

Sustainability Policy

The purpose of this policy is to demonstrate Amtico's commitment to sustainable practices and how we integrate these practices in alignment with our **Responsible Foundations** sustainability strategy. Our commitments focus on climate action, creating a circular economy, and delivering social value.

We recognise our responsibility to conduct business in an environmentally and socially responsible manner, adhering to our **Responsible Foundations** strategy. The UN Sustainable Development Goals (UN SDGs), the need to deliver Social Value (PPN 06/20), and the UK Government's Net Zero Strategy further drive the importance of our sustainable approach.

Our sustainability vision: To lead the market for manufacturing sustainable flooring with design and quality at the forefront, continuing to produce flooring products built to last.

Our sustainability mission: We are dedicated to achieving our sustainability targets in a fair and ethical way whilst balancing commercial viability, complying with all relevant legislation and regulations, reducing our risk, and focusing on the most impactful issues.

Responsible Foundations Pillars

Sustainability covers complex and wide-ranging activities. In developing our **Responsible Foundations** strategy, we partnered with external sustainability consultancies to determine our focus areas, establishing the following strategy pillars:

- **Fighting Climate Change**
- **Reducing Waste**
- **Empowering People**

For each pillar, we produced a detailed sustainability roadmap with supporting action plans that outline our sustainability targets and how we plan to achieve them now, and in the future.

To achieve our commitments under each pillar, we have assigned individual board members as pillar leaders, supported by pillar champions and task forces. These groups have devised

mission statements for key focus areas, made commitments, and established targets which are outlined in our regularly reviewed roadmap. All business activities will align with these areas to achieve Amtico's sustainability objectives. We will measure and manage our own performance and eventually that of our suppliers, encouraging continuous improvement through education and training. Supported by a commitment to innovation, clear governance and leadership form the solid foundation that drives Amtico to achieve our sustainability commitments.

Fighting Climate Change

We will:

- Set challenging reduction targets for Scope 1 and 2 greenhouse gas (GHG) emissions, by 2025, via initiatives such as the Science Based Targets Initiative (SBTi or equivalent), setting both near-term reduction, and long-term net-zero targets.
- Use credible nature-based offsetting solutions, or alternative best practices, for any remaining emissions, trialling new and innovative reduction processes.
- Push towards an aspirational goal of net zero greenhouse gas (GHG) emissions by 2040, reducing our Scope 1, 2 and 3 emissions by 90% from our determined baseline year.
- Work with our supply chain to understand and set targets for reduction of Scope 3 emissions.
- As soon as is possible, move away from spend-based modelling for Scope 3 emissions by seeking verified data for the realistic climate impacts of purchased goods and services.
- Continually innovate and invest in our products and materials choices to ensure they are resilient and reduce negative environmental impacts.
- Reduce our reliance on fossil fuel based raw materials feedstocks, used to produce our products.

How will we achieve this?

- Measure and continually monitor our annual carbon footprint, including full Scope, 1, 2 and 3 GHG emissions.

- According to job function, engage all levels of staff with relevant training on carbon and climate. All customer-facing employees will receive training on the sustainability impacts of our products and their importance at Amtico.
- Source, establish, and maintain key relationships with suppliers to understand manufacturing data on the carbon footprint of products and materials used.
- Where applicable, prioritise energy efficiency and carbon reduction opportunities in strategic decision-making opportunities.

Reducing Waste

We will:

- Further implement circular economy principles within our production and operations, following the principles of the waste hierarchy by maintaining materials consumed at their highest value.

How will we achieve this?

- Measure and continually monitor use of materials and waste production.
- Align with a circular economy approach and follow the principles of the waste hierarchy, encouraging our partners and supply chain to do the same.
- Where applicable, prioritise a whole-life approach on material impacts in decision-making opportunities.
- Trial new and innovative materials and optimise criteria for selecting packaging.
- Identify opportunities for improvement in external product recycling and investigate alternative routes for product downcycling.
- Establish routes for recycling Amtico flooring waste from installation waste and at end-of-life.
- Engage all levels of staff, according to job function, with relevant training and communication on waste, resource efficiency, and circular economy. Manufacturing employees will receive training on waste, and those who make purchasing decisions will receive training on the circular economy.
- Source, establish, maintain, and develop key relationships with like-minded suppliers who support a circular economy approach.

