POLYFLOR™
COVERING THE WORLD

POLYFLOR LVT
RESPONSIBLE SOURCING
ANNUAL REPORT

FOR THE YEAR ENDED 31/12/2023

CAMARO™ LUXURY VINYL TILE COLLECTION
COLONIA™ LUXURY VINYL TILE COLLECTION
EXPONA BEVEL LINE
EXPONA COMMERCIAL
EXPONA DESIGN
EXPONA DOMESTIC
EXPONA CONTROL
Affinity2 55™

POLYFLOR LVT RESPONSIBLE SOURCING ANNUAL REPORT

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Energy & Emissions

There is a direct connection between the energy used and the environment. Emissions from energy use from activities owned or controlled by the company are reported via the Scope 1 and Scope 2 emissions. Emissions from the company's value chain both upstream and downstream of the company have been reported as Scope 3 emissions.

Scope 1 Emissions (Direct Emissions)

Year	2020	2021	2022	2023
Conversion Factor ($kgCO_2e$/tonne of Diesel (100% mineral diesel))*	3,206.62 [1]	3,208.76 [2]	3,208.76 [3]	3,203.91 [4]
Scope 1 (Direct Emissions) Diesel Emissions Intensity ($kgCO_2e/m^2$)	0.0200	0.0183	0.0181	0.0209
Total Scope 1 Emissions Intensity ($kgCO_2e/m^2$)	0.0200	0.0183	0.0181	0.0209

* The Diesel Conversion factor for '100% mineral diesel' has been used instead of the factor for 'average biofuel blend diesel' to cover a worst-case example.

Scope 2 Emissions (Indirect Emissions)

Year	2020	2021	2022	2023
Conversion Factor Electricity (China) ($kgCO_2e$/kWh of electricity)	0.5374 [5]	0.5374 [6]	0.5572 [7]	0.6608 [8]
Scope 2 (Indirect Emissions) Electricity Emissions Intensity ($kgCO_2e/m^2$)	0.9272	0.9533	0.7990	1.0041
Conversion Factor: Natural Gas ($kgCO_2e/m^3$ of natural gas (100% mineral blend))**	2.03017 [1]	2.02135 [2]	2.0300 [3]	2.05916 [4]
Scope 2 (Indirect Emissions) Steam Production (heated by Natural Gas) Emissions Intensity ($kgCO_2e/m^2$)	1.5147	1.6437	1.1667	0.8900
Total Scope 2 Emissions Intensity ($kgCO_2e/m^2$)	2.4419	2.5970	1.9657	1.8941

** The natural gas conversion factor for '100% mineral blend' has been used instead of a lower factor which includes biogas content to cover a worst-case example.

[1] Department for Environment Food & Rural Affairs (2020, July 17). Conversion factors 2020: full set (for advanced users). Retrieved from: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/891106/Conversion_Factors_2020_-_Full_set__for_advanced_users_.xlsx

[2] Department for Environment Food & Rural Affairs (2022, January 24). Conversion factors 2021: full set (for advanced users). Retrieved from: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1049333/conversion-factors-2021-fullset-advanced-users.xls

[3] Department for Environment Food & Rural Affairs (2022, September 20). Conversion factors 2022: full set (for advanced users). Retrieved from: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1083855/ghg-conversion-factors-2022-full-set.xls

[4] Department for Environment Food & Rural Affairs (2024 October 30). Conversion factors 2024: full set (for advanced users). Retrieved from: https://assets.publishing.service.gov.uk/media/6722567487df31a87d8c497e/ghg-conversion-factors-2024-full_set__for_advanced_users__v1_1.xlsx

[5] Carbon Footprint Ltd (2020, July). Country Specific Electricity Grid Greenhouse Gas Emission Factors. Retrieved from: https://www.carbonfootprint.com/docs/2020_07_emissions_factors_sources_for_2020_electricity_v1_3.pdf

[6] Carbon Footprint Ltd (2022, March). Country Specific Electricity Grid Greenhouse Gas Emission Factors. Retrieved from: https://www.carbonfootprint.com/docs/2022_03_emissions_factors_sources_for_2021_electricity_v11.pdf

