



2013 ANNUAL REPORT

Health
Safety
and the
Environment

Our challenge

Forbo Flooring B.V.

creating better environments



FLOORING SYSTEMS

Our challenge

This is the 2013 HSE annual report of Forbo Flooring B.V. We evaluate the company's performance of the past year with regard to its health, safety and environmental (HSE) policy, and we present our objectives for 2014. This report succeeds the 2012 annual HSE report which was published in June 2013.

Each year, as part of our HSE policy, we publish an HSE report to inform our internal and external stakeholders. This report forms an important part of our communication plan, the ISO 14001 environmental management system and the OHSAS 18001 occupational health and safety system.





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A man with short brown hair, wearing a dark blue suit, a striped shirt, and a dark tie, stands in front of a large window. He is looking directly at the camera with a slight smile. His right hand is in his pocket, and his left hand is resting on his hip. The window behind him shows a rural landscape with fields, trees, and a small building in the distance. The window also reflects a grid of text, which is blurred and difficult to read. The overall tone of the image is professional and inspiring.

**'Our plans are challenging,
but by taking on a challenge,
the results are often good'**

Our challenge

Forbo Flooring is making plans. Plans for the long term (strategy), for a period of 3 to 5 years and plans for 1 year. The short-term plans are linked to the strategy, but are also influenced by last year's developments. Our plans are challenging, but if you take on a challenge, the results are often good, and good results are a reason to take on new challenges.

However, in an economic crisis, you are often faced with unexpected, additional challenges. Forbo Flooring too, therefore finds it more difficult to realise its plans. It constantly requires us to adapt, the more so since we do not want to lose sight of our long-term objectives.

The linoleum production is an important element in our strategic objectives. However, the market has changed over the past few years. New products, direct competitors of linoleum, were introduced. As a result of the crisis, the segments where we sell a lot of linoleum have less money to spend. They mainly include sectors that depend on government spending.

These are developments we have to respond to, which we do by adjusting our products, so that they meet the wishes of our current and future customers. That is why, in 2014, we will be introducing the so-called Modular Marmoleum collection. Linoleum in new-size tiles and planks. From a technical point of view, this posed quite a challenge for the factories in Assendelft and Kirkcaldy, Schotland. We made it in a very short space of time and thanks to intensive collaboration: the collection is ready, enabling us to enter new market segments. However, that is not all. The strategy plans for this collection will continue for a number of years.

That concludes our challenge for 2014. Finally, in this report we will discuss our performances of 2013 in the fields of health, safety and the environment. It has become a tradition, really: as early as 1994, we published an environmental report and we were one of the first companies in the Netherlands to do so. One of the things we can report about 2013, is that we have worked safer than ever before, that we supported a large group of employees to quit smoking and that we have built a beautiful and sustainable new warehouse which, thanks to innovative, environmentally-friendly solutions and clever processes, is unique in its kind.

In 2013 we also continued our studies into sustainable employability. As the retirement age has moved to 67, employers and employees have a shared moral duty to make this possible while still in good health. Investing in better working conditions is one way of approaching this, as is the option of part-time retirement. However, making members of staff aware of their own responsibility in terms of health and lifestyle is equally important. To that end, we continued working on the 'Forbo in Balans' project in 2013. The so-called BRAVO themes draw attention to the five pillars for a healthy lifestyle: take regular exercise, quit smoking, drink alcohol in moderation, eat a healthy diet and don't forget to relax. In 2014 we will decide if the Forbo Flooring site in Assendelft will be made entirely smoke-free with effect from 1 January 2015.

Fortunately, the economic forecast for 2014 is a bit better compared to the past few years. Forbo Flooring weathered the storm well by responding quickly to new market conditions and by transparently communicating about it. Still, recovery is limited and it's early days, so it will take some time for us to return to a pre-crisis level. This does of course not mean that we can sit back and relax. There are plenty of challenges to take on!



Harold Sieben
Vice President Finance



CROSS-DOCKING IS AN
EFFICIENT AND
ENVIRONMENTALLY-
CONSCIOUS LOGISTICAL
PROCESS



A SUSTAINABLE
WAREHOUSE THAT IS
UNIQUE IN ITS KIND



OUR COMPANY

Growth!

Every year, around the summer, we discuss the group strategy at our Group's head office in Switzerland. Not to go down new routes, but to see what changes and what dynamics take place in the market and how best to respond to them. Last summer, this discussion with Group Management did lead to a new direction for our Flooring division, with a clear focus on growth.

The strategy

The strategy of Flooring Systems is particularly based on the idea that Forbo, as a global player on the commercial flooring market, should be able to grow in those areas in the world that do indeed experience growth: Asia and North America. In order to achieve this, we have set a number of strategic objectives. Not only for the regions themselves, but also for the products that will have to support our growth, the market segments we wish to operate in and for the support of the division.

The strategy per region

The position of Forbo Flooring is not the same the world over. The markets we operate on also significantly differ. All local Forbo organisations will translate the new Flooring strategy into specific actions and targets.

Segments

In order to be a global player, it is important to offer our customers solutions not only on a geographical basis, but also per market segment. By thinking more in terms of demand or a trend within a segment, the approach changes. It is no longer about a product, but about a package of products and services that appeals to the customer. Linoleum is the perfect product for schools and hospitals. But without a good story about Flotex or Coral as supplementary products, the range is limited. At the recent Euroshop trade fair in Düsseldorf for instance, we showed the retail sector that linoleum, vinyl, Allura, Flotex, Coral, Showtime Needlefelt and Furniture Linoleum constitute a beautiful and interesting package for stores.

Innovation

The road to successful growth is also determined by the extent to which Forbo Flooring can innovate products and services. The innovation of our largest product group, linoleum, plays an important role in this. Making our products even more sustainable is a key objective of our innovation strategy.

Organisation

In order to realise the objectives of our new growth strategy, we have changed our sales and marketing organisation. After all, the key to our success can be found with our members of staff, and we expect to be able to provide our customers with a better service thanks to these changes. People invent, develop and design our products, and present them to our customers as solutions. This determines the face of Forbo Flooring.

NEW CROSS-DOCK WAREHOUSE COMPLETED

X-docking, the sustainable solution for our clients

Being a leader in terms of sustainability has been a fundamental principal at Forbo for years now. This applies to our processes, for instance. Thanks to innovative, environmentally-friendly solutions and clever processes, the consolidation of cargoes (also referred to as cross-docking) has increased drastically at Forbo in the past few years. Cross-docking is an efficient and environmentally-conscious logistical process, in the

course of which various flooring products from different Forbo branches are combined in a single truck or container for transport to the customer. It means more efficient deliveries to the customer and considerably fewer transport kilometres and, as such, fewer CO₂ emissions. A win-win situation for our customers and the environment.

The fact that sustainability is a basic principle for us has also led to the construction of a sustainable warehouse that is unique in its kind. That is why Forbo has applied for LEED gold certification for this warehouse, which we hope to

receive in 2014. LEED is one of the leading global evaluation and certification systems for sustainable building. It would make us the first company in the Netherlands to be granted gold LEED certification for a warehouse. When we constructed the warehouse, we opted to install solar panels. We also applied many other innovation measures, such as automatic dimmer lights in the aisles, LED lighting in the offices and a high efficiency heating system.

A portrait of Marieke Verouden, a woman with curly brown hair and glasses, wearing a dark blazer. She is standing in an office environment, holding a small white card with a green logo in her right hand. The background is slightly blurred, showing office furniture and a blue wall.

"Every stage of life has different needs we need to manage"

THE CHALLENGE OF

**Marieke Verouden, manager
Human Resources NL**

"My first year at Forbo so far has been one of many new challenges.

I do sense a very positive spirit here, especially given the current 'challenging market'.

