

# Economic Sustainability

Over the last 100 years the expansion of Polyflor’s parent company, James Halstead PLC, has been managed by four generations of Halstead’s. Established by James Halstead himself in 1915, the company’s original trade was the waxing and showerproofing of cloth for raincoats, before expanding into flooring in 1934. Today, Polyflor is an increasingly successful company, providing economic and environmental sustainability.

Polyflor is a major employer in Greater Manchester and Teesside, providing jobs within sales, marketing, graphic design, human resources, I.T, purchasing and finance, as well as production, engineering, technical, warehousing and distribution. Our business ethics ensure that we minimise risk wherever possible, given the responsibility we have within the supply chain and to our employees.

As a supplier we try to ensure timely deliveries and as a customer, timely payments, without imposing unrealistic payment terms. As a medium sized UK manufacturing company, we continue to pay fair salaries to our employees as well as paying tax in the UK, thus fully supporting the UK economy.

The company’s strategic focus remains on flooring, although the strategy evolves over time, focus on sustainable growth is undiminished. This, therefore, underpins job security for Polyflor employees and benefits all stakeholders in the business.

Despite the difficulties faced by many in the market during recent times, due to economic pressures, Polyflor remained resilient and profitable. Polyflor is a global organisation with a dominant market share in the UK and listed on the AIM market of the London Stock Exchange with a nine-figure turnover, where it celebrates over 70 years as a listed company, but also a company with a record sales turnover.

Healthy stock holdings supported sales as these efforts were greatly appreciated by the trade, including ProCure22 (the Construction Procurement Framework administrated by NHS England) with an award for outstanding support to the NHS during the pandemic. Given our reliability for quality product, stock availability and service, we were awarded “Flooring Manufacturer of the Year”, in the recent CFJ (Contract Flooring Journal) Awards. This was particularly gratifying as the voting for this award was by the floor laying contractors (the Contract Flooring Association) who install our products.

We are proud to have been associated with many projects around the world, as we trade with almost every country. Some of these projects include Knattspyrnufélagið Fram – perhaps the largest football stadium in Iceland, the shipyards in Odesa, the Solonko Sovyak Dentistry Center in Lviv and the International Airport of Boryspil located in the oblast of Kyiv.

## Investment & Growth

Polyflor’s economic sustainability, growth and success are largely attributed to the depth of its customer focus. Polyflor has strong

relationships throughout the supply chain and does not price-fix or undermine pricing structures, ensuring economic sustainability for our customers globally.

In Malaysia, we incorporated a new company and took on the trade of our former long-term distributor in November 2020. This will now act as our base for the South Asia markets of Malaysia, Singapore, Indonesia, Thailand, the Philippines and Vietnam.

Polyflor’s ongoing commitment to Research and Development through advanced technology has resulted in the creation of innovative and market leading products, with New Product Development at the core of Polyflor’s business philosophy, ensuring product is always meeting demands and on trend.

Investment also continued in Recofloor, the UK’s leading recycling scheme for waste vinyl flooring. Our dedication and investment are implemented through financial and operational support across the scheme. Recofloor is a cost-effective solution for managing waste. It is free if waste is taken to a distributors’ drop-off site, or a nominal cost is applied if waste material is collected from a specified site - this offers a saving of up to 70% when compared to landfill, which is financially beneficial for our customers, as well as promoting circular economy principals.

## Polyflor’s Value Chain

It is important to Polyflor that we go beyond what is expected as a manufacturer, encouraging best practice throughout the flooring sector and adding value in pivotal ways.

Our established Training Academy contributes to the value chain and continued to deliver high quality training courses throughout 2020 at its purpose-built facility as well as off-site locations. Further to this, Polyflor also continued its free Floor Cleaning & Maintenance Course, aimed at educating how to get the best out of flooring by using the correct cleaning methods and products to facilitate a longer life and reduce ongoing costs.

