

# Interface 2020 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<sup>®</sup> 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: The data in this document reflects the impacts of our carpet tile and rubber flooring manufacturing facilities, as well as LVT products sold where appropriate. The historical comparisons are for CARPET facilities only as we only have one year of history for our rubber flooring manufacturing site.

#### **Greenhouse Gas Emissions**

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

#### Scope 1 & 2 Emissions

Interface's net Scope 1 and Scope 2 emissions in 2020 were 13,056 metric tons of CO2 equivalent (CO2e) from our global operations, including six carpet manufacturing facilities, one rubber flooring facility, leased office spaces, showrooms, warehouses, and company cars.

Scope 1 Direct Emissions	MT CO <sub>2</sub> e
Scope 1 Gross Emissions	12,587
Scope 1 Net Emissions (net of green gas)	5,383

Scope 2 Indirect Emissions	MT CO <sub>2</sub> e
Scope 2 Location Based Emissions	35,310
Scope 2 Market Based Emissions	7,673

Total Scope 1 + 2 Emissions	MT CO <sub>2</sub> e
Scope 1 Net Emissions + Scope 2 Market Based Emissions	13,056

#### Scope 3 Emissions

In 2020, Interface measured and had verified its Scope 3 emissions.

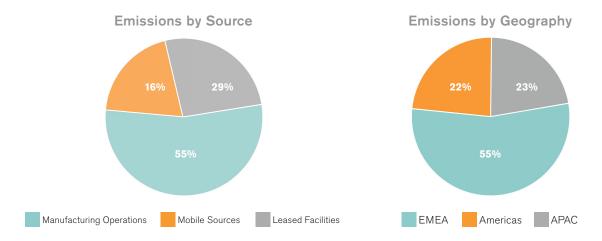
Scope 3 Indirect Emissions	MT CO <sup>2</sup> e
Category 1 - Purchased Goods and Services	239,400
Category 2 – Capital Goods	44,600
Category 3 - Fuel and Energy Related Activities	2,880
Category 4 – Upstream Transportation and Distribution	4,670
Category 5 – Waste Generated in Operations	1,820
Category 6 – Business Travel	615
Category 7 – Employee Commuting	6,290
Category 9 - Downstream Transportation and Distribution	12,200
Category 10 – Processing of Sold Products	3,050
Category 11 – Use of Sold Products	144,700
Category 12 – End of Life Treatment of Sold Products	25,530
Total Scope 3 Indirect Emissions	485,755

#### **Emissions Profile**

Scope 1 Net Emissions + Scope 2 Market Based Emissions

In 2020, most (55%) of our global emissions were from manufacturing facilities. We also had emissions from the electricity and comfort heating used at our leased office spaces, showrooms, and warehouses globally; with the balance of our global emissions from mobile emissions associated with company vehicles.

Geographically, most (55%) of our emissions are associated with the three manufacturing sites located in Europe.



## **Emissions Intensity**

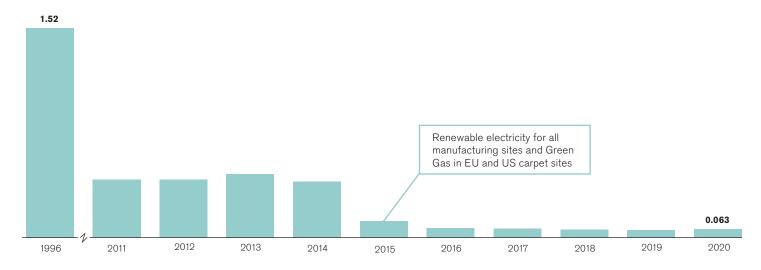
Scope 1 Net Emissions + Scope 2 Market Based Emissions per unit

Emissions Intensity (MT CO <sub>2</sub> e)		
per sqm of Flooring Produced	per Dollar of Revenue (USD)	per Employee (FTE)
0.00038	0.000012	3.5

We have significantly reduced the emissions intensity at our carpet manufacturing facilities with emissions per unit of product down 96% since 1996. Over the past ten years, we have reduced emissions by 85% by sourcing more of our energy from renewable sources.

## **Emissions Intensity**

(kg CO<sub>o</sub>e from carpet manufacturing per square meter produced)



# **Energy Use**

Energy Use in Carpet Manufacturing Facilities	MMBtu
Renewable Electricity <sup>2</sup>	212,719
Green Gas <sup>1</sup>	130,676
Steam	65,759
Natural Gas	37,451
Other	10,673
Total Energy Use Carpet Manufacturing Facilities	457.278

Energy Use in Leased Facilities	MMBtu
Electricity	29,483
Natural Gas	15,885
Total Energy Use from Leased Facilities	45,367

Energy Use from Mobile Sources	MMBtu
Total Energy Use from Mobile Sources	28,582

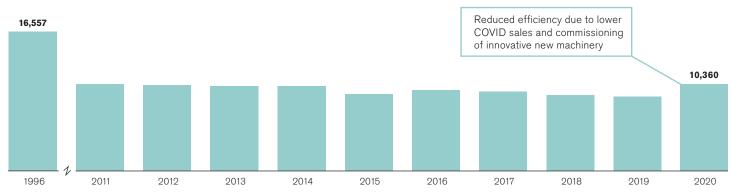
Total Energy Use	MMBtu
Total Energy Use from All Sources	531,227

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

By maximizing energy efficiency at our manufacturing facilities, we have improved energy intensity per unit of product by 37% since 1996. In 2020, we saw a decreased efficiency because of reduced sales during the COVID-19 pandemic, while we continued to test innovative new machinery to reach our long-term goals in our factories.