I came from a much larger company, and my focus in this position is so much different. The lines at Forbo are shorter and my responsibilities bigger. Also, I've got a better idea of the results of my actions.

I like that. Human Resource Management is a broad area and I really had to refresh my knowledge about new legislation and employment matters. I tend to do that by reading literature and by closely following the media. One thing that really challenges me is the sustainable employability and flexibility within the company. Members of staff have different needs in different stages of their lives. Managing those needs and keeping people motivated is very, very important. Also, we see more and more senior employees in the Netherlands, but recruiting young talent is just as important. Discovering and developing those talents is one of my duties, and I see plenty of opportunities in that respect. I look forward to getting stuck into it and to committing myself to it in the next few years."

HSE policy statement



Forbo Flooring develops, manufactures and sells linoleum products. We also sell vinyl floor coverings, Flotex, needlefelt, carpet tiles, entrance floor coverings, installation equipment, maintenance products and service products.

Forbo Flooring assumes its entrepreneurial responsibility regarding employee health & safety and the environment (HSE). Since HSE management is considered an essential part of our policy, it has been made an integral part of all our activities. All aspects with regard to products and production processes are subject to continuous improvement and are always carried out in accordance with the relevant rules and legislation without compromising our ambitions.

Forbo Flooring B.V. sees sustainable development as the core of its operations and as the basis for the new strategy for the period until 2017. The employer and employees take joint responsibility in that respect. This principle is safeguarded by investing in the development, involvement, motivation and health of the employees and by getting everyone involved in our pursuit for Excellence.

The objective of the Flooring division is to reduce the environmental burden of its production processes and products in the entire lifecycle by 25% between now and 2016. Forbo Flooring B.V. wants to make a substantial contribution to this. We aim to continuously improve our production methods and to make them more sustainable in order to offer all our stakeholders better perspectives. In the course of that:

- optimum and efficient use is made of all relevant natural raw materials, additives and water;
- minimum and efficient use is made of energy, while pursuing the best possible use of renewable energy;
- we reduce residual waste and cuttings during installation of our product, and reuse and recycle them to the greatest possible extent;
- we apply sustainable principles to the design and construction of new product and development programmes.

Forbo Flooring B.V. makes every effort to ensure that the work is carried out in such a way that any damage to the health and well-being of employees and third parties is prevented. We feel it is necessary for our employees to experience their working environment as safe and healthy. The emphasis is on the continued embedding of safety awareness and assuming personal responsibility in the aim for a safe and healthy working method and lifestyle. We wish to structurally reduce the number of accidents by at least 10% per year.

Forbo Flooring stimulates dialogue among its employees, customers and other interested parties, the Works Council and the authorities. Active and effective communication with these parties helps us to critically review our HSE performance and to make improvements.

With regard to enforcing and improving aspects in the field of HSE, Forbo Flooring B.V. stipulates its policy and objectives on an annual basis in accordance with the ISO 14001 and OHSAS 18001 systems. The result is disclosed to all employees of Forbo Flooring B.V. and to the public by means of the HSE annual report. Our objective is to publish the annual HSE reports as a sustainability report in accordance with the international Global Reporting Initiative guidelines within the next three years.

A handwritten signature in blue ink, appearing to read 'Jelle van der Zwaan', with a stylized flourish at the end.

Jelle van der Zwaan
Site manager Forbo Flooring B.V.

OBJECTIVES SAFETY, HEALTH & WELL-BEING AND THE ENVIRONMENT

OBJECTIVES AND CHALLENGES

Evaluation 2013 Safety

Minimising the number of accidents

We want to hold on to the falling trend and aim to structurally reduce the number of accidents until 2017 by 10% per year compared to the previous year.

With 29 accidents, we have achieved our 2013 target.

Increasing safety awareness and leadership

We will continue the safety awareness project and encourage people to submit notifications: the target remains 10 times more preventive notifications than accidents. We continue to focus on leadership and holding each other to account.

With 408 notifications, we easily achieved our target of a minimum of 290 notifications.

Objective 2014 Safety

Minimising the number of accidents

We want to hold on to the falling trend and aim to structurally reduce the number of accidents until 2017 by 10% per year compared to the previous year.

We also aim for a year without lost-time injuries.

Increasing safety awareness and leadership

We want to encourage safety awareness and safety leadership by involving even more members of staff in improvement projects. This will increase safety awareness levels.

We will create better leadership by encouraging exemplary behaviour, supervision, holding each other to account and enforcement. To that end we will conduct safety observation rounds and HSE inspections.

Evaluation 2013 Health & Well-Being

Sickness absence

The target is a maximum corporate sick-leave average of 4.32%. We will increase our focus on prevention.

With a corporate sick-leave average of 4.23% we failed to achieve our objective. Compared to the national average of 4.9% for the industrial sector, it is a good result however.

Health and lifestyle

We focus on sustainable employability, health and fitness.

We are also aiming to realise a smoke-free site by 2015, a process initiated in 2013.

45 people (including some of our employees' partners) took part in the Allen Carr training sessions. After 6 months, 75% of them still were not smoking.

Objective 2014 Health & Well-Being

Sickness absence

Our corporate average target is a maximum sickness leave rate of 4.00%.

Health and lifestyle

We will increase our focus on prevention by including our own responsibilities, health and fitness in performance interviews and by encouraging this and supporting it with coaching processes.

Smoke-free site by 01/01/2015.

Sustainable Employability

We organise soundboard meetings with works council and trade unions that result in two task forces aimed at shift work and office environments.

We will also prepare a specific step-by-step plan for sustainable employability of shift work, including an experiment with alternative scheduling.

Confidential advisors

We will be introducing a new confidential advisor protocol, including the selection, training, supervision and announcement of new confidential advisors.

Exposure

We will continue our studies into and the improvement of the working environment, with the MAC value serving as limit value.

The use of talc has been fully eliminated in the granule storage of Calenders 2 and 4. Talc is now only used for the production of Striato at Calender 1.

The aim is to clean the floors with a scrubbing machine here too.

Exposure

We continue to improve the working environment, which includes reducing exposure to high temperatures, noise and objectionable substances.

The MAC value is the limit value for exposure to substances. Our focus will be on improving the working environment at Mixing department 3/Calender 1.

In this chapter we will provide a brief overview of our results for 2013 and our new objectives for 2014.

Evaluation 2013 The environment

Environmental awareness

In 2013 we started a project to further increase environmental awareness among all members of staff. We also started a campaign to further explain the sustainable qualities of linoleum to all our customers and members of staff.

And we published a brochure: Creating better environments. The e-learning sustainability module is ready to be rolled out across all sites.

Saving energy

The following energy savings projects had been adopted for 2013:

- switching off the incinerators of the Esterification department during weekends;
- insulating three tanks following a positive feasibility study;
- finding out if the extraction output from the stoves of the Trimming department can be reduced;
- continuing the energy savings in the drying rooms.

Three of these plans have led to implementation in 2014. The study at the Trimming department has not been conducted yet.

We have also saved energy by:

- installing solar panels on the roof of the new MXD warehouse;
- optimising the settings of the incineration process and ceramic mechanism of the Megtec incinerator at the Oxidation department;
- installing magnets on gas power in the boiler house.

Thanks to these measures, we have saved approximately 335,000 Nm³ of gas. However, despite the measures, we consumed 1% more gas last year as a result of the long and cold winter early 2013. The consumption of electricity went down by 3.2%.

Reducing residual waste

The objective for granulate residual waste has been set at 0.012 tons/ton of product. We have achieved that objective. For Calendar 1 we have stipulated a reduction of 20% granulate residual waste compared to 2012. This was also achieved.

Objective 2014 The environment

Environmental awareness

In 2014, we will roll out the e-learning Sustainability module and further explain the sustainable properties of linoleum to our members of staff. They will be instructed to contribute to a better environmental performance at our site.

