

# 2020

SUSTAINABILITY  
REPORT

Engineered  
FLOORS

— COMMERCIAL DIVISION —



FLOORING



EF Contract

The information in this report represents the January 1 to December 31, 2020 period, and reflects the combined activity of the Commercial Division of Engineered Floors, including the J+J Flooring and EF Contract brands. Unless otherwise noted, the data is from the combined activities of J+J Flooring and EF Contract within the facilities and operations wholly owned by Engineered Floors Commercial.

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## OUR TEAM EFFORT

Dear Commercial 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 we will be relentless in our pursuit of these goals, as well as the corporate activities and programs that get us there.

The convergence of our brands — J+J Flooring and EF Contract — enhances both our strength and our agility in delivering exceptional business results and environmental achievements. We will continue leveraging this alignment.

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

A handwritten signature in black ink that reads "James Lesslie". The signature is fluid and cursive.

James Lesslie, President  
Engineered Floors Commercial Division



OUR CORPORATE PROFILE

ENGINEERED FLOORS COMMERCIAL DIVISION

OVER

1,004

EMPLOYEES

NEARLY

1,930,000

SQ. FT OF MANUFACTURING FACILITIES

COVERING

160

ACRES



THE FORMATION OF THE ENGINEERED FLOORS  
COMMERCIAL DIVISION REFLECTS THE WISDOM OF  
ROBERT E. SHAW AND HIS VISION FOR CREATING  
STRENGTH AND INDUSTRY-LEADING EFFICIENCY.

The J+J Flooring and EF Contract brands together represent a powerful and unmatched convergence for our industry.

The power of these two distinct and equally valuable brands also enables our company to meet the needs of an array of 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.

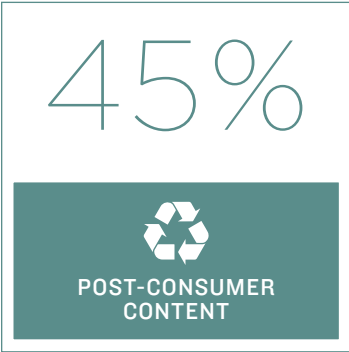
In addition, our two brands and the advanced technology and scale in our manufacturing capabilities enable us to significantly reduce our environmental impact on distribution, materials efficiency, and energy consumption. That’s good for the planet.



OUR IMPACT

THE ENGINEERED FLOORS COMMITMENT TO SUSTAINABILITY IS POINTEDLY REPRESENTED BY THREE KEY COMPANY INITIATIVES.

