

Sustainability Report 2012



Somerville
Merchandising Inc.





Somerville Merchandising has long understood that it is responsible to both its' customers and the environment at large in making the most environmentally responsible material choices and handling decisions. As a leader in the display industry, we are proud of the achievements we have made in sustainable manufacturing.

At Somerville, we are committed to integrating environmentally sound design, manufacture and delivery of products and services that contribute to the sustainable development of our society. Our vision is to be able to create and manufacture in a way which results in no harm to the environment, while allowing us to continue to foster our business growth. As we celebrate 70 years of outstanding designs, and excellence in manufacturing and customer service, we are proud to be able to share our story with you.



Our Products

Our products and services represent us as a company. We share a commitment to quality that is exemplified in each item we produce and the way in which we service our customers every day. As the first ISO 9001:2008 certified display manufacturer in Canada, we are proud to be able to provide outstanding quality in everything we create.

Each project begins with an assessment of our clients' needs and budget. Our talented Design Team is continually working to research and develop original designs that use sustainable materials and processes where ever practical and possible. Our permanent and semi-permanent displays are built with quality materials and processes that ensure they will withstand the most demanding retail environments and eliminate the need for rapid replacements – thus reducing material turnovers and waste to landfill.

Our People

Somerville is committed to building a safe, supportive and inclusive workplace.

Our team members represent a wide variety of cultures and skills. We are proud to acknowledge our diversity and the many long-service employees on which we have been able to build a solid foundation. It is our core strength and the foundation on which we have been able to build our success.

Everyone is actively involved in our daily processes – from product concept and design – to manufacture – to final delivery and installation. It is this commitment to “hands on” manufacturing and our guarantee of “whatever it takes” that helps us to bring to life our outstanding products and services.

We work together and pool our talents and thinking to continually challenge ourselves in creating exceptional products, while providing the most sustainable solutions available in today’s market.



Sustainable Material Choices and Impacts

The material choices we make in the creation of our clients' products can have a lasting impact on our environment and eco-systems. Our Project Teams regularly assess and evaluate material usage to incorporate sustainable selections wherever possible.

Recycled and readily recyclable plastics and metals of all types are used in many of our displays. Engineered wood products including medium density fibreboard (MDF) and plywood which are ECC (Eco-Certified Composite) are in used in our Mill production. Bubble wrap made from 100% recycled plastics and cardboards manufactured from post-industrial waste are used in all packing. Document printing is done on 100% recycled-content papers. Low-VOC paints and inks are regularly in use.

Because we are committed to the protection of our eco-systems, Somerville has begun the process of FSC (Forestry Stewardship Council) Chain-of-Custody certification, which will be completed by mid-2012. The stringent requirements of this certification track products from forest to shelf, to ensure that our forests are managed in an environmentally sustainable manner. The certification is completed in conjunction with the Rainforest Alliance. Once certified, we will be able to offer FSC-certified products that will assist our clients in qualifying their LEED® certified projects, and use both the FSC and Rainforest Alliance logos on their products.





Recycling and End-of-Life Disposition Initiatives

Proud member of



**Recycling
Council of
Ontario**

Somerville is an active member of the Recycling Council of Ontario, and a recent recipient of a “3R Trendsetter Award”. This not-for-profit organization educates all members of society about the generation of waste and the more efficient use of resources.

In 1998, Somerville began a unique recycling program with the Ontario Lottery Corporation, which has been expanded to include the Atlantic Lottery Corporation. This has been the cornerstone of our Green Initiative. All lottery merchandisers and playstands are collected by Somerville’s installation team at end of life for return to our warehouse. Items are evaluated for refurbishment or complete disassembly and recycling, thus reducing thousands of tons of waste to landfill and greenhouse gas emissions. No other display provider offers such an extensive recycling and re-use program, and this unique initiative truly sets us apart.

Waste Diversion

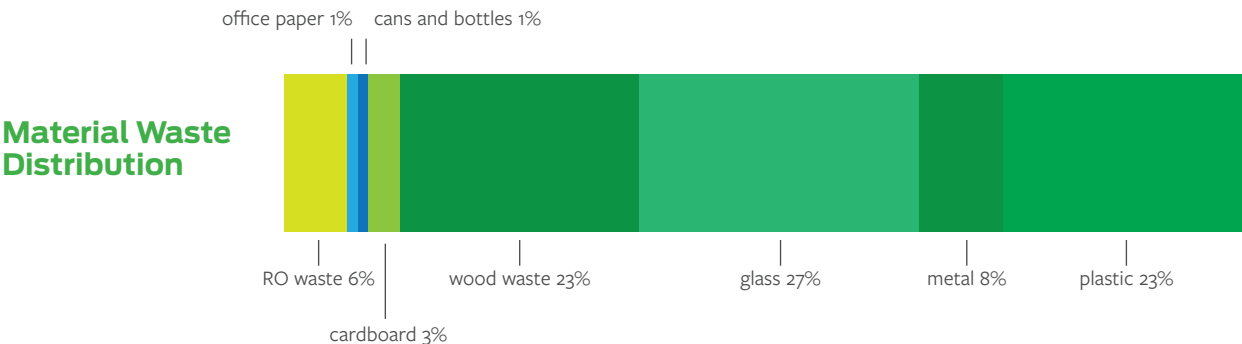
Somerville has a Solid Waste Diversion Policy, which states:

