



GREEN SMART

A COMMON SENSE APPROACH TO SUSTAINABILITY



OUR TEAM EFFORT

Dear Colleagues,

It is with genuine gratitude and pride that I present our report on the past year's commitments and outcomes that comprise our sustainability initiatives. The activities described on the following pages are unmistakably the result of aligned team efforts.

Our commitment to environmental sustainability is not new, but it remains ever fresh. We are and will be, relentless in our pursuit of these goals, and in the corporate activities and programs that will get us there.

Our two commercial brands – J+J Flooring and EF Contract – enhance both our strength and our agility in delivering exceptional business results and environmental achievements.

The credit, in all these achievements, goes to our teams of dedicated associates. Their efforts are the crucial ingredients to our success, and we pledge them our support, and pledge their service to you.

James Lesslie, President & Chief Operating Officer
Engineered Floors

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The information in this report represents the January 1 to December 31, 2023, period. Unless otherwise noted, it reflects the combined activity of the Commercial Division of Engineered Floors (J+J Flooring and EF Contract), within the facilities and operations wholly owned by Engineered Floors.



A Common Sense Approach to Sustainability

At the forefront is the investment in the most efficient manufacturing facilities in the industry, using less energy and producing industry-leading quality levels, which means less waste. We design our products from the ground up to lead the pack in durability, while also integrating raw materials with recycled content wherever possible. Our commercial sustainability efforts are guided by continuous and quantifiable improvement, big-picture thinking, and full transparency.

The primary focus is to create the smallest environmental footprint possible through the engineering of our products, processes, and facilities. To further reduce that impact, Engineered Floors currently supports renewable energy carbon offset projects, of utmost importance in helping the world to achieve its goal in lowering global GHG emissions to offset the emissions of some of our product lines. Our carbon offsets are centered around renewable energy and are easier to quantify, which leaves less question as to how the offsets are calculated.



Our Company

Robert E. Shaw's vision for long-lasting products and industry-leading efficiency is alive and reflected in Engineered Floors.

Engineered Floors' two commercial brands, J+J Flooring and EF Contract, together, represent a powerful and unmatched convergence for our industry.

These two distinct brands enable Engineered Floors to meet the needs of an array of commercial market segments and product applications. Our expansive product portfolio includes broadloom and modular carpets, LVT, and Kinetex, a unique textile composite flooring, all providing a range of flooring options for nearly any setting.

In addition, our two commercial brands and the advanced technology and scale of Engineered Floors' manufacturing capabilities enable us to significantly reduce our environmental impact on distribution, materials, efficiency, and energy consumption. That's good for the planet.

ENGINEERED FLOORS

NEARLY
11,000,000
SQ. FT OF MANUFACTURING FACILITIES

OVER
4,700
EMPLOYEES

COVERING
160
ACRES

Our Impact

The Engineered Floors Commitment To Sustainability Is Pointedly Represented In Our Kinetex Product

A PRODUCT: KINETEX

Kinetex is an advanced textile composite flooring that combines the key attributes of soft-surface floor covering with the long-wearing performance characteristics of hard-surface flooring. These features provide innovative performance benefits for retail, healthcare, education, and institutional environments. Additionally, Kinetex goes beyond its highly functional and comfortable design by offering a reduced environmental footprint compared to traditional hard-surface options.

Kinetex contains a minimum of 45% post-consumer recycled content. One box of Kinetex tiles contains the equivalent of 492 plastic water bottles, with one 24" x 24" tile equaling 27 plastic bottles. The careless disposal of plastic water bottles has contributed to significant danger for our planet's marine life. Kinetex is committed to making a difference by creating a meaningful use for what otherwise might be harmfully discarded.

Kinetex is NSF/ANSI-140 Platinum certified (the industry-leading standard for sustainability) and has a Red List Free DECLARE label. Furthermore, the Engineered Floors Commercial Division has met the verification requirements for Carbon Neutral Products by purchasing offsets for 100% of its A1-A3 GWP values reported publicly in our 3rd Party Verified Environmental Production Declaration (EPD) for all annual production of Kinetex.



EACH KINETEX TILE CONTAINS THE EQUIVALENT OF 27 PLASTIC WATER BOTTLES



TESTED. PROVEN. TRUSTED

Over 100 million square feet installed worldwide

Lifetime Warranty

Made with 45% post-consumer content

Carbon Neutral

Declare Red List Free

EPDs
HPDs

Our Impact

A PROGRAM: R4




9,400

POUNDS OF SAMPLES
RECYCLED OR REUSED
EACH MONTH


112,000

POUNDS OF WASTE
DIVERTED FROM
LANDFILLS EACH YEAR.