A PRODUCT: KINETEX



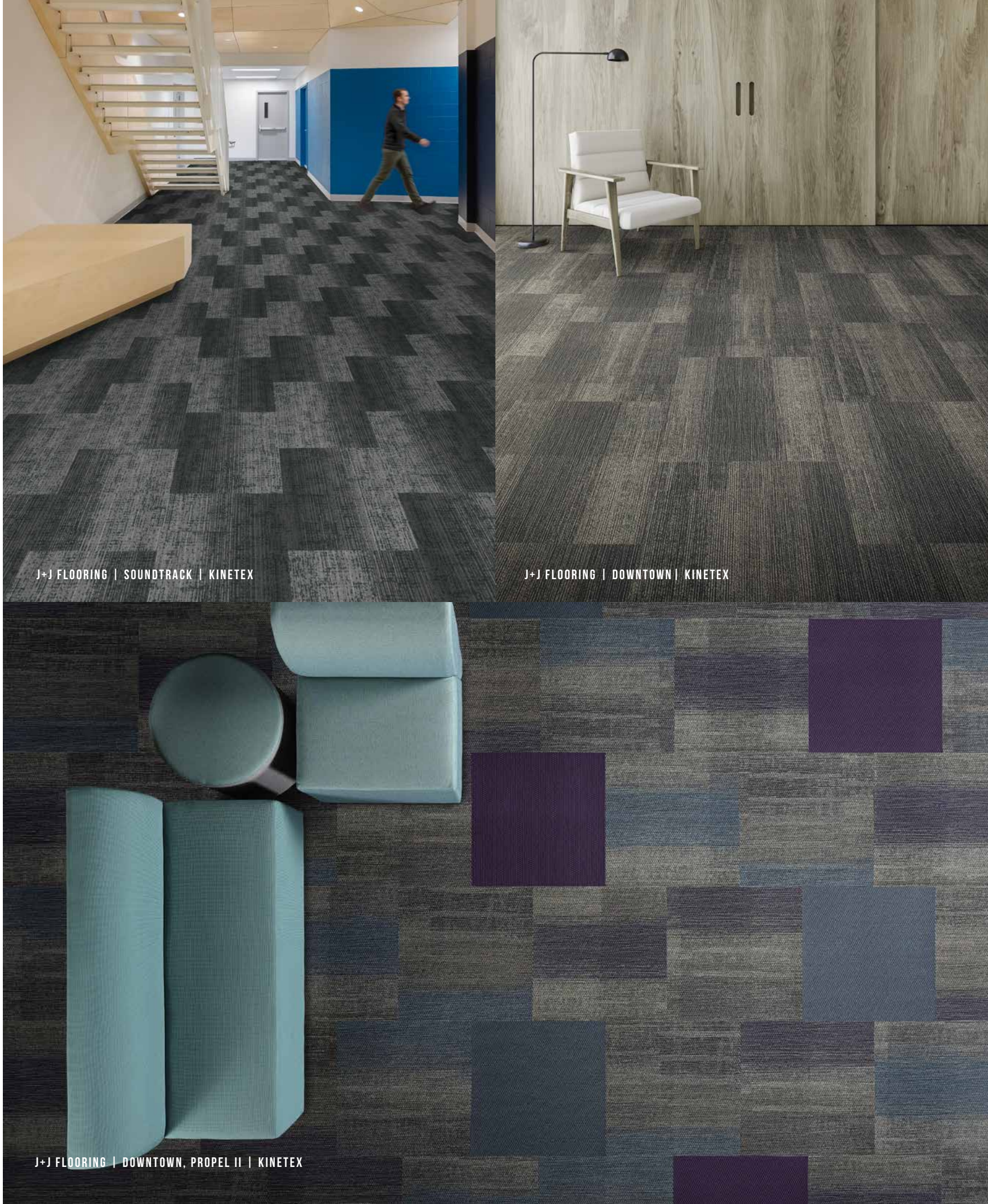
EACH KINETEX TILE CONTAINS THE EQUIVALENT OF 27 PLASTIC WATER BOTTLES



Kinetex® is an advanced textile composite flooring that combines key attributes of soft-surface floor covering with the long-wearing performance characteristics of hard-surface flooring. It encompasses an unprecedented range of performance attributes for retail, healthcare, education and institutional environments. In addition to its human-centered qualities and highly functional design, Kinetex offers a reduced environmental footprint compared to traditional hard-surface options.

Kinetex contains no less than 45% post-consumer recycled content. For example, one box of Kinetex contains the equivalent of 492 plastic water bottles, with one 24”x24” tile equaling 27 plastic bottles. It has become clear that the careless disposal of plastic water bottles has contributed to significant danger for marine life across the planet. Kinetex is making a difference by creating a significant 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, 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.







## A PROGRAM: R4

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. Because of the R4 Program, those samples are either returned to our sample inventory to be reused for other projects or they are recycled.

On average, we recycle/reuse 5,000 pounds of samples each month, enabling us to divert over 60,000 pounds of waste from landfills each year. In addition, the extensive reuse of our samples reduces the overall materials usage in the design and specification process across the industry.

We created the R4 Program to help ensure our architect folders or carpet samples will never reach a landfill. It’s worked for well over a decade.

5,000



OF SAMPLES  
RECYCLED OR REUSED  
EACH MONTH

60,000

POUNDS OF WASTE  
DIVERTED FROM  
LANDFILLS EACH YEAR.





