

# 2019 Sustainability Highlights



## Executive Summary

2019 was a landmark year for Interface and our sustainability journey. We announced the achievement of Mission Zero® with an important report – [Lessons for the Future](#) – and set our sights toward a new moonshot goal: to become a carbon negative enterprise by 2040.

These achievements helped propel us forward – with more energy and clarity to advance our Climate Take Back™ progress and carbon goals. We're proud of the work we've done to reduce the carbon footprint of our carpet tile products and the expansion of our Carbon Neutral Floors™ program. After more than two decades of commitment, hard work, design leadership, supplier partnership, and product innovation, we now have some of the lowest average carbon footprints for carpet tile in the industry.

**But we know there's more work to be done.**

*We shared in our Lessons for the Future report that “Every Vision Needs a Plan.” We took that to heart in 2019 as we focused on further developing our metrics to serve as the foundation for our future reporting.*

To map our way to carbon negative, we must not only reduce the carbon footprint of our products, but also our **total carbon impact as an enterprise**. This accounts for all the carbon we're responsible for putting into the atmosphere as a result of our business – including our operational carbon emissions, our product emissions, and emissions from our supply chain and extended activities.

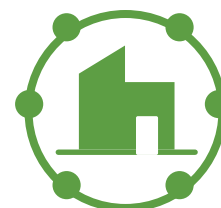
These impacts are measured using three types, or scopes, defined by the [Greenhouse Gas \(GHG\) Protocol](#):



**Scope 1** are our direct emissions, such as the use of natural gas and propane at our factories and leased spaces (offices and showrooms) as well as the fuel used by company cars.



**Scope 2** are indirect emissions from electricity and steam generated elsewhere but used in our facilities.



**Scope 3** are indirect emissions from sources outside of our control, including the production of the raw materials used to make our products, customer use and cleaning of our products, and the end-of-life treatment of our products.

Interface has consistently included Scope 1 and Scope 2 emissions in our reporting since we began measuring our impacts in 1996. We've also measured the most significant sources of our Scope 3 emissions – our raw materials – for many years. This is verified through our Carbon Neutral Floors program.

**New in our 2019 metrics**, we expanded our Scope 3 measurement and annual verification process to include all Scope 3 emissions and are now publicly reporting them. And, we're now accounting for our global business, including nora® rubber flooring operations and products. This information will serve as a baseline in our quest to become a carbon negative enterprise, another step forward on our sustainability journey.

As we report our combined global metrics for the first time, we do see some lower average results compared to our historical carpet-only numbers in past reports. Because we are now including nora, some of our numbers went down. This is not a failure; it's a new and bigger challenge, and we are embracing it. This is an important milestone as we celebrate the integration of Interface and nora.

Moving forward, we plan to build on the 25 years of progress with our carpet tile – where we've reduced our product footprint by 74% (cradle-to-gate). We will use this knowledge to reduce the footprint of our rubber flooring and LVT products, just like we did with carpet tile. In fact, we are already making progress in this area and recently announced that all Interface LVT products now include 39% pre-consumer recycled content.

As we reflect on 2019, we are proud of our work to set the foundation for the future of Interface by incorporating Scope 1, 2, and 3 emissions into our carbon emissions reporting and targets. We made significant strides in our journey to become a carbon negative enterprise by 2040 through this effort, and we will continue to work toward this moonshot goal.

---

### **SCOPE 3 FOCUS AREA: SUPPLY CHAIN**

Purchased raw materials account for 45% of our total enterprise carbon impact. To make progress in this area, we will continue to engage with and educate our global suppliers to help them reduce their environmental impacts, especially the carbon footprint of their operations and materials.

#### **Efforts To Reduce Carbon from Supply Chain**



Through our Suppliers to Zero program, Interface challenges our suppliers to identify ways to reduce their carbon emissions. Our supply chain leaders work directly with our suppliers to share information and to collaborate on reducing the footprint of our raw materials.



