Design With Purpose

Interface®

At Interface, we believe flooring is more than what you walk on.

It is an opportunity to push the boundaries of design and realize a more beautiful world, where people and the environment live in harmony. From the design and innovation of our products to our relationships with customers, our work is driven by our desire to help restore the health of the planet.

Our journey to more sustainable business practices is ongoing, guided by a purpose-driven culture and an emphasis on transparency. We are excited to share our progress with our 2021 Environmental, Social, and Governance Report, which illustrates our ongoing commitment to running our business in an ethical and responsible way that creates a climate fit for life.

Who We Are

Leading

provider of commercial flooring: carpet tile, rubber, LVT, rigid core, and vinyl sheet

Established

brand with a history of innovation and a commitment to the pursuit of sustainability

Dedicated

to performance and improving the built environment, industry, and the world

Global

manufacturing capabilities with a focus on local market needs

Engaged

customer-centric and purpose-driven culture with deep design and innovation roots
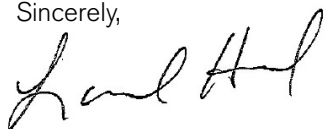
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A Message from Our CEO, Laurel Hurd

We have a special culture at Interface – it's purpose-driven and includes a commitment to reducing environmental impacts, cultivating social responsibility, and operating with strong governance. While 2021 continued to present challenges with supply chain constraints and the ongoing effects of COVID-19, we continue to see positive momentum in 2022 for the flooring industry. Our commitment to the pursuit of sustainability and innovation aligns with our global customers' climate goals. As the newly appointed Interface CEO, I am eager to accelerate our business while staying true to our company's decades-long emphasis on more sustainable business practices.

Our 2021 Environmental, Social, and Governance (ESG) Report is aptly named Design With Purpose. This references our reputation for high-quality design and leadership with environmentally responsible flooring products. Although this is one way Interface designs with purpose, it is also representative of the way we run our business. Designing with purpose led us to receive third-party validation of our 2030 climate reduction goals as science-based from the Science Based Targets initiative. We also reached new diversity, equity, and inclusion (DEI) milestones for improved business policies and continued our commitment to comprehensive compliance training. Our global Interface team remains at the center of everything we do and how we design a purpose-driven business – one that leads with transparency, actionable data, and a drive to meet and exceed ambitious goals.

While this report highlights 2021 achievements and results, we are energized by our continued focus on ESG in 2022, including development of a new Human Rights policy, improved visibility through more robust employment data, and ongoing work to reduce the environmental impacts of our own operations. With a solid foundation in place, we look forward to working alongside our customers, partners, suppliers, and employees as we continue to transform business in a way that influences others in our industry and beyond to do the same.

Sincerely,

Laurel Hurd, CEO

Interface at a Glance

Scherpenzeel, The Netherlands

Weinheim, Germany

Craigavon, UK

LaGrange & West Point, GA USA

Taicang, China

Sydney, Australia
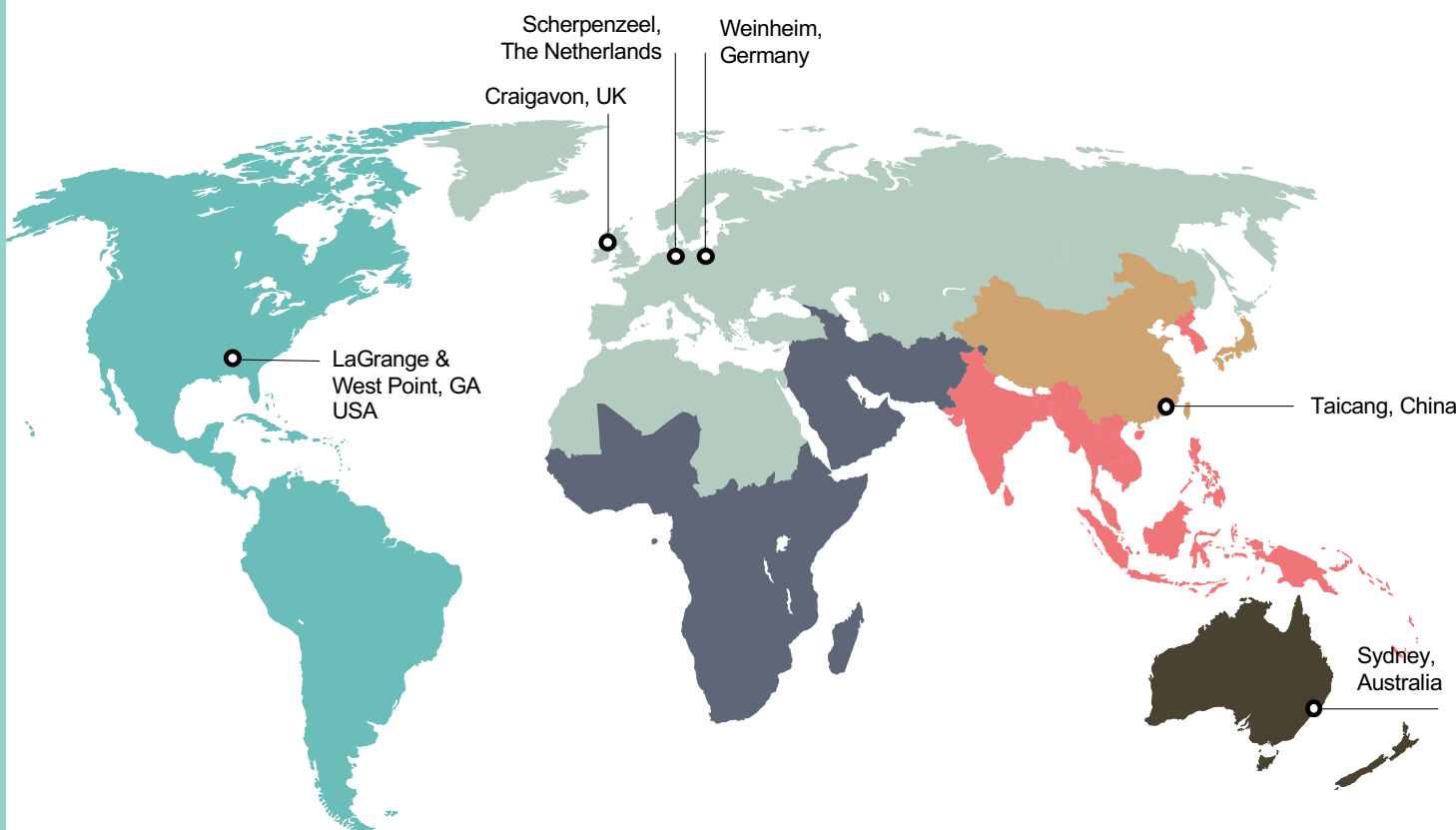
- Headquartered in **Atlanta, GA**
- **$1.2 billion** in revenue in FY2021
- **6** manufacturing locations on 4 continents
- **3,600** global employees
- Recognized **Leader in Sustainability**
- **49** years of innovation
- Sales with **100+** countries
- First cradle-to-gate **Carbon Negative** commercial carpet tile
- All flooring products sold are **Carbon Neutral** or engineered **Carbon Negative**
- Signatory to the United Nations Global Compact

Segments We Serve

Corporate

Education

Hospitality

Healthcare & Senior Living

Multi-Family

Government

Retail

Transportation

Industrial

Public Buildings

Residential
(North America only; FLOR® brand)

Our Purpose

To lead industry to love the world.

Our Vision

- Better Products
- Happier People
- Healthier Planet

+Positive spaces™

Guided by our vision, +Positive spaces™ reflects our commitment to creating flooring products and environments that have a positive impact on people and the planet. By working together, we can strive to raise standards through innovative, well-designed built spaces that inspire people to do and be better.

Our Values

- Design a Better Way
- Be Genuine & Generous
- Inspire Others
- Connect the Whole
- Embrace Tomorrow, Today

Our Pillars

- Design
- Innovation
- Sustainability
- Performance

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Climate Take Back™

Climate Take Back™ is our ambition to reverse global warming. We are working ardently on our goal to halve our carbon emissions on an absolute basis across our full business and supply chain by 2030 and to become a carbon negative enterprise by 2040.

We aim to create a climate fit for life by focusing our efforts on four key areas – Live Zero, Love Carbon, Let Nature Cool, and Lead the Industrial Re-Revolution. These areas help us run our business in a way that seeks to restore the planet, taking Climate Take Back™ from vision to reality. And we urge others to join us and declare their own goals in line with reversing global warming.

LIVE ZERO
Aim for zero negative impact on the environment

LOVE CARBON
Stop seeing carbon as the enemy, and start using it as a resource

LEAD THE INDUSTRIAL RE-REVOLUTION
Transform industry into a force for the future we want

LET NATURE COOL
Support our biosphere's ability to regulate the climate

"I always make the business case for sustainability. It's so compelling...Our people are motivated by a shared higher purpose – esprit de corps to die for. And the goodwill in the marketplace – it's just been astonishing."
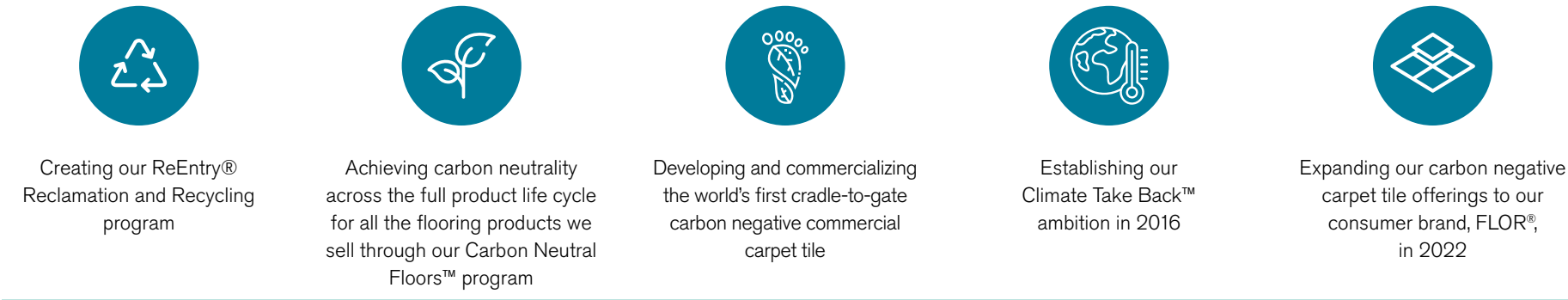
– Ray Anderson, Founder, *May 2007*

ESG at Interface

In 1994, inspired by our customers and led by the fundamental mindset shift of our founder Ray Anderson, Interface began a radical business transformation to reduce our impact on the environment. We called this effort Mission Zero® and set an ambitious goal to eliminate all negative environmental impacts company-wide by the year 2020.

Our journey to Mission Zero success required us to deeply reduce our operational footprint, including reducing waste, energy, water usage, and overall greenhouse gas emissions (GHGs). From 1996 through 2021, we have seen the following results:

| **96% FEWER** GHG EMISSIONS* | **86% LESS** WATER USED TO MAKE PRODUCTS* | **85% LESS** WASTE SENT TO LANDFILLS* | **76% RENEWABLE** ENERGY USE AT GLOBAL MANUFACTURING SITES | **76% REDUCED** CARBON FOOTPRINT OF CARPET TILE PRODUCTS |

Global carpet tile manufacturing per unit of output

This necessitated new programs to measure and report our operational footprint and led to significant milestones for Interface, including:

| Creating our ReEntry® Reclamation and Recycling program | Achieving carbon neutrality across the full product life cycle for all the flooring products we sell through our Carbon Neutral Floors™ program | Developing and commercializing the world's first cradle-to-gate carbon negative commercial carpet tile | Establishing our Climate Take Back™ ambition in 2016 | Expanding our carbon negative carpet tile offerings to our consumer brand, FLOR®, in 2022 |

This transformation to eliminate our negative impact, and ultimately, create a positive impact on the world was key to setting us on our journey to greater sustainability and responsibility, and to becoming the purpose-driven company we are today. Many others from our industry and beyond have followed us, creating a powerful ripple effect that we believe exceeds original ambitions set by our founder, Ray Anderson, more than 25 years ago.

This year's report, **Design With Purpose**, highlights our commitment to ESG and operating in an ethical and more sustainable manner that benefits all stakeholders – employees, customers, shareholders, and the environment. The report details our continued journey toward +Positive spaces, delivering Better Products, Happier People, and a Healthier Planet, and outlines the path ahead for Interface.

We continue to set aggressive targets in line with the level of action needed for sound corporate citizenship and environmental responsibility, which are critical to our long-term success. We have done this before and have proven that bold thinking can inspire bold actions that deliver bold impact.