# A HERITAGE: TRANSPARENCY



REDUCE | REUSE  
RECYCLE | RETURN

INDEPENDENT  
AUDITING AND  
CERTIFICATIONS

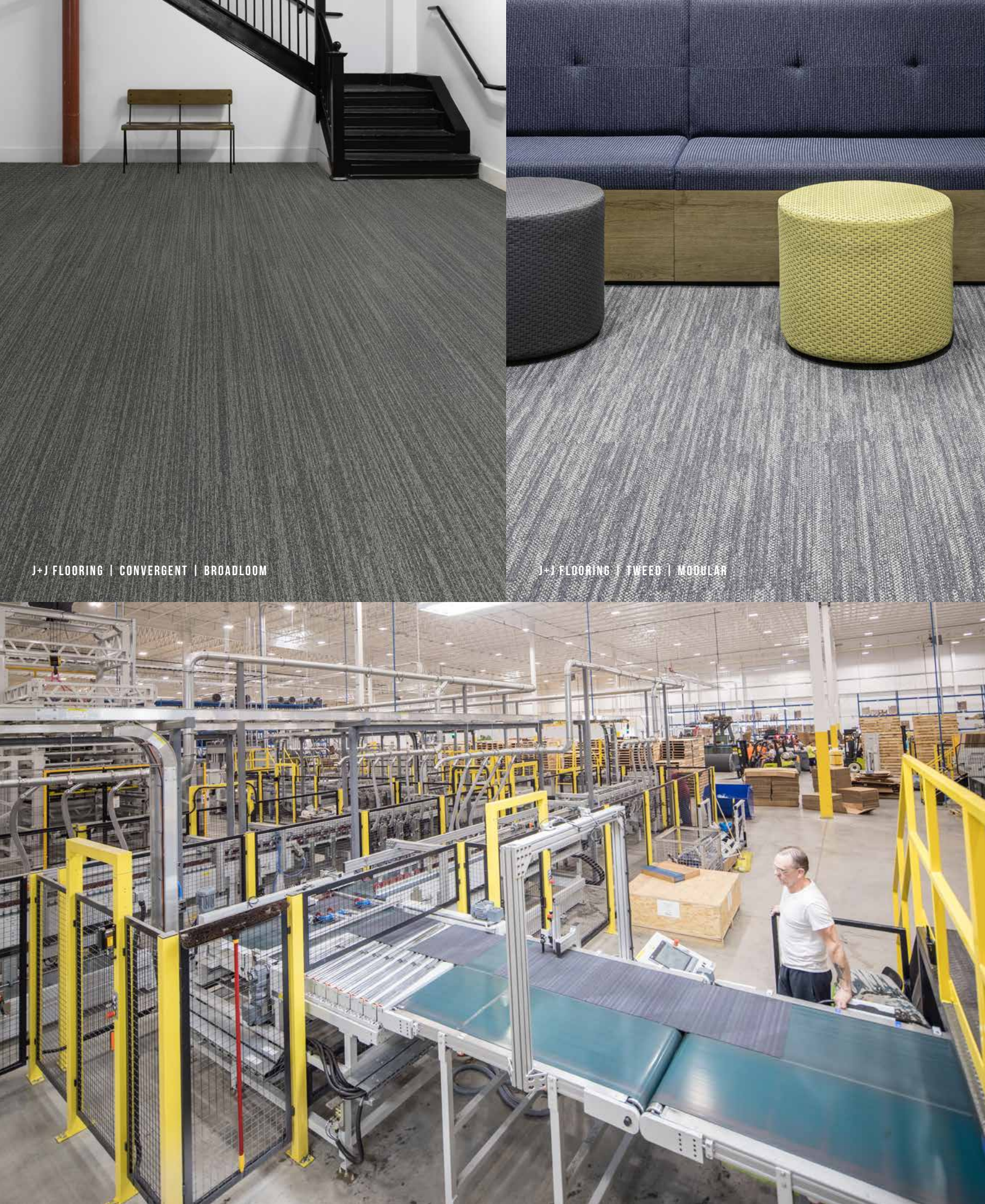


From the earliest days of our company, sustainability has been at the center of every aspect of our business. We track our progress as a company by measuring our environmental and social performance just as stringently as we measure our financial performance.