Saving energy

The following energy savings projects will be undertaken in 2014:

- testing of the carbon filter as an alternative for the incinerator of the Esterification department during weekends;
- insulating three tanks during the summer;
- the use of frequency-controlled fans in the drying rooms will be investigated and if the result is positive, they will be used in a small number of drying rooms first;
- a study into the efficient use of residual heat, both on-site and off-site.

The consumption of energy goes hand in hand with CO₂ emissions. We wish to reduce CO₂ emissions year after year. Our emission rights for 2014 are 13,953 tons per year. This is 1.7% less compared to 2013.

We want to realise a 5% reduction of the average carbon dioxide (CO₂) emissions per kilometre driven by the entire Forbo Flooring B.V. fleet. This is based on actual consumption (in contrast with standard consumption).

Reducing residual waste

The objective for granulate residual waste has been set at 0.012 tons/ton of product.

The objective for collecting cutting residues from our customers has been set at 50 customers, with a total of 75 tons of cutting residue.

THE CHALLENGE OF

Rowena de Roos, Marketing
Communication Manager

"A floor doesn't tell you how sustainable it is. And Forbo is not the type to boast about how environmentally friendly they are. Still, our customers increasingly cite sustainability as one of their conditions, and rightly so! In such cases, specific 'proof' is very important, and it's up to us to deliver it. That's why we and a London agency have come up with the 'The things you can't see' sustainability campaign. It's an honest story, showing what we do in terms of sustainability for every product group. In a brochure, but also online. Linoleum is a wonderful natural product. A lot of people already know that, but it doesn't necessarily mean everyone wants to have linoleum. That's why we also make vinyl. And although not everything in that production process is sustainable, we do stress that we are working on that at various levels in the production process. The same goes for our entrance floor covering. Some of the yarn is made of recycled PET bottles, for instance.

Internally, we will be integrating this sustainability campaign in an online training module for all our employees, so everyone will be propagating the same thing. As this can be difficult, the specific examples from the accompanying internal brochure will come in very handy. It creates awareness. Hopefully, people will soon say: was it made by Forbo? Then it must be sustainable! This would add depth to the slogan 'Creating better environments'. And that's something to be proud of."

**"The things you can't see
prove our sustainability"**



OUR PRODUCTS

New collections

In terms of products too, Forbo Flooring has been quite busy in 2013. This chapter therefore focuses on the development of new collections and other product-related matters.

150 years of linoleum

In 2013, we celebrated the 150th anniversary of the invention of linoleum. The linoleum as we know it today was patented in 1863, by a Scot called Frederick Walton. During various tests with linseed oil, Walton noticed that linseed oil tends to form a skin when exposed to oxygen, as happens with paint. First he tried to use it to create a varnish, but he failed. He then tried to create a raw material on a grander scale by applying linseed oil on large metal sheets and scraping it off once it had oxidized. This ultimately led to the invention of linoleum. We celebrated this invention via an online social media campaign, in which we showed our customers that linoleum is a reliable and green product.

Modular Marmoleum

In 2013, we took big steps in the development of the new Modular Marmoleum collection. This collection was launched in the United States in October, and since April 2014 it has been available in all countries. Modular flooring coverings are easy to install, particularly in smaller rooms. Thanks to the combination of existing and new designs, our customers have even more options to choose from to design their ideal floor. The various dimensions, including a rectangular shape, only add to the convenience. The new collection consists of three options: Play with shade, Play with colour and Play with marble and is available in different colour shades and designs that fit in with the themes.

New Coral collection

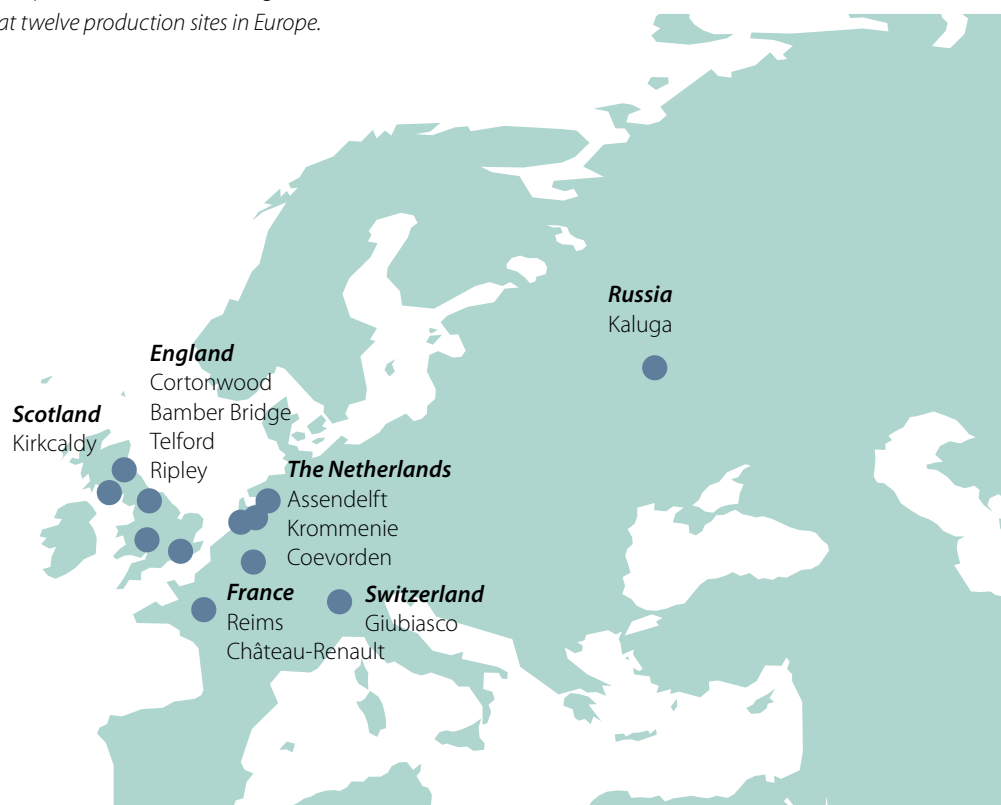
Halfway through 2013, Forbo Flooring Coral in Krommenie launched a new range of entrance floor coverings, around the world. This range consists of 8 different entrance floor coverings. Each with its own strength and design.

Most Coral collections have been made with Econyl® yarn. Our quest for ways to reduce any impact on the environment has resulted in a close collaboration with suppliers who also have the environment high on their list of priorities. Econyl® is made of industrial and domestic waste. Used fishing nets are among the components used for this yarn. Econyl® is one way of recycling unwanted waste and reducing the impact on the environment.

Allura Collection

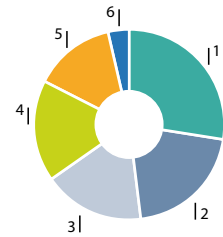
In February 2014, Forbo introduced its most extensive Allura collection to date. The luxury vinyl tiles and planks comprise various products in many different colours and designs. These products are made in our factories in Coevorden and Giubiasco (Switzerland). Luxury vinyl tiles (LVT) are now a new floor category that is gaining popularity in various market segments, such as the retail sector, the catering industry, the office market and educational and care institutions. LVT is a qualitatively good floor covering that is easy to install and has the look and feel of its natural competitors, such as wood and stone.

The products of Forbo Flooring are manufactured at twelve production sites in Europe.