Sustainability in Action

Responsible Business

Compliance and Ethics

2021 Highlights & Achievements

Delivered flooring products that are carbon neutral across their full product life cycle; Retired 442,000 metric tonnes of carbon credits on behalf of all Interface products sold in 2021

Launched an innovative industry-first cradle-to-gate carbon negative carpet tile to the marketplace at industrial scale, delivering on our commitment to use carbon to create better products

The Science Based Targets initiative (SBTi) confirmed that Interface has set emission reduction targets in line with decarbonization required to keep global temperature increase to 1.5°C

Became the first flooring company to sign The Climate Pledge, which brings together global organizations to drive climate action

Provided thought leadership on Climate Action at COP26

Formed DEI Steering Committee and DEI Champions Network

Invested in Workday® for more robust employee data and insights

Implemented workplace strategies to support employee health and wellness globally

Added expertise to our diverse and experienced Board of Directors

Delivered improved compliance training, programs, and technology

Named a Top 5 Leader in GlobeScan/SustainAbility Leaders 2021 Report, making us the only company to have been recognized each year since the report's inception in 1997

ESG Disclosures

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards and highlights relevant ESG actions and progress between January 1, 2021 – December 31, 2021. Information included about the Interface Board of Directors is current as of August 2022.

- Our Scope 1, 2, and 3 emissions data is externally verified by Apex

- Other frameworks referenced include Sustainability Accounting Standards Board (SASB), Task Force on Climate-Related Financial Disclosures (TCFD), and the United Nations Global Compact Principles and Sustainable Development Goals (SDGs)

- An appendix with full indices for each framework, disclosures, and links to relevant governance materials is included on page 57 of this report

2021 Selected Awards & Recognition

Named to Fortune Change the World 2021 list as a company tackling today's biggest challenges with innovative responses. We ranked 25th.

Based on 2021 metrics, ranked in America's Most Responsible Companies 2022 by Newsweek. The ranking focuses on a holistic view on corporate responsibility that considers the three areas of ESG.

Winner of BUILDINGS and Interiors+Sources 2021 Purpose Awards. The awards highlight the power of great design to effect positive change.

Featured as Carbontech Innovator in The New York Times Magazine feature, "Has the Carbontech revolution begun?"

Featured in Forbes' Purpose At Work column, "Lessons From Interface On How To Lead With Purpose."

Global Sustainability Leadership
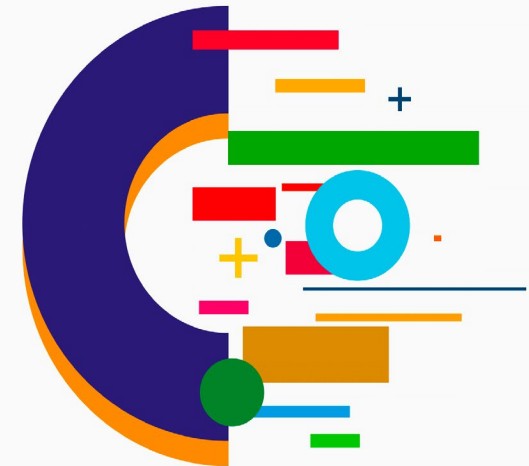
Named a Top 5 Leader in GlobeScan / SustainAbility Leaders 2021 Report. Interface is the only company to have been recognized on this report each year since the report's inception in 1997.

Global Customer Spotlight: Salesforce

The Nexus of Design, Sustainability, and Performance

Many of our top customers have publicly-declared, time-bound commitments to reduce the carbon footprint of their own businesses. As a partner and flooring provider, we enable the corporate sector and all our customers to make meaningful progress toward their carbon reduction goals and targets. Our carbon neutral and carbon negative flooring product portfolio is well-positioned to fulfill this marketplace need.

In September 2021, one of our customers, Salesforce, announced it reached net zero emissions across its entire value chain and achieved 100% renewable energy for its global operations. Reducing infrastructure emissions was a key area of focus for achieving Salesforce's net-zero goal. To get there, Salesforce examined cradle-to-gate emissions, which includes emissions from raw material extraction through manufacturing. After extensive research, Salesforce selected Interface products as the flooring standard for its global real estate portfolio.

Since Salesforce integrated healthy and environmentally preferable materials into its Global Design Standard, it has seen significant progress toward its sustainability goals.

"We've already seen a 20% reduction in embodied carbon from our baseline," reported Amanda von Almen, Salesforce Head of Sustainable Built Environment. "The very low embodied carbon value of Interface carpet is a significant contributing factor."

"There's a very clear values alignment between our organizations, and we love that," said von Almen. "Interface never shies away when we tell them we need to go bolder for making a product more sustainable. I think it's a fantastic partnership to continue."

Commitment to United Nations Sustainable Development Goals (SDGs)

Interface is supportive of and committed to the United Nations SDGs as a pathway to bring about sustainable development that addresses shared global challenges. We have aligned ourselves with the ambition of SDGs since their inception through our aspirational sustainable business approach established in 1994.

Our actions to reduce our company footprint, reduce the impact of our products and supply chain, create safe and fair working environments, and promote a more circular economy support many of the SDGs. Our efforts in these areas can contribute to not only the reduced impacts of our business and supply chain, but can impact others in our industry and extended supplier base by bringing solutions to the rest of the industry, for example, by making more sustainable raw materials available for them.

Our current company policies, goals, and actions align with and most closely support SDGs: 3, 5, 8, 11, 12, and 13.

3 GOOD HEALTH AND WELL-BEING

SDG 3
Interface focuses on creating fair and safe working conditions, which we have extended to our suppliers. This commitment is also reflected in workplaces and employee programs. More on pages 24 and 41.

5 GENDER EQUALITY

SDG 5
Interface is committed to creating a more inclusive business with a focus on our Diversity, Equity & Inclusion efforts. We extend this commitment to our Board of Directors and Suppliers. More on page 34.

8 DECENT WORK AND ECONOMIC GROWTH

SDG 8
As a purpose-driven organization, Interface focuses on: safety and wellness in our workplaces; creating an inclusive and diverse company; and healthier materials and reduced environmental impacts in our factories. More on page 41.

11 SUSTAINABLE CITIES AND COMMUNITIES

SDG 11
Interface is focused on making safe, circular low-carbon products and leading the industry to adopt more sustainable practices by sharing lessons learned and best practices. More on page 23.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

SDG 12
Interface is committed to developing a circular economy through our use of recycled and bio-based materials, and our ReEntry Recycling and Reclamation program. More on page 19.

13 CLIMATE ACTION

SDG 13
Interface continues to reduce its GHGs and has set goals to halve its emissions by 2030 and become a carbon negative enterprise by 2040. More on page 17.

Environmental

Sustainability in Action

"Our sustainability journey began with a moonshot goal set almost thirty years ago and continues with a commitment to reverse global warming and create a climate fit for life. With this ESG report, we highlight our progress toward that goal, demonstrating the power and value of a purpose-driven company that reduces company and product footprints and provides product solutions to help our customers reduce their impacts."

– Erin Meezan, Chief Sustainability Officer at Interface

Then & Now: Our Sustainability Journey

In the early 1990s, a customer asked Interface Founder Ray Anderson, "What's your company doing for the environment?" This simple question sparked a change in mindset that transformed our entire company. Today, we are focused on creating a climate fit for life – a continuation of the journey that Ray started when others were just beginning to think about sustainability.

1994
Founder Ray Anderson's "spear in the chest moment" set Interface on the path to become a restorative enterprise.

1995
ReEntry™ Reclamation and Recycling Program established, which keeps flooring out of landfills.

1996
Created EcoMetrics program.

Launched program to incentivize employees to eliminate waste.

Partnered with suppliers to develop recycled nylon.

1997
First Global Sustainability Report distributed.

2000
Mission Zero® journey formally established, with an aim to have zero negative impact on the planet by the year 2020.

2001
Established carpet tile backing system featuring up to 81% total recycled content, GlasBac™RE.

2003
Cool Carpet™ introduced, the first carbon neutral product program for carpet tiles.

2004
First to pilot Environmental Product Declarations (EPDs).

2006
TacTiles™ unveiled, the first innovative, glue-free flooring installation method.

2010
Developed first product with 100% recycled nylon with yarn supplier Aquafil.

2012
Helped launch Net-Works™ program to collect discarded fishing nets for recycling into recycled nylon.

2016
Climate Take Back™ introduced, which aims to reverse global warming and set Interface on path to become a carbon negative enterprise by 2040.

2017
Announced first-of-its-kind carbon negative carpet tile prototype, Proof Positive.

2018
Developed first carbon negative carpet tile backing, CircuitBac™ Green.

Announced all Interface flooring is carbon neutral across its product life cycle through third-party verified Carbon Neutral Floors™ program.

2019
Celebrated achievement of Mission Zero® goal.

2020
Announced the availability of CQuest™ backings, which enable the manufacture of carpet tiles with carbon negative (cradle-to-gate) footprint.

Introduced first cradle-to-gate carbon negative carpet tile, the most environmentally friendly product made by Interface.

2021
Set science-based target to reduce absolute emissions 50% by 2030.

Named a Carbontech leader by The New York Times, serving as an example of how to use carbon as a resource in commercial and consumer products.

2021 Environmental Milestones

Established Science-Based Targets

One of the most notable accomplishments is third-party validation of our 2030 GHG reduction goals as science-based. The Science Based Targets initiative (SBTi) confirmed we have set reduction targets that are in line with the level of decarbonization required to keep the planet at a safe global temperature. Our goals are:

Reduce Scope 1 and 2 emissions **50% on an absolute basis** by 2030 from a 2019 base year

Reduce Scope 3 emissions from purchased goods and services **50% on an absolute basis** by 2030 from a 2019 base year

Reduce business travel and employee commuting emissions **30% on an absolute basis** by 2030 from a 2019 base year

As Interface endeavors to become a carbon negative enterprise as part of Climate Take Back™, these 2030 targets represent an important halfway milestone on our journey.
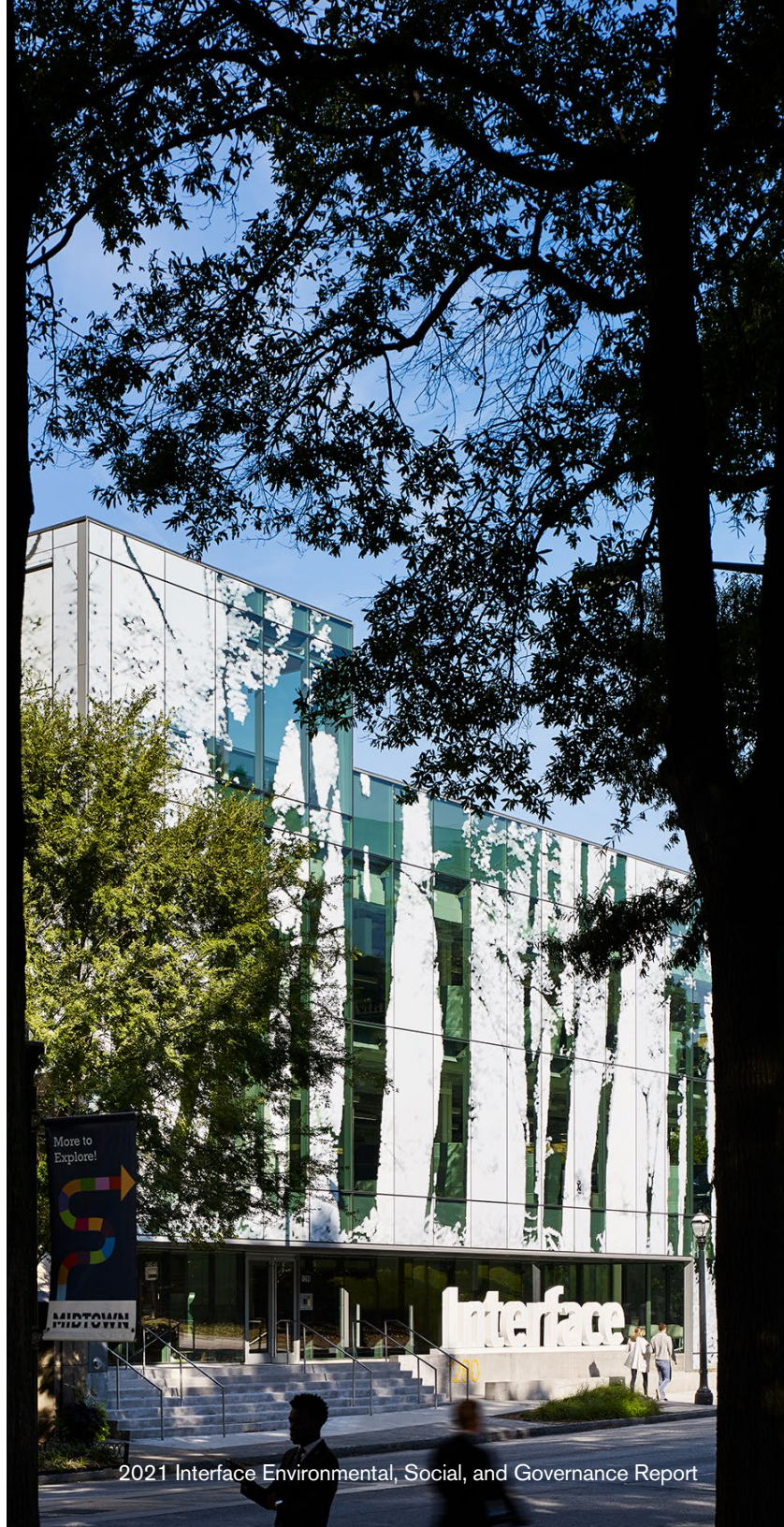
Efforts to Influence Market Standards & Policy

Interface is committed to actively influencing the building industry, the business sector, and governments to set science-based targets and invest in the technologies, materials, and resources necessary to reduce our collective carbon emissions. In 2021, we did the following to urge action:

Joined other businesses
as a signatory to letters to U.S. President Joe Biden on the need to set aggressive climate targets for the United States

Sent a representative
to UN Climate Change Conference in Glasgow (COP26) and participated in discussions on decarbonizing our business, sharing best practices and strategies

Joined fellow business leaders
in an advertisement in The New York Times, paid for by Project Drawdown, expressing support for United States government investment in climate solutions

Supported the Materials Carbon Action Network (materialsCAN)
to provide the resources and education needed to improve embodied carbon awareness and drive the building industry to set embodied carbon goals for projects

Environmental Compliance

Interface is committed to eliminating our negative impact on the planet. This includes putting formal systems, policies, and practices in place to ensure we comply with applicable laws, rules, and regulations that extend to our employees and suppliers.