In 2007, we developed the industry-leading R4 program — Return, Reuse, Recycle, Reduce — to facilitate the recycling of all carpet, LVT, and Kinetex samples and architect folders that are no longer needed.

Architecture and design firm libraries and dealer showrooms experience a seemingly continuous replacement and restocking of samples and folders. Our goal is that none of these items ever reach a landfill. The R4 Program returns those samples to our sample inventory for reuse in other projects, or they are recycled.

Thanks to the R4 program, on average, we reuse or recycle over 9,400 pounds of samples each month, allowing us to divert over 112,000 pounds of waste from landfills each year. Our extensive reuse of samples creates a domino effect to significantly reduce the overall materials usage in the design and specification process across the industry.

For over a decade, this common sense approach to the four R's has helped us ensure that our architectural folders and carpet samples never reach a landfill.



Our Impact

CONSERVATION IS AT OUR CORE

As responsible stewards of the environment, EF Contract believes in using all resources as efficiently and judiciously as possible, prioritizing conservation and consumption reduction before recycling or reuse.

With conservation at the heart of our sustainability philosophy, finding alternatives for (and preventing the excessive use of) valuable resources is the basis of our approach to environmental impact management.

We believe true sustainability requires full attention to the potential impacts of every aspect of our business. Like other leading companies, we gauge our progress by measuring our environmental and social performance with as much stringency as our financial performance.





EF CONTRACT | TRUSTWORTHY + INTERCHANGEABLE



EF CONTRACT | KASURI



Our Impact

TRANSPARENCY

In addition to EF Contract's own measurements, we rely on independent auditing and certification agencies to ensure the accuracy and verifiability of our efforts.

These neutral external services provide us with the credibility we know the marketplace deserves from us.



We verify the material health and environmental responsibility of all modular, broadloom and Kinetex products using Environmental Product Declarations (EPDs) and Health Product Declarations (HPDs) based upon third-party verified Life Cycle Assessment data.



ENERGY USE

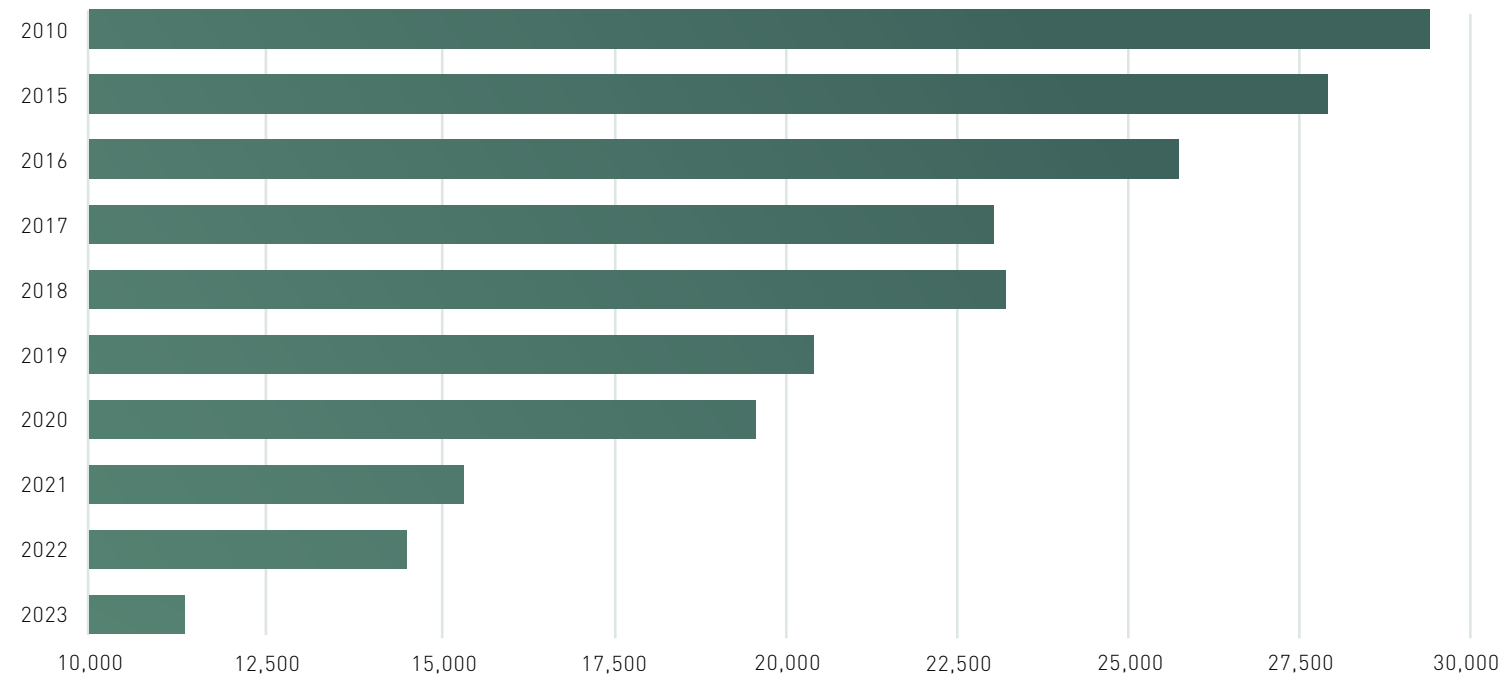
Our history says it all. Sustained efforts over the years demonstrate our commitment, progress, and realistic adjustments to our business and our planet's realities. We are proud to share these metrics.