To build on the Suppliers to Zero program and provide additional support to our suppliers, we've partnered with Manufacture 2030, a platform that offers tools to identify projects that reduce operational impacts, to track progress, and to estimate the carbon reductions resulting from those projects. Currently, nine Interface suppliers use Manufacture 2030 — five global and four regional suppliers.

# 2019 Company Footprint

**635,735**  
metric tons CO<sub>2</sub>e

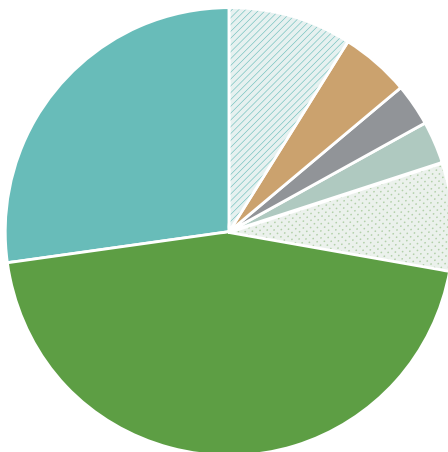
Total company emissions resulting from Scopes 1, 2 & 3

**15,115**  
metric tons CO<sub>2</sub>e

Company emissions resulting from Scopes 1 & 2 (2.4%)

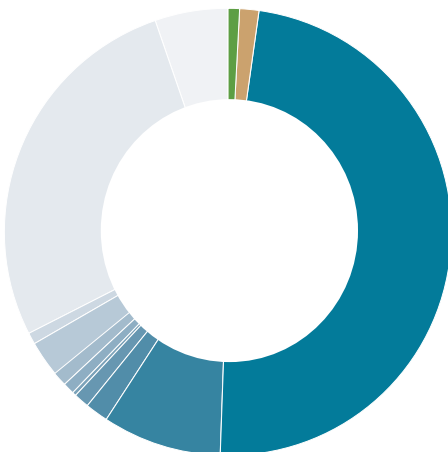
**620,620**  
metric tons CO<sub>2</sub>e

Company emissions resulting from Scope 3 (97.6%)



## 2019 Carbon Impact – 635,735 mtCO<sub>2</sub>e

- 27% Use of sold products
- 9% Capital goods
- 5% End-of-life treatment of sold products
- 3% Purchased services
- 3% Downstream transportation and distribution
- 8% All other emissions
- 45% Purchased goods (raw materials)



## 2019 Global GHG Emissions – 635,735 mtCO<sub>2</sub>e

- SCOPE 1**  
Direct Emissions **6,782**
- SCOPE 2**  
Indirect Emissions (Market Based) **8,333**
- SCOPE 3**  
Indirect Emissions **620,620**
- Category 1** – Purchased goods and services: 307,350
- Category 2** – Capital goods: 54,000
- Category 3** – Fuel- and energy-related activities: 12,000
- Category 4** – Upstream transportation and distribution: 6,300
- Category 5** – Waste generated in operations: 1,820
- Category 6** – Business travel: 4,600
- Category 7** – Employee commuting: 6,300
- Category 8** – Upstream leased assets: Included in Scopes 1 & 2
- Category 9** – Downstream transportation and distribution: 17,600
- Category 10** – Processing of sold products: 4,400
- Category 11** – Use of sold products: 173,000
- Category 12** – End-of-life treatment of sold products: 33,250

# 2019 EcoMetrics

---

Energy efficiency at carpet manufacturing sites **has improved by**

**46%**

since 1996



**75%**

of energy used at owned manufacturing sites is from **renewable sources**, including 100% renewable electricity



**46%**

of the materials in the flooring products we sell **are from recycled or bio-based sources**