Pioneering Carbon Neutrality

To reduce our negative impact on the planet, Interface transformed our factories, products, and supply chain — a feat that took a culture of innovation and ambition. Below we highlight one of our steps toward transforming our products.

Carbon Neutral Floors™ Program

Interface pioneered the creation of carbon neutral flooring products in 2003. Today, all products that Interface makes and sells globally are carbon neutral over their full product life cycle through the third-party verified Carbon Neutral Floors™ program.

Metrics

2021 Results:

Sold **50 million square yards** of carbon neutral flooring product

Retired **442 thousand metric tonnes** of verified emission reduction credits

Results Since 2003:

Sold more than **551 million square yards** of carbon neutral flooring product

Retired **6.1 million metric tonnes** of verified emission reduction credits

Using Life Cycle Assessment, we measure the full carbon footprint of our products from raw material extraction to end-of-life. We then work to reduce the product footprint through raw material substitutions and by partnering with our supply chain. After these reductions, we then balance the remainder of each footprint with an equal number of carbon credits from projects that reduce or avoid carbon emissions. The carbon credits that we purchase are from projects that are verified according to internationally recognized standards, including the Gold Standard (GS), the California Action Reserve (CAR), and the American Carbon Standard (ACR), or the Verified Carbon Standard (VCS). This assures that the carbon credits we use are real (have happened), additional (beyond business-as-usual activities), measurable, and permanent.

Quantifying Our Impact

With a goal to become a carbon negative enterprise by 2040, we are focused on reducing the carbon emissions of our business operations. We report annually on our enterprise greenhouse gas (GHG) emissions, accounting for all the carbon we are responsible for releasing in the atmosphere across our full business and value chain.

486,861 metric tonnes
of CO_2e total company emissions resulting from **Scopes 1, 2, & 3**

14,101 metric tonnes
of CO_2e total company emissions resulting from Scopes 1 & 2 **(3.19%)**

472,760 metric tonnes
of CO_2e total company emissions resulting from Scopes 3 **(96.81%)**

2021 Carbon Impact
486,861 metric tonnes

30% Use of Sold Products

48% Purchased Goods & Services

10% All Other Emissions

5% End-of-Life Treatment of Sold Products

4% Capital Goods

3% Downstream Transportation and Distribution
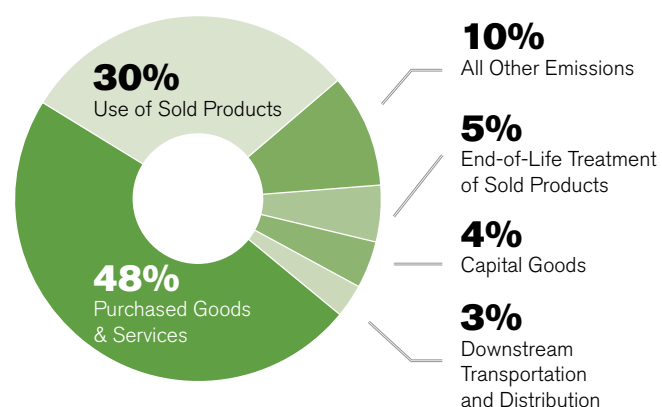
2021 Global GHG Emissions
486,861 metric tonnes

SCOPE 1
Direct Emissions **5,923**

SCOPE 2
Indirect Emissions *(Market Based)* **8,178**

SCOPE 3
Category 1: Purchased Goods & Services **233,000**
Category 2: Capital Goods **19,900**
Category 3: Fuel & Energy-Related Activities **10,400**
Category 4: Waste Generated in Operations **4,880**
Category 5: Upstream Transportation & Distribution **6,650**
Category 6: Business Travel **470**
Category 7: Employee Commuting **6,290**
Category 8: Upstream Leased Assets *(Included in Scopes 1 & 2 above)*
Category 9: Downstream Transportation & Distribution **17,210**
Category 10: Processing of Sold Products **4,300**
Category 11: Use of Sold Products **147,300**
Category 12: End of Life Treatment of Sold Products **22,360**

2021 Greenhouse Gas Emissions Update

Interface has a goal to become a carbon negative enterprise by 2040. To help us achieve this we have set 2030 carbon reduction targets for our global business that have been recognized as science based through the Science Based Targets Initiative (SBTi): to reduce our greenhouse gas emissions on an absolute basis from a 2019 baseline by 50% for Scope 1 and Scope 2, by 50% for Scope 3: Category 1, purchased goods and services and by 30% for Scope 3: Categories 6 and 7, business travel and employee commuting.

As we develop and implement plans to reduce our GHG emissions pursuant to our target, we will highlight our plans and strategies to achieve those targets in the future. Compared to our 2019 baseline, our 2021 GHG emissions results include:

- **Scope 1: Reduction of 13%**

- **Scope 2: Reduction of 2%**

- **Scope 3, Category 1 (Purchased Goods & Services): Reduction of 24%**

- **Scope 3, Category 6 (Business Travel): Reduction of 90%**

- **Scope 3, Category 7 (Employee Commuting): No change**
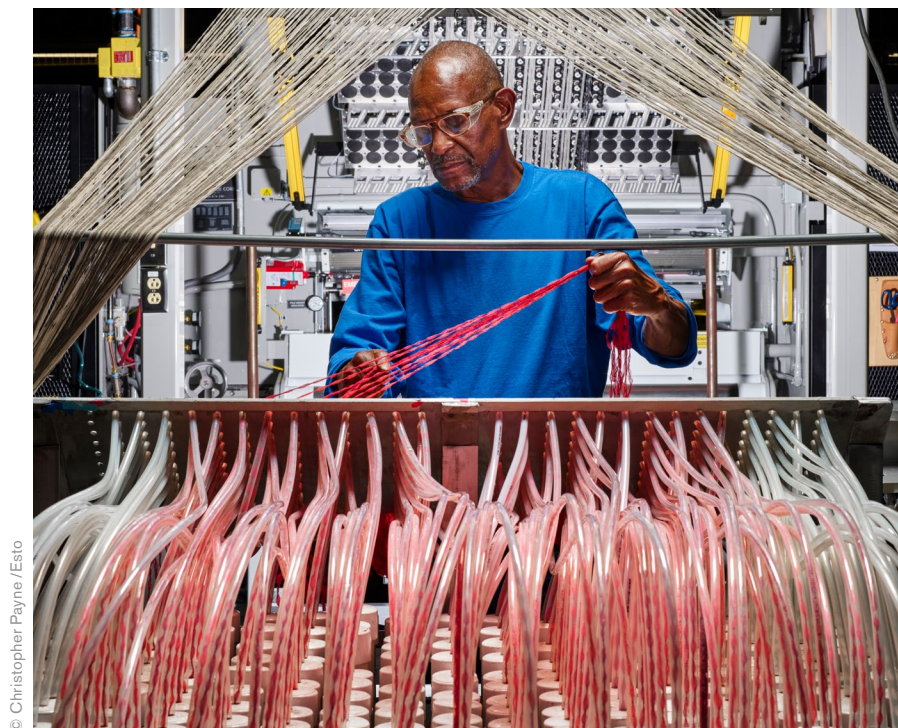

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Our Operational Metrics

Mission Zero® began with efforts to reduce the operational footprint of our company including waste, energy, greenhouse gas emissions, and water. We continue efforts to reduce our operational footprint today. To achieve this, we undertook the following actions in 2021:

- Continued programs to reduce waste

- Purchased renewable energy at all factory sites

- Continued efforts to both reduce water use in manufacturing and implement technologies to harvest rainwater for use in manufacturing and toilets

- Improved data collection on water usage and increased public disclosure of these metrics

2021 Operational Metrics

The following metrics represent our operational footprints for 2021:

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| ENERGY CONSUMED	RENEWABLE ENERGY	WATER	WASTE	ELECTRICITY
530,753 GJ of energy consumed from all manufacturing sites	**76%** of energy used at manufacturing sites is from renewable sources	**14.1 million gallons** of water intake for all manufacturing sites	**19.2 million pounds** of waste discarded from all manufacturing sites	**100% of the electricity usage** at our manufacturing sites globally is sourced from renewable sources

Circular Economy

Interface is committed to helping develop a circular economy. By using recycled and bio-based materials and creating the ReEntry™ Reclamation & Recycling program to take back products for repurposing and recycling, we are taking actionable steps to facilitate a circular economy for flooring products. We also work with governments and NGOs to advocate for programs and legislation mandating product takeback and recycling of flooring products.

We have actively collected and recycled post-consumer vinyl backed carpet tile for more than 20 years. Today, all our carbon negative CQuest™ backed carpet tiles and Sound Choice™ backed LVT (in North America) are third-party certified as recyclable by GreenCircle Certified. Based on the material's condition and composition, returned products are diverted to their most sustainable option – reuse, recycle, or energy recovery.

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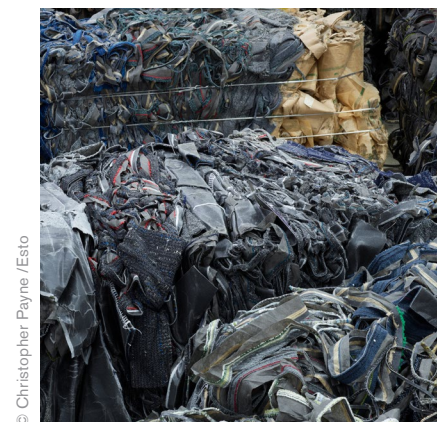
ReEntry Metrics

2021 Results:

Collected **6.1 million pounds** of post-consumer carpet through ReEntry

4.0 million pounds recycled, **1.2 million pounds** reused, **0.9 million pounds** waste-to-energy

50% of the raw materials used to make our products came from **recycled or bio-based sources**

Results Since 2017:

Collected **53 million pounds** of post-consumer carpet

70% of post-consumer carpet given a second life through reprocessing internally or reused or recycled through one of our ReEntry partners

The other **30%** was sent to a waste-to-energy site because it was unusable

We use recycled materials in many parts of our carpet tile, resilient, and rubber products. Moving to recycled options across all of our raw materials, company-wide, takes commitment, patience, and long-term partnerships.

In 1994, the materials we used to make carpet were from virgin sources. As of 2021, 64% of the raw materials in our carpet tiles come from recycled or bio-based sources. To enhance our ability to recycle our carpet and products from customers at end of life, we've eliminated materials that should not be recycled, such as phthalates, formaldehyde, and fluorocarbons.

We've also begun the shift to recycled materials in our luxury vinyl tile (LVT) products, which we started selling in 2016. Working with our supplier for LVT, we've increased the recycled content of our LVT products to 39% and have plans to move toward more recycled content across our resilient product portfolio.

Supply Chain & Supplier Efforts

Interface is committed to ensuring that our human rights, safety, and environmental goals are communicated to and integrated into our relationships with suppliers.

Our Supplier Code of Conduct requires that our suppliers comply with environmental laws, rules, and regulations and conduct their operations in ways that reduce or minimize their impact on the environment. We seek relationships with suppliers that have a formal environmental management policy and are committed to continuous improvement of environmental performance.

Much of our carbon footprint comes from our Scope 3 emissions. The most significant source of this emissions type is our purchased raw materials, making up 44%. Educating and engaging our global suppliers to understand and reduce the carbon footprint of their operations and materials is a critical step in reducing the environmental impacts of our supply chain.