In addition to providing training and education in getting the best out of our flooring, we believe that product stewardship is key, which is why we fully engage with all our customers to manage their waste Polyflor material and recycle, with Recofloor being a cornerstone of this principal.

# Governance

Polyflor Ltd. is part of James Halstead PLC, with UK headquarters based in Manchester. The James Halstead Group employs around 820 people, has 2 UK production sites and 21 sales distribution sites worldwide.

Polyflor Ltd. has a board of 8 directors who report to Mark Halstead, Group Chief Executive and the executive board of James Halstead PLC. Mark Halstead is the fourth generation of the family to head up the business, following his Father, Geoffrey Halstead’s official retirement in December 2017, after 70 years with the company.

Polyflor’s directors are responsible and accountable for the compliance of policies which form the basis of our Code of Conduct. This promotes equality, trust and integrity and ensures legal, regulatory and ethical compliance.

## Standards of Conduct

### Employees

We will treat employees fairly and use employment practices based on equal opportunity for all employees. Recruiting, employing and promoting employees on the basis of objective criteria and the qualifications and abilities needed for the job to be performed in line with the Equal Opportunities Policy.

### Customers

We will provide high quality and value, competitive prices, and honest transactions to those who use our products. We will deal lawfully and ethically with our customers.

All employees are expected to behave respectfully and honestly in all their dealings with customers and the general public in accordance with the principles set out in this Policy.

### Suppliers

We will deal fairly with our suppliers. We will seek long lasting business relationships, without discrimination or deception. In those dealings, we expect those with whom we do business to adhere to business principles consistent with our own.

### Communities

We are committed to fostering good relationships with the communities in which we work. We will abide by all national and local laws, and we will strive to improve the wellbeing of communities through the protection of natural resources, through the encouragement of employee participation in charitable affairs.

### National and International Trade

We will seek to compete fairly and ethically within the framework of applicable competition. We will comply with all applicable export control laws and sanctions when conducting business around the world.

# Commitment to our Employees

As a major employer, Polyflor has a responsibility to its employees, ensuring their health and wellbeing as well as reducing labour turnover, which remains low. In fact, Polyflor has 25 and 40-year clubs for all employees who have been employed by Polyflor for the respective number of years, some of whom have worked for Polyflor for their entire careers (almost 50 years), joining straight from school. Retaining an experienced and knowledgeable workforce is extremely important to Polyflor.

Polyflor recruits internally and from the local, surrounding areas, advertising through local media, job centres, recruitment agencies and online. We offer graduate training programmes, internships and apprenticeships, in support of younger people wishing to develop their employment skills.

As standard practice, Polyflor has numerous training and development programmes; total compliance to the Equality Act 2010; employment health & safety policies and procedures are in place, along with employee benefits available to all staff including a pension scheme, as well as enhanced maternity and paternity pay. Polyflor engages with all its staff through annual Performance and Development Reviews, emails and circulated letters.

## Recruitment & Retention

- Low staff turnover with 25 and 40-year clubs.
- Positions are advertised internally and externally.
- We employ graduate trainees, interns and apprentices with requirements reviewed on an annual basis.

## Training & Development

- Polyflor's training is audited to ISO 9001, ISO 14001 and ISO 45001.
- An induction programme is undertaken by new employees, including an environmental induction.
- Annual appraisals identify areas of strength and opportunities or targets.
- Professional development is encouraged through courses and training where both employee and employer benefit.
- Promotion or opportunities in different departments are often distributed internally throughout the business, although obtaining the right skill set is important so positions are advertised to external candidates.
- Polyflor engages with all staff regarding environmental issues, directly through email or letter as well as indirectly through [www.polyflor.com](http://www.polyflor.com), social media and this annual report which is circulated throughout Polyflor.
- Polyflor's Training Academy for floor fitting skills is accessible to employees, which improves their understanding of Polyflor flooring and provides transferable skills for their own homes.

