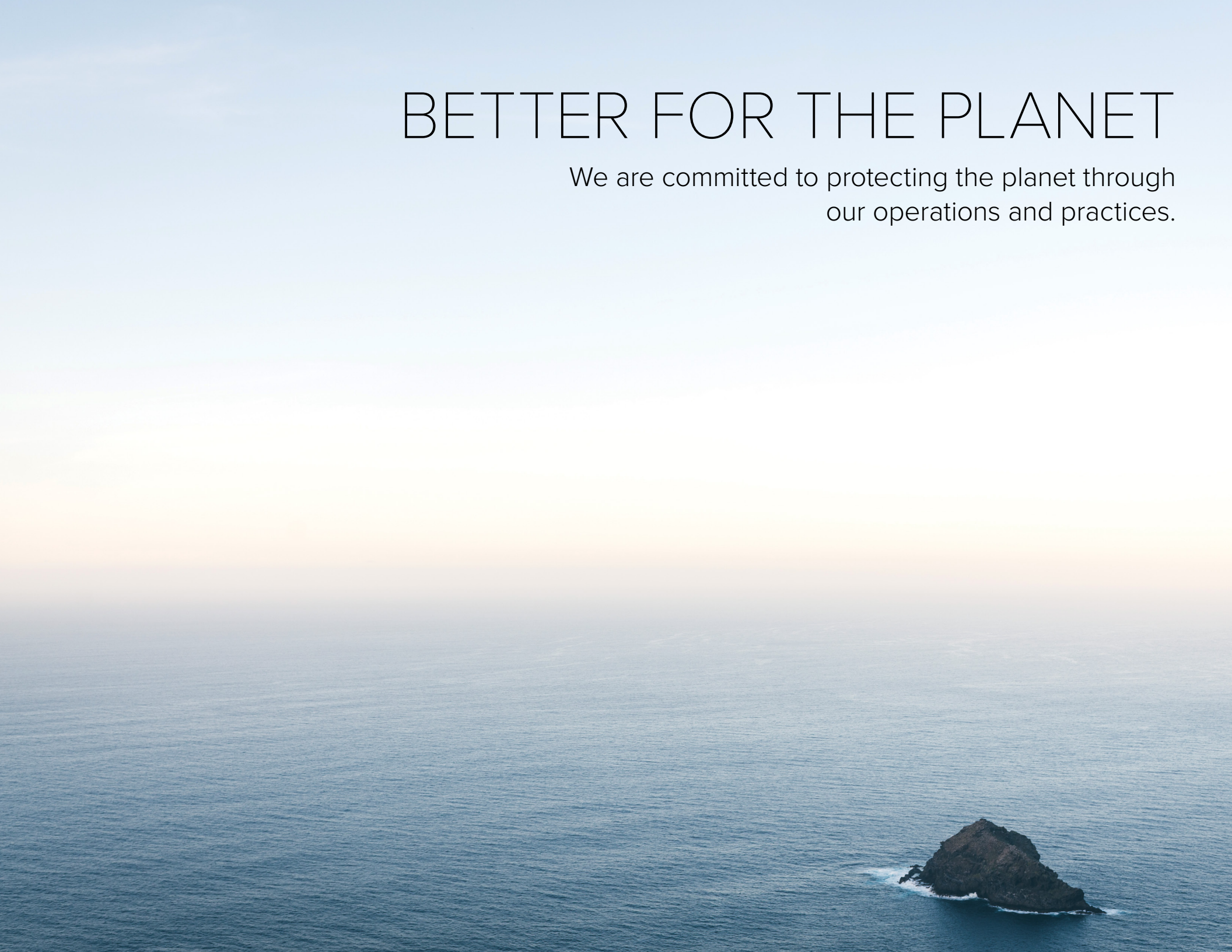
Located within Portland city proper, Zenger Farm is a working urban farm that models, promotes and provides education about sustainable food systems, environmental stewardship, community development and access to good food for all. In 2025, staff members from our Portland market worked with Zenger Farm on a variety of opportunities, including their annual spring farm auction. From donations to volunteering, Retail Market Manager Malia B. described this relationship perfectly: “This partnership is all about coming together to make a difference, and it’s exciting to see what we can accomplish when we unite for a common cause.”