Empowering People

We will:

- Maintain, and continually improve, our focus on promoting best practice on health, safety, and wellbeing.
- Further commit to the continuous development of our colleagues by improving skills, knowledge, and opportunities.
- Make diversity, equity, and inclusion (DE&I) key cornerstones of Amtico's culture, increasing awareness and understanding of the importance of DE&I within Amtico, and amongst our wider stakeholders.
- Ensure Amtico positively impacts our local communities, supporting them to thrive through partnerships, philanthropic actions, and education.

How will we achieve this?

- Maintain our ISO 45001 accreditation.
- Support colleague wellbeing, and build resilience, through events and resources relevant to our people's diversity.
- Communicate to all staff, clients, and stakeholders on our people-focused objectives, targets, and progress.
- Upskill and train all employees, including managers and leaders, on key sustainability issues relevant to their roles.
- Conduct regular DE&I training at all levels.
- Capture and publish internal and supply chain DE&I data, setting year-on-year goals for improving DE&I across the organisation and supply chain.
- Continue to foster a culture of empowerment for all of our people, making our workplace inclusive and accessible to everyone and delivering equity of opportunity.
- Support the communities we operate in by measuring and expanding upon the number and type of community engagement activities.
- Engage with colleagues and communities on issues that matter to them and listen to feedback.

Key Foundations

In addition to our three core sustainability pillars, we recognise the importance of promoting continuous improvement through innovation and the need to further embed sustainability within our supply chain. These foundations are crucial to achieving the targets of our **Responsible Foundations** strategy across our climate, waste, and people pillars.

Innovation

We will:

- Encourage, support, and celebrate innovation, empowering our colleagues to share ideas, no matter how big or small.

How will we achieve this?

- Communicate what innovation means for all of our people, clients, and stakeholders.
- Train and educate our people on innovation and how they can innovate within their roles.
- Continue to promote our Continuous Improvement team and employee suggestion scheme, ensuring that all suggestions are investigated and receive feedback.
- Recognise innovation as a key enabler, supporting our other pillar commitments for climate, waste, and people.
- Engage with our people, supply chain, and other relevant stakeholders on opportunities for innovation to improve sustainability performance.
- Form collaborative partnerships with external organisations and institutions to access external expertise and drive mutual benefits.

Supply Chain Resilience and Management

We will:

- Continuously improve our supply chain resilience and management, building collaborative relationships with sustainability-minded partners.
- Work with our suppliers to achieve our sustainability commitments.
- Establish a continuous modern slavery due diligence process.
- Align our procurement practices with the ISO 20400 Sustainable Procurement Standard.

How will we achieve this?

- Integrate the principles of ISO 20400 Sustainable Procurement Guidance Standard into our procurement decisions and processes.
- Engage with our supply chain and other relevant stakeholders to prioritise sustainable procurement, including modern slavery considerations, within decision-making.
- Train and educate our people on sustainable procurement and modern slavery relevant to their role, especially those responsible for making purchasing decisions.

Sustainability Steering Group

The Sustainability Steering Group is responsible for:

- Upholding compliance of overall business and legal requirements related to sustainability.
- Ensuring effective arrangements and resources are in place to deliver the requirements of this strategy.
- Cascading information to our people and raising awareness of our commitments and targets.
- Ensuring appropriate training is available for all relevant personnel.
- Regularly reviewing the strategy to maintain focus on the right priorities and monitoring progress on initiatives.
- Measuring, managing, and reporting on our sustainability performance to continually improve our impacts and hold ourselves accountable.
- Bringing this policy to the attention of our people, clients, supply chain partners, and other relevant stakeholders.

It is the responsibility of every employee, supply chain member, and associated third-party to use every best effort to comply with the arrangements set out in this policy, integrating them within their work.

This policy will be reviewed annually as a minimum or sooner, if required.

Signed: 

Position: Human Resources Director

Date: 18th July 2024