60.6%

Reduction Since 2010

Since 2010 we have achieved a 60.6% reduction in overall energy use in all our facilities, reducing BTU utilization from just under 30,000 to now 11,820.

ENERGY INTENSITY (BTU/1000 YD2)



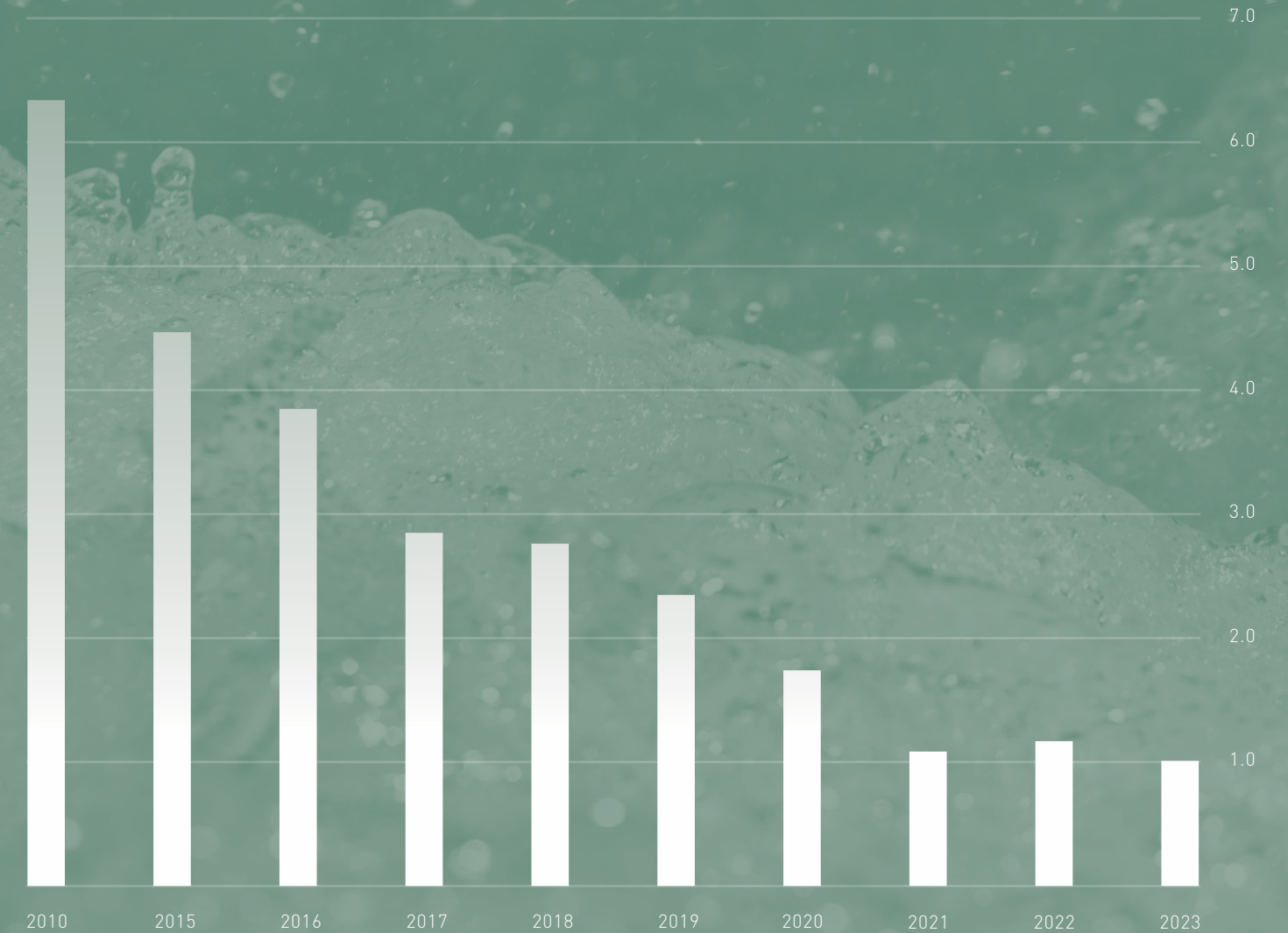
WATER CONSERVATION

Similar to our energy utilization achievements, our company has also reduced its water usage—by over 84.2% since 2010. This is particularly remarkable in view of the role of water in the flooring manufacturing process. We will continue to strive for even more ambitious water reduction goals in the years ahead.