## **Coming in 2026**

Add community partners in Atlanta, Austin and Paramus

# BETTER FOR THE PLANET

We are committed to protecting the planet through  
our operations and practices.





# Climate and Renewable Energy

## Charting our climate plan

In 2025, we created a climate plan with the aim of understanding both the financial and environmental impacts of the main levers we can influence. The goal is to ensure we are responsible stewards of our business while making progress toward our 2030 sustainability goals. We shared several climate plan scenarios with company leaders and will continue to prioritize renewable electricity, electric heat pumps and electric vehicles in the coming years.

## Reduced greenhouse gas (GHG) emissions

In 2025, we continued making measurable progress toward our operational climate goals by reducing greenhouse gas (GHG) emissions and increasing our use of renewable electricity.

Based on our 2019 baseline, we have a goal of a 50% reduction of scope 1 & 2 GHG. In 2025, we reduced our scope 1 & 2 GHG by 18%; however, our reduction was greater (27%) in 2024. This regression was largely driven by increased natural gas use from additional square footage across our facilities and a colder winter in 2025 compared to 2024.

At the same time, we increased our use of renewable electricity across our stores, delivery centers, distribution centers and Minnesota headquarters.

In 2025, 68% of our electricity came from renewable sources, an increase of 3% over 2024. We plan to reach 100% renewable electricity in our operations by 2030.

## Powered by the sun

In June, we celebrated one year of rooftop solar at our Minnesota headquarters. Installed by Cedar Creek Energy, the 1.05 MW DC rooftop solar array was designed to offset 120% of our facility's electricity usage, producing approximately 1.3 million kWh in its first year. The environmental impact is substantial, reducing over two million pounds of CO2 emissions annually. Financially, the shift to solar has also been significant as demonstrated by a 68% reduction in annual electrical costs at our headquarters.

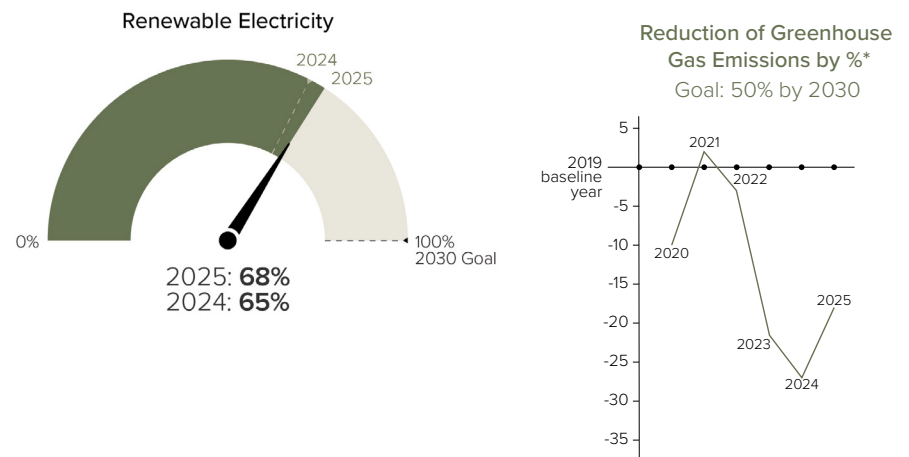
## Working toward clean transportation

We are working to electrify our vehicles, but progress has come with challenges. As several hybrid delivery truck leases expired, replacement hybrid trucks were not available. At the same time, as we look toward fully electric delivery trucks, we are evaluating driving range, vehicle availability and incremental lease costs.

However, we are making progress where possible. Currently, our Delivery Centers that have forklifts use electric versions, and the Chicago Delivery Center has a fully electric service van in its fleet.

## Coming in 2026

Replace gas-fired rooftop units with electric heat pumps in locations that are due for replacement and are using renewable electricity



# Circularity and Waste

We are examining every part of our business with an eye toward achieving zero waste in our operations. Each delivery and distribution center has a staff member focused on implementing best practices and sharing learnings across the organization.

## Plastic recycling partnership

In 2025, we achieved plastic recycling at all distribution and delivery centers through our partnership with Trex®. This is significant because many municipal recycling programs are unable to accept flexible film plastic, multilayered plastic or plastics that are not clear-colored. By working with Trex, we are helping divert materials that would otherwise go to landfills.