In addition to our own company measurements, we also 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.

As responsible stewards of the environment, we believe in using all resources as efficiently and judiciously as possible — prioritizing conservation and consumption reduction ahead of 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.

Finally, sustainability is for us, not a marketing differentiator, but an essential business practice and a crucial measure of success.



J+J FLOORING | CONVERGENT | BROADLOOM

J+J FLOORING | TWEED | MODULAR





RESULTS

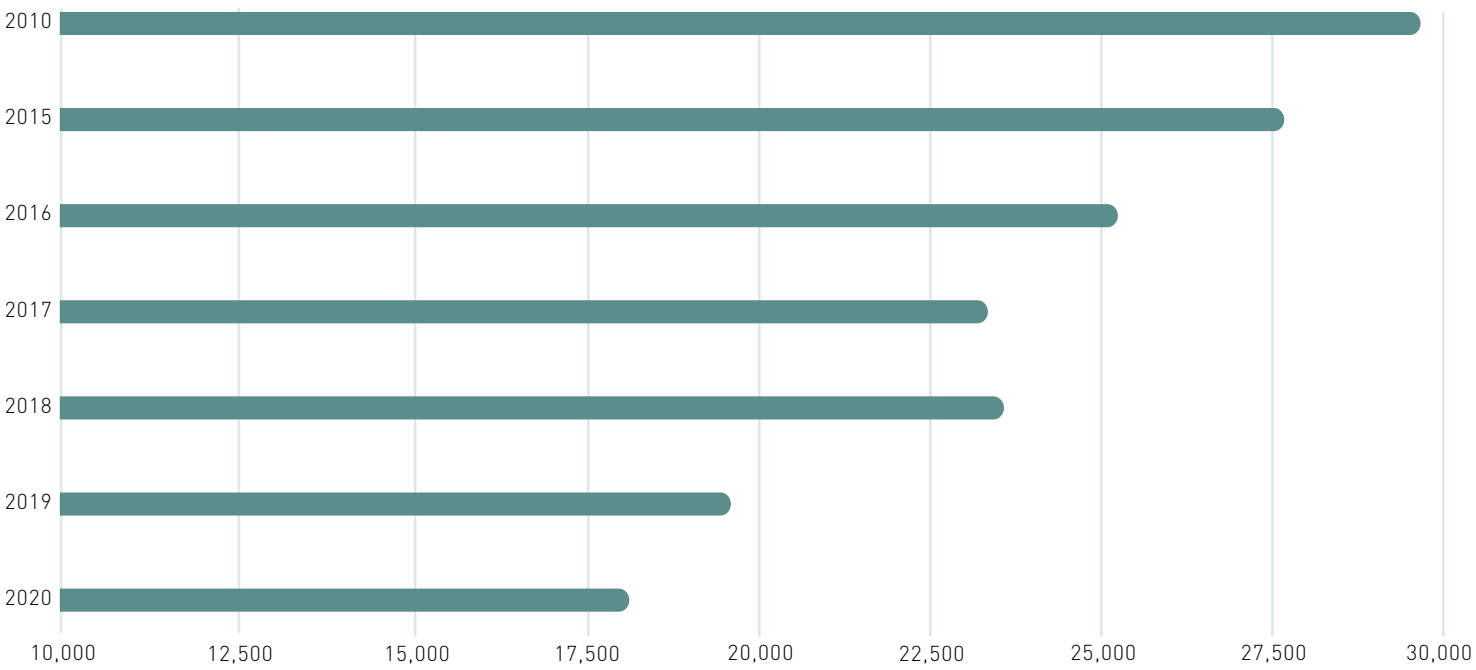
OUR SUSTAINED EFFORTS OVER THE YEARS DEMONSTRATE COMMITMENTS, PROGRESS, AND REALISTIC ADJUSTMENTS TO OUR BUSINESS AND OUR PLANET'S REALITIES. WE ARE PROUD TO SHARE THESE METRICS.