## **Energy Intensity of Carpet Manufacturing**

(BTU of energy in carpet manufacturing per square meter of carpet produced)



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

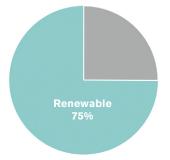
# Renewable Energy

In 2020, 75% of energy used at our global manufacturing facilities was from renewable sources – 90% at carpet manufacturing facilities and 49% at our rubber flooring facility.

Renewable energy includes use of green gas, green electricity, and our on-site solar PV arrays in Scherpenzeel, The Netherlands and Chonburi, Thailand.

Our goal is to use 100% renewable energy at all manufacturing facilities.





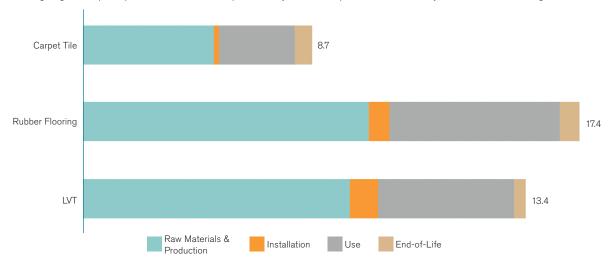
<sup>&</sup>lt;sup>2</sup> Renewable Electricity represents renewable energy certificates (RECs) and guarantees of origin (GOs) purchased to match non-renewable electricity received from the grid, renewable electricity received directly from the electricity supplier, and renewable electricity generated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

## **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.

## 2020 Lifecycle Carbon Footprint of Interface Products

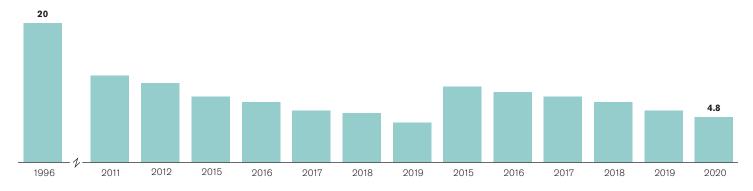
(Average kg CO2e per square meter) Note: Use phase is 7 years for carpet and LVT, and 20 years for rubber flooring.



The average cradle-to-gate carbon footprint of our carpet has reduced by 51% since 2011.

# **Cradle-to-Gate Carbon Footprint of Carpet Tile**

Average kg CO2e per square meter from Raw Material & Production 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 flooring) 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.

In 2020, Interface sold more than 40 million square meters of carbon neutral flooring. The impact was compensated by the purchase and retirement of more than 425,000 metric tons of carbon emissions. Since the program began in 2003, more than 419 million square meters of carbon neutral flooring have been sold globally, compensated by 5.7 million metric tonnes of carbon emission reduction offsets.

In 2020, the Carbon Neutral Floors Program was verified by Apex and is verified annually in accordance with the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD)'s Greenhouse Gas Protocol, Product Life Cycle Accounting and Reporting Standard.

## **Supply Chain Engagement**

Interface is focused on educating and engaging our global suppliers to understand and reduce the carbon footprint of their operations and materials. In May 2021, Interface committed to set a Science Based Target in line with a 1.5 degree C future. Despite the challenges of maintaining supply chain operations throughout the pandemic, our team maintained their focus on carbon reduction with our suppliers. Interface has identified suppliers with the most significant carbon footprints and is working to obtain detailed life cycle assessment data for their materials. Of the top 16 identified suppliers, Interface has specific product LCA data from 6, with a goal to receive data from the remaining 10 over the course of the next three years. These LCAs will form a Baseline that will allow our supply chain team to develop a strategy to reduce carbon in the supply chain.

Interface's supply chain team engages the company's global and regional suppliers by providing tools to track and estimate the carbon reductions from their activities using the Manufacture 2030 platform. In 2020, Interface prepared to introduce the Manufacture 2030 platform to 80 additional Interface suppliers, with the expanded program rolling out in 2021. Interface currently has 8 participating suppliers and 3 Interface locations participating in the program.

Interface made significant headway in diversifying its supply chain in 2020, introducing 5 new suppliers of recycled or bio-based materials to support the company's shift toward carbon negative products. These suppliers provide raw materials for Interface's new carbon negative carpet tile backings, specifically. This development took the efforts of the supply chain and innovation teams working with multiple suppliers to source, qualify and certify raw materials that not only further the company's carbon goals, but also meet Interface's stringent performance demands.

#### 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 about embodied carbon and how to prioritize it in their material specifications. In 2020, materialsCAN became an official program under the Building Transparency non-profit umbrella, and Assa Abloy (opening solutions) joined. The group continued to support tools like the Embodied Carbon Calculator for Construction (EC3), an LCA-based, open source tool that helps design and construction professionals quantify and reduce embodied carbon. The group also published "Guidance for Purchasing Offsets" and launched a second case study on Embodied Carbon Data Visualization and Cost. Several materialsCAN members were integral in the development of a LEED Pilot Credit and new compliance pathway for the LEED Interiors LCA Credit.