## Facility-specific waste plans

Sustainability liaisons from our distribution centers meet virtually on a regular basis to share best practices. In 2025, the sustainability team also partnered with each DC to create personalized diversion plans tailored to facilities with unique challenges like space constraints. Common themes emerged, especially regarding wood scraps, wood pallets and furniture that cannot be donated. We are actively exploring solutions to address these challenges and further improve our diversion rates.

## San Diego Delivery Center trash diversion rates

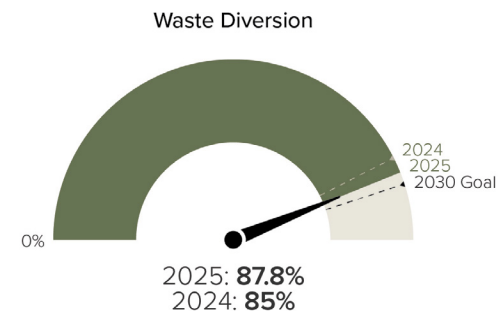
Our DCs are focusing on improving their trash diversion rates through both large- and small-scale changes. The San Diego Delivery Center

exemplifies this approach. Thanks to the dedication and ingenuity of their team and the adoption of a new plastic baler, they achieved a remarkable increase in their trash diversion rate.

Staff members measured the waste in their bins, fine-tuned their efforts and adjusted habits. Since these equipment and behavioral changes were made, they reduced their waste volume by two-thirds, and their waste diversion rate has increased from 28% to 70%. This is a huge testament to their commitment, proving that small changes and learning from each other can lead to big impacts.

## Coming in 2026

Continue creating personalized diversion plans for facilities with unique challenges like space constraints



# GOVERNANCE

At Room & Board our purpose is people. We make decisions that consider all stakeholders impacted by our actions: the environment, our communities, staff members, vendor partners and customers. We balance these interests with the long-term financial health of the business.



# Business Ethics and Risk Management

Respect is foundational to our work environment. We empower our staff through our guiding principles to embody our values of inclusivity, work ethic, curiosity, authenticity and collaboration.

## **B Corp recertification**

In 2025, we went through our first recertification after our initial certification in 2023. We increased our score to 112.7, which is 32.1 points higher than our original score. Our shift to 100% employee ownership and our focus on continuous improvement helped us attain this higher score.

## **Staff education and training**

Consistent training, education and preventative practices support our staff members' well-being and create a safe working environment. Staff complete required training for topics such as anti-harassment, safe driving practices and OSHA procedures.

## **Delivery center compliance audit**

In 2025, we partnered with a third party to proactively audit our DCs for compliance with OSHA standards. As a result, we continue to enhance our operations and reinforce safe practices for the safety and well-being of our staff members.

## **Resilient information technology**

We manage multiple ongoing efforts to mitigate technology, cybersecurity and legal risk. From systems monitoring and proactive testing to staff training, our actions focus on prevention in an evolving technology landscape.



## **Product compliance**

We continue to enhance our product compliance program to deliver on customer expectations while meeting changing laws and regulations. In 2025, we introduced a vendor compliance manual to share expectations and provide guidance to our partners.

## **Extended producer responsibility for packaging**

This past year, multiple states enacted extended producer responsibility legislation, which requires businesses to pay fees for end-of-life management of packaging. Our compliance team gathered packaging data and submitted reporting to fulfill these new legal requirements.

## **Coming in 2026**

Continue to assess gaps and areas for improvement

# REPORTING AND DATA

We value transparency and accountability toward  
our sustainability commitments.