As part of our validated science-based target, we aim to reduce these emissions by 50% in absolute terms by 2030. Interface is engaging current suppliers to identify projects to reduce their GHGs and provide technical support for them to reduce the footprint of their manufacturing operations. We identified our most significant suppliers – currently 26 priority candidates – from a carbon perspective. We are capturing more detailed life cycle assessment (LCA) data on their materials to understand their carbon impacts better. These LCAs will form a baseline that allows our supply chain team to develop a strategy to reduce carbon across that ecosystem.

Suppliers to Negative Program

Engaging our suppliers in GHG reduction efforts is also a critical component to reducing carbon emissions within our supply chain. Through the Suppliers to Negative program, our supply chain team is engaging the company's global and region-specific suppliers through education and partnerships. Our affiliation is with Manufacture 2030, a platform that provides tools to suppliers to identify projects to reduce operational impacts, and then enter projects, track progress, and estimate carbon reductions. Interface has 11 suppliers currently participating in the program: 6 global and 5 regional.

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Product Transformation & Transparency

Interface was one of the first companies to publish a Sustainability Report and the first flooring company to pilot and publish Environmental Product Declarations (EPDs) in North America. An EPD is a technical document that details the environmental impact of a product across its life cycle.

We are committed to product transparency regarding chemicals and materials used to make our products, including the use of recycled and bio-based materials. We use disclosure methods such as EPDs and obtain sustainable product certifications for our products globally. This includes disclosing environmental impacts and product ingredients through EPDs for our global product portfolio. Today, 99% of Interface products globally, including all standard carpet and resilient flooring styles, have a product-specific EPD.

We also provide additional ingredient details through other product certification programs and disclosure tools, including Health Product Declarations (HPDs), Cradle to Cradle® product certifications and Declare labels. All Interface products and adhesives are certified to meet stringent low VOC emissions standards.

By being transparent about our virgin materials, recycled materials, and low-carbon innovation, we support and influence the rest of the industry to follow in our footsteps. Our efforts to reduce the carbon footprint of our products can create a meaningful impact for others and our extended supplier base by bringing solutions, like recycled nylon, to the rest of the industry. We believe our pioneering efforts spur our competitors to invest in their own sustainability and transparency efforts. In addition, our experience from speaking with companies in other industries tells us that this positive effect can also extend beyond the flooring sector as other companies begin and continue their sustainability journeys after hearing about our story.

Key Product Metrics

At Interface, we're committed to become a carbon negative enterprise by 2040. This includes focusing on our most important impact area, our products. We're focused on reducing our carbon footprint across all product lines, as well as continuing to offer carbon neutral products and expanding our capability to offer carbon negative products.

Global Product Carbon Footprint

CARPET	RUBBER FLOORING	LVT & OTHER RESILIENT
4.8kg* CO2e/m2	8.5kg* CO2e/m2	9.1kg* CO2e/m2
down	**down**	**down**
76%	**21%**	**24%**
since its baseline year of **1996**	since its baseline year of **2019**	since its baseline year of **2018**

Global sales-weighted averages, cradle-to-gate

Interface has the **lowest carbon footprint** carpet tile products in the industry.

The flooring products that we sell, including carpet tile, LVT, vinyl sheet, rigid core and nora® rubber are **carbon neutral** across their full product life cycle through our third-party verified Carbon Neutral Floors™ program.

Key Product Metrics

Recycled Materials

The following breaks down the recycled materials we use to make the products we sell:

47% recycled materials **+** **3%** bio-based materials **=** **50%** materials from recycled or bio-based sources*

*Based on all Interface product lines across our global business.

64%

of all of the materials used to make our carpet tiles are from **recycled** or **bio-based** sources

39%

of all the materials used to make LVT and other resilient flooring are from **recycled** or **bio-based sources**, with the use of recycled fillers. This is the **highest amount** of recycled content in this category within the industry

8%

of all the materials used to make our rubber flooring are from **recycled** or **bio-based sources**, with natural rubber and recycled fillers contributing the most

Backings Innovation

The innovation that created our carbon negative backings was a game-changer in our product sustainability efforts. It ushered in the capability to shift our standard backings across our global business. In 2021 in the Americas, Interface created a new standard backing system in the region, CQuest™GB, which has 97% combined bio-based and recycled content.

The new CQuestGB-backed products are United States Department of Agriculture Bio-preferred Certified.

In Europe in 2021, we eliminated our bitumen-based backing system for carpet tiles, replacing those non-virgin materials with mostly bio-based materials.

First-Ever Carbon Negative Carpet Tile

In 2020, Interface launched the first-ever carbon negative carpet tile, a first for Interface and a first for the industry. By using recycled content and bio-based materials in an innovative way, we created carpet tiles using materials that store carbon, preventing its release into the atmosphere. These products achieved a negative carbon footprint measured cradle-to-gate, without the use of carbon credits. Our carbon negative carpet tile is well-positioned to meet the world's growing interest in decarbonization and low carbon products, especially as more than 90% of our top customers have publicly declared commitments to reduce their carbon footprints.

Many of our global customers are specifying Interface products with carbon negative backings or carbon negative carpet tile to support their own climate ambitions. The architecture, engineering, and construction industry is also taking similar steps to reduce its environmental impact by putting low-carbon products into specifications and considering carbon in procurement decisions to achieve sustainability goals.

This innovation has helped us make progress to reduce the virgin raw materials used in the backing of our carpet tile products and replaced them with recycled and bio-based materials.

Our carbon negative innovation made its television debut when it was featured on an episode of "Jeopardy!" in the "Helping the Planet" category. The question was: Georgia-based carpet company Interface makes carpet tiles that are not merely this element "neutral," they're negative. The answer, of course, **"What is carbon?"**

Influencing Change in Our Industry

According to Architecture 2030, the building industry is responsible for nearly 40% of global GHG emissions. Much of the carbon footprint associated with buildings is embodied carbon – the emissions associated with material production and building construction. We can begin to decarbonize the sector through low-carbon material procurement. Here is how we influence our employees, customers, and industry to take action.

New Standards and Policies
Interface is actively working to influence and change green building standards to recognize and reward decisions and actions to reduce embodied carbon in buildings.

Tools and Training
We actively support the creation and launch of open source tools that help the built environment community select lower embodied carbon materials through our funding and promotion of the Embodied Carbon in Construction Calculator (EC3) and other procurement tools.

Collaboration Across industry
Interface continues to invest in and support the Materials Carbon Action Network (materialsCAN), members of the global building industry that are acting to reduce embodied carbon in building materials.

Education and Engagement
Interface made strides to build awareness on the importance of reducing embodied carbon in the built environment through educational outreach efforts, customer trainings and continuing education courses, and more.

> "Years into our sustainability journey, we realized that to have the greatest impact, you need to influence others to embark on sustainability journeys of their own. Today, our ripple effect extends across industries and geographies and continues to amplify our positive impact on the world."
>
> – Lisa King, Chief Innovation Officer at Interface

Social

Responsible Business

"We challenge ourselves at Interface to have a positive impact on the spaces in which people live, work, learn, and play. This commitment to creating +Positive spaces™ extends to our employees, too. We endeavor to make our people happier because we know what this can bring in terms of innovation, creativity, and togetherness. Our people are at the center of everything we do and guide us to do business ethically and responsibly."

– Greg Minano, Chief Human Resources Officer at Interface

A Culture of Inclusion

Interface is more than a flooring manufacturer – we are authentic people who bring our whole selves to work and to the world. We seek to live our values every day, which represent who we are, how we see the world, how we treat each other, including our external customers and stakeholders, and how we approach our work.

We are empowered to speak out, stand out, and reach out. Our culture of inclusion challenges our people to pursue the unknown and do the right thing. This means we embrace the diversity of our community and commit to an equitable, inclusive culture – ultimately resulting in happier people.

Today, we continue our commitment to conduct business in an ethical and responsible manner and make ambitious public assurances to advance human rights, diversity, equity, and inclusion.

Our Values

Design a Better Way

Courageous

Driven

Pioneering

Curious

Inventive

Disruptive

Daring

Be Genuine & Generous

Authentic

Engaging

Caring

Transparent

Supportive

Serving

Giving

Inspire Others

Energized

Influential

Guiding

Leading

Teaching

Sharing

Igniting
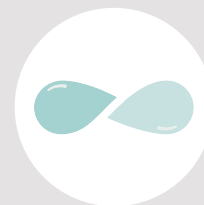
Connect the Whole

Collaborative

Adaptable

Inviting

Joining

Inclusive

Co-creative

Uniting

Embrace Tomorrow, Today

Visionary

Imaginative

Believing

Committed

Optimistic

Active

Creating

"We have a choice to make during our brief visit to this beautiful blue and green living planet: to hurt it or to help it."

– Ray Anderson, Founder, *May 2009*

2021 Social Highlights

Taking DEI Action

Our Global DEI Task Force and Steering Committee, which was established in 2020, made significant progress against our DEI objectives in 2021, including establishing a DEI framework and investing in best-in-class tools and platforms to improve data visibility.

Launched Global Culture & DEI Survey

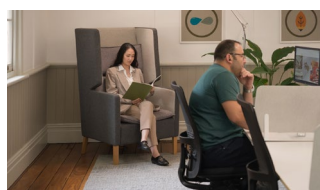In partnership with Great Place to Work®, we launched a global survey to gather feedback on our culture, as well as DEI and belonging at Interface, which was completed by more than 76% of our team members. This feedback can help us to focus our investment towards programs and initiatives that provide immediate and meaningful benefits to as many employees as possible. We're committed to making Interface a great place to work for all employees and ensure our people feel supported, valued, and safe.

Active in Community Engagement

We continued our commitment to supporting the communities where we live and work through community involvement activities. These efforts include community improvement projects, donation and installation of flooring product, environmental protection and clean-up initiatives, and partnerships with non-profit organizations.
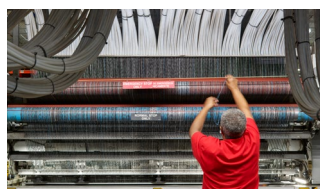
Social Compliance

We embrace values in the areas of human rights, labor standards, environmental responsibility, and ethical practices. We support fundamental human rights for all people and are firmly opposed to the use of child labor, slave labor, or human trafficking. Interface has a comprehensive Code of Business Conduct & Ethics that covers all employees and directors, as well as a Supplier Code of Conduct.

Looking Ahead

As we look ahead to 2022 commitments, we are excited to announce that we will introduce a new Global Human Rights Policy. This is a major milestone for our company and people as we communicate and integrate our ongoing commitment to respecting human rights into our global operations and practices.

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Our Commitment to Diversity, Equity & Inclusion (DEI)

When we embrace the diversity of our community and commit to an equitable, inclusive culture, we are living our Interface values.

We are engaging and collaborative, seeking input from our employees to make sure underrepresented voices are heard and solutions reflect a broad set of perspectives.

We are curious and inventive, genuinely caring, and use data and research to help drive our people-oriented strategy and decisions.

Through sharing, teaching, and leading, we energize others to help us all make meaningful progress – internally at Interface and with our customers, suppliers, and partners.

We want all employees and stakeholders to feel they belong with Interface and to have the **opportunity to thrive.**

"Our purpose includes efforts to achieve our sustainability objectives, but also cultivating an inclusive culture built around trust, openness, representation, and belonging. We recognize that there is not a one-size-fits-all approach to DEI, which is why we are seeking input and engagement from all our employees to determine the way forward and identify the most important areas of focus. We're building the foundation to create a culture where every employee can thrive."

– Christine Needles, Executive Director of DEI at Interface

Creating DEI Foundations

In 2021, we focused on formalizing and activating DEI initiatives with our employees, including establishing a DEI framework, procuring and deploying best-in-class tools and platforms, and leveraging internal and external communications channels to amplify our messages.

Our key accomplishments in 2021 include:

- **Implemented Workday® human capital management system** for improved data visibility

- **Implemented Global Culture & DEI Survey** in partnership with Great Place to Work® to gather employee feedback on DEI and belonging at Interface

- **Launched an internal DEI-focused group on Workplace**, our internal communications platform, to foster and encourage dialogue and awareness of critical DEI issues and topics

- **Published our DEI Commitment statement**

- **Updated Family Leave Benefits and Paid Time Off Policy** for United States employees

- **Evolved our product naming process** to include formal DEI review

- **Created guidelines for Inclusion Networks**, our approach to employee resource groups

- **Introduced 'I am Interface' video series** to highlight the diversity of background, experiences, and perspectives of employees globally

2021 Employee Data

Interface is an equal opportunity employer. It is our responsibility to create an environment that embraces diversity, is free from discrimination and harassment, and is grounded in respect. We are focused on achieving equality through hiring practices, unconscious bias training, and actively promoting awareness and dialogue to support our people.