[7] Carbon Footprint Ltd (2023, February). Country Specific Electricity Grid Greenhouse Gas Emission Factors. Retrieved from: https://www.carbonfootprint.com/docs/2023_02_emissions_factors_sources_for_2022_electricity_v10.pdf

[8] Carbon Footprint Ltd (2024, July 31). Country Specific Electricity Grid Greenhouse Gas Emission Factors - 2024. Retrieved from: https://www.carbonfootprint.com/docs/2024_07_international_electricity_factors_1.xlsx

Scope 3 Emissions

It is not practical or possible to measure every Scope 3 emission, but the company will endeavor to identify the significant sources of Scope 3 emissions and report an estimate of them to enable Scope 3 emissions to be monitored and reduced. Sources of emissions included in the total Scope 3 emissions intensity calculated below are raw material production, raw material transport, finished goods packaging, water consumption, waste production, business travel, transport of finished goods, use of sold products and end-of-life processing of sold products. Scope 3 emissions intensity will be reported annually from 2022 onwards.

Total Scope 3 Emissions ($kgCO_2e/m^2$)	2022	2023
	18.5333	17.7353

Refer to product specific environmental product declarations (EPD's) for verified environmental information on the life cycle of a product.

Energy Intensity

There is a direct connection between the energy used and the environment. Challenges posed by the covid-19 pandemic caused reduced efficiency of production during 2020 and 2021 but electricity consumption for 2022 reduced due to the easing of those challenges and improvements made to the equipment and processes. Energy management and continuous improvement continue to be important parts of the company's ongoing sustainability objectives.

Energy intensity rose in 2023 due to the change in production output and the change in the proportions of production for the different product constructions manufactured, but the intensity did not return to the levels seen in 2020-2021 period.

Electricity Consumption (kWh/m^2)	2020	2021	2022	2023
	1.7253	1.7740	1.4340	1.5196

Water

Water is a natural resource which must be protected. Water management continues to be an important part of the company's ongoing sustainability objectives within its BES 6001 and ISO 14001 management systems. In 2023 water usage continued to reduce.

	2018	2019	2020	2021	2022	2023
Total process mains water usage over 12 months (m^3/m^2)	0.019	0.017	0.017	0.017	0.015	0.013

Transport

The efficient transport of raw materials to the production facility, the impacts from operations of vehicles owned or leased by the company, and the subsequent transport of finished goods downstream is imperative.

With regards to the environmental impacts associated with suppliers' transport operations to and from the production facility, suppliers are encouraged to use energy efficient vehicles. The company also, where feasible, sources bulk raw materials as close as possible to the site.

Proximity of suppliers during 2023 (by percentage of weight of constituent raw materials purchased)	**Within 50 miles**	**Within 100 miles**	**Within 500 miles**
	16.9%	77.9%	77.9%
Emissions standard of raw material delivery vehicles (by percentage of weight of constituent raw materials purchased)	**CHINA V OR CHINA VI**	**CHINA VI**	
	100%	47.42%	

Orders of finished goods are loaded into containers in a way to maximize the quantity of goods per container, minimum order quantities and container loading procedures are established to support this. This activity both reduces the environmental impact from the transport of goods nd minimizes transport costs. Goods in the UK are transported by a fleet of heavy goods vehicles which have modern EURO VI engines. Further reductions of the fleets environmental impact are achieved through driver efficiencies, using the shortest routes possible, increasing bulk loading and backhauling volumes.

The transport emissions from raw material transport and the transport of finished goods have been included in the Scope 3 greenhouse gas emissions calculations. The transport emissions of vehicles directly owned or leased by the company have been included in the Scope 1 emissions. These transport impacts and their reduction is monitored as part of the company's ongoing sustainability objectives.

Waste

Waste management continues to be an important part of the company's ongoing sustainability objectives within its BES 6001 and ISO 14001 management systems. Waste minimization from the outset is pivotal. Policies and procedures are in place to ensure waste is managed and handled appropriately. Moving waste streams up the waste hierarchy is important but limiting the potential for waste at the outset will continue to be the priority.

Waste Hierarchy

PREFERABLE	Prevention	Using less material in design and manufacture; keeping products for longer; re-use and using less hazardous materials.
	Preparing for Reuse	Checking, cleaning, repairing, refurbishing whole items or spare parts.
	Recycling	Turning waste into a new substance or product. Includes composting if it meets quality protocols.
	Other Uses	Includes anaerobic digestion; incineration with energy recovery; gasification and pyrolysis which produce energy and materials from waste.
AVOID	Disposal	Landfill and incineration without energy recovery.