## Equality

- Equal opportunities & diversity policy.
- Modern Slavery Act Statement.
- Anti-bullying and Anti-discrimination policies.
- Anti-ageist, 33% of employees aged 56+ with 63% of all employees being 46+.
- Ratio of women to men is 19% to 81%.
- Ratio of females to males in management positions is greater at 10 to 40, respectively. 11% of female employees are managers with 11% of male staff also holding management and supervisory positions (this was 9% and 15% in 2020).

- Employees are typically local and represent the social demographic of the local area.
- Maternity and paternity policy with flexible return to work.

## Employee Health & Safety

- SA 8000 and ISO 45001.
- We circulate a 'handling stress at work' policy.
- A health & Safety Management procedure is in place – in accordance with HSG65, Health & Safety Executive Document Guidance.
- Potential safety risks and incidents are reported for action and avoidance.
- Accident reporting is in line with ISO 45001 guidance - all work-related injuries are recorded and followed up with a risk assessment and remedial action.
- No fatalities have ever been recorded in the company's history.
- A Pedestrian Policy is in place including demarcated pedestrian pathways and crossings and high visibility vests are issued to employees or visitors who walk around our warehousing facilities.
- Ear plugs are used in production, within hearing protection zones in various locations around the factory.
- Occupational Health – medical and fitness checks for new employees as well as ongoing health checks for employees, particularly Polyflor fleet drivers.
- Work zone assessments are conducted by Polyflor's occupational health nurse.

## Employee Benefits & Wellbeing

- Pension Scheme for every employee after 3 months of employment with Polyflor.
- Life insurance for all full time employees.
- Company social club for all employees.
- Break out zones, with seating and facilities to buy or prepare food are available on all sites.
- Areas to sit outside are accessible at all Polyflor sites.
- Employees able to undertake voluntary work.
- Bike sheds and shower facilities are obtainable at the Whitefield site.

## 2021 Update

	2017	2018	2019	2020	2021	+/-
<b>EMPLOYMENT &amp; TURNOVER</b>						
Total Employees	477	493	485	471	<b>463</b>	-2%
New Recruits	21	43	45	13	<b>54</b>	145%
Labour Turnover	13%	8%	11%	6%	<b>13%</b>	117%
<b>CONTRACTS</b>						
Full Time Employees	461	482	473	456	<b>460</b>	1%
Part Time Employees	16	11	12	15	<b>3</b>	-80%
Temporary Employees	5	24	10	9	<b>25</b>	178%
Apprenticeships	0	0	0	0	<b>1</b>	100%
<b>EQUALITY</b>						
Male Employees	394	412	400	390	<b>376</b>	-4%
Female Employees	83	85	85	81	<b>87</b>	7%
Male Managers	53	57	57	57	<b>40</b>	-30%
Female Managers	8	9	7	7	<b>10</b>	43%
<b>RETENTION</b>						
Internal Promotions	2	4	7	6	<b>5</b>	-17%
Employees Undergone Training Programmes	100	95	103	471	<b>463</b>	-2%
Total Employees in 25-Year Club	69	41	73	80	<b>87</b>	9%
New Members in 25-Year Club	13	1	11	7	<b>7</b>	0%
Total Employees in 40-Year Club	10	10	11	11	<b>11</b>	0%
New Members in 40-Year Club	2	1	1	0	<b>0</b>	0%
<b>HEALTH &amp; SAFETY</b>						
Loss Time Accident (LTA)	6	14	16	4	<b>11</b>	175%
Actual Days Lost through LTA	96	133	111	27	<b>79</b>	193%



# Commitment to our Employees

Total accidents across all our UK sites were greater than 2020, but the same as 2019. Nothing serious was reported and just included 9 minor incidents which incurred loss time (LTA) and 7 cases of illness, working from home as a result.

However, overall Polyflor's key performance indicators for Human Resources were positive for 2021. Most significantly and encouraging for economic sustainability, was the 145% increase in the company's new recruits, including a new apprentice who joined our Training Academy. As a result, 7% more female employees were recruited; 43% more females were appointed into managerial roles.

