

# Climate Disclosure Year End 2018

**An Interface  
Summary.**

# Interface 2018 Climate Disclosure

Interface, Inc. is a global flooring company specializing in carbon neutral carpet tile and resilient flooring, including luxury vinyl tile (LVT) and nora® rubber flooring. We help our customers create high-performance interior spaces that support well-being, productivity, and creativity, as well as the sustainability of the planet.

Through Climate Take Back™, Interface invites industry to join us as we commit to running our business in a way that is restorative to the planet and creates a climate fit for life. Incorporated in this commitment are our goals to maximize energy efficiency, use 100% renewable energy and produce products with the lowest carbon footprint. Through our Carbon Neutral Floors™ program, all flooring products are made carbon neutral across the entire product lifecycle. We have set a goal to be a carbon negative company by 2040.

Note: All 2018 and prior year data throughout this document reflects Interface carpet tile operations and LVT business only and does not incorporate the nora rubber flooring business which Interface acquired in August 2018.

## Greenhouse Gas Emissions

\* Verified by Bureau Veritas according to The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard

In 2018, Interface's net emissions were 15,130 metric tons of CO<sub>2</sub> equivalent from our global operations, including six carpet manufacturing facilities, leased office spaces, showrooms, warehouses and company cars.

Scope 1 Emissions	MT CO <sub>2</sub> e
Scope 1 Gross Emissions	17,245
Scope 1 Net Emissions (net of green gas)	7,423

Scope 2 Emissions	MT CO <sub>2</sub> e
Scope 2 Location Based Emissions	31,619
Scope 2 Market Based Emissions	7,707

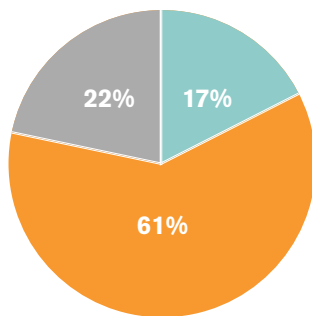
Total Scope 1 + 2 Emissions	MT CO <sub>2</sub> e
Scope 1 Net Emissions + Scope 2 Market Based Emissions	15,130

## Emissions Profile

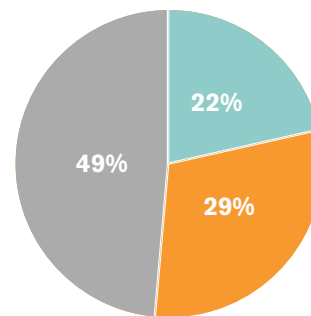
Scope 1 Net Emissions + Scope 2 Market Based Emissions

In 2018, only 17% of our global emissions were from our carpet manufacturing facilities. Most of our emissions were from the electricity and comfort heating used at our leased office spaces, showrooms and warehouses. Mobile emissions from company cars produced the balance of our global emissions.

Emissions by Source



Emissions by Geography



■ Manufacturing Operations ■ Leased Facilities ■ Mobile Sources

■ Americas ■ EMEA ■ APAC

## Emissions Intensity

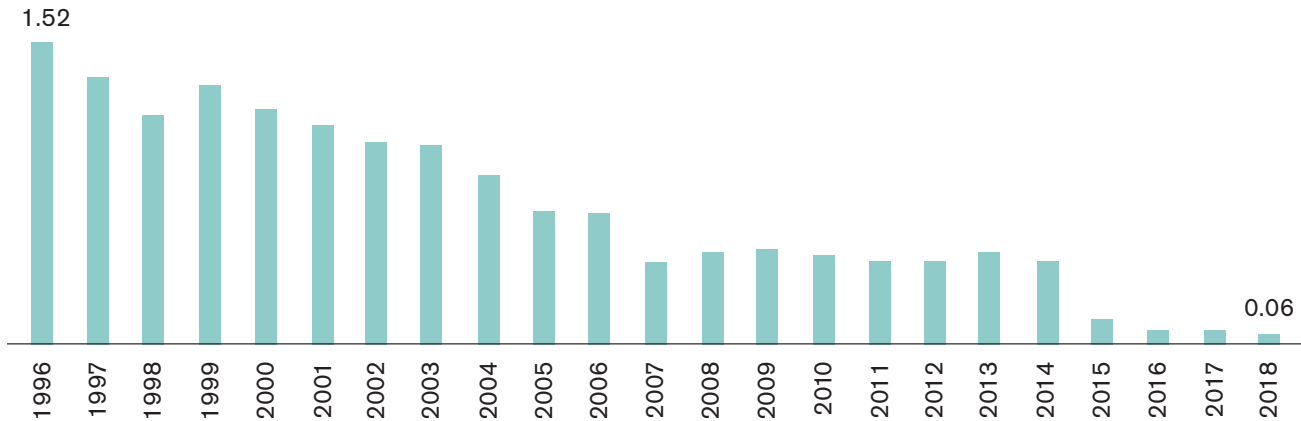
Scope 1 Net Emissions + Scope 2 Market Based Emissions per unit