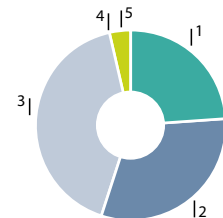


FORBO FLOORING CARES ABOUT PEOPLE. WITHOUT PEOPLE, WE WOULD HAVE NO PRODUCTS AND THEREFOR NO FORBO



Type of injury 2013 (%)

1	Bumps	8	28%
2	Cuts/stab wound	6	21%
3	Entrapment	5	17%
4	Splatters/chemicals	5	17%
5	Falls/sprains	4	14%
6	Burns	1	3%
7	Other	0	0%
Total		29	100%



Severeness of injury 2013 (%)

1	Accidents not leading to lost time: no first aid/hospital treatment required	7	24%
2	Accidents not leading to lost time: first aid required	9	31%
3	Accidents not leading to lost time: check-up/first aid required	12	41%
4	Accident requiring alternative work	0	0%
5	Lost-time accident	1	4%
Total		29	100%

Lost-time and other injuries



Injuries and reports of unsafe situations



OUR PEOPLE

Safety awareness and leadership development

Forbo Flooring cares about people. No people? No products or Forbo. Health, safety and professionalisation of our valued members of staff are the key points in this chapter.

SAFETY

'I work safely because I want to'

Safety awareness is held in high regard at Forbo. With our strategy, we want to reduce the number of accidents by at least 10% each year. The ultimate goal is to achieve a mature safety culture: 'I work safely because I want to'.

The large-scale safety awareness programme, which has been urging employees to change the corporate culture since 2009, has led to a downward trend in the number of injuries since 2010. The challenge for the next few years is to continue that downward trend. Minor injuries in particular are difficult to reduce. It requires continuous attention, awareness and critical safety consciousness from all of us. However, it is also a matter of rewarding and encouraging exemplary behaviour and leadership. By taking specific steps we wish to further embed safety awareness in the organisation.

Continued drop in the number of injuries

The year 2013 was concluded with a total of 29 injuries. The objective of a 10% reduction compared to 2012 was narrowly achieved. The number of lost-time injuries was reduced from 4 in 2012 to 1 in 2013. This means we achieved a new record for the number of days without lost-time injuries: 211 days in 2013 compared to 182 in 2012. That is a 16% improvement. The number of accident-induced lost-time days was also reduced. In 2013 there were 15 lost-time days compared to 58 in 2012. Bumping, cutting/pricking and entrapment occurred most often in 2013. Together, these

incidents represent 65% of the number of accidents. What is striking is that the number of entrapments, and with that the risk of more serious injuries, has risen slightly. This is reflected in the number of injuries that required treatment at the hospital: 12 in 2013 compared to 5 in 2012. That is a sign that machine safety needs continuous attention.

Focus on machine safety

In 2013 we paid ample attention to the follow-up of the machine risk assessment for the Mixing department. We specifically focused on the risks of conveyor belts automatically starting up and the correct application of emergency stops. Some of the points of action in the risk assessment have already been followed up in 2013, but this will continue into 2014. Work permits and securing systems by means of locks (lock-out tag-out, or LOTO) should also contribute to more safety when using our systems. A work permit is a risk assessment before any work commences, in the course of which agreements are made about how to undertake the work in the safest possible way. At the end of 2013, the members of staff involved were coached in the preparations, granting and checking of work permits. By talking extensively with members of staff, their awareness and understanding of their role and personal responsibility in this process has increased. We also proceeded with a uniform approach to secure systems by means of LOTO. A LOTO task force has come up with a general procedure and has drawn up initial security instructions. Locks and lock cabinets have also been ordered. This process will continue into 2014.

Continuous attention to safety awareness

In 2013, awareness was assessed against, among other things, the number of

notifications of unsafe situations, such as unsafe actions, unsafe situations and near-accidents. Compared to 2012, the number of notifications increased: 455 compared to 408 in 2012. We amply achieved our objective of at least 10 notifications for 1 accident. There were 455 notifications, against a minimum target of 290 on the basis of the number of accidents (29). All reports lead to improvement measures.

The review of the risk assessment at the Technical Maintenance and Mixing departments took place via interviews on the work floor. We started this successful implementation method in 2012. The interviews on the work floor during work, combined with external expertise lead to the recognition and acknowledgement of existing risks and the importance of reducing these risks. As a result, the risk assessment will receive more support and safety awareness among members of staff will increase.

By conducting safety observation rounds we will further embed safety awareness in the organisation. In addition, managers will find it easier to discuss the good, but also the more challenging aspects of safety. In 2013, 100% of the scheduled safety observation rounds were carried out. This year, these rounds were extended to engineering and maintenance projects during operational stops in the holiday periods. The challenge for 2014 is to carry out at least 90% of safety observation rounds on or before the scheduled date. In 2013, 42% were postponed and conducted at a later time. This was 54% in 2012.

Leadership

In 2013, we completed the 'De Leider Draait Door' safety leadership training. All managers of the Operations department and a number of members of staff in key positions followed a safety and leadership

A man with glasses, wearing a white short-sleeved shirt with a logo on the chest and light-colored trousers, is sitting in a black office chair. He is holding a piece of paper. Behind him is a workstation with multiple computer monitors displaying various images and data. The background shows a factory environment with metal structures and equipment.

"Daylight lights bring more energy to the work floor"

THE CHALLENGE OF

**Tom Oort, General Operator 1,
Calender 2/4**

"In addition to our daily jobs, we are also looking at making various improvements in the Operations department. We implement safety measures, but also a lot of LEAN initiatives. Immediately after a full screening of the department, we booked some tangible results. We installed yield boards, we did some painting to create a better overview and we prepared '10-minute task lists'. These lists contain tasks you can do in case of a breakdown.

We've also invested in material. The new monitors are faster and the lights on the work floor have been replaced by daylight lights. They offer a pleasant alternative for natural daylight, which is virtually lacking in this dark factory. It makes you feel more energetic, better, and that's good for everyone's health.

We are currently focusing entirely on the granule storage. We've been spreading talcum powder to make the floors easier to clean. But working in all that powder is bad for your health. We now have a new scrubbing machine, so we no longer need the talcum powder. People often come to us with suggestions for improvement, which is a motivation for us to actively look for improvements too. I recently carried out a couple of noise measurements on my own initiative, for instance. We continue to challenge ourselves in all HSE areas."

training course. The course received a positive response.

Leadership means setting the right example and making safety a priority. In practice, it means weighing up risks against production targets, implementing safety improvement processes and honouring agreements.

One of our objectives is to complete improvements based on our Classbase incident notification system within the set term. This certainly poses a challenge for the next couple of years. In 2013 we completed 80% of improvements within the set time, compared to 82% in 2012. We did complete more improvements during last year: 973 compared to 807 in 2012. In 2014, we need to pay more attention to a better cause analysis, enabling us to take effective measures in order to prevent incidents from happening again. At the moment, certain incidents are still repeated.

Fire brigade and first aid

In 2013, the fire brigade turned out a total of 54 times. Nearly half (24) of call-outs related to evacuations of the Oxidation department due to high LEL levels (the explosion risk criteria) in the waste gas system. Following the explosion in 2012, the limit value for evacuation was tightened. A further study and continued optimisation of the system should lead to a reduction of these notifications. The fire brigade was called out 20 times for fire and/or overheating. In 2012, that figure was 14. It concerned overheating and (incipient) fires which were under control fast. In addition, the fire brigade provided assistance with regard to storm damage and other matters. In 2013 we held more evacuation exercises and the fire brigade carried out its own drill.

In 2013, we trained more new first aiders. Currently, we have 111 first aiders and 162 employees who can operate an AED (Automatic External Defibrillator). In 2013, the first aid organisation in the shifts was adjusted. First aid is now divided into four zones: WFP, Oxidation, Mixing and Trim. After an adaptation period, everyone was used to the new system and any call that comes in at our front office can be forwarded immediately to the nearest first aider. The number of accidents that required

OHSAS 18001 AND ISO 14001 CERTIFICATES RENEWED

In 2014, the three-yearly recertification audit for OHSAS 18001 (OHS management) and ISO 14001 (environmental care) took place. Five Lloyd's auditors spent 3 days auditing our company. Lloyd's concluded that, in general, Forbo Flooring B.V.'s HSE management system performs well and that improvements in our health, safety and environmental performances can indeed be seen. This means the requirements for recertification for ISO 14001 and OHSAS 18001 have been met and that we can continue to use the ISO and OHSAS logos for another 3 years. The auditors did of course identify some areas for improvement, which will help us to further improve the health & safety and environmental processes.

first aid proves that first aiders are indeed needed: 9 injuries in 2013.