Training and development of employees remained exceptionally high throughout 2021 and included some of the following:

- Covid Awareness & Covid Refresher Training
- Induction Programme Training
- Forklift Truck Refresher & Instructor Training
- 45001 Auditor Training
- First Aid at Work Training
- CPC Training
- CIMA Qualification

In 2021, some employees were able to work from home, where feasible. In doing so, commutes were avoided. For staff who would have normally driven in, this resulted in a saving of \*78 tonnes of CO<sub>2</sub>.

**As testament to Polyflor's success in retaining valued and experienced employees, 7 new members joined the 25-Year Club, increasing its total by 9% with 87 members.**

**The 40-Year Club remained the same, with 11 members, but cumulatively, the 25 and 40-Year Clubs made up an amazing 21% of Polyflor's workforce.**

\*CO<sub>2</sub> figure based on the average passenger vehicle emitting about 411 grams of CO<sub>2</sub> per mile. This number can vary based on two factors: the fuel economy of the vehicle and the amount of carbon in the vehicle's fuel.



## Meet the Team

Name: **Adam Bean**

Job Title: **Business Admin Apprentice (Training Academy)**

Start Date: **October 25th, 2021**

### Q. What do you like about working for Polyflor?

*"I like that it is local to me and has stayed loyal to its Whitefield roots. I love the fact that sustainability is such a major cornerstone in this company. It is one of the main things that stood out to me when applying."*

### Q. What do you enjoy about your role?

*"It's very versatile and always keeps you on your toes. For someone who always likes to be active I would say this is the perfect role for me. Every aspect of the job is challenging you no matter how little it is. The only way to improve is with a challenge and that is another reason why I enjoy this job so much. It is always pushing to challenge you and the others around you."*

### Q. What new skill sets have you learnt or developed?

*"I would say I have grown more as a person in general. All my skills have developed tremendously ranging from communication skills to manual handling. At the end of the day, nobody ever stops learning so it is my choice and my goal to fulfil my everlasting potential."*

### Q. What do you hope to achieve in the next 12 months?

*"To help the Training Academy grow more and get the best out of everything. The long-term goal is to finish my apprenticeship and get offered a job here at Polyflor."*



## Meet the Team

Name: **Tracy Sneyd**

Job Title: **Customer Service Manager**

Start Date: **January 4th, 1988**

### Q. What was your first role when you joined Polyflor?

*"When I first joined Polyflor my initial role was in the warehouse office as a clerk based in Whitefield. I believe there were bets placed as to how long I would last, being the only female employed in the warehouse at that time, with 3 months being the maximum ...Think I won that bet some 34 years later!"*

### Q. How has your role changed over the years?

*"As the warehouse expanded the Royton site was purchased and my base moved from Whitefield in 2010. My work at Royton evolved and I became firstly the Assistant Distribution Manager and then the Warehouse and Logistics Manager. I also obtained my national and international CPC qualification."*

*"After 30 years working in warehouse and transport, in 2018 I moved to the UK and Export Sales Department, becoming the Customer Service Manager after my predecessor's retirement. This was a new challenge which I feel I embraced head on and have made a positive contribution to the department."*

### Q. What have been your biggest challenges and positives?

*"In honesty, with Brexit and Covid and consequent issues, this has been the most challenging couple of years, but as a department we have worked and developed together. The export team have risen to the Brexit challenges and their efforts and dedication are a credit to Polyflor."*

*"Not forgetting the UK sales team and all in the warehouse - all of whom have made my journey a memorable one. I would like to thank everyone who I have worked closely with over the years and who have mentored and guided me."*

*"I always like new challenges and am keen to keep learning and continue my journey at Polyflor - perhaps not another 34 years though!"*





# Commitment to our Communities

As a responsible manufacturer, Polyflor has a duty of care to ensure that the impact of day-to-day operations from its business to the local community is minimal. We also want to 'give back' wherever we can and support our local heroes... Let's do good.