“Somerville Merchandising Inc. is committed to the diversion of solid waste being sent to landfill. In support of this commitment, we will:

1. Research and adopt alternative raw materials that are completely recyclable;
2. Implement technologies that provide maximum material yield while minimizing waste;
3. Follow the 3R's by reducing, reusing and recycling materials;
4. Educate and raise awareness amongst our employees about our goals;
5. Work with suppliers and waste providers to minimize our impact to landfill sites;
6. Measure and report regularly on solid waste production.

We will work together and with our community to reach our goal of zero waste to landfill by January 31, 2015.” To that end, we voluntarily undertook a Waste Audit under Ontario Regulation 102/94 of the Environmental Protection Act. We regularly measure and report on our waste diversion practices and performance, and have been able to achieve a 93.4% waste diversion rate. So we are well on the way to achieving our goal!

- State-of-the art equipment allows for maximum raw material yield, which reduces waste to landfill
- Wood scrap is collected and used to produce energy for a local facility
- Wood sawdust is collected and used in agricultural bedding
- Steel, aluminum and metals are collected and re-processed
- Office papers, cardboard, paper towels and boxboard are collected for paper recycling
- Toner and ink cartridges are collecting for recycling
- Used electronics are sent for disassembly and recycling
- Pop cans, tetrapaks and plastic drink bottles are separated for recycling
- Chemical waste and rags are collected and processed through distillation for fuel used in the cement industry
- Plastics of all kinds are collected from scrap and disassembled end-of-life items for a wide variety of recycled uses



[illegible]

Hensall: wind, misted for, afternoon
 Grilled Zucchini & Fries: roasted per
 week, pot
 Wild Mushrooms: large, small
 Buffalo Mozzarella: roasted tomato, half p
 Fenchel: ripe, spicy, peppermint

Quick, visit our daily special for our honey-mustard and
of pork meat is not better

From the grill

Red House (Red House) \$1.10

1998

Energy Conservation

We recently conducted an independent energy audit of our facility, and are examining ways to improve our Energy Conservation Program.

State-of-the art equipment is in use throughout our manufacturing processes, which are resource and energy effective. Energy-efficient lighting has been installed throughout most of the facility and will be fully updated in the near future. Our processes use minimal water consumption.

Automatic set-back thermostats reduce the energy required for heating and cooling. Motion sensor lighting is used in multiple areas to minimize electrical consumption and energy saver options are used on all office equipment. Our employees participate daily by turning off excess lighting and equipment whenever they are not in use and constantly seeking out better ways to conserve.

Our newest installation fleet vehicles are among the most energy efficient vehicles available on the market. These have dramatically improved our carbon footprint by reducing the amount of fuel required for our extensive installation programs.

Health & Safety

We work diligently to keep our workplaces and environments safe for each of the members of our team.

Our Health and Safety Plan has been modeled after Ontario's extensive Workwell Core Health and Safety Audit and has been in place for many years. Our Joint Health and Safety Committee meets monthly and reports to our Executive Steering Team on the many initiatives and undertakings that help to keep our employees safe. Members achieve safety certifications and attend regular training sessions that ensure they are kept up to date on the latest requirements and trends.

We also encourage our staff to adopt healthy lifestyles and conduct regular "Lunch and Learn" sessions that focus on personal wellness. From preventing repetitive strain injuries to nutritious eating habits, we cover a wide variety of topics that help to support our team. And during our annual Health and Safety month, everyone participates in safety activities and training that reinforce our commitment to achieving zero lost-time injuries.

Our overall goal is to exceed all legislative requirements so that we are all able to return home safely to our families every day.

Somerville in the Community

Support of our local community is part of our everyday culture. We feel it is our responsibility to contribute for and give back to the people and environment that we work in.

Somerville has developed a liaison with the local school board that offers collegiate level students the opportunity to enter into a co-operative education work placement program. This allows students a real-life chance to try out a variety of job skills that supports their education – through active mentoring with staff members, we have been able to extend the program to support those students with special needs.

Annual charitable fundraisers support many aspects of our local community, as well as donations and on-going sponsorship of a nearby family shelter. Wherever our staff sees a need, they are ready and willing to pitch in and help.

Looking Forward

As we continue to grow and expand our business, we know that we will be presented with many challenges and opportunities. And we welcome them.

We are committed to continually sourcing new technologies and materials that support our sustainability journey. We will make every effort to include these in our offerings to our clients. And we will continue to educate and share this information, while providing our clients with products that are financially viable.

We look forward to sharing this exciting journey with you.





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