# Goals and Progress

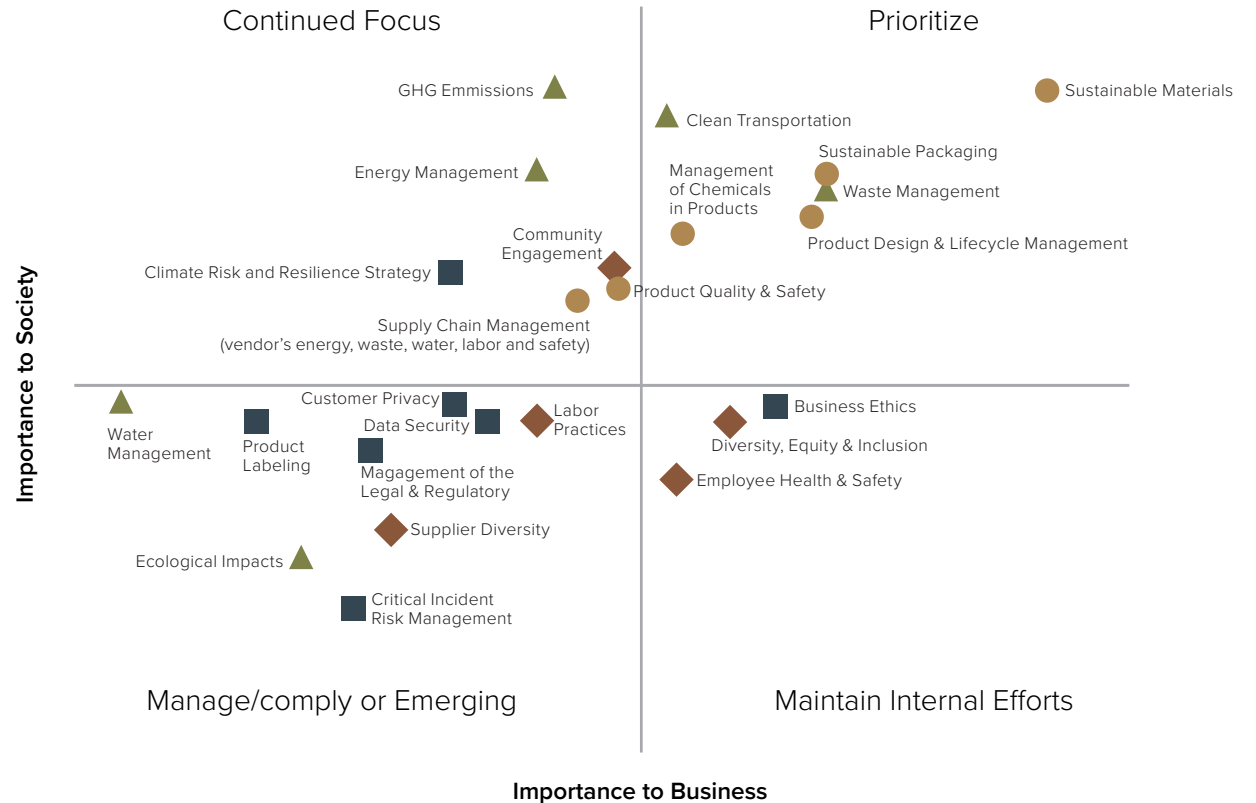
GOAL	GOAL YEAR	STATUS	PROGRESS
<b>Better Products</b>			
100% sustainably sourced wood by 2025.	2025	achieved	100% of our wood meets our sustainably sourced wood policy. Up from 98% in 2024.
Grow our Urban Wood Project to divert the equivalent of 1,000 trees from the waste stream annually by 2025.	2025	not achieved	365 trees diverted in 2025; 400 trees diverted in 2024. We plan to extend the goal year to 2030.
100% recyclable packaging by end of 2025.	2025	not achieved	82% of our packaging is recyclable, an increase from 50% in 2024. We plan to continue working toward a goal of 90% recyclable packaging by 2030.
<b>Better for People</b>			
Prioritize American craftspeople by keeping more than 90% of our products crafted in the United States.	ongoing	achieved	Over 90% of our products manufactured in the United States in 31 states, supporting over 12,000 American jobs.
Donate 2% or greater of annual profits.	ongoing	achieved	Philanthropic donations of 2% of annual profits to more than 60 nonprofits across the country.
<b>Better for the Planet</b>			
50% reduction of scope 1 & 2 greenhouse gas (GHG) emissions by 2030 (on a baseline of 2019).	2030	on track	Reduced scope 1 and 2 GHG emissions by 18% on our 2019 baseline.
100% renewable electricity in our operations by 2030.	2030	on track	Achieved 68% renewable electricity, up from 65% in 2024.
90% of our operational waste will be diverted from landfill by 2030.	2030	on track	87.8% of operational waste is diverted from landfills, up from 85% in 2024.

# Our Materiality Matrix

A materiality assessment is used to highlight strengths and pinpoint opportunities that are most relevant to our business and stakeholders. The benefit is that we can clarify and maintain our position as a leading corporate citizen, stay on top of issues and gather feedback from a broad group of stakeholders.