Global Gender Breakdown

39.7% female

59.7% male

0.6% undeclared
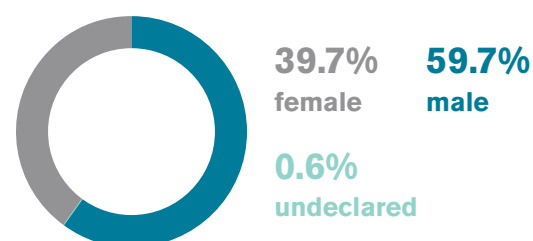
U.S. Gender Breakdown

U.S. Manager Level & Above

44% female and **56% male**

U.S. Non-Management Positions

54% female and **46% male**

UK Gender Pay Gap Report

In the UK, we report annually on our efforts to reduce any differential in pay between employee gender populations. These annual reports are published on our UK website.

U.S. Ethnicity Data

U.S. Manager Level & Above

84.8% White, Non-Hispanic

9.1% Black or African American

3% Asian

2% Hispanic or Latino

0.5% Indigenous or Native

0.5% Other

U.S. Non-Management Positions

53% Black or African American

42.8% White, Non-Hispanic

1.5% Hispanic or Latino

1.4% Asian

1.1% Other

0.1% Indigenous or Native
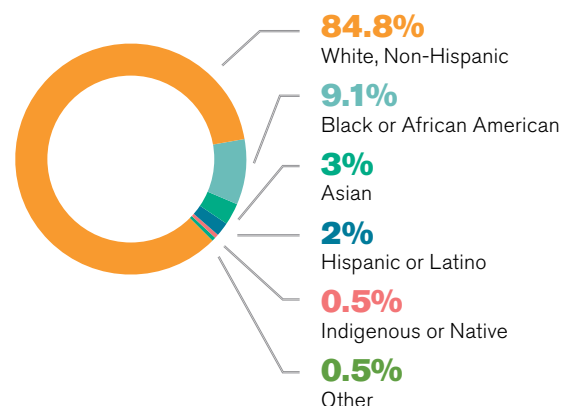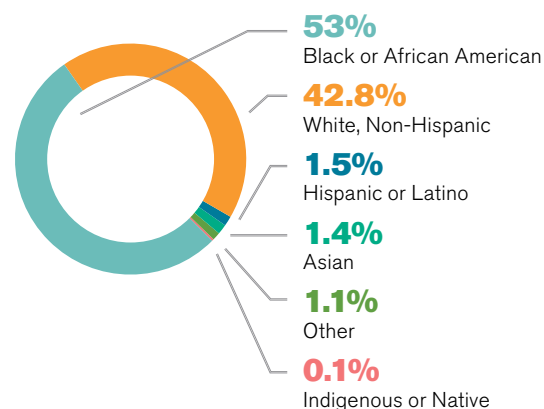
The U.S. Ethnicity Data charts reflect representation as of December 31, 2021 for U.S. employees only as reported in equal employment opportunity (EEO) data. Manager level and above represents Executives, Senior Official & Managers, and First/Mid Officials and Managers, according to EEO classifications.

Creating a Connected Culture

Technology plays a critical role in addressing DEI priorities, as it provides data-driven insights and findings that support the full employee experience. In 2021, Interface made a substantial investment in technology to improve visibility and to support an inclusive culture.

Leveraging Data to Bolster DEI Efforts

One of our key DEI achievements in 2021 was the launch and phased implementation of Workday®, the global human capital management system. With the global roll out completed in early 2022, we now have access to data regarding the demographic profile of our workforce, where available based on local privacy regulations. By leveraging that data within the platform, in the future we can publish a global benchmark, begin to track trends, and identify gaps and opportunities.

Workday provides a central, global source of secure information, available anywhere, anytime, on all devices. It also allows our people to make updates directly and ensure accurate information, and empowers them to find and apply for new roles or internal opportunities.

We view the implementation of Workday as our single largest investment in our people in the history of the organization. It provides a level of data about our workforce and hiring that we've never been able to access efficiently before and this visibility is already resulting in go-forward plans for our most valuable company resource – our people.

In 2022, we will use the data available within Workday and from our Global Culture & DEI Survey to:

- Analyze employee experience feedback and demographic data
- Start to establish DEI benchmarks and set ambitions for hiring, promotions, etc.
- Provide broader visibility internally into open roles across the organization
- Create processes that help meet hiring and promotion objectives
- Continue to review and update policies to support fairness and inclusivity

As we look ahead, we are encouraged and enthusiastic about our DEI efforts and the opportunities made available through Workday. It will drive increased emphasis on hiring practices, workforce diversity, better compensation practices, global recruiting, and so much more.

Digital Engagement & Two-Way Dialogue

We continue to enable two-way dialogues between individual employees, teams, and leadership with Workplace, our internal communications and social engagement platform that is available to all global employees. It signifies one of the ways that we try to Connect the Whole at Interface.

Workplace allows us to prioritize transparency across the organization, and our people to connect and engage with the larger group on important issues and topics within and external to Interface, including DEI, COVID-19 Guidelines, Compliance & Ethics best practices, and more.

Establishing Inclusion Networks

To advance our DEI initiatives and provide various employee groups with inclusive and safe spaces to engage with one another inside Interface, we introduced Inclusion Networks, our approach to employee resource groups, in 2021. These Inclusion Networks benefit employees by:

Promoting a sense of belonging through community, camaraderie, and connections to Interface

Supporting our unique culture and driving employee engagement

Providing opportunities for development, visibility with leadership, mentoring/sponsorship, and networking

In 2021, we established a framework for our Inclusion Network program, which helps provide structure and general operating principles for employee-led groups to ensure alignment with our DEI approach, our company values, and our overarching business objectives. These principles include establishing an executive sponsor, co-leaders, a 'mission' for each group, group programming, and more.

Community Engagement

One of our values is to Be Genuine & Generous. With this, we challenge ourselves to do the right thing, act authentically, and to be generous to people and to the planet we call home. Collectively, we are passionate about doing the greatest good possible. This is why our commitment to people goes beyond our employees and includes the communities where we live and work. Our community engagement efforts are focused on regional activities that positively impact communities, from annual legacy projects and philanthropy activities, to product donations and installations and food drives. A few examples of activities in 2021 include:

Donated to local charities in Canada.

Contributed to Rest-Cent Initiative in Germany, which lets employees donate part of their salary to local nonprofits.

Planted trees in surrounding community near our facility in Weinheim, Germany.

Donated to local nonprofit organizations within the areas we live and work in the Americas to strengthen and sustain our local communities.

Continued Reconciliation Action Plan (RAP) in Australia. More on Page 40.

Partnered with THINC Academy in Georgia for its THINC Expeditions, a work-based learning program for young people to explore and learn about careers with local communities, and LIFT Program, a business externship for teachers to gain business experience.

Donated to The Smith Family Children's Charity in Australia, which creates opportunities for disadvantaged Australian children and their families through education.

Connecting with Aboriginal and Torres Strait Islander Peoples

Local Initiative Spotlight: Australia

We are driven by our purpose to Lead Industry to Love the World, and we all challenge ourselves to listen, think differently, and develop new ways that we can positively impact people's lives and the environment. In Australia, this includes meaningful action toward reconciliation with Aboriginal and Torres Strait Islander peoples.

Our vision for reconciliation is for all Australians to value, celebrate, and learn from the history and cultural significance of the land and the Traditional Custodians of it. It acknowledges our fundamental connection with the land and people and is a continuation of our social sustainability journey. By developing meaningful relationships and connections, we can gain insights and establish sustainable opportunities for all Australians.

Our Reconciliation Action Plan (RAP) journey first began in 2019 and has helped us as an organization learn more about Aboriginal and Torres Strait Islander peoples.

In 2021, we published our second RAP, which documents our Relationships, Respect, Opportunities, and Governance and guides our continuous application of reconciliation across our business and supports our connection to our home.

We are in the second stage of the four-step Reconciliation Plan process, the Innovate stage, and we have mapped out a three-year plan to complete it. The full plan can be reviewed here: Innovate RAP.

Supporting Happier People

Benefits

We strive to provide quality, people-focused benefits for all employees to live healthy, fulfilling lives in and out of the workplace. We aim to offer benefits that enable our people to make the right decisions that set them on the path to personal and financial health. To help employees with this process, we continue to expand our base of resources and training that support informed decision-making.

Our comprehensive benefits include:

Medical, Pharmacy, Dental, and Vision Insurance

Commuter Spending Account

Life Insurance Coverage

Disability Insurance

+ Additional value-added benefits, like telehealth services, wellness offers, emergency medical assistance, and more

Interface also offers regional benefits for employees, with all having various policies surrounding flexible working, telecommuting and mental health resources and counseling benefits. In some regions, we also offer additional days off based on tenure and for volunteer work, employee recognition and awards programs, healthcare flexible spending accounts, and tuition reimbursement. The health and safety of our employees is a key priority at Interface. We are committed to leading our industry in the development and implementation of world-class safety measures to protect the health, safety, and wellbeing of our people. This includes implementing programs that empower our employees to identify potential hazards, minimize risk, and help us ensure we maintain healthy working conditions, which was especially critical during the COVID-19 pandemic.

We have specific programs for our office environments and manufacturing facilities that reflect this commitment, including the following achievements and initiatives:

People-Focused Offices

We have achieved WELL Gold Certification at sites in the U.S., Europe, Asia, and Australia, including our global headquarters (Base Camp) in Atlanta, Georgia, which supports our focus on safety and wellness in our workplaces.

In addition to the fitness programs offered through our benefits package, we also provide the opportunity for employees to prioritize their health and wellness at office buildings globally. Examples include accessibility to exercise equipment for use during the day while at our workspaces, as well as mother's rooms to help facilitate the post-maternity leave transition available to our people.

Safe & Healthy Factories

The health and safety management systems at all our flooring manufacturing operations in Europe, Australia, and China are certified to ISO 45001, the global standard for occupational health and safety.

Our approach to the materials we use to make our products is founded on the health of people and the planet. With this, we are focused on taking action to eliminate the risk of employees' exposure to materials and/or chemicals of concern in our products or materials. The goal for Interface and our supply chain is to have zero chemicals of concern in our products, which we accomplish through processes to manage and assess potential risks and through design improvements to our products or processes.

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Safety Programs & Results

Our industry-leading Safety Connections, Corrections & Critical Risk Survey Safety Program applies to all employees globally and seeks to ensure that our workforce is continuously conscious of health and safety risks, fully engaged in minimizing risk of injuries, and trained on proper, up-to-date safety procedures.

This program requires monthly reporting on demonstrable metrics as we work toward our goal of zero safety incidents. We also hold monthly Safety Meetings with our manufacturing operations leaders and safety staff to share and learn from incidents and discuss safety improvements.

A global safety report is delivered to senior leaders detailing incidents and provides an update on our total reportable incident rate, or TRIR, a best-in-class measurement metric across the globe. This allows us to benchmark our performance against other similarly organized companies around the world.

TRIR	
2021: 1.3	**2016 – 2020:** 0.6 – 1.0

Total Reportable Injury Rate (TRIR) = (Total Reportable Injuries (TRI) x 200,000) / Total Hours Worked

We saw our TRIR increase in 2021 due to an increase in various incidents, particularly in manual cutting processes in our rubber manufacturing. As a result, we are working to automate some of these processes to improve safety and reduce similar incidents in the future.

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Collective Bargaining

We recognize our employees' lawful right to freedom of association and rights under applicable law to choose a collective bargaining representative, if desired. Approximately 35% of our total employees are covered through a Works Council or other Enterprise Bargaining Units (EBU) – this includes most employees of our business units in Germany, the Netherlands, Northern Ireland, and Australia. Interface promotes productive relationships with those groups through our company leadership teams to the benefit of our employees.

COVID-19 Response

In 2021, we continued to address the ongoing COVID-19 pandemic by maintaining existing procedures and establishing new policies at enterprise and local levels to support and protect the health, safety, and wellbeing of our people.

We implemented COVID-19 Guidelines for all employees, which established protocols for managing COVID-19 exposures and quarantine among team members, offered prevention and cleaning best practices, and defined expectations around conducting safe meetings and events, as well as business-related travel. We have continuously updated our employee COVID-19 Guidelines to follow recommendations from global health authorities and as the nature and severity of the pandemic evolved.

We adopted a flexible telecommuting policy for office-based employees in 2020 and maintained this hybrid-work model throughout 2021 as the pandemic began showing signs of receding. As we started to reopen our offices and welcome employees back, we implemented a series of additional strategies to reduce virus transmission and will maintain them for the foreseeable future. Some of these strategies include providing the following:

| Disinfecting wipe stations	Hand sanitizer throughout offices	Hands-free door openers in restrooms	Enhanced cleaning protocols	Masks for employees	Tech-enabled private desk booking

Redesigning Our Global Headquarters

As we began to think about the return to the physical workplace, we recognized that what our employees needed from the space had changed since the start of the pandemic. Based on this understanding, we redesigned Base Camp only 18 months after it opened in Atlanta, Georgia, to reflect what our people needed to return to the office. We utilized employee and customer feedback obtained through surveys and internal Town Halls to determine what employees want from the workplace. Spaces for safe collaboration were top-of-mind.