## Good Neighbours

As such the company has procedures and policies to address issues which may arise in line with ISO 14001 and BES 6001, including a robust complaints procedure, where these issues are regularly reviewed at Environmental Steering Meetings. It is the responsibility of the Directors to initiate a project in instances where the source of a complaint is persistent and requires a solution. Where a complaint form is received, the company has a formalised procedure as per its BES 6001 objectives to respond and action within 7 days of receiving it. The recording of these complaints is audited and reported on annually.

Polyflor's Whitefield site is the original production site and located within a residential area (the site is over 100 years old and older than many of the nearby houses). For this reason, continued efforts to reduce noise pollution and emissions remain important for harmonisation between this production site and its neighbouring residents. As well as ensuring HGVs turn off engines during evening and early morning deliveries and collections, investment has also been made into acoustic engineering and into new electric forklift trucks, to help minimise noise levels.

Despite Polyflor's best efforts to prevent complaints in the first instance, they can fluctuate year on year, with the nature of complaints (some unjust, some ongoing) sometimes being difficult to control. Polyflor strives to minimise such complaints and continues to interact closely with its communities. 3 complaints were received in 2021 and were promptly handled - this was a 40% reduction against 2020 and significantly down by 67% on 2019. 2 of the complaints related to noise issues and 1 for engine idling. Given the proximity of the 100s of residents to this 24-hour (Monday to Friday) production site, we believe this is acceptable, but of course we do everything possible to prevent complaints from the outset.

## Good Support

As part of ongoing CSR commitments, Polyflor continues to liaise with and support the local communities in which it operates. It is particularly important to give something back to local communities - our (often unsung) heroes who make a massive difference - as well as contributing to causes further afield. Polyflor encourages its staff to engage with charitable organisations and events, as well as supporting individuals on a charitable basis, either financially or enabling volunteer work.

In 2021, Polyflor supported 8 charitable projects by donating nearly £16,000 worth of flooring to numerous individuals, groups and organisations locally in the UK, including Polysafe to Society Inc, Salford; Polysafe to Ossett United Youth FC; 143m<sup>2</sup> of Polysafe Verona PUR flooring to Bury Hospice and 120m<sup>2</sup> of various Polysafe ranges

to Emerge, Manchester, for their expanded warehousing which also supports the food bank charity, FareShare.

When Polyflor is involved in donating flooring to charitable projects, the marketing, sales and distribution teams invest a lot of time through support and communication: They work together in arranging a suitable product, ordering and despatch. There is a duty of care in ensuring the right flooring is specified and delivered in a timely manner and followed up with appropriate customer aftercare.

Further to this allocated time for organising donated flooring, Polyflor staff also accrue hours for individual voluntary initiatives, which Polyflor supports. In 2021, 50 hours were accrued in the UK for voluntary work, which was a 400% increase on the previous year. Some of the voluntary work carried out included:

- Helping the Royal Voluntary Service, with one employee helping with a 'check in and chat'.
- Volunteering for Springwater Park in Whitefield (across the road from Polyflor's Manchester-based production site) [www.lovespringwaterpark.wordpress.com](http://www.lovespringwaterpark.wordpress.com)
- Managing Brightmet Wanderers Hurricanes Under 11's Football Team, who train every Wednesday at St Catherine's Academy, Bolton, and play every Saturday morning in the Bolton & Bury Community Partnership League. As part of the managerial role, all voluntary work and funding is done by our employee and team coach. They also provide the team with extra training kits and winter coats on top of the standard kit.
- One employee has been a member of Cleveland Mountain Rescue Team for 18 years and has held Team Leader and Callout Officer positions over that time. The team responds to around 50-70 callouts per year and covers an area including half of the North York Moors and the Tees Valley area, including semi urban and urban areas of Middlesbrough and Hartlepool. Running costs for the team of around 50 volunteers is approximately £42k per year.