To gather both qualitative and quantitative feedback, we employed two approaches to gather data. First, we conducted an all-staff survey. Second, we conducted more than 40 one-on-one interviews with a mix of internal and external stakeholders. The internal interviewees consisted of a diverse group of individuals from our central, retail, delivery and distribution locations.

The external interviewees consisted of some of our top vendor partners as well as sustainability industry organizations.



- ▲ Environmental impact
- Supply chain
- ◆ Social impact
- Governance

**Importance to Business (X axis)** Room & Board's internal impact on staff, culture and values, brand reputation and financial performance

**Importance to Society (Y axis)** Room & Board's external impact on customers, vendors, community and environment

# Energy, Water and Emissions Data

## GRI 302 - Energy Consumption

<b>302-1 Energy consumption</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
A. Fuel Consumption Nonrenewable Sources (MJ)	31,020,334	29,392,121	32,105,277	36,367,853	38,232,591	30,266,387	37,054,737
B. Fuel Consumption Renewable Sources (MJ)	0	0	0	0	0	0	0
Electricity Renewable Resources (MJ)	142,560	1,889,011	3,229,007	9,695,416	20,513,833	18,424,750	19,192,064
Electricity Nonrenewable Resources (MJ)	26,228,413	2,236,076	3,905,290	20,286,591	9,040,463	9,746,960	8,920,361
C - i. Total Electricity Consumption (MJ)	6,370,973	24,125,088	27,134,297	29,982,007	29,554,296	28,171,710	28,112,425
D - i. Energy Sold - Electricity (MJ)	0	0	0	0	0	0	0
E. Total Energy Consumption (MJ)	57,391,307	53,517,209	59,239,574	66,349,860	67,786,888	58,438,097	65,167,162
<b>302-3 Energy Intensity</b>							
A. Energy Intensity Ratio (MJ/\$1000k)	129,013	125,092	99,979	96,428	110,865	101,996	107,743
<b>302-4 Change in Energy Consumption</b>							
Baseline Absolute (MJ)	57,391,307	57,391,307	57,391,307	57,391,307	57,391,307	57,391,307	57,391,307
A. Absolute (MJ)	0	-3,874,098	1,848,267	8,958,553	10,395,581	1,046,789.92	7,775,855
A. Absolute (%)	0%	-7%	3%	16%	18%	2%	14%

## GRI 303 - Water & Effluents

<b>303-1 Interactions with water as a shared resource</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
A - i. Surface Water (ML)	0	0	0	0	0
A - ii. Ground Water (ML)	0	0	0	0	0
A - iii. Seawater (ML)	0	0	0	0	0
A - iv. Produced Water (ML)	0	0	0	0	0
A - v. Third-party Water (ML)	20.2	16.7	14.8	16.5	14.3

## GRI 305 Emissions

<b>305-1 Direct (Scope 1) GHG emissions</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
A. Gross Scope 1 GHG Emissions (mtCO2e)	2,263	2,141	2,535	2,898	3,078	2,560	2,845
<b>305-2 Energy indirect (Scope 2) GHG emissions</b>							
A. Location-Based Scope 2 Emissions (mtCO2e)	2,740	2,413	2,849	3,135	3,088	2,686	2,639
B. Market-Based Scope 2 Emissions (mtCO2e)	2,723	2,355	2,526	1,950	820	1,089	1,240
<b>305-3 Energy indirect (Scope 3) GHG emissions</b>							
A. Gross Scope 3 GHG Emissions (mtCO2e)	11,894	11,115	14,090	13,874	11,404	10,586	10,688
<b>305-4 GHG emissions intensity (Scope 1 &amp; 2)</b>							
A. GHG Emissions Intensity - Location-based Scope 2 (mtCO2e/\$1,000k)	11.25	10.64	9.09	8.77	10.08	9.16	9.07
A. GHG Emissions Intensity - Market-based Scope 2 (mtCO2e/\$1,000k)	11.21	10.51	8.54	7.05	6.38	6.37	6.75
<b>305-5 Reduction of GHG emissions (Scope 1 &amp; 2 Market-based)</b>							
A. Absolute (mtCO2e)	0	-490	75	-137	-1088	-1337	-900
A. Absolute (%)	0%	-10%	2%	-3%	-22%	-27%	-18%

**Gases included in GHG calculations:** CO2, CH4, N2O

**Source of Emission Factors and GWP rate used:** US EPA eGRID, EPA.Gov/Sites, US EPA SmartWay

**Chosen consolidation approach:** Operational Control Standards

**Baseline Year:** 2019. This is the first year where we had complete data for both location- and market-based calculations.