We refreshed our headquarters by focusing on the following changes:

- Reconfigured and replaced furniture to create more open-air collaborative spaces in previously underutilized areas identified before COVID-19

- Adopted an online desk reservation system for all work stations and some focus rooms, allowing employees to find each other easily and enabling spaces to be turned "on" or "off" based on utilization and distancing needs

- Created zones within larger spaces to support distinct functions – collaboration, focused work, socializing, and learning – and to accommodate different individual and team working styles

- Established loosely defined "department neighborhoods" that minimize movement throughout the building in the short term

Interface has shared our redesign approach and process publicly so that other organizations can follow suit.
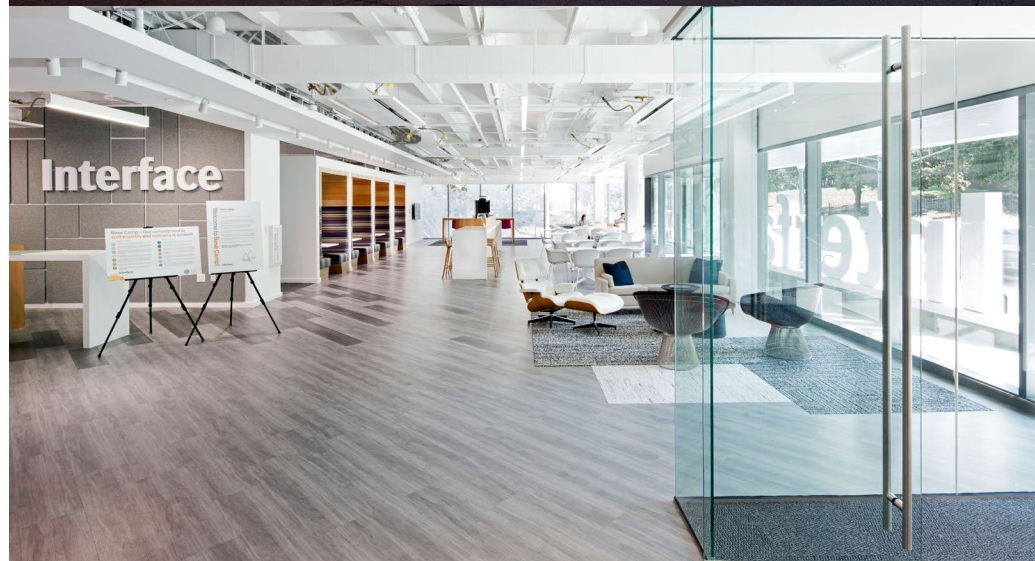
Talent Development & Training

It's an exciting time to be an Interface employee, with many opportunities on the horizon. We continue to attract and retain talent that sets us apart.

Our Talent team is working to drive the organization forward by attracting, developing, engaging, and retaining the very best workforce worldwide. They work to ensure that our values and our people remain top of mind during the hiring process, helping to build high-performing teams and individuals who are consistently seeking to Design a Better Way. In addition, this team is focused on developing our talent by maximizing performance through targeted development activities.

In 2021, we provided employee training for improved organizational effectiveness that aims to protect our people, processes, and technology. This includes training in:

- Anti-harassment
- Anti-bribery and Corruption
- Civil Treatment for Leaders
- Code of Conduct
- Recognizing and Avoiding Conflicts of Interest

- Emergency Procedures
- Information and Cyber Security
- Sales and Marketing
- Systems Training

In 2021, our people completed:

7,500+ hours of training

11,000+ training courses

Our employees are also brand ambassadors of our sustainability journey, and we provide them with the tools needed to tell our sustainability story and bring stakeholders along on our journey through our Carbon 101 and Carbon Lovers training.

In 2022, we are piloting several new leadership development and training programs, and driving education and DEI awareness through unconscious bias training, signaling our continued commitment to internal education.

Governance

Compliance and Ethics

Interface

"At Interface, purpose and profit do not compete for resources. We believe in creating a healthy and inclusive environment for all our stakeholder groups equally. We are well-positioned for the future with renewed energy and vitality that will accelerate our growth. It's an exciting time for Interface as we welcomed Laurel Hurd as our new Chief Executive Officer in April 2022. With her leadership, I'm confident we will deliver on our ESG goals while continuing our commitment to innovation."

– Dan Hendrix, Chairman of the Board for Interface

Responsible Business Practices

Interface is committed to operating in an ethical and sustainable manner, underpinned by our core values. Our strong corporate governance promotes the long-term interests of our employees, customers, shareholders, and the environment; strengthens Board of Director and management accountability; and helps build trust in our company. Please note that certain information in this section includes data from 2022.

All Interface corporate governance materials and documents can be found at investors.interface.com, including:

- Leadership Team
- Board of Directors
- Committee Composition
- Governance Documents
- Contact Information

Additional materials relevant to investors can also be found within the Annual Reports and Proxy Statements section of our investor website, including access to our 10-K, 10-Q, etc.

2022 Board of Directors

Interface is governed by an esteemed and diverse group of elected officials with a broad range of experience, distinct skills, and diverse demographics. The board has adopted Corporate Governance Guidelines that provide a general framework for governance. It also provides oversight on our ESG strategy. Directors serving on the Interface board as of August 2022 are:

1. Daniel T. Hendrix
2. John P. Burke
3. Dwight Gibson
4. Christopher G. Kennedy
5. Joseph Keough
6. Catherine M. Kilbane
7. K. David Kohler
8. Robert T. O'Brien
9. Laurel Hurd

2022 Board Demographics

77% Independent

11% Racially Diverse

22% Female

Wide Range of Tenure

2022 Board Skills Matrix

Experience, Skills, & Attributes	Burke	Gibson	Hendrix	Hurd	Kennedy	Keough	Kilbane	Kohler	O'Brien
C-Suite Executive Management	✓	✓	✓	✓	✓	✓	✓	✓	
Industry Knowledge			✓		✓				
Accounting & Finance			✓			✓			✓
International Business	✓	✓	✓	✓			✓	✓	✓
Strategy Development	✓	✓	✓	✓	✓	✓		✓	✓
Mergers & Acquisitions		✓	✓	✓			✓	✓	✓
Sales & Marketing	✓	✓		✓				✓	✓
Environmental Sustainability	✓		✓		✓				
Corporate Governance & Risk Management							✓		✓

ESG Oversight

Interface embraces and supports core values in the areas of human rights, labor standards, environmental responsibility, and ethical practices. We have policies and actions in place to align with the United Nations Sustainable Development Goals and in support of action on human rights, labor, sustainability, and anti-corruption. They include:

- Anti-Corruption and Anti-Bribery Policy

- Audit Committee Charter

- Code of Business Conduct and Ethics

- Compensation Committee Charter

- Corporate Governance Guidelines

- Majority Voting Director Resignation Policy

- Nominating & Governance Committee Charter

- Supplier Code of Conduct

ESG Governance

Our Board of Directors oversees all areas of the overall ESG commitments at Interface. Our Nominating and Governance Committee, chaired by our Lead Independent Director, is responsible for monitoring and advising the company's management regarding environmental, social, and related governance matters that are significant to the company.

ESG Oversight

*Board of Directors:
Nominating and Governance Committee*

ESG Strategy

Executive Leadership Team

Environmental Sustainability

*Lisa King
Chief Innovation Officer*

Corporate Governance

*David Foshee
General Counsel & Secretary*

People and Culture

*Greg Minano
Chief Human Resources Officer*

Sustainability

*Erin Meezan
Chief Sustainability Officer*

Research & Innovation

*John Bradford
Chief Science & Technology Officer*

Diversity, Equity & Inclusion

*Christine Needles
Executive Director, Diversity,
Equity & Inclusion*

"Sustainability is core to Interface's DNA and drives decision making across many facets of its business – including corporate responsibility, human capital management, safety, ethical behavior, and corporate governance. The Board of Directors is committed to supporting Interface as it creates a sustainable business model for itself and for the Earth."

– Chris Kennedy, Lead Independent Director of the Interface Board

Policies & Ethics

At Interface, sound corporate citizenship and environmental sustainability are critical to our long-term success. Integrity, environmental stewardship, diversity and inclusion, health and safety of our workforce, the recruitment, development and retention of our workforce, and community engagement are among our priorities. We regularly consult with stakeholders and third-party experts to develop and improve our social and environmental sustainability initiatives.

The Interface Code of Business Conduct and Ethics establishes the framework to ensure all Interface employees act in accordance with our core values — Design a Better Way, Be Genuine & Generous, Inspire Others, Connect the Whole, and Embrace Tomorrow, Today — including our commitment to corporate citizenship.

Anti-Corruption & Anti-Bribery Policy Statement

Any bribe to a public official, made directly or indirectly, to influence that official to use his or her position to assist in obtaining or retaining business for Interface is prohibited. This is documented in the Interface Anti-Corruption and Anti-Bribery Policy Statement, an acknowledgement of which is signed by all Interface employees worldwide and with which all employees must agree to comply.

Compliance Training & Ethics Hotline

Interface provides compliance trainings on key risks on a global and targeted basis. In 2021, trainings included topics such as anti-bribery and anti-corruption, conflicts of interest, cybersecurity, and sanctions compliance.

In addition to our global compliance training, our Values, Code of Business Conduct and Ethics, and other policies are reinforced throughout the year via local and global communications.

Interface provides a Fraud and Ethics hotline, through EthicsPoint, to provide a simple, risk-free way to anonymously and confidentially report actual or suspected financial, human resources, legal, or environmental and occupational safety activities that may involve criminal conduct or violations of Interface's Code of Conduct. Subject to local laws and regulations, reports submitted via EthicsPoint remain confidential, and the identity anonymous, unless indicated otherwise. The global ethics reporting hotline is available on the web and by phone.

Since 2004, we average 0.82 annual reports via the hotline. In 2021, we received one allegation regarding potential corrupt behaviors; however, the allegation was confirmed to be a fraudulent phishing scam and the case was closed after a thorough investigation and internal interviews.

Interface also has taken action to ensure our global suppliers comply with our positions on corruption and bribery via the Interface Supplier Code of Conduct, which covers issues such as Human Rights and Environmental Practices.

Enterprise Risk Management

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Interface maintains a formal Enterprise Risk Management program tailored to our specific risk profile and needs. The program includes a continuous process of identifying, assessing, addressing, monitoring, and reporting on the risks that pose the greatest threats to the Company. As part of that process, a management risk committee conducts an annual survey of our top global leaders to assess the likelihood, potential impact, and velocity of a large number of potential risks and to help identify emerging risks. Key items discussed as part of this report include risks associated with: financial distress, loss of key personnel, shifting marketplace demand, supply chain disruption, business continuity failure, cybersecurity, and climate, including its physical risks. In 2022, this annual survey included our Board of Directors.

The program is managed by a risk committee comprised of executive officers and other senior managers, administered by the Director of Internal Audit, and overseen by the Audit Committee pursuant to authority delegated by the Board of Directors in the Audit Committee Charter. The management risk committee meets quarterly to monitor the key identified risks and how they are being addressed, which may include, depending on the circumstances, mitigating, sharing, accepting, or avoiding the risk. The management risk committee and Director of Internal Audit report to the Audit Committee quarterly on significant developments and key elements of the program.

Human Rights

Interface supports fundamental human rights for all people and is committed to complying with employment laws in every country in which we operate. It is our responsibility to create an environment that embraces diversity, is free from discrimination and harassment, and is grounded in fair treatment and respect. We plan to publish a new Global Human Rights policy in 2022.

Our global Supplier Code of Conduct is an important tool in our efforts to ensure that our key suppliers also adopt and adhere to these fundamental principles. It requires that all suppliers comply with all applicable laws, rules, and regulations, including but not limited to those in the areas of workplace health and safety. It further requires that all Interface suppliers institute and maintain appropriate measures designed to prevent work-related employee injury or illness.

Some of our existing supply contracts incorporate the Interface Supplier Code of Conduct, and we are working to incorporate our Supplier Code of Conduct into new supply contracts and into contract renewals that do not already incorporate the Code. In 2021, Interface began expanding the use of this Code in Purchase Order Terms and Conditions, first implementing updated Purchase Order Terms and Conditions in our China business. We plan to continue this effort across all of our regional businesses in 2022.

This Supplier Code of Conduct is socialized through ongoing training and compliance, and it is included as part of periodic audits with suppliers. These audits focus on ensuring our suppliers have robust programs to protect the health and safety of their employees, as well as addressing broader business terms like quality and environmental compliance. Interface maintains copies of these supplier audits. Although no such audits were conducted in the reporting period due to the pandemic, Interface anticipates resuming this practice with its key suppliers once pandemic-based restrictions on travel and in-person gatherings are lifted; two supplier audits are planned in 2022.

Climate Governance

Interface has adopted an integrated, strategic approach to ensuring effective management of climate strategy and measurement. Essential components of this approach include:

Key individuals responsible for climate strategy

Executive Leadership and Board of Directors oversight and approval of climate strategy and issues

Science-based climate action plan

Annual report on progress on our climate targets

Our sustainability strategy, including climate-related issues and goals, is reviewed with the Board of Directors as part of our annual strategic planning sessions and as important matters arise. Annual budgets and capital expenditure plans, including those driven by climate-related strategies and issues, are reviewed and approved as part of our annual budget process.