ENERGY USE

37.7% REDUCTION SINCE 2010

Since 2010 we have achieved nearly a 40% reduction in overall energy use in all our facilities, reducing BTU utilization from just under 30,000 to now nearly under 18,000.

ENERGY INTENSITY (BTU/1000 YD2- WITHOUT TRANSPORTATION)

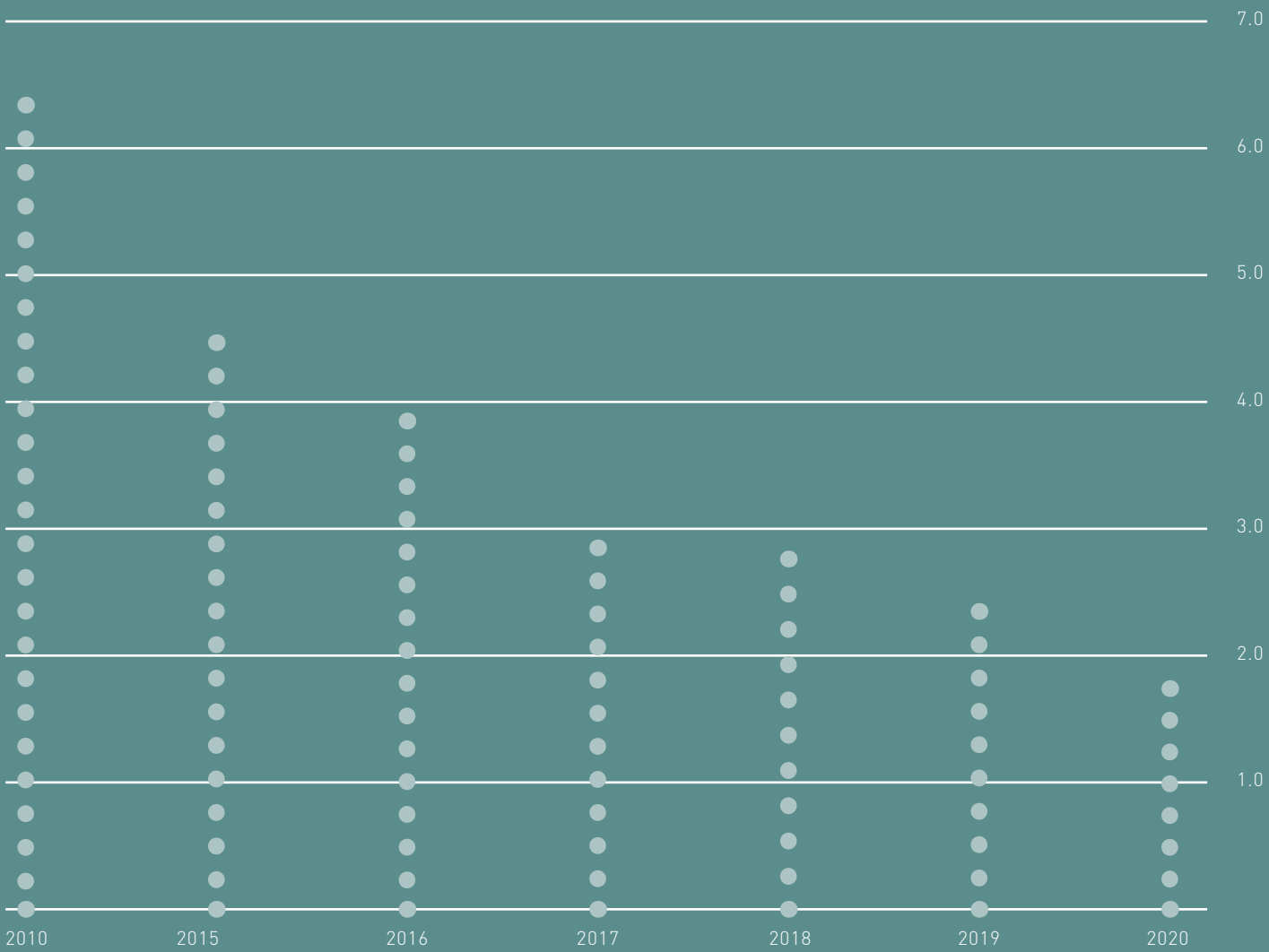


WATER CONSERVATION

71.8% REDUCTION SINCE 2010

Similar to our energy utilization achievements, our company has reduced water usage by well over 50% since 2010. This is particularly remarkable in view of the role of water in the flooring manufacturing process. We have even more ambitious water reduction goals for the years ahead.