Waste Produced Relative to Production

Total Waste Produced Relative to Production (kg/m^2)	2019	2020	2021	2022	2023
	0.004217	0.00504	0.00619	0.00401	0.00350

Employment & Skills

The company has a responsibility to its employees, ensuring their health and wellbeing. Employee training is provided internally and, where appropriate, by external training providers. Policies and procedures are in place to ensure equality, diversity, training, health & safety, and wellbeing. The company maintains SA 8000 certification to confirm the company conducts business in a way that is fair, decent for workers, and to demonstrate adherence to the highest social standards. To maintain SA 8000 certification the production facility is audited by an independent third-party certification body.

Year	2019	2020	2021	2022	2023
Employment					
Total number of **employees**	241	236	238	214	202
Number of **new employees**	22	14	13	11	7
Contracts					
Number of **full-time employees**	241	236	238	214	202
Number of **part-time employees**	0	0	0	0	0
Number of **temporary employees**	6	0	1	0	0
Equality					
Number of **male employees**	211	209	207	189	178
Number of **female employees**	30	27	31	25	22
Number of **male managers**	7	6	6	6	6
Number of **female managers**	0	0	0	0	0
Retention					
Number of **internal promotions**	1	3	1	0	0
Number of employees who have **undergone external training**	0	2	2	0	0
Health & Safety					
Loss Time Accidents (LTA)	3	2	1	1	3
Actual days lost through LTA	101	154	138	193	170

Commitment to our Communities

As a responsible manufacturer, the company has a duty of care to ensure that the impact of day-to-day operations from its business to the local community is minimal. Policies and procedures are in place to ensure complaints are in place to ensure all complaints from local community stakeholders and any subsequent and associated actions are managed and recorded appropriately. There have been no complaints from the local community in the past year, a testament to the production site and ongoing BES 6001 and ISO 14001 objectives.

As part of Polyflor's ongoing Corporate Social Responsibility (CSR) commitments, we 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.

Polyflor provides support to its local communities in many ways, including donating product, money and time. When Polyflor is involved in donating flooring to charitable projects, the marketing, sales and distribution teams invest a lots of time through support and communication: They work together in arranging a suitable product, ordering and dispatch. 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.

Polyflor employees are also encouraged to engage with charitable organisations and events, through fundraising or supporting their peers (we allow time during work hours for communicating and organising collections for selected charities and food banks) or carrying our volunteer work as another way for employees to feel fulfilled outside of their role.

CSR activities are important to Polyflor and though the last 6 years, Polyflor has donated over £103,280 to local charities in the UK. In 2023, Polyflor supported 16 charitable projects (14 charities) by donating £35,853 both financially and in flooring – increases of 129% and 646% respectively against 2022. Polyflor staff also raised £704 in financial contributions and food and toy gifts, in support of various local and national charities in the UK. Here is a selection of charities we supported in 2023.

The River Manchester

For the third year running we also helped The River Manchester, a charity which brings hope and support to those facing or fleeing domestic violence and potential poverty and empowering them to create better lives for themselves. The organisation provides people with furniture for new accommodation and offers training and emotional support at its Openshaw HQ. For information on the charity visit www.therivermanchester.org.uk .

"We want to thank you for supporting us in replacing our old flooring this year. This has made a great impact in welcoming our clients to our premises and having a fresher look. Thank you all for your generous support once again." Lydia Chan, The River Manchester.

Bury Council Fostering Team

We showed ongoing support for Bury Council's Fostering Team, which helps children stay connected with their community, school, friends, and family. We did so my making a financial donation, and employees generously bought Christmas present for the children in foster care over the festive period. A party organised by Bury Council, where every child and young person received their gifts from Farther Christmas himself.

"Thank you so much for the monetary contribution and the vast donation of toys. The party was a huge success and our cared for children and young people had an amazing evening. The toys and gifts were just what we needed and to see the children's faces open their present made it very special. The Christmas period can be a difficult time for our children and young people, but seeing their happiness and laughter at the party was just lovely." Emma Newey – Bury Council Foster Care Team

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