

INTERFACE TRANSPARENCY IN SUPPLY CHAINS STATEMENT

UK - 2019

Published in compliance with the UK Modern Slavery Act 2015 for the financial year ending 31 December 2019.

Interface Europe Ltd. (Interface UK) is a member of the Interface, Inc. group of companies (Interface Group). The Interface Group is a global commercial flooring business with an integrated collection of carpet tiles and resilient flooring, including luxury vinyl tile (LVT) and nora® rubber flooring.

The Interface Group embraces and supports core values in the areas of human rights, labour standards, the environment and ethical practices (Core Values). The Core Values reflect the Interface Group's global commitment to conduct its business in an ethical and responsible manner. As part of this commitment the Interface Group operates a Supplier Code of Conduct (Supplier Code).

During the year the Supplier Code was updated. The latest revision can be found [here](#).

OUR BUSINESS AND SUPPLY CHAIN

During 2019 the Interface Group's global activity was spread across two regions, the first being the Americas and the second being Europe, Middle East, Asia Pacific and Australia ("EAAA"). Interface UK operates within the EAAA business region, more specifically the principal activity of Interface UK is the sale and distribution of interior floor coverings in the UK, and Ireland.

Interface UK plays a significant role in the Interface Group's commitment to eradicate modern slavery.

Product which Interface UK supplies to its customers is predominantly manufactured between the Interface Group's manufacturing sites at Scherpenzeel, Netherlands; Weinheim Germany; and Craigavon, Northern Ireland; with small percentages sourced from the Interface Group's manufacturing plant in Thailand and a third party global supplier in South Korea. ("Product"). Raw materials used in the manufacture of the Products at the Interface Group's manufacturing sites are sourced through global or regional specific suppliers to the Interface Group.

Interface UK's customers that purchase the Product are spread across the corporate office sector as well as non-office commercial sectors such as hospitality, education, healthcare and government. Its sales force is predominantly UK based.

Interface UK is totally opposed to the use of slave labour in the making of the Products.

As 2019 progressed Interface Group's EMEA Procurement Director continued to work closely with colleagues in Asia Pacific and particularly Australia which has domestic legislation concerning modern slavery. Through this closer co-operation progress has been made through joint training events and enhanced due diligence activities. Further, our Procurement team are well aware how critical transparency is throughout the supply chain and the supplier lifecycle, e.g. sourcing, tender, onboarding, evaluation, as well as the tactical and strategic management process.

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VALUES AND POLICIES

The Interface Group's Supplier Code, referenced above, defines expectations and key standards regarding the behaviours of critical suppliers. One of the key standards within the Supplier Code relates to employment and labour, expectations in respect of which include (amongst other things) that suppliers:

“must not directly, or indirectly through a third party, employ child labour or forced labour (whether in the form of prison labour, slave labour, bonded labour, trafficked labour or otherwise)”

Additionally, a Supplier can be monitored to assess compliance with the Supplier Code, and in particular, whether appropriate steps have been undertaken to identify any forms of forced labour in their business, and that of their sub-suppliers.

RISK ASSESSMENT

Our risk assessments are one of the tools we use to implement risk-based controls to identify potential areas for improvement.

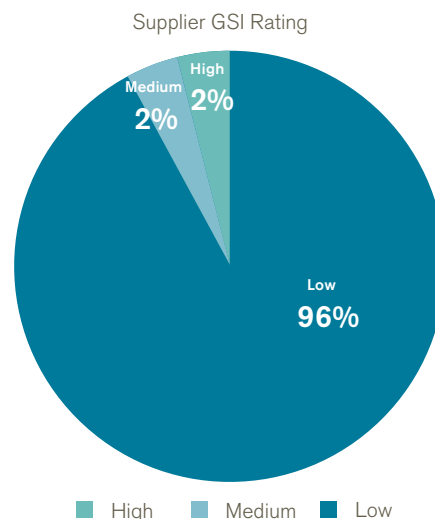
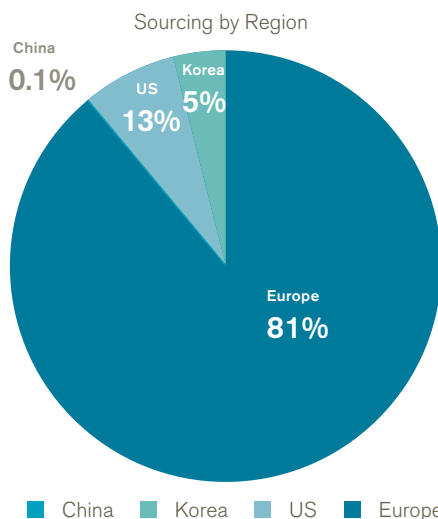
During the year the Procurement Team commenced the process of Supply Chain Mapping, reviewing supplier sourcing and selection processes to build in modern slavery risk assessment elements.

The raw materials supply base was reviewed first by reference to country location and then the risk assessed using the Global Slavery Index (GSI) tool. Accordingly, the Supplier Questionnaire was updated in order to increase risk evaluation of a prospective new supplier.

Out of the total spend with our direct supply base the greatest majority, nearly 81% is located in Europe. Based on the GSI index 96% of those suppliers is considered low risk.

Of the 2 suppliers designated as high risk, they will be assessed and required to verify compliance with the requirements, standards and values set in the anti-slavery/forced labour laws and Supplier Code.

Charts below show the Sourcing Overview by Region and Supplier Risk Rating based on GSI guidelines.



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INTERNAL CONTRACTORS

Due diligence, including a sourcing and an evaluation process, is in place to ensure contractors and service suppliers (e.g. maintenance, facility service, temporary staff services) are managed carefully in providing their services to Interface UK. By reason of the working knowledge and in some cases the long-standing nature of these relationships, the risk of modern slavery and human trafficking within that part of our supply chain is deemed low. However, periodic reviews and checks are undertaken.

EVALUATION OF MEASURES TAKEN

The Interface Group operates a culture of continuous improvement. Through close co-operation with other teams within the Interface Group the Procurement Department is involved in regular reviews of best practice and procedures and effective ways of identifying and managing risks.

Through this Interface UK continues to re-assess supplier due diligence processes and purchase terms in order to ensure that modern slavery diligence is as integrated as possible into its overall approach.

We also encourage our suppliers to remain vigilant in identifying areas for improvement in their operations and use of sub-suppliers as well as educating their staff to uphold the core values and requirements in the Supplier Code and maintain supply chain transparency.

TRAINING

Members of the Procurement Department also attended external training courses on supply chain transparency and take steps to stay up to date with developments in this area. Internal training on modern slavery to those directly involved in procurement at a local site level was also conducted.

By reason of existing processes and procedures the global supply chain team is considered to already have knowledge of the Core Values and supply chain transparency.

Approved by the board of Interface Europe Ltd on 23 June 2020.

Anton van Keken
Director, for and on behalf of Interface Europe Ltd
June 2020

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