Market-based GHG emissions at carpet manufacturing sites **are down**

**96%**

in intensity since 1996



Total water intake intensity at global carpet manufacturing sites **is down**

**89%**

since 1996



Waste sent to landfills from global carpet manufacturing sites **is down**

**92%**

since 1996



# Product Impact

## Product Carbon Footprint



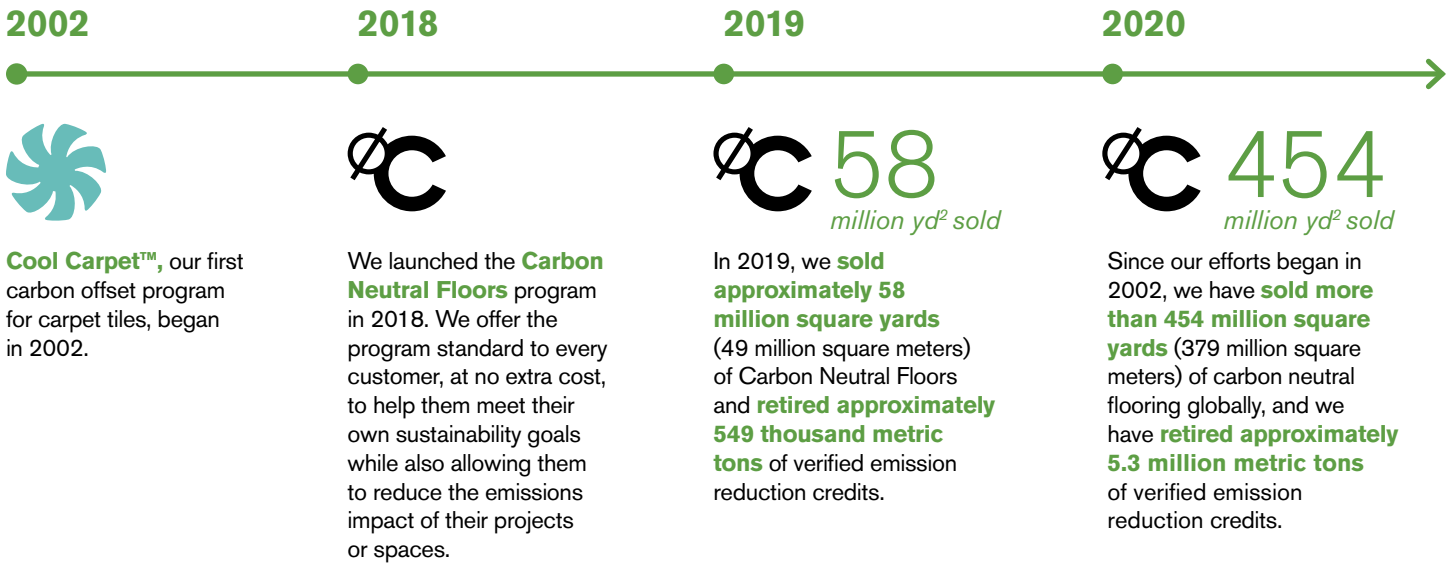
Carpet	LVT	Rubber
The average carbon footprint of our carpet is 5.2 kg CO <sub>2</sub> e/m <sup>2</sup> *	The average carbon footprint of our LVT is 12.5 kg CO <sub>2</sub> e/m <sup>2</sup> *	The average carbon footprint of our rubber flooring is 10.8 kg CO <sub>2</sub> e/m <sup>2</sup> *
↓ <b>74% since 1996</b>	↑ <b>4% since 2017</b>	N/A - Benchmark year

\*Cradle-to-gate sales weighted averages

LVT carbon footprint increase is due to changing the recommended installation method from TacTiles® to adhesive.

## Carbon Neutral Floors

We sell flooring products — including carpet tile, LVT and nora rubber — that are carbon neutral across their full product life cycle through our third-party verified Carbon Neutral Floors program. New in 2019, we expanded the program to include our nora rubber flooring products.



**Learn more about our sustainability efforts:**

👉 [interface.com/climatetakeback](https://interface.com/climatetakeback)

@ [sustainability@interface.com](mailto:sustainability@interface.com)