HEALTH AND SUSTAINABLE EMPLOYABILITY

Forbo Smoke-Free task force

In 2013, the Forbo Smoke-Free task force developed a number of activities. In order to gain an insight into the extent of the smoking issue, an employee survey was conducted. The results were communicated across the organisation. Based on these results, our members of staff were invited to take part in the Allen Carr quit smoking courses. Four courses were held, which were attended by 45 people, including some partners of members of staff. In the first half of 2014 we will be holding a follow-up course.

Regular attention was devoted to our plans to make the entire company smoke-free by 2015. This was done through the various media available at Forbo, such as the monthly newsletter and the 'Caleidoscoop'. In addition, we held exciting campaigns in order to generate interest, such as handing

out 'Forbo Smoke-Free' chewing gum. Furthermore, representatives of the task force attended the Forbo Sports Event. In the first half of 2014, in addition to continued communication, the task force will mainly focus its attention on writing a recommendation to the management team.

Sickness absence 2013

We concluded 2013 with an average sick-leave rate of 4.32%. This is a slight increase compared to the 4.16% of 2012. The average notification frequency saw a positive development, from 0.99 to 0.94. Summarising, it means that people called in sick less often, but that the average length of each case of sickness has increased.

Preventive Health Survey

The objective of the Preventive Health Survey (PHS) is to prevent and promptly identify work-related illnesses and complaints. It is also a tool to monitor and improve the health, performance and employability of members of staff. In 2013, the PHS was conducted for members of staff of the Technical Maintenance, Logistics, Research & Development departments and all managers of the Production department. A total of 227 members of staff were invited, of which 160 participated in the survey. The survey focuses on working conditions and the well-being of members of staff, but also on lifestyle factors that affect sustainable employability. The conclusions and recommendations following the 2013 PHS particularly relate to complaints in the field of work stress.

There is some good news too, however. Whereas communication towards members of staff clearly needed improvements 3 years ago, the year 2013 was the first time a compliment was handed out on this subject.

The report and conclusions and recommendations have been discussed by the Human Resources department with departmental management and the HSE department. Based on the results, we will set up specific action plans.



"I like to help employees with their health challenges"

THE CHALLENGE OF

Maarten Minkman,
Vitality expert

"My challenge? Helping others fulfil their personal challenges. That can be to stop smoking, taking more exercise, but also finding a better balance between their working and private lives. In terms of health and lifestyle, Forbo is a trendsetter. Still, not everyone knows about the possibilities in that respect. Last year for instance, 227 employees were invited to participate in a preventive health survey. Another 45 colleagues took part in 4 quit-smoking training courses. And we taught more than 40 managers to focus on sustainable employability during performance interviews. After all, they are the ones who are in contact with the people on the work floor every day. Of course, Forbo, as employer, aims for sustainable employability. But I would also like to emphasise the responsibility of members of staff. After all, you want to be fit and healthy at work AND at home. All Forbo colleagues are welcome to come to my consultation hour. That sounds a bit clinical, but I mainly act as fitness coach. If you've got problems with your knee, we will look at both the load and capacity. If you want to eat a healthier diet, but don't know how to go about it, just come and see me. We look at what I or Forbo can do, and what you can do yourself. Challenging yourself generates a lot of positive energy."

Performance interviews 2013

In 2013, the subject of sustainable employability was discussed during the annual performance interviews. Sustainable employability relates to the extent to which an employee is fit, able to (continue to) do his job both mentally and physically. Within the framework of changing pension legislation and the ageing workforce of Forbo, this is an important subject. By making it part of the performance interview, we will be able to identify the anticipated opportunities and bottlenecks.

Sustainable Employability and Lifestyle Workshop

All managers were invited to take part in a Sustainable Employability and Lifestyle Workshop. The objective of the workshop was to give managers tools to constructively discuss this subject with members of staff during the performance interviews. During the workshop, managers practised these types of interviews and learned to recognise pitfalls.

This workshop was organised in collaboration with our health and fitness staff of ArboNed.

DEVELOPMENT-ORIENTED STAFF POLICY

Investors in People

Investing in our people in order to improve business results too was the main basic principle behind Investors in People (IiP). In 2013, Forbo Flooring B.V. applied for the three-yearly recertification of the Investors in People standard. At the end of 2013, Investors in People Nederland (part of TNO) submitted the organisation to a full-blown analysis in order to assess if we still complied with the IiP standard. The fact that we secured the IiP certificate even in times of reorganisation says something about the inspiration of people in the organisation and the deeply rooted conviction that the Forbo organisation can only be successful with well-trained, committed and employable people. The audit report offers valuable points of reference in order to better coordinate the organisation's objectives and continuous development and improvement

of the people and departments in 2014. In terms of development, training and career, a lot of attention in 2013 was devoted to:

Lean management: continuous improvement

In order to spread the ideology of continuous improvement throughout the company, Chris Clayton previously organised various Lean management workshops at Forbo. In 2013, 30 team leaders and departmental managers of the Operations department followed a Lean workshop. The objective of this course is the continuous tightening of our processes, improvement of quality and a reduction of costs. In addition, quality improvement leads to higher customer satisfaction and more commitment from members of staff.

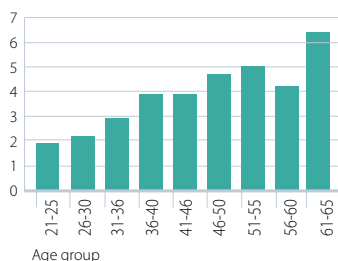
Machine safety

As we mostly develop our machines from start to finish ourselves, machine safety is our responsibility. This is why we and the Dutch standardisation organisation (NEN) have developed a customised training

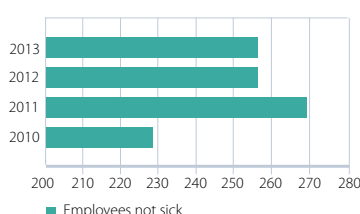
Sick leave (%)



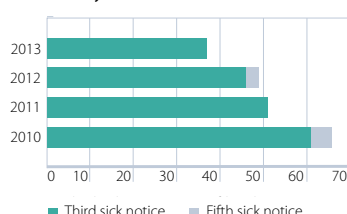
Sick leave in 2013 according to age group (%)



Bonus sick leave



Penalty sick leave



Causes of sick leave 2013

In 2013, a total of 567 people reported sick. These sickness reports are divided into four categories.

• Locomotor apparatus (back, knee)	83
• Flu/short illness	414
• Psychological/stressed	15
• Other	55
Total	567

Sick leave was caused by an accident 17 times:

• Industrial accident	1
• Sports injury	5
• Traffic accident	4
• Other accidents	7
Total	17

course. It concerns an in-depth and intensive process for engineers, a shorter programme for maintenance staff and a general course for the colleagues of the Production department who should, above all, be able to identify unsafe situations.

In 2013, 35 members of staff completed the first part of this Machine Safety course. The training courses for team leaders, machine operators and engineers will follow in 2014.

Influx of future personnel

In September 2013, after years of preparation, the Regional College started a 2-year training course for Process Technology at mbo-2 level (Operator A). Forbo Flooring was one of the parties to facilitate the set-up of a practical provision and as such the course.

