

Creating Better Environments

Forbo Flooring Systems
Sustainability Report 2013

2013



FLOORING SYSTEMS



Statement GRI Application Level Check

GRI hereby states that **Forbo Flooring Systems** has presented its report "Sustainability Report 2013" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level C.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 21 May 2014

A handwritten signature in black ink, appearing to read "Ásthildur Hjaltadóttir".

Ásthildur Hjaltadóttir
Director Services
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

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Preface

Forbo Flooring Systems is part of the Forbo Group, a global leader in Flooring and Movement Systems. Forbo Flooring Systems manufactures and supplies a full range of resilient and textile floor coverings as well as a comprehensive collection of building and construction adhesives, primers and levelling compounds for floor and wall applications. Forbo Flooring Systems manufactures products for commercial (professional) and residential markets. Our flooring portfolio comprises linoleum, sheet vinyl, luxury vinyl tiles, electrostatic flooring for clean rooms, flocked flooring, carpet tiles, needlefelt, and textile and rigid aluminium-based entrance flooring. The portfolio combines functionality and durability with coordinated colour and design and aims to deliver the most environmentally responsible offer for any application.

As a leading global floor covering manufacturer, we have an obligation to provide high quality sustainable products that are manufactured responsibly regarding our impact on the environment. For the health and wellbeing of our customers, employees and all our other stakeholders in the wider community, we want to make sure that the products and decisions we make in operating our business take into consideration and respect the needs of our generation without compromising those of future generations.



Forbo

FLOORING SYSTEMS

*) At Forbo we look at sustainability as 'the things that you cannot see'. Sustainability of a product is not limited to the use of renewable raw materials such as linseed, wood flour and jute, but also recycling materials such as USED fishing nets and pet bottles, using green energy and making green design part of our business when it comes to innovation and development of products. All these things are leading to improve our sustainability profile. If you want to read more about 'the things you can't see' read all about our foot print and your footsteps on www.forbo-flooring.com/sustainability

Message from Matthias Huenerwadel

Vice President Forbo Flooring Systems

Looking back at 2013, I am pleased that even during a period in which the economic climate was partly unfavourable, Forbo Flooring Systems succeeded in achieving its three major commitments on our sustainability roadmap. At the moment we are adopting and rolling out SA-8000 social accountability management. Already, we are seeing the result of implementing this auditable standard and the encouragement it gives to our local organisations and employees to develop and maintain good, socially acceptable practices in their workplaces. We remain committed to the Global Reporting Initiative (GRI). This helps us to measure, understand and communicate our sustainability performance in a way that is transparent; it also helps us to promote and manage change aimed at creating a sustainable global economy. Finally, we experienced the positive reaction of our employees and stakeholders and see the results of the actions initiated by our newly appointed head of sustainability.

In my view, our commitment as a company is only meaningful if everyone in our organisation is truly engaged in creating the better environment that we envisage. We therefore stimulate all our employees through our Forbo Way to Win programme, which focuses on the social, environmental and economic pillars of the United Nations resolution on a sustainable future. Alongside this, I see it as my obligation and that of my team to also pay maximum attention to innovating our processes and product portfolio so we achieve our objective of reducing our environmental impact by 25%, as measured by Life Cycle Assessment. With this in mind we have introduced new collections to our product portfolio, all of which show a lower environmental footprint than their predecessors. Through green design (minimizing the use of raw materials), clever production methods (using less energy), and new product applications (loose-lay products that do not

require adhesives), we once again managed to move closer to achieving our target of a 25% reduction in our overall environment impact.

Looking at the future, and in particular the coming year, I believe we should continue our efforts, not only to create a better environment, but also to make sure we demonstrate that Forbo Flooring Systems is different from our competitors.

“We are committed to being a global leader in commercial flooring based on creating sustainable solutions for our customers”

Besides our ongoing commitment in reducing our environmental impact, we are committed to the health and wellbeing of our and future generations. Everyone counts: the patients in hospital and their nursing staff, the children in classrooms and their teachers, cleaners and facility managers, flooring installers and refurbishers. Whoever, whatever, wherever, our products should assist them in making their work easier and more agreeable.