WATER INTENSITY (GALS/YD2)







## RESULTS

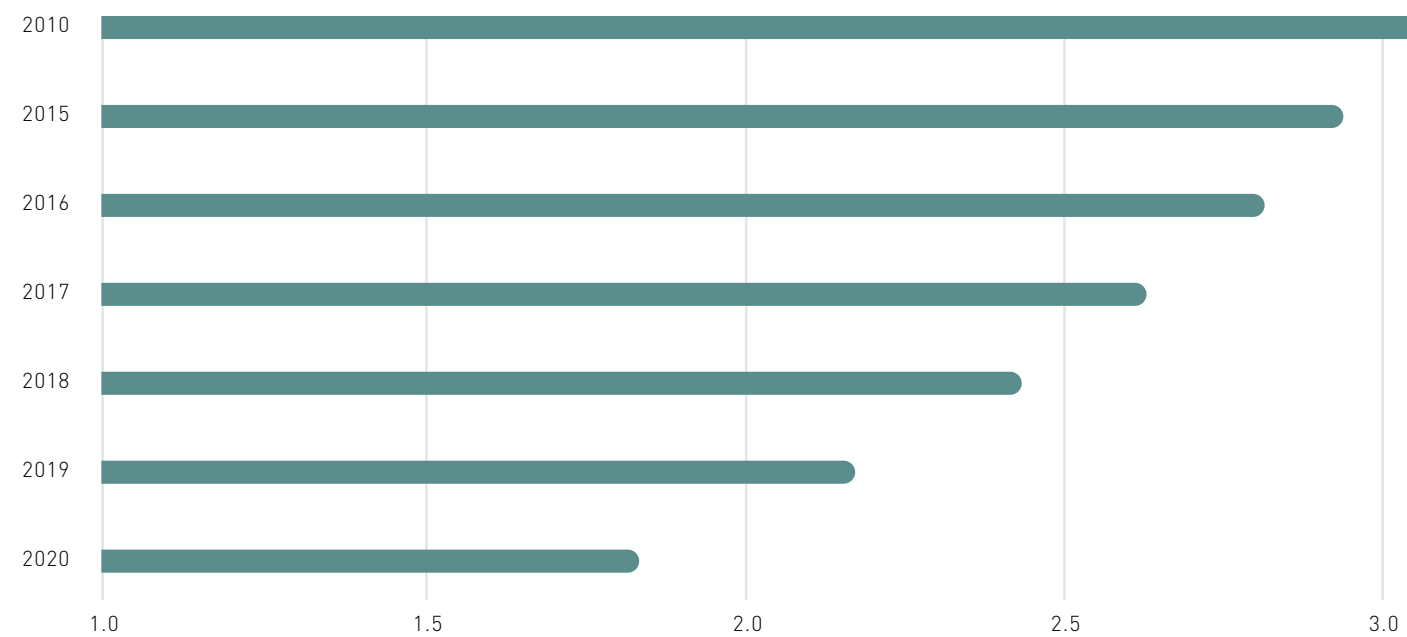
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# GREENHOUSE GAS EMISSIONS

41.0% REDUCTION SINCE 2010

Our greenhouse gas emissions have seen a similar decline, a 40% reduction since 2010.