This course offers students under the age of 18 who have a pre-vocational secondary education diploma the opportunity to follow senior secondary vocational education in Process Technology, after which they will join one of the companies that collaborate with the Regional College for this course. Among other things, these

companies organise work placements, company tours and guest lectures. At Forbo, this has been made possible thanks to the efforts and commitment of various members of staff in the Production department.

STAFFING LEVELS

Coordination of supply and demand

Forbo's commercial results mainly depend on two developments. One is the global sales of Marmoleum, which to a great extent determines the production capacity required at the Assendelft factory. The other is the sales results of all Forbo Flooring products in the Netherlands. This combination determines how successful we are. Due to poorer commercial results, we were forced to take drastic measures in both areas in 2013.

After having downgraded the flexible core of agency workers and secondees in 2012, we could not escape having to further coordinate production capacity with falling demand in 2013. One of the measures

ensuing from that was the temporary change to the schedules, in the course of which a reduction in working hours was collectively introduced. Encouraging staff to take overtime also fitted in with that.

Other measures were of a more drastic nature. For instance, we aimed at natural turnover in order to reduce overcapacity and staff were actively encouraged to take early or part-time retirement. All these measures were continuously communicated and explained to the organisation, the works council and the trade unions.

Due to falling sales results on the Dutch market, we were forced to scrap seven jobs at the Sales and Marketing department. Unfortunately, not all members of staff could be relocated internally, which meant we had to let some colleagues go through forced redundancy.

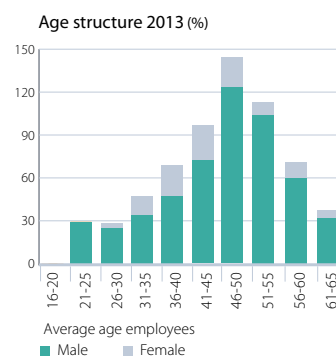
FTE development

The measures to coordinate the staffing levels with the production capacity required have led to a fall in the number of jobs at

Training programmes and courses 2013	
IT/PC applications	10
Chemistry	16
Commerce	4
Communication/ personal development	63
First aid (heart massaging)	76
Facility services	4
Financial/economic/business	5
Forklift truck/aerial platform	140
Electrical and mechanical engineering/floor care	23
Colour technology	10
Logistics	75
Management/supervision	86
Personnel/Organisation/Training	4
Process technology	15
Project management	12
Languages	8
Technology general/other	3
Technology/electrical/electronics/ process control	16
Health & Safety	335
Total	905

Influx 2013	
Corporate IT	1
Flooring HR	2
Innovation & Product Management	1
Operations	7
Sales & Marketing	2
Supply Chain	3
Total	16

Outflow 2013	
Corporate IT	5
Finance & ICS	2
Innovation & Product Management	2
Operations	24
Human Resources	2
Sales & Marketing	4
Supply Chain	3
Total	42



Forbo. As at 01 January 2013, there were 609 fulltime equivalent jobs, compared to 583 as at 31 December 2013. If we look at the number of people joining and leaving the company, we see that 42 members of staff left the company. Still, 16 people joined the company in 2013. This highlights the importance of continuous investments in the organisation.

WORKS COUNCIL

Works Council activities

In 2013, members of the Works Council served in the Age-Related Staff Policy and Forbo Smoke-Free task forces.

In 2013, the Works Council processed a number of requests for advices in relation to organisational changes, our collaboration with the occupational health and safety service company, the abolition of own-risk bearer status (ERD) and the introduction of the digital salary slip.

Requests for consent regarding the certificate of good conduct (VOG), personalised access badges and the future of the Suggestion Box were also dealt with. Throughout the year, various topical

RANDSTAD 'YOUNGSTERS LOOKING FOR JOBS' BUS VISITS FORBO

On Friday 11 October 2013, the Randstad 'Youngsters Looking for Jobs' bus visited Forbo. The bus carried 21 young people who were following a process-technical training course through Randstad. Bernard Wientjes, chairman of the VNO-NCW employers' organisation, was also present. He was closely followed by various photographers, journalists and 'honchos' of Randstad and VAPRO. The group was welcomed by Forbo management team members Jelle van der Zwaan and Joost Dirkx and a number of other Forbo members of staff.

The youngsters were given a guided tour and were introduced to Forbo staff during a speed-dating session. Both students and supervisors were impressed with Forbo. Within the framework of this training process, Forbo was asked to offer a number of work experience places.





HEALTH, SAFETY AND
PROFESSIONALISM OF OUR
VALUED EMPLOYEES ARE
VERY IMPORTANT TO US



subjects were discussed at the Works Council meetings.

HSE Committee

Last year, the HSE Committee focused on the assessment of the risk assessments and following Classbase incident notifications. The committee advised the Works Council about extending the contract with the health and safety service company and about the changed first aid procedure.

All activities of the Works Council and HSE committee are described in detail in the Works Council's 2013 annual report.

SUGGESTION BOX

In 2013, we received 73 suggestions, including 4 requests for reassessment. As such, the number of suggestions submitted fell by 9% compared to 2012. The majority of suggestions, 59 of them, including 4 requests for reassessment, came from the Operations department.

Classification of suggestions received 2013	
Operations	59
Human Resources	4
Sales & Marketing NL	8
Finance & ICS	2
Total	73

The Suggestion Box Committee processed 55 suggestions last year. A total of 15 of those were rewarded, while 39 were rejected, and one was awarded with an incentive.

A total of € 16,110 in rewards was paid out. The highest payment was € 4,575. The number of pending suggestions rose to 140 as at 31 December 2012, a 15% increase compared to 2012.

SPORTS AND LEISURE COUNCIL

Each year the Sports and Leisure Council organises a range of activities for Forbo employees.

Forbo Sports Event

The second Forbo Sports Event was a success, even though the weather was against us. Those taking part in the family cycling tour, but certainly those in the 60-km tour, had to grin and bear the wind and cold. All sorts of activities took place in the grounds. Everything was concentrated in the second car park, making the kids activities more visible. The Forbo Smoke-Free task force and Homeride both had stands, where participants were able to sponsor 10 Forbo employees by buying lottery tickets or making a donation. The total amount made by the Forbo team was more than 14,000 euros, which will go towards the realisation of more Ronald McDonald homes, enabling parents to temporarily live close to their sick children.

Staff evenings

In 2013, the S&O Council organised many staff evenings for active members of staff. Due to a slightly tighter budget, the organisation was forced to select artists that were lesser-known, but this certainly resulted in a number of very exciting performances. The first months of 2014 will see a couple of visits to the Zaan Theatre.

St Nicholas

On 29 November, we celebrated St Nicholas' birthday. For a moment, we thought he was not going to make it, as we could only see an empty chair on a trailer. Soon, a couple of his helpers turned up, who taught the kids how to dance the Hokey Pokey. Finally, St Nicholas joined in the festivities. The children were over the moon, especially when they collected their presents. All in all, it was a successful day.

Bingo

In 2013, Peter Denneman again proved himself a true Bingo Master, bringing in crowds of about 100 each time.

Associations

Under the responsibility of the Sports and Leisure Council, various associations are active in the fields of billiards, (table)tennis, fitness exercises, cycling and (indoor) football. More information is available on the Intranet, including contact details in order to register with an association of your choice.



WE ARE PROUD OF OUR
PRODUCTION PROCESSES
WHICH AIM TO LEAVE
THE SMALLEST
FOOTPRINT POSSIBLE



OUR PLANET EARTH

Minimizing our footprint

We are proud of our beautiful green products. And we are proud of our production processes which aim to leave the smallest footprint possible. Still, the manufacturing process of linoleum does affect the environment. Production requires raw materials and energy and it results in residual waste and emissions. We are aware of that and we want to keep those effects to a minimum.

EFFICIENT IN ENERGY

The production of linoleum requires energy. Forbo uses natural gas and green electricity as primary sources of energy. The higher the production levels, the more efficient energy consumption gets. A fall in production leads to a less efficient use of our systems, as we simply cannot switch off all machines when we are not producing. So a fall in production is a challenge when it comes to the efficient use of energy.