Our Chairman of the Board is responsible for overseeing key strategic issues including our climate strategy and climate-related issues. Our chairman monitors progress on climate goals and targets and provides guidance to the CEO and Chief Sustainability Officer (CSO) on climate strategy.

The CSO is responsible for developing and leading our climate strategy, and reports directly to the Chief Innovation Officer (CIO), who reports to our CEO. Their role includes creating a framework for and implementing our Climate Take Back™ initiative, measuring success, identifying projects and activities to reduce climate emissions to meet our company targets, and reporting progress internally and externally. The CSO also leads a global team that provides technical assistance and support to the company's sustainability goals at all levels throughout the business.

Our climate impacts from operations are monitored through our global environmental metrics program, EcoMetrics™, and our product climate impacts are monitored as part of our robust Life Cycle Assessment program.

Appendix

Cautionary Statements

This ESG Report contains forward-looking statements, including, in particular, statements about Interface's plans, strategies, and prospects. These are based on the Company's current assumptions, expectations, and projections about future events.

Although Interface believes that the expectations reflected in these forward-looking statements are reasonable, the Company can give no assurance that these expectations will prove to be correct or that savings or other benefits anticipated in the forward-looking statements will be achieved. The forward-looking statements set forth involve a number of risks and uncertainties that could cause actual results to differ materially from any such statement, including risks and uncertainties associated with the ongoing COVID-19 pandemic, including interruptions to our manufacturing operations and reduced demand for our products, and economic conditions in the commercial interiors industry. Additional risks and uncertainties that may cause actual results to differ materially from those predicted in forward-looking statements also include but are not limited to the risks under the heading "Risk Factors" included in Part I, Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 2022, as supplemented in Part II, Item 1A of the Company's Quarterly Report on Form 10-Q for the quarter ended April 3, 2022, which discussions are hereby incorporated by reference. You should also consider any additional or updated information we include under the heading "Risk Factors" in our subsequent annual and quarterly reports.

Forward-looking statements speak only as of the date made. The Company assumes no responsibility to update or revise forward-looking statements and cautions investors not to place undue reliance on any such statements. Unless another date is indicated, this ESG report is dated as of August 10, 2022, and the information contained herein should not be considered accurate as of any other future date. Interface expressly disclaims any obligation to update the information contained herein. References and links to websites contained herein are for reference purposes only, and the content of such websites is not a part of this ESG report or incorporated by reference herein.
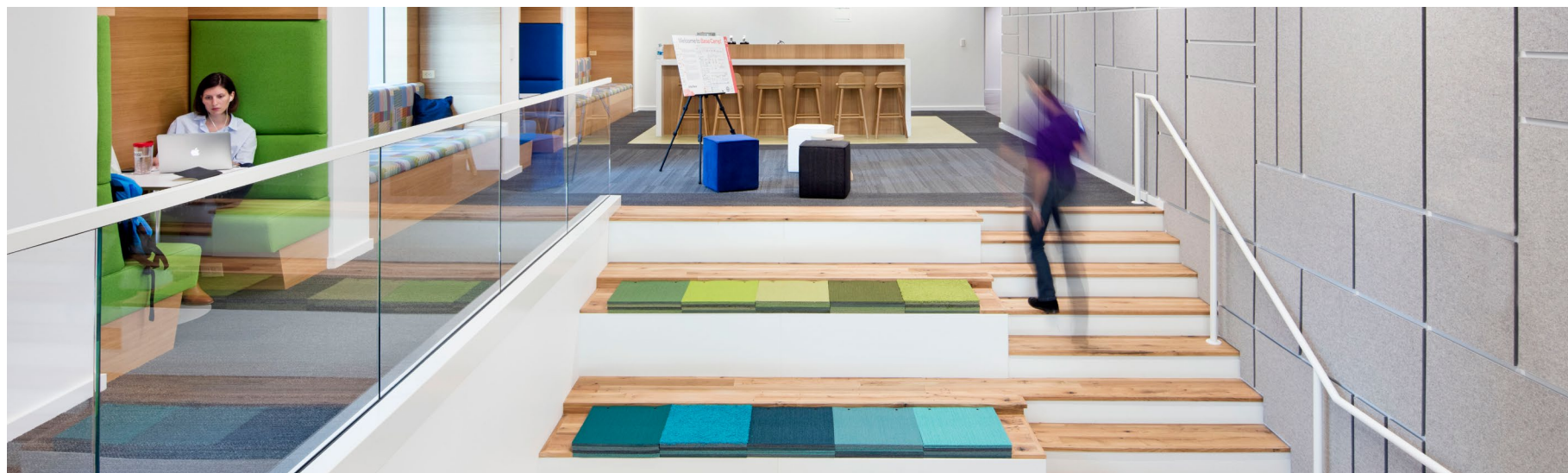
Global Reporting Initiative (GRI) Index - 2021

Interface, Inc., has reported the information cited in this GRI content index for the period of January 1, 2021 – December 31, 2021, with reference to the GRI standards. Board composition information is based on our 2022 Board of Directors.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Interface, Inc.
	2-2 Entities included in the organization's sustainability reporting	Annual Report 2021, Item 1: Business; Page 2
	2-3 Reporting period, frequency and contact point	The reporting period for this information is January 1, 2021 – December 31, 2021. The information will be published annually. Any questions can be directed to investor@interface.com.
	2-4 Restatements of information	This is Interface's first report referencing the GRI Standards. There are currently no restatements of information.
	2-5 External assurance	Interface has not had this report externally assured.
	2-6 Activities, value chain and other business relationships	Annual Report 2021, Item 1: Business; Pages 2-4
	2-7 Employees	Annual Report 2021, Item 1: Business; Page 9
	2-8 Workers who are not employees	Annual Report 2021, Item 1: Business; Page 9
	2-9 Governance structure and composition	2022 Proxy; Pages 18-21

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	2022 Proxy; Page 17
	2-11 Chair of the highest governance body	Board of Directors
	2-12 Role of the highest governance body in overseeing the management of impacts	Interface Executive Leadership Team engages with the Board of Directors regarding management of impacts.
	2-13 Delegation of responsibility for managing impacts	Nominating & Governance Committee Charter
	2-14 Role of the highest governance body in sustainability reporting	Interface Executive Leadership Team engages with the Board of Directors regarding sustainability reporting.
	2-15 Conflicts of interest	Corporate Governance Guidelines Code of Business Conduct and Ethics
	2-16 Communication of critical concerns	Interface's Executive Leadership team engages with the Board of Directors regarding any critical concerns.
	2-17 Collective knowledge of the highest governance body	Corporate Governance Guidelines
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Guidelines
	2-19 Remuneration policies	2022 Proxy; Pages 28-39
	2-20 Process to determine remuneration	2022 Proxy; Pages 29-31
	2-21 Annual total compensation ratio	2022 Proxy; Pages 50-51
	2-22 Statement on sustainable development strategy	Interface is committed to the United Nations Sustainable Development Goals (SDGs) as a pathway to bring about sustainable development that addresses shared global challenges.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-23 Policy commitments	Anti-Corruption and Anti-Bribery Policy Statement Audit Committee Charter Code of Business Conduct and Ethics Compensation Committee Charter Corporate Governance Guidelines Majority Voting Director Resignation Policy Nominating & Governance Committee Charter Supplier Code of Conduct
	2-24 Embedding policy commitments	Code of Business Conduct and Ethics
	2-25 Processes to remediate negative impacts	Code of Business Conduct and Ethics Supplier Code of Conduct Governance → ESG Oversight
	2-26 Mechanisms for seeking advice and raising concerns	Governance → Policies & Ethics Governance → Compliance Training and Ethics Hotline
	2-27 Compliance with laws and regulations	We are subject to various federal, state, and foreign laws and regulations that address various aspects of our business such as worker safety (including but not limited to safety measures in response to the COVID-19 pandemic), privacy, trade sanctions, and anticorruption. In addition, our operations are subject to laws and regulations relating to the generation, storage, handling, emission, transportation, and discharge of materials into the environment. The costs of complying with these laws and regulations have not had a material adverse impact on our financial condition or results of operations in the past and are not expected to have a material adverse impact in the future. The environmental management systems of our floorcovering manufacturing facilities in LaGrange, Georgia, West Point, Georgia, Northern Ireland, the Netherlands, Thailand (anticipated closure at the end of the first quarter of 2022), China, Germany, and Australia are certified under ISO Standard No. 14001.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-28 Membership associations	Interface and its brands are members of the following organizations: • The Center for Health Design (CHD) • Institute for Healthcare Improvement (IHI) • Nursing Institute for Healthcare Design (NIHD) • American Society for Healthcare Engineering (ASHE) • Association for the Healthcare Environment (AHE) • Association of Medical Facility Professionals (AMFP) • American Hospital Association (AHA) • International Interior Design Association (IIDA) • American Society of Interior Designers (ASID) • American Academy of Healthcare Interior Designers (AAHID) • EdMarket • Association 4 Learning Environments (A4LE) • American Association of School Business Officers International • Association of Physical Plant Administrators (APPA) • American Institute of Architects/Committee of Architects in Education (AIA/CAE) • Coalition for Adequate School Housing (CASH) • Council of Education Facility Planners International (CEFPI) • Green Schools Alliance • Green Schools National Network • International Facility Managers Association (IFMA) • National Association for Education Statistics (NAES) • National Association of Independent Schools (NAIS) • National School Plant Management Association (NSPMA)

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Interface is a purpose-driven company and our purpose, Lead Industry to Love the World, drives us to pursue a multi-stakeholder approach to our business that focuses on delivering value to employees, customers, shareholders, and the environment. We engage our stakeholders through two-way dialogue as needed to seek input on issues related to our business. We are committed to educating them on the importance of sustainable and inclusive business.
	2-30 Collective bargaining agreements	Social → Employee Health & Safety
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Interface plans to formalize its process for determining material topics in the coming years.
	3-2 List of material topics	Interface plans to formalize its process for determining material topics in the coming years.
	3-3 Management of material topics	Interface plans to formalize its process for managing material topics in the coming years.
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Reference 2021 Form 10-K
	201-2 Financial implications and other risks and opportunities due to climate change	Annual Report 2021; Item IA: Risk Factors; Pages 10-18
	201-3 Defined benefit plan obligations and other retirement plans	Reference 2021 Form 10-K; Pages 88-96
	201-4 Financial assistance received from government	Reference 2021 Form 10-K; Pages 47-53, 82-86
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Interface does not currently report on this. It plans to formalize this process in the coming years.
	202-2 Proportion of senior management hired from the local community	Interface does not currently report on this. It plans to formalize this process in the coming years.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Interface does not currently have formalized plans for supporting infrastructure investments and services.
	203-2 Significant indirect economic impacts	Reference 2021 Form 10-K; Page 12 Annual Report 2021; Item 7; Pages 22-27
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Interface does not currently report on this. It plans to formalize this process in the coming years.
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Code of Business Conduct and Ethics Anti-Corruption and Anti-Bribery Policy Statement Supplier Code of Conduct
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Corruption and Anti-Bribery Policy Statement Supplier Code of Conduct Governance → Compliance Training and Ethics Hotline
	205-3 Confirmed incidents of corruption and actions taken	Interface had no confirmed instances of corruption in 2021.
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Reference 2021 Form 10-K; none in 2021
GRI 207: Tax 2019	207-1 Approach to tax	Annual Report 2021; Pages 34; 47; 70-74
	207-2 Tax governance, control, and risk management	Corporate Governance Guidelines Governance → Risk Management
	207-3 Stakeholder engagement and management of concerns related to tax	Corporate Governance Guidelines Governance → Risk Management
GRI 207: Tax 2019	207-4 Country-by-country reporting	Interface does not report on taxes country-by-country. However, we do provide a breakdown of U.S. versus Foreign operations. Reference 2021 Form 10-K; Pages 82-85

GRI STANDARD	DISCLOSURE	LOCATION
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Interface shares the materials used in all its products via its Product Transparency efforts, including Environmental Product Declarations. Environmental → Product Transparency
	301-2 Recycled input materials used	Environmental Commitment Environmental → Circular Economy Environmental → Product Transparency
	301-3 Reclaimed products and their packaging materials	Environmental Commitment Environmental → Circular Economy Environmental → Product Transparency
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environmental Commitment
	302-2 Energy consumption outside of the organization	Interface does not currently report on this information.
	302-3 Energy intensity	Environmental Commitment
	302-4 Reduction of energy consumption	Environmental Commitment
	302-5 Reductions in energy requirements of products and services	Environmental Commitment
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Interface does not currently report on this information.
	303-2 Management of water discharge-related impacts	Interface does not currently report on this information.
	303-3 Water withdrawal	Environmental Commitment
	303-4 Water discharge	Environmental Commitment
	303-5 Water consumption	Environmental Commitment