## GREENHOUSE GAS INTENSITY (MT CO<sub>2</sub>-EQ.1000 YD<sup>2</sup>)



J+J FLOORING | APERTURE II | MODULAR | TIMELESS | LVT



J+J FLOORING | FAST TRACK | MODULAR



J+J FLOORING | LEGEND | LVT





J+J FLOORING | TRANQUIL | MODULAR



J+J FLOORING | ELEVATED, SKYLINE, MERIDIAN | MODULAR



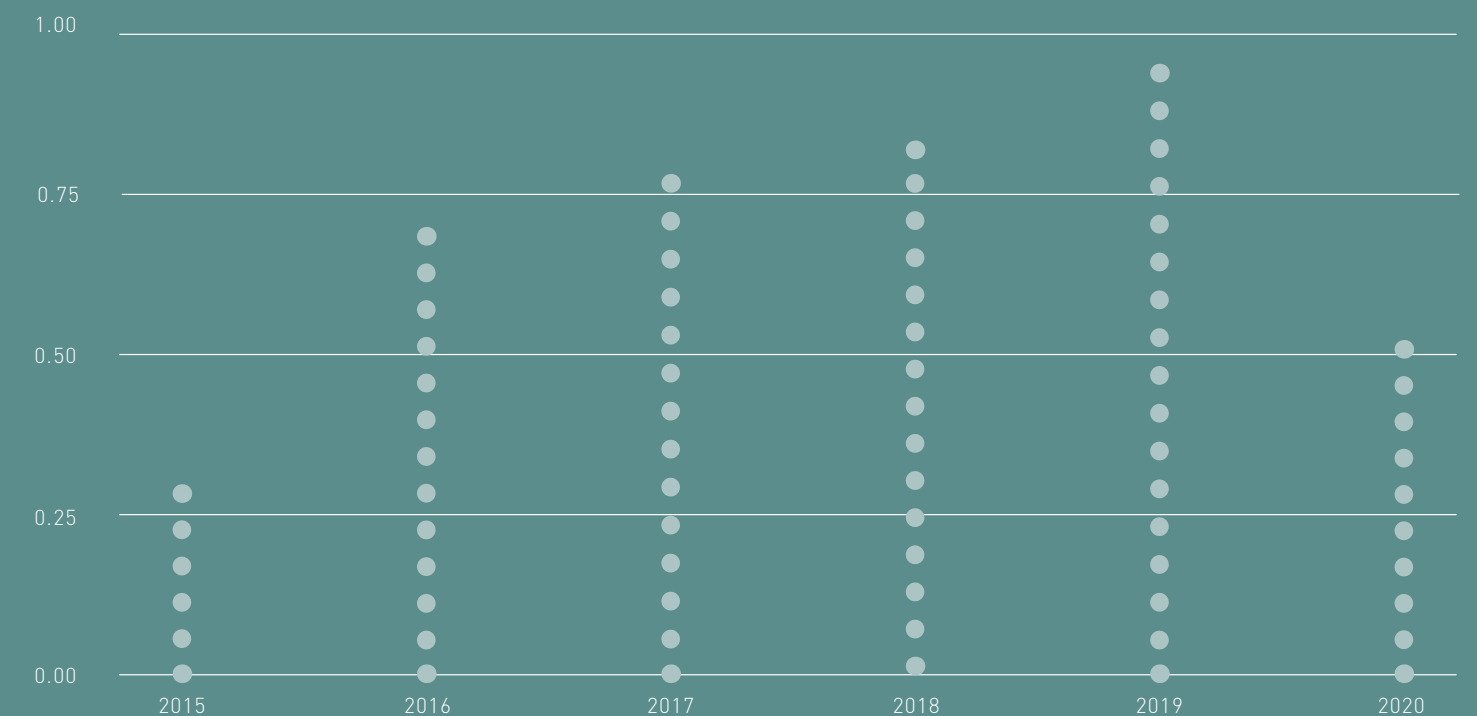
J+J FLOORING | ADJUST, ADVANCE | MODULAR

# LANDFILL REDUCTION

39.5% REDUCTION SINCE 2019

Landfill reduction continues to be an important part of our sustainability initiative. We strive to meet the needs of an ever-changing product continuum and will continue finding new ways to reduce landfill waste.