Consuming and saving energy

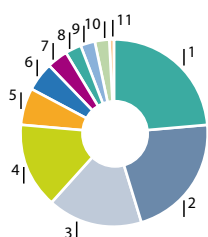
In 2013 we used 8,158 thousand Nm³ of natural gas and 39.5 thousand MWh of electricity for the production of 18.7 million m² of linoleum. This means absolute electricity consumption has fallen by 3%, while gas consumption has risen by 1%. However, as we have produced 10% less gross m² of linoleum, energy efficiency per m² has deteriorated. Our electricity consumption rose from 17.6 MJ/m² in 2012 to 19 MJ/m² in 2013. The natural gas consumption rose from 12.3 MJ/m² in 2012 to 13.8 MJ/m². However, last year we were able to save energy in the form of natural gas too. It concerns 335,000 Nm³ less natural gas as a result of:

- installing solar panels on the MXD;
- optimising the settings of the incineration process and ceramic mechanism of the Megtec incinerator at the Oxidation department;
- installing magnets on gas power in the

boiler house, for maximum gas power on molecular levels and as such a more efficient incineration process.

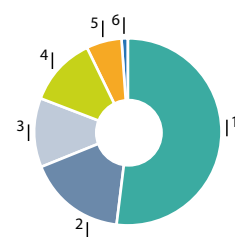
CO₂ emissions

The emission of CO₂ is directly linked to the burning of natural gas at our location. Due to the rise of 1% in our natural gas consumption in 2013, CO₂ emissions rose by 1%. Total CO₂ emissions amount to 14.7 kilotons. With effect from 2013, all incinerators fall under the CO₂ emission trade. Our 2013 emission rights were 14.2 kilotons of CO₂. That means we had to purchase 0.5 kilotons of CO₂ emission rights. In 2013 we looked into the possibility of switching off the incinerator of the Esterification department during weekends, when no esterification takes place. However, as the esterification pans are still fuming and emit odours during the weekend, this proved impossible. We are now studying other methods to eliminate odour emissions during the weekends.



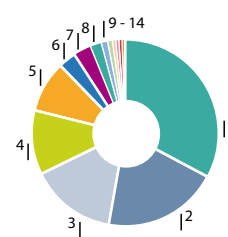
Energy consumption 2013

	%
1 Oxidation	23.8
2 Drying rooms	21.7
3 Mixing department	16.3
4 Calenders	14.8
5 Trim	6.2
6 Storage & Distribution	5.0
7 Samples/raw ingredients	3.6
8 Residual consumption	2.8
9 Esterification	2.7
10 Administration/Offices	2.4
11 Recycling	0.7



Natural gas consumption 2013

Areas	Nm ³	%
1 Steam generation	4,210,721	52
2 Small-scale consumption	1,352,532	17
3 Incinerators drying rooms	988,359	12
4 Steam boiler	979,176	12
5 Esterification	511,222	6
6 Incinerators oxidation	116,340	1
Total	8,158,350	100



Electricity consumption 2013

Areas	MWh	%
1 Oxidation	13,417	33
2 Mixing department	8,130	20
3 Sheets	6,266	15
4 Calender 4	4,512	11
5 Calender 2	3,696	9
6 Storage & Distribution	1,324	3
7 Trim	1,149	3
8 F and H buildings	769	2
9 Other	440	1
10 Head office	300	1
11 Laboratory/test facility	244	0.5
12 Calender 1	241	0.5
13 Recycling	219	0.5
14 Esterification	133	0.5
Total	Total	100

A photograph of a middle-aged couple, Pim and Annemarie Gorter, standing on a brick-paved path in front of a brick house. A bare vine archway is positioned over them. The woman, Annemarie, is on the left, wearing a blue and white floral jacket over a dark blue top and blue trousers. The man, Pim, is on the right, wearing a mustard yellow jacket over a plaid shirt and blue jeans. They are both looking towards the camera.

**Pim and Annemarie Gorter,
local residents living
at Dorpsstraat:**

"We've been living at the Dorpsstraat for years now, and our experience with Forbo is generally excellent. Still, the construction of the new MXD warehouse came as a surprise. Our neighbour told us there was going to be building works. That was a bit of a shock. Not in our back garden, hopefully? We probably missed the relevant news item in our local paper.

But after we talked to Forbo, we were reassured. We did of course attend the information meetings, because we want to know what goes on around us. We always got clear answers to our questions. And there was hardly any nuisance. Funny enough, thanks to the MXD we now hardly hear anything from the warehouse behind it, where they work throughout the night. It acts like a sound barrier. And let's be honest, we need a company like Forbo here. It's really important for jobs. The one thing they could perhaps improve on is notifying local residents a bit earlier next time, but we don't know if that's the custom. Fortunately, our experience is that if you ask or announce something positively, things will be all right."

**"Funny enough, there's less nuisance
from the other warehouse now"**

AIR

Emissions of nitrogen dioxide

Forbo Flooring borders on magnificent areas of natural beauty, the habitats of nitrogen-sensitive plants and animals. It is therefore important to keep a close eye on our NO_x emissions and to minimise them to the greatest possible extent. The NO_x emissions from the incinerators (steam boilers and hot water boiler) are similar to those in 2012, as the systems operated for virtually the same number of hours as 2012.

Emissions of VOCs and odours

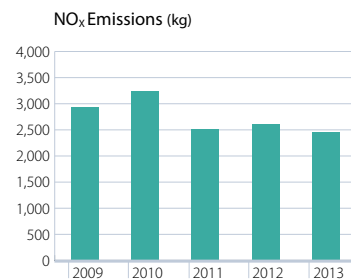
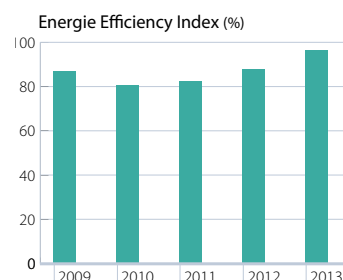
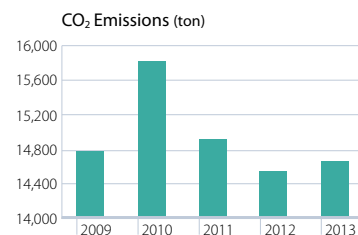
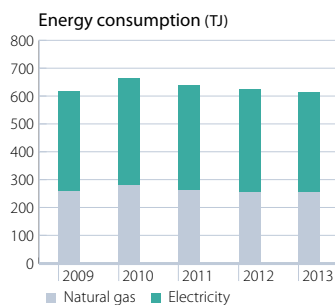
The emission of volatile organic compounds (VOCs) contributes to the acidification of the environment and causes that odour that is so particular to our company. VOC vapours are generated especially during the esterification and oxidation of linoleum cement and during the linoleum drying process in the Drying Rooms. In order to reduce these VOC emissions, incinerators have been installed in these departments,

which remove virtually all fumes. However, other departments also generate VOC fumes, albeit to a lesser extent, and they do not apply gas purification technology yet. The Mixing department for instance, currently emits the biggest amounts of VOC and odours into the environment. Forbo is studying the possibilities to reduce the emissions from this department, while at the same time optimising the working conditions at the Mixing department by means of a more concentrated fume extraction.

VOC emissions for 2013, based on emission measurements, were 23.6 tons, which is significantly lower than those for 2012 (30.1 tons). This fall was not caused by a fall in emission concentrations, but a fall in production hours.