Emerge, Manchester

# Polyflor's Highlights

Let's do good

## Reuben's Retreat

Having already donated flooring to the first phase of this inspiring charity's premises in Glossop, Derbyshire, several years ago, Polyflor was approached to supply more flooring to the second phase of the development. The charity, which is converting an old cottage hospital, is undergoing extensive renovations, and has just seen the opening of a new activity wing which includes a hydrotherapy pool, accessible changing areas, and a sensory room.

Over the past nine years, Reuben's Retreat has helped more than 1,400 individuals through a range of therapeutic activities, counselling, support groups, fun events, and short breaks. We were therefore pleased to support a charity which helps families of complexly poorly children and families of child loss. Reuben's Retreat is a place for families to make special memories and to receive support in a safe, compassionate, and loving environment. [www.reubensretreat.org](http://www.reubensretreat.org)

We supplied Polysafe Stone fx PUR, Expona Flow PUR and Polysafe Hydro, as well as necessary weld rods, and are confident the 235m<sup>2</sup> of Polyflor flooring will help create a stylish and relaxing environment.

## The River Manchester

### "Bringing hope, changing lives"

The River Manchester received The Queens Award for Voluntary Services in 2019, in recognition of supporting people fleeing domestic abuse and those marginalised by poverty. The charity offers furniture for new accommodation, training and emotional support at their base in Manchester.

[www.therivermanchester.org.uk](http://www.therivermanchester.org.uk)

Polyflor provided The River Manchester with 58m<sup>2</sup> of safety flooring for the launch of their new café-come-shop in December 2021, helping them create a clean and modern floor space.

*"We are literally jumping for joy, and this will be a really big help to get our cafe going!! Yipee!"*

Lydia Chan  
Chief Executive



The River Manchester

*"In December alone, 573 individuals were able to benefit from the new facilities and we see first-hand what a difference they can make to the day-to-day lives of families. We're more grateful than we can say, as we look ahead to the exciting next phase of our development."*

Nicola Graham

Reuben's mum and the charity's founder

*"We are so grateful for your continued support! It really does make a huge difference."*

Stacey Kirkpatrick  
Senior Fundraiser

## Since providing the floor covering in 2021, it has helped in various ways:

1. A 'soft' launch event was held on December 10th to tie in with the 16 days of action against domestic abuse, with 70 people attending that evening.
2. In January, they began using the space as a training place for Cognitive Behaviour Therapy and a counselling safe space.
3. The café was officially launched in April 2022.
4. Since launching the café, it has been used as a training place for beneficiaries, to empower them with catering skills and rebuilding their confidence.
5. The flooring also enabled The River Manchester to use the space for preparing food parcels.