**Scope 3:** Currently we are only capturing third-party logistics and employee travel.

**GHG Intensity Ratio:** Scope 1 and 2 divided by Delivered Sales (\$1,000k).

**All GHG data has been verified by a third-party consultant, Third Partners.**

# Waste Data

**GRI 306 - Waste**

<b>306-4 Waste diverted from disposal</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
A. Total weight of waste diverted from landfill (mtu)	5,439	4,416	4,712
C. Breakdown of non-hazardous waste diverted from landfill			
Reuse (mtu)	3,510	2,572	2,774
Recycling (mtu)	1,818	1,734	1,826
Composting (mtu)	111	111	112
Landfill (mtu)	1,065	801	654
Diversion Rate (mtu)	83.6%	84.7%	87.8%

# Global Reporting Initiative

The Global Reporting Initiative (GRI) Standards represent global best practices for reporting publicly on a range of economic, environmental and social impacts. Our 2025 Impact Report is based on GRI Sustainability Reporting Standards effective January 1, 2025. We recognize we have areas for continuous improvement; we will work to address omissions in future reports.

GRI	SUBJECT / TOPIC	REPORT SECTION	PAGE
<b>GRI 2: General Disclosures 2021</b>			
2-1	Organizational details	Sustainability Strategy	6
2-2	Entities included in the organization's sustainability reporting	Sustainability Strategy	6
2-3	Reporting period, frequency and contact point	Sustainability Strategy	6
2-4	Restatements of information	Sustainability Strategy	6
2-5	External assurance	Sustainability Strategy	6
2-6	Activities, value chain and other business relationships	Sustainability Strategy	6
2-7	Employees	Sustainability Strategy	6
2-8	Workers who are not employees	Omission - Information Unavailable/Incomplete	
2-9	Governance structure and composition	Omission - Information Unavailable/Incomplete	
2-10	Nomination and selection of the highest governance body	Omission - Information Unavailable/Incomplete	
2-11	Chair of the highest governance body	Omission - Information Unavailable/Incomplete	
2-12	Role of the highest governance body in overseeing the management of impacts	Omission - Information Unavailable/Incomplete	
2-13	Delegation of responsibility for managing impacts	Omission - Information Unavailable/Incomplete	
2-14	Role of the highest governance body in sustainability reporting	Omission - Information Unavailable/Incomplete	
2-15	Conflicts of interest	Omission - Information Unavailable/Incomplete	
2-16	Communication of critical concerns	Sustainability Strategy	6
2-17	Collective knowledge of the highest governance body	Omission - Information Unavailable/Incomplete	
2-18	Evaluation of the performance of the highest governance body	Omission - Information Unavailable/Incomplete	
2-19	Remuneration policies	Omission - Confidential	
2-20	Process to determine remuneration	Omission - Confidential	
2-21	Annual total compensation ratio	Omission - Confidential	
2-22	Statement on sustainable development strategy	Sustainability Strategy	5
2-23	Policy commitments	Better for People	12-15
2-24	Embedding policy commitments	Better for People	12-15
2-25	Processes to remediate negative impacts	Better for People	12-15
2-26	Mechanisms for seeking advice and raising concerns	Better for People	12-15