84.2%

Reduction Since 2010

WATER INTENSITY (GALS/YD2)





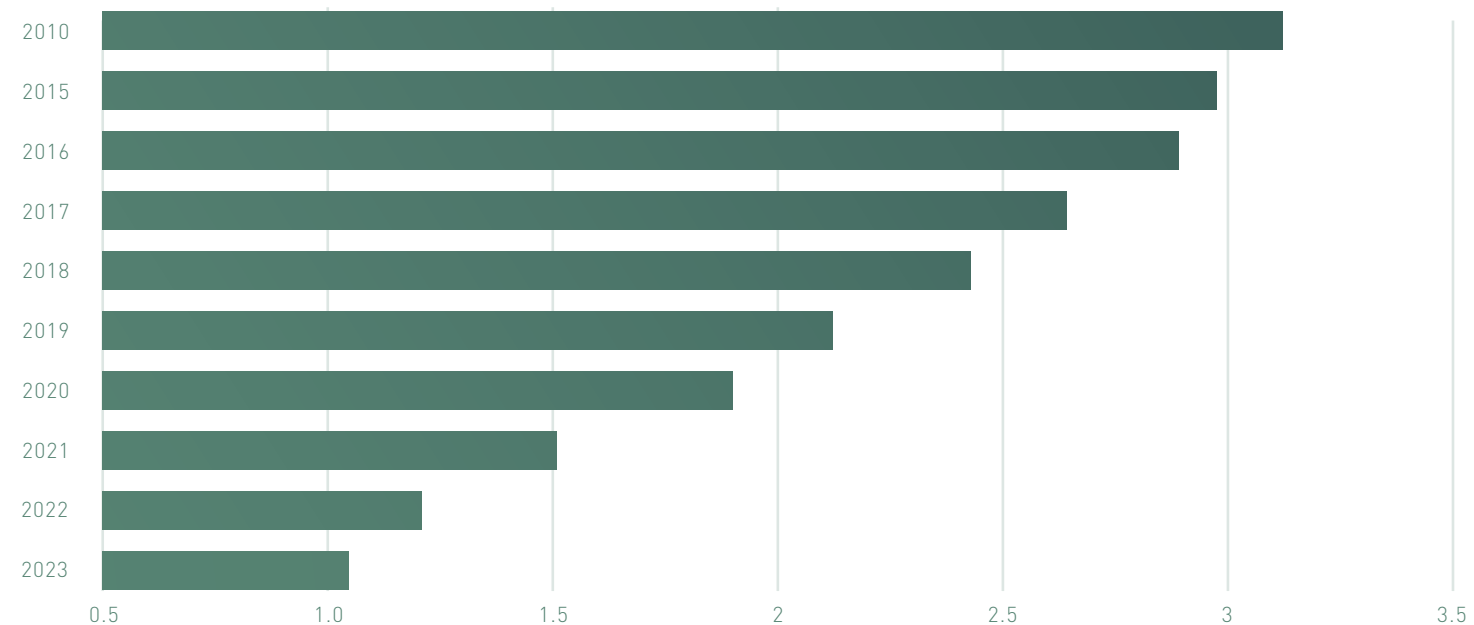
GREENHOUSE GAS EMISSIONS

66.5%

Reduction Since 2010

Our greenhouse gas emissions have also significantly declined, with an over 66.5% reduction since 2010.

GREENHOUSE GAS INTENSITY (MT CO2-EQ.1000 YD2)



EF CONTRACT | TRUSTWORTHY



EF CONTRACT | KASURI + KIMONO



EF CONTRACT | INTERCHANGEABLE



EF CONTRACT | FRAGMENTS



EF CONTRACT | PENNANT



EF CONTRACT | ESPRIT + ELAN

Conclusion

GREEN SMART

A Common Sense Approach to Sustainability

Green Smart represents Engineered Floors' sustainability philosophy. By reducing energy usage, limiting waste, and supporting renewable energy carbon offset projects, we are pursuing our shared goal of bettering the planet, one floor at a time.

Our reporting on our sustainability commitments and outcomes is annual, but our vigilance and efforts are constant and ongoing. And that will continue, because it is at the heart of Engineered Floors Commercial Division. Thanks for sharing our commitment.





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