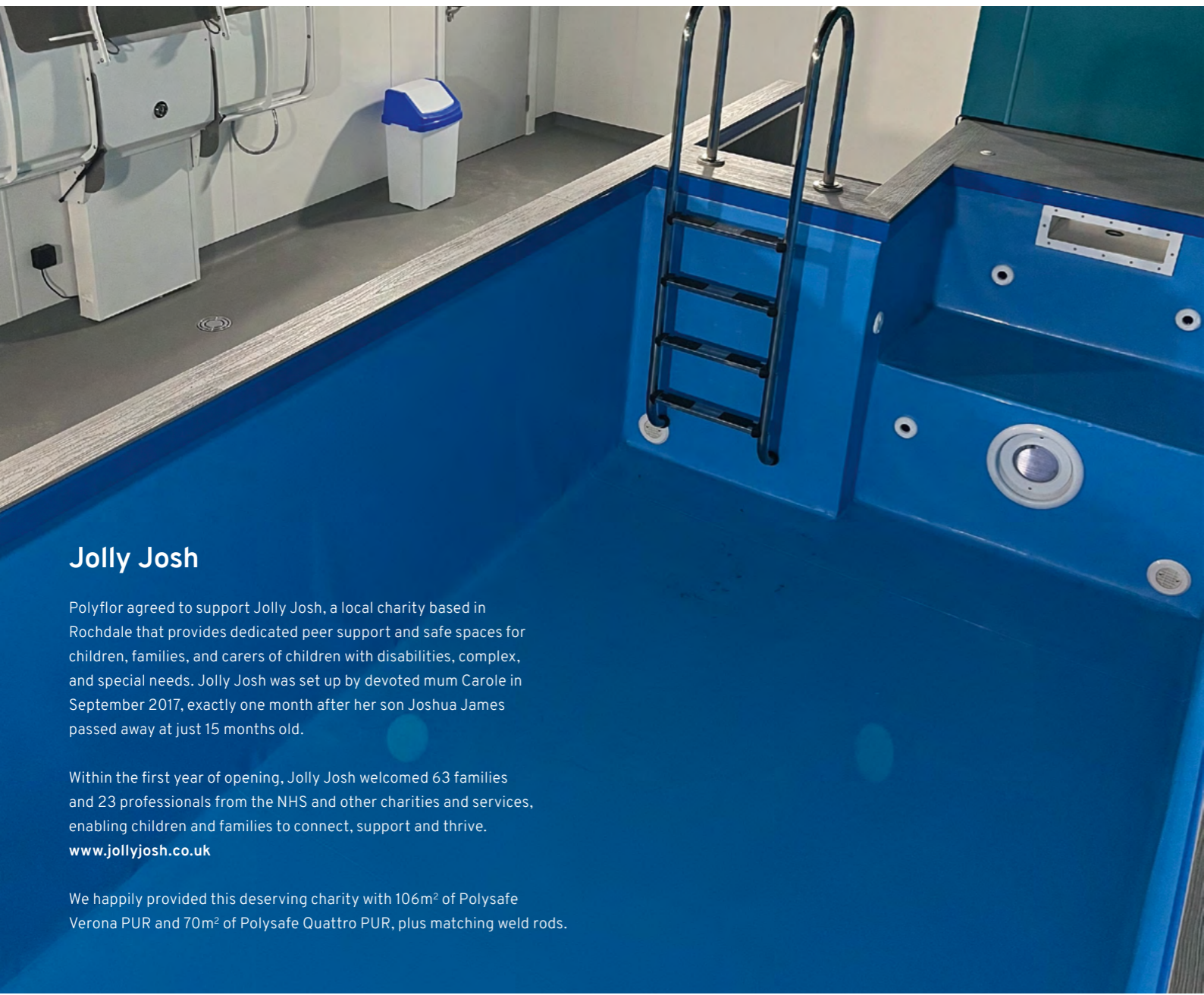


The River Manchester



# Polyflor's Highlights

Let's do good



## Jolly Josh

Polyflor agreed to support Jolly Josh, a local charity based in Rochdale that provides dedicated peer support and safe spaces for children, families, and carers of children with disabilities, complex, and special needs. Jolly Josh was set up by devoted mum Carole in September 2017, exactly one month after her son Joshua James passed away at just 15 months old.

Within the first year of opening, Jolly Josh welcomed 63 families and 23 professionals from the NHS and other charities and services, enabling children and families to connect, support and thrive.  
[www.jollyjosh.co.uk](http://www.jollyjosh.co.uk)

We happily provided this deserving charity with 106m<sup>2</sup> of Polysafe Verona PUR and 70m<sup>2</sup> of Polysafe Quattro PUR, plus matching weld rods.

# Doing Good Internationally

Polyflor New Zealand once again sponsored the Westpac Rescue Helicopter and supplied flooring to the Women's Refuge for their new premises.

Polyflor South Australia were proud to have donated XL PUR (base colour) & Palettone (assorted colour pattern work) to help refurbish The Women and Children's Hospital School in North Adelaide.



The Women & Children's Hospital School, North Adelaide



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