GRI STANDARD	DISCLOSURE	LOCATION
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Interface does not own, lease or manage any sites adjacent to or in areas of high biodiversity value.
	304-2 Significant impacts of activities, products and services on biodiversity	We have not identified our activities or products as having significant impacts on biodiversity. Interface is committed to sourcing materials and engaging in manufacturing operations that support biodiversity. With this, we are committed to developing a circular economy and use of recycled and bio-based materials.
	304-3 Habitats protected or restored	Interface does not have programs of this kind.
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Interface does not have operations in areas with IUCN Red List species and national conservation list species habitats.
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	5,923 metric tonnes
	305-2 Energy indirect (Scope 2) GHG emissions	8,178 metric tonnes
	305-3 Other indirect (Scope 3) GHG emissions	472,760 metric tonnes
	305-4 GHG emissions intensity	Environmental Commitment
	305-5 Reduction of GHG emissions	Environmental → 2021 Greenhouse Gas Emissions Update Environmental Commitment
	305-6 Emissions of ozone-depleting substances (ODS)	Interface measures these emissions annually through our environmental metrics program, but they are de minimis and we do not report them publicly.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Interface does not currently report on this. It plans to formalize this process in the coming years.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Total waste from manufacturing sites is 19.2 million pounds in 2021. This includes 13.7 million pounds at carpet manufacturing sites and 5.5 million pounds at our rubber flooring manufacturing site.
	306-2 Management of significant waste-related impacts	Environmental → Reducing Our Impact
	306-3 Waste generated	Total waste from manufacturing sites is 19.2 million pounds in 2021. Environmental Commitment
	306-4 Waste diverted from disposal	Interface does not currently report on this information.
	306-5 Waste directed to disposal	Total waste from manufacturing sites is 19.2 million pounds in 2021. Environmental Commitment
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Interface does not currently report on this. It plans to formalize this process in the coming years.
	308-2 Negative environmental impacts in the supply chain and actions taken	Interface does not currently report on this. It plans to formalize this process in the coming years.
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Interface does not currently report on this information.
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Interface does not currently report on this information.
	401-3 Parental leave	Social → 2021 DEI Milestones

GRI STANDARD	DISCLOSURE	LOCATION
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Interface does not currently report on this.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Social → Safety Programs & Results
	403-2 Hazard identification, risk assessment, and incident investigation	Governance → Risk Management
	403-3 Occupational health services	Social → Safety Programs & Results
	403-4 Worker participation, consultation, and communication on occupational health and safety	Social → Safety Programs & Results
	403-5 Worker training on occupational health and safety	Social → Safety Programs & Results Social → Talent Management & Training
	403-6 Promotion of worker health	Social → Safety Programs & Results
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social → Safety Programs & Results
	403-8 Workers covered by an occupational health and safety management system	Social → Safety Programs & Results
	403-9 Work-related injuries	Social → Safety Programs & Results
	403-10 Work-related ill health	Interface does not currently report on this. It plans to formalize this process in the coming years.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	1.9 Hours
	404-2 Programs for upgrading employee skills and transition assistance programs	Social → Talent Management & Training
	404-3 Percentage of employees receiving regular performance and career development reviews	Interface conducts regular performance and career development reviews for all employees.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Social → 2021 Employee Data Governance → Responsible Business Practices
	405-2 Ratio of basic salary and remuneration of women to men	Interface does not currently report on this globally.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Interface does not currently report on this externally. It plans to formalize this process in the coming years.
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Environmental → Supply Chain & Supplier Efforts
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Per our Supplier Code of Conduct, our operations and suppliers are governed by guidelines prohibiting incidents of child labor, and we have not found operations and suppliers at significant risks for such incidents.
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Per our Supplier Code of Conduct, our operations and suppliers are governed by guidelines prohibiting incidents of forced or compulsory labor, and we have not found operations and suppliers at significant risks for such incidents.
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Interface does not currently have a formalized process for training security personnel on human rights policies and procedures.
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Interface did not experience any incidents of violations involving rights of indigenous peoples in 2021.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Interface Australia Reconciliation Action Plan
	413-2 Operations with significant actual and potential negative impacts on local communities	Interface is committed to creating an inclusive and sustainable business. This includes efforts to reflect the diversity of the communities in which we operate and supporting the communities where we live and work through involvement activities. We have not identified significant actual or potential negative impacts on local communities.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Interface does not currently report on this. It plans to formalize this process in the coming years.
	414-2 Negative social impacts in the supply chain and actions taken	Interface does not currently report on this externally.
GRI 415: Public Policy 2016	415-1 Political contributions	Interface believes in the power of corporate citizenship and has participated in political engagement and lobbying efforts; however, it does not currently have a formalized approach in place. We do not use corporate funds to contribute to candidates, political parties, committees, etc.
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	We share data on the health and safety impacts of our processes and products. We provide Health Product Declarations for all our products. Additional details at Product Transparency.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Interface did not experience any incidents of non-compliance concerning the health and safety impacts of products and services in 2021.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Product Transparency
	417-2 Incidents of non-compliance concerning product and service information and labeling	Interface did not experience any incidents of non-compliance concerning product and service information and labeling in 2021.
	417-3 Incidents of non-compliance concerning marketing communications	Interface did not experience any incidents of non-compliance concerning marketing communications in 2021.
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Interface did not experience any substantiated complaints concerning data breaches in 2021.

Sustainability Accounting Standards Board (SASB) Index – 2021

Interface supports the mission of the Sustainability Accounting Standards Board (SASB) disclosing material sustainability data according to SASB's industry specific standards.

TOPIC	METRIC	CODE	RESPONSE	VERIFIED
Energy Management in Manufacturing	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	CG-BF-130a.1	1) In 2021, Interface consumed 530,723 GJ of energy in manufacturing. 2) 45% of electricity use in manufacturing was grid electricity, while 53% was thermal energy. 3) 100% of the electricity was renewable or made renewable through the purchase of Renewable Energy Credits (RECs). 76% of Interface's total energy usage, both electricity and thermal, comes from renewable sources through direct purchase or renewable energy credits. 91% of total energy used at carpet manufacturing sites is renewable and 48% of total energy used at rubber manufacturing sites is renewable.	Third-party verified by Apex
Management of Chemicals in Product	Description of processes to assess and manage risks and/or hazards associated with chemicals in products	CG-BF-250a.1	Interface has established an aggressive approach to the management of chemicals in our raw materials and finished products. Interface's goal is to have no chemicals of concern in our entire portfolio of products. Interface determines chemicals of concern based on a rigorous review of medical and scientific literature, regulations, and market trends and adopts global goals for their substitution and phase out for all product lines. Using this approach, Interface has phased out the use of numerous categories of chemicals including the elimination of ortho-phthalate esters, formaldehyde, fluorocarbons, and flame retardants. In 2021, Interface eliminated several materials from our product portfolio, including fly ash, as well as several materials in our rubber and resilient product group. In 2021, our European business eliminated its bitumen-based backing system for carpet tiles, replacing those petroleum derived materials with bio-based materials. In 2021, Interface also made progress to reduce virgin raw materials used in the backing of our carpet tile products and replaced them with recycled and bio-based materials.	
	Percentage of eligible products meeting volatile organic compound (VOC) emissions and content standards	CG-BF-250a.2	All Interface flooring (100%) meets indoor air quality standards for low VOC emissions. This is certified through several IAQ standards including CRI Green Label Plus, FloorScore, ACCS, GUT, GreenTag, Blue Angel, CDPH, GreenGuard, and other regionally specific standards.	Certified through various product standard

TOPIC	METRIC	CODE	RESPONSE	VERIFIED
Product Lifecycle Environmental Impacts	Description of efforts to manage product lifecycle impacts and meet demand for sustainable product	CG-BF-410a.1	Interface uses life cycle assessment to create data to drive the reduction in the environmental impact of its products. We assess the environmental footprint of our products and publish the results of these assessments in Environmental Product Declarations (EPDs). Interface leads the industry in the adoption and use of EPDs for product disclosures and 99% of our total product portfolio is covered by EPDs. EPDs show the progress Interface has made to reduce the environmental impacts of our products using various strategies including: reducing the energy used to manufacture products, using renewable energy to make products, the use of recycled materials and the reduced use of chemicals in products. All EPDs are publicly available and are published on company websites. Interface leads the industry in offering the lowest carbon footprint products and in providing verified carbon neutral products across our carpet tile, and resilient and rubber flooring. Our global sales weighted average product footprint for carpet tile from cradle-to-gate is 4.8 kg CO_{2e}/m^2 and for our multi-layered resilient flooring (MRF), including LVT, it is 9.1 kg CO_{2e}/m^2. Interface's Carbon Neutral Floors program has shown continuous reduction of product carbon footprint since 2005, and all flooring products sold by Interface – carpet tile, MRF, and nora rubber sheets and tiles – are carbon neutral across their full product life cycle. Through this verified program Interface has its carbon reductions, carbon offsets balance and offset retirement verified on an annual basis covering all product categories. In 2021, we retired 442 thousand metric tonnes of verified emission reduction credits and have retired 6.1 million metrics tonnes since program began in 2003. Interface's ReEntry program has collected used carpets that provide raw materials for recycled carpet backing which incorporates both pre-consumer and post-consumer carpet materials. In the last 6 years, we have recovered almost 64 million pounds of post-consumer carpet through our global ReEntry programs. From that total, 46 million pounds were given a second life through recycling internally or reused/recycled through one of our ReEntry partners.	Carbon Neutral Floors program verified by Apex EPDs verified by UL and IBU

TOPIC	METRIC	CODE	RESPONSE	VERIFIED
Product Lifecycle Environmental Impacts	(1) Weight of end-of- life material recovered, (2) percentage of recovered materials recycled	CG-BF-410a.2	1) In 2021, Interface recovered 6.1 million pounds or 2,751 metric tonnes of post-consumer carpet through its global ReEntry program – This material was either recycled by Interface internally, reused, or repurposed or reused by others. 2) In 2021, 86% of the post-consumer material recovered was recycled by Interface internally, reused, or repurposed/reused by others and 14% was sent to waste-to-energy facilities.	
Wood Supply Chain Management	(1) Total weight of wood fiber materials purchased, (2) percentage from third- party certified forestlands, (3) percentage by standard, and (4) percentage certified to other wood fiber standards, (5) percentage by standard	CG-BF-430a.1	This category is not material to our business as we do not source wood materials.	

Task Force on Climate-Related Financial Disclosures (TCFD) Index

Interface provides disclosures as highlighted by The Financial Stability Board (FSB) and its TCFD to share risks related to climate change.

GOVERNANCE	DISCLOSURE	REFERENCE
Disclose the organization's governance around climate-related risks and opportunities.	Describe the board's oversight of climate-related risks and opportunities.	Governance → Climate Governance
	Describe management's role in assessing and managing climate-related risks and opportunities.	Governance → Climate Governance

STRATEGY	DISCLOSURE	REFERENCE
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	Describe the climate- related risks and opportunities the organization has identified over the short, medium, and long term.	Not disclosed in this report.
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Not disclosed in this report.
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Not disclosed in this report.

RISK MANAGEMENT	DISCLOSURE	REFERENCE
Disclose how the organization identifies, assesses, and manages climate-related risks.	Describe the organization's processes for identifying and assessing climate-related risks.	Not disclosed in this report.
	Describe the organization's processes for managing climate-related risks.	Not disclosed in this report.
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Not disclosed in this report.

METRICS & TARGETS	DISCLOSURE	REFERENCE
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Environmental → A Climate Fit for Life
	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Environmental → A Climate Fit for Life
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Environmental → A Climate Fit for Life

United Nations Sustainable Development Goals (SDGs)

Interface has been aligned with the ambition of SDGs since their inception through our ambitious sustainable business approach established in 1994. Our current company policies, goals, and actions align with and support the SDGs including SDGs 3, 5, 8, 11, 12, and 13, in particular.

UNITED NATIONS SDGS	INTERFACE COMMITMENT
SDG 3 – Good Health and Wellbeing	About Interface → Commitment to United Nations SDGs
SDG 5 – Achieve gender equality and empower all women and girls	About Interface → Commitment to United Nations SDGs

UNITED NATIONS SDGS	INTERFACE COMMITMENT
SDG 8 – Promote sustained, inclusive and sustainable economic growth, full productive employment and decent work for all	About Interface → Commitment to United Nations SDGs
SDG 11 – Make cities and human settlements inclusive, safe, resilient and sustainable.	About Interface → Commitment to United Nations SDGs

UNITED NATIONS SDGS	INTERFACE COMMITMENT
SDG 12 – Ensure sustainable consumption and production patterns.	About Interface → Commitment to United Nations SDGs
SDG 13 – Take urgent action to combat climate change and its impacts	About Interface → Commitment to United Nations SDGs

We've seen the power that a change in mindset can have, starting with **founder Ray Anderson's** life changing epiphany. It's why we create a culture that fosters new thinking and new approaches.

Interface®

Design With Purpose

2021 Environmental, Social, and Governance (ESG) Report

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