Dust emissions

The manufacture of linoleum also produces dust. Dust contributes to spreading emissions and can lead to a higher level of airborne particles. Dust can be released during mixing in the Mixing department and when filling wood flour, limestone and scrap silos. In order to prevent the emission of dust, dust filters have been installed near these departments and systems. The functioning of these filters is regularly inspected as a preventive measure. The emission of dust is measured once every three years. No new measurements took place in 2013. The difference in the calculated emissions is the direct result of a difference in production hours: 941 kg in 2013 compared to 1,163 kilograms in 2012.





**A MAGNIFICENT 87% OF OUR
INTERNAL LINOLEUM RESIDUAL
WASTE IS REUSED IN OUR OWN
PRODUCTION PROCESS**



RESIDUAL WASTE

Recycling waste

During the manufacture of linoleum, typical residual waste such as linoleum and granulate is produced. Forbo Flooring aims to prevent the generation thereof to the greatest possible extent. In 2013, we managed to realise a rise in quantity output (the number of square metres of linoleum that meets our strict quality requirements compared to the total amount of linoleum produced) from 91.8% in 2012 to 92.6% in 2013.

Waste that is produced when trimming the edges, during sampling, breakdowns or when material that fails to meet our high quality requirements is rejected is internally recycled to the greatest possible extent. A magnificent 87% of our internal linoleum residual waste does not leave the premises, as it is reused as raw material in our own production process.

The other 13% cannot be recycled and is disposed of as waste product. In 2013, Forbo disposed of a total of 802 tons of linoleum (2012: 885 ton) and 762 tons of granulate (2012: 889 tons). Linoleum and granulate that are disposed of still have a high calorific value and are incinerated externally. The heat obtained from this process is converted into energy and returned to power plants.

As granulate residual waste depends on the production volume, we have formulated a production-related HSE objective: 0.012 tons of granulate residual waste per ton of product. With 0.012 tons per ton of product, we did reach our 2013 objective for linoleum residual waste, performing much better than in 2012 (0.016 tons per ton of product).

ENVIRONMENTAL INCIDENTS

Twenty-four (potential) environment-related incidents took place in 2013. Of these 24 incidents, 18 more or less caused a(n)

(external) burden on the environment.

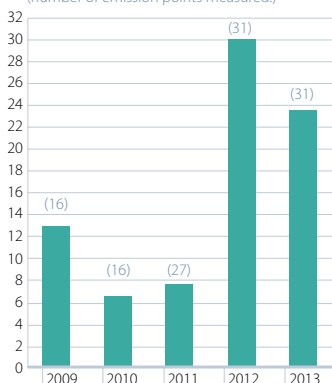
It concerned:

- 14 fire/overheating incidents
- 2 cases of smoke formation
- 2 power cuts
- 2 spills (limestone, thermal oil).

The other incidents did not affect anything outside the site boundaries, as they were dealt with internally or, in hindsight, did not cause any emissions. There were 69 internal notifications following alarms in the off-gas system in the Oxidation department. In 24 cases, the fire brigade was called out as a prevention. The other notifications were dealt with by the department itself.

All incidents are reported internally to a central point, after which improvement measures are formulated in order to prevent repeats. All reports have been processed. No complaints were submitted to the Municipality of Noord-Holland in 2013. We did receive some direct complaints.

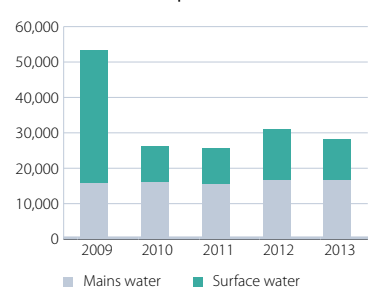
VOC Emissions (ton)
(number of emission points measured)



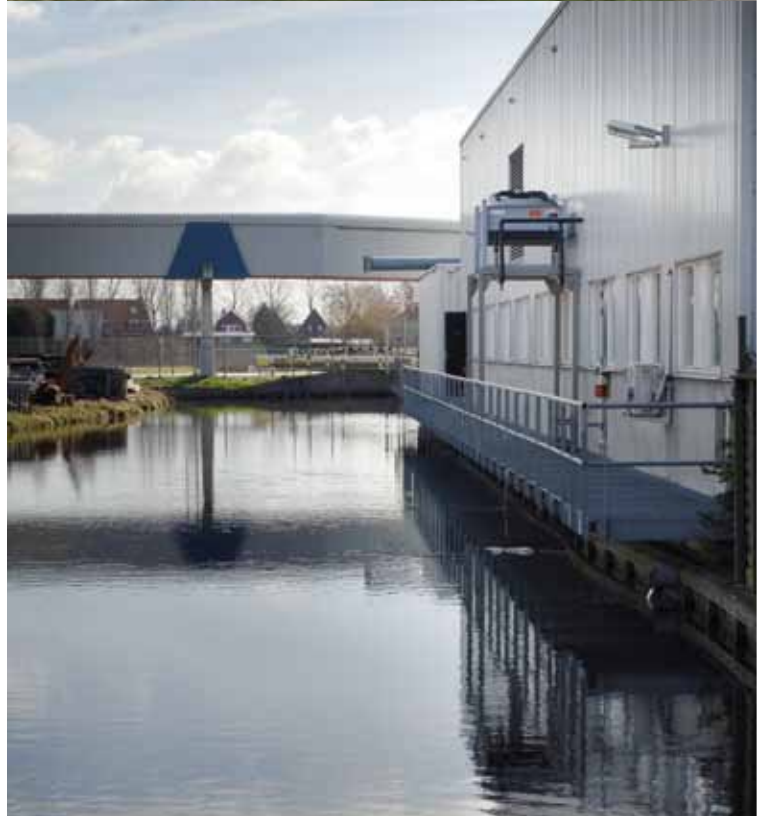
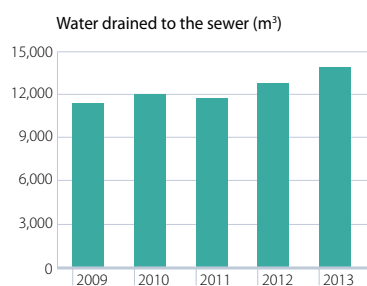
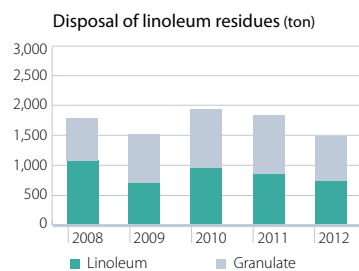
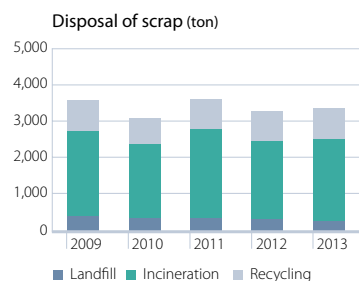
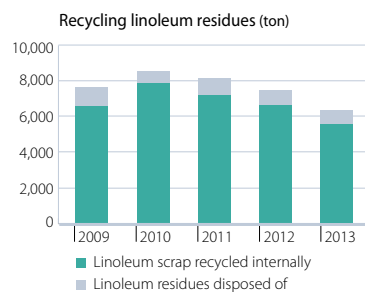
Coolant emissions (kg)
(substances that affect the ozone layer)



Water consumption (m³)



This concerned complaints about noise and vibrations during the construction of the new MXD warehouse. We have tried to deal with these complaints to the best of our abilities, and we have notified local residents about the construction to the greatest possible extent, for which we organised two meetings at Forbo, for instance. A tour of the new warehouse formed part of the second meeting.



We hope you have enjoyed reading our 2013 HSE annual report. In 2014 we will continue to work hard on the objectives set out in the report and on the further improvements in the fields of health, safety and the environment.

Also following the results of the recent internal communication study, we will continue to look into the options to digitalise the HSE annual report.

If you have any questions or comments about the report, please send them to mia.harkamp@forbo.com.

For more information about our company, visit www.forbo-flooring.com.

Colophon

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