GRI	SUBJECT / TOPIC	REPORT SECTION	PAGE
2-27	Compliance with laws and regulations	Better for People	12-15
2-28	Membership associations	Industry Engagement	8, 9, 13, 15, 20
2-29	Approach to stakeholder engagement	Sustainability Strategy	6
2-30	Collective bargaining agreements	Omission - Not Applicable	
<b>GRI 3: Material Topics 2021</b>			
3-1	Process to determine material topics	Materiality Matrix	23
3-2	List of material topics	Materiality Matrix	23
3-3	Management of material topics	Materiality Matrix	23
<b>GRI 201: Economic Performance 2016</b>			
201-1 201-4		Omission - Confidential	
<b>GRI 202: Market Presence 2016</b>			
202-1 202-2		Omission - Confidential	
<b>GRI 203: Indirect Economic Impacts 2016</b>			
203-1 203-2		Omission - Confidential	
<b>GRI 204: Procurement Practices 2016</b>			
204-1	Proportion of spending on local suppliers	Better for People	13
<b>GRI 301: Materials 2016</b>			
301-1	Materials used by weight or volume	Better Products	7-11
301-2	Recycled input materials used	Better Products	7-11
301-3	Reclaimed products and their packaging materials	Better Products	7-11
<b>GRI 302: Energy 2016</b>			
302-1	Energy consumption within the organization	GRI Tables	24
302-2	Energy consumption outside of the organization	GRI Tables	24
302-3	Energy intensity	GRI Tables	24
302-4	Reduction of energy consumption	GRI Tables	24
<b>GRI 303: Water and Effluents 2018</b>			
303-1	Interactions with water as a shared resource	GRI Tables	24
303-2	Management of water discharge-related impacts	Omission - Information Unavailable/Incomplete	
303-3	Water withdrawal	Omission - Information Unavailable/Incomplete	
303-4	Water discharge	Omission - Information Unavailable/Incomplete	
303-5	Water consumption	Omission - Information Unavailable/Incomplete	

GRI	SUBJECT / TOPIC	REPORT SECTION	PAGE
<b>GRI 305: Emissions 2016</b>			
305-1	Direct (Scope 1) GHG emissions	GRI Tables	25
305-2	Energy indirect (Scope 2) GHG emissions	GRI Tables	25
305-3	Other indirect (Scope 3) GHG emissions	GRI Tables	25
305-4	GHG emissions intensity	GRI Tables	25
305-5	Reduction of GHG emissions	GRI Tables	25
<b>GRI 306: Waste 2020</b>			
306-1	Waste generation and significant waste-related impacts	GRI Tables	26
306-2	Management of significant waste-related impacts	GRI Tables	26
306-3	Waste generated	GRI Tables	26
306-4	Waste diverted from disposal	GRI Tables	26
306-5	Waste directed to disposal	GRI Tables	26
<b>GRI 401: Employment 2016</b>			
401-1	New employee hires and employee turnover	Omission - Confidential	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Better for People	14 & <a href="http://roomandboard.com/careers">roomandboard.com/careers</a>
401-3	Parental leave		<a href="http://roomandboard.com/careers">roomandboard.com/careers</a>
<b>GRI 403: Occupational Health and Safety 2018</b>			
403-1	Occupational health and safety management system	Better for People	12-15
403-2	Hazard identification, risk assessment and incident investigation	Better for People	12-15
403-3	Occupational health services	Better for People	12-15
403-4	Worker participation, consultation and communication on occupational health and safety	Better for People	12-15
403-5	Worker training on occupational health and safety	Better for People	12-15
403-6	Promotion of worker health	Better for People	12-15
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Better for People	12-15
403-8	Workers covered by an occupational health and safety management system	Better for People	12-15
403-9	Work-related injuries	Better for People	12-15
403-10	Work-related ill health	Better for People	12-15

GRI	SUBJECT / TOPIC	REPORT SECTION	PAGE
<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
405-1	Diversity of governance bodies and employees		<a href="http://roomandboard.com/sustainability/better-for-people">roomandboard.com/sustainability/better-for-people</a>
405-2	Ratio of basic salary and remuneration of women to men		<a href="http://roomandboard.com/sustainability/better-for-people">roomandboard.com/sustainability/better-for-people</a>
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Better for People	12-15
<b>GRI 408: Child Labor 2016</b>			
408-1	Operations and suppliers at significant risk for incidents of child labor	Better for People	12-15
<b>GRI 409: Forced or Compulsory Labor 2016</b>			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Better for People	12-15
<b>GRI 413: Local Communities 2016</b>			
413-1	Operations with local community engagement, impact assessments and development programs	Better for People - Local Communities	15
413-2	Operations with significant actual and potential negative impacts on local communities	Better for People - Local Communities	15
<b>GRI 417: Marketing and Labeling 2016</b>			
417-1	Requirements for product and service information and labeling		<a href="http://roomandboard.com/sustainability/guidelines-policies/sustainable-materials-guidelines">roomandboard.com/sustainability/guidelines-policies/sustainable-materials-guidelines</a>
417-2	Incidents of noncompliance concerning product and service information and labeling	Omission - Not Applicable	
417-3	Incidents of noncompliance concerning marketing communications	Omission - Not Applicable	