Emissions Intensity (MT CO <sub>2</sub> e)		
per sqm of Carpet Produced	per Dollar of Revenue (USD)	per Employee (FTE)
0.00035	0.000014	4.9

We have significantly reduced the emissions intensity at our carpet manufacturing facilities with emissions per unit of product down 96% since 1996.

## Emissions Intensity of Carpet Manufacturing Facilities

(MT CO<sub>2</sub>e from carpet manufacturing per sqm produced)



## Energy Use

Energy Use in Carpet Manufacturing Facilities	MMBtu
Green Gas <sup>1</sup>	178,310
Renewable Electricity <sup>2</sup>	160,036
Natural Gas	36,799
Propane	5,332
Steam	1,169
<b>Total Energy Use Carpet Manufacturing Facilities</b>	<b>381,646</b>

Energy Use in Leased Facilities	MMBtu
Electricity	50,223
Natural Gas	26,537
<b>Total Energy Use from Leased Facilities</b>	<b>76,760</b>

Energy Use from Mobile Sources	MMBtu
<b>Total Energy Use from Mobile Sources</b>	<b>44,179</b>

Total Energy Use	MMBtu
<b>Total Energy Use from All Sources</b>	<b>502,585</b>

<sup>1</sup> Green Gas represents green gas certificates originating from biogenic sources purchased to match on-site natural gas use.

<sup>2</sup> Renewable Electricity represents renewable energy certificates (RECs) and guarantees of origin (GOs) purchased to match non-renewable electricity received from the grid, renewable electricity received directly from the electricity supplier, and renewable electricity generated from an on-site solar photovoltaic array.

By maximizing energy efficiency at our manufacturing facilities, we have improved energy intensity per unit of product by 46% since 1996.

### Energy Intensity of Carpet Manufacturing

(BTU of energy in carpet manufacturing per sqm of carpet produced)

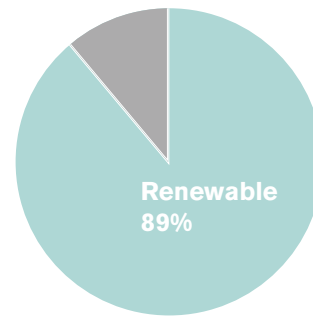


All Interface carpet manufacturing facilities worldwide are certified to ISO 9001 Quality Management Systems and ISO 14001 Environmental Management Systems

### Renewable Energy

In 2018, 89% of energy used at our carpet manufacturing facilities was from renewable sources. This includes green gas, green electricity and our on-site solar PV array in Scherpenzeel, The Netherlands. Our goal is to use 100% renewable energy at all manufacturing facilities.