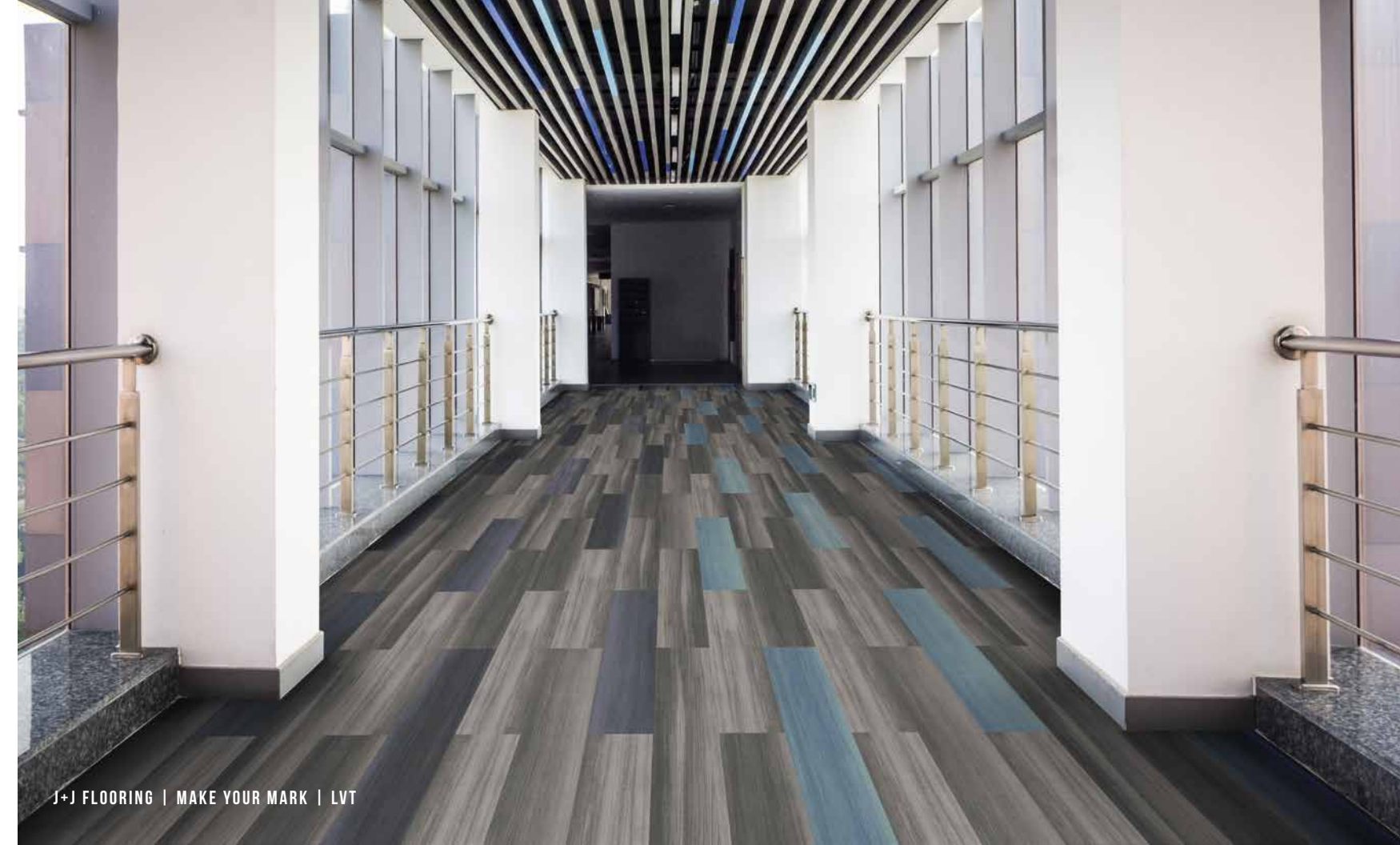
## LANDFILL INTENSITY *(WASTE TO LANDFILL/TOTAL WASTE)*





## CONCLUSION

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.



J+J FLOORING | MAKE YOUR MARK | LVT





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Engineered  
FLOORS

COMMERCIAL DIVISION



FLOORING

 EF Contract