Renewable Energy use at Carpet Manufacturing Facilities

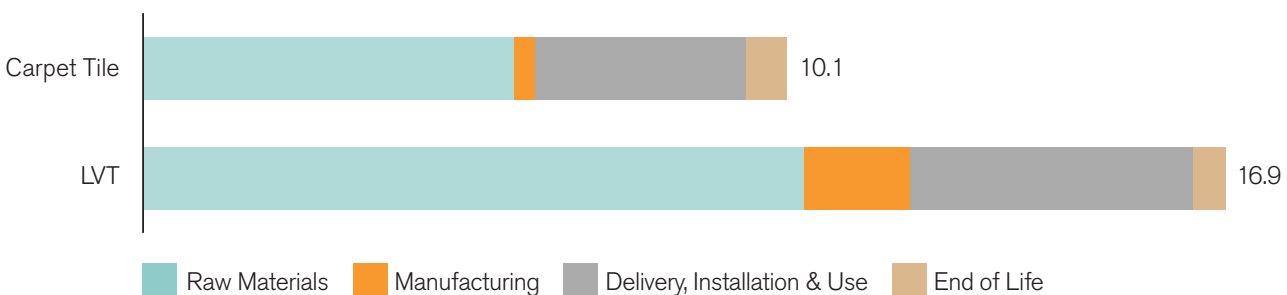


### Product Carbon Footprint

We have taken a holistic approach to carbon neutrality, looking beyond carbon emissions from manufacturing to calculating emissions across the entire product lifecycle. This begins with raw materials and continues through manufacturing, delivery, installation, seven years use and ultimately end-of-life, including product takeback and recycling through ReEntry® and other disposal methods.

### 2018 Lifecycle Carbon Footprint of Interface Products

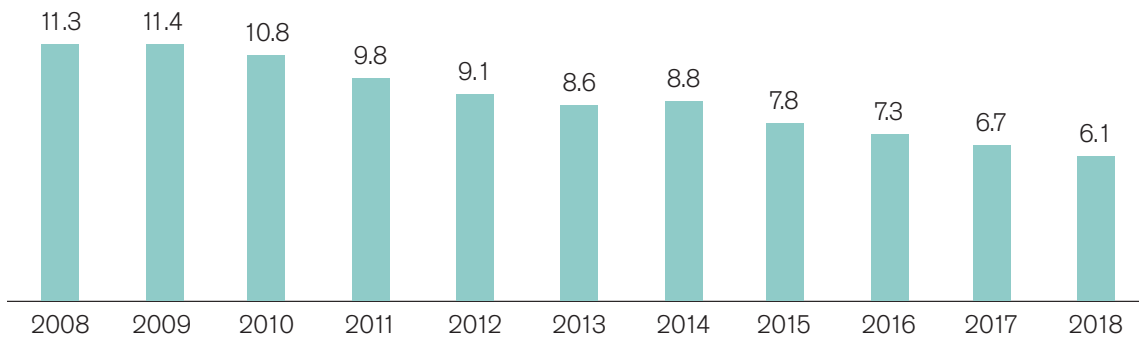
(Average kg CO<sub>2</sub>e per square meter)



The average cradle-to-gate footprint of our carpet was 6.1 kg of CO<sub>2</sub>e per square meter in 2018.

## Cradle-to-Gate Carbon Footprint of Carpet

(Average kg CO<sub>2</sub>e per square meter from Raw Material and Manufacturing stages)



## Carbon Neutral Floors™ Program

Through our Carbon Neutral Floors program, we offset the full lifecycle emissions of our flooring products, making them carbon neutral. Carbon Neutral Floors is standard on all our flooring products (carpet tile, LVT and rubber) for every customer at no extra cost. This helps our customers meet their own sustainability goals while also allowing them to reduce the emissions impact of their supply chain for their projects or spaces. Interface offset more than 450,000 metric tons of CO<sub>2</sub> equivalent in 2018 as part of the program.

## Supply Chain Engagement

Interface is actively engaging stakeholders throughout our supply chain in an integrated effort to reduce emissions within our products and across industry. Through our Suppliers to Zero program, we have made it a priority to work with our suppliers to measure and reduce the carbon footprint of their raw materials.

### materialsCAN

We are working to reduce embodied carbon in the built environment with materialsCAN (Carbon Action Network). Through this partnership, we are raising awareness and developing case studies to educate stakeholders and decision-makers about embodied carbon and how to prioritize it in their material specifications. This collaboration includes funding the creation of tools like the Embodied Carbon Calculator for Construction (EC3), housed at the University of Washington's Carbon Leadership Forum. EC3 is an LCA-based, open source tool that helps design and construction professionals efficiently quantify, report and reduce embodied carbon.

### Manufacture 2030

We have partnered with Manufacture 2030 to share best practices on resource efficiency in manufacturing and operations. Manufacture 2030 has developed a cloud-based tool for users to manage their waste, water, and energy efficiency projects, tracking carbon reductions based on implemented projects. We are engaging our largest suppliers to work on projects that target carbon reduction by offering them tools and a platform to facilitate energy efficiency. The tool will also allow users to develop an action plan to improve resource efficiency and share and learn about reduction projects from other members.