With this in mind, Forbo Flooring in 2014 is launching a new programme that links our products, activities and the choices we offer to our customers to the health of the individual. This initiative should stimulate our drive to be even more innovative in finding solutions that make Forbo Flooring Systems “Committed to the Health of ONE”.



Kind regards,
**Matthias
Huenerwadel**

Message from Tim Cole

Head of Sustainability

When I joined Forbo Flooring Systems in North America, the debate on creating a sustainable future with relation to flooring products had not even begun. However, when considering the fact that “buildings and construction activity” is the single largest contributor to the greenhouse effect, it became clear to me that all players in the built environment have a responsibility to change. Floor covering is an integral part of every building and is typically replaced three to seven times during the lifetime of a building. As such, it is essential to manufacture environmentally sound floor coverings and make sure it is possible to dispose of floor coverings in a responsible way.

Forbo Flooring was the first flooring manufacturer to introduce the notion of LCA (Life Cycle Assessment) as a way to calculate the impact of products on the environment during their useful life. As the method is transparent and third-party verified, we consider it to be the way environmental responsibility should be measured. Today, the majority of manufacturers support the LCA methodology, which is the foundation for the individual Environmental Product Declarations (EPDs) that now are available for many products.

Next to the composition of a product, I consider the impact products have on the environment to be of paramount importance. This is also recognised in the world around us where we see a shift from product labels to performance labels of products in the built environment. Building rating systems like LEED and BREEAM focus on the effect products have on our health and wellbeing. For this reason, at Forbo we are looking at ways to raise EPDs to a higher level of sophistication so that they also include toxicity as a measure that determines environmental soundness.

My work at Forbo Flooring covers both the follow-up of our internal programmes and goals as well as the promotion of sound and transparent sustainable stewardship towards our customers and stakeholders. I am happy to see a consistent trend in the improvements made towards reaching our sustainability goals and the progress on our innovation path that we have set for ourselves. Should you want to know more about Forbo Floorings' sustainable endeavour, please feel free to contact me anytime.

Kind regards,

Tim Cole

contact@forbo.com





Organisational profile

Forbo Flooring Systems' Sustainability Policy

As a global leader in flooring systems, we have a responsibility to all our stakeholders to create a better environment. The way we serve and drive the market sets the pace and standard for world-class flooring solutions. Sustainable development and 'creating better environments' is an integral part of all of Forbo Flooring Systems' activities.

Linoleum was the first product to be made by the companies that would later become Forbo Flooring Systems. As a natural product made from renewable natural raw materials that are fully biodegradable and environmentally friendly, we have in effect been at the forefront of sustainable awareness for over 150 years. This global awareness regarding sustainability has grown over the last few decades as it has become more and more clear that global warming and the depletion of natural resources mean we cannot continue as we have in the past if we are to fulfil our obligations to future generations. As a company, we are committed to meeting our obligations to future generations by acting as a sustainable enterprise.

Forbo Flooring Systems underwrites the broad and all-inclusive definition of sustainable development as accepted by the United Nations Commission on Environment and Development, General Assembly Resolution, 1987:

"Developments that meet present needs without compromising the ability of future generations to meet their needs"

The United Nation's definition of sustainability recognises three individual dimensions that together make up a sustainable policy. These are:

- **The Environmental dimension – Planet:** the way in which measures specific to improving the environmental impact of the processes and products of the company are regulated and executed.
- **The Social dimension – People:** the way in which social equity and corporate governance are defined and followed within the company.
- **The Economic dimension – Profit:** the way in which the company organizes its position in the marketplace to actively develop its sustainable profile by using its economic stability and profitability for continuous improvement.

Forbo Flooring Systems supports the three dimensions in a constructive and consistent manner through the following principles:

- "Compliance Plus" – a commitment to go above and beyond government regulations and requirements;
- Integrating sustainability considerations into all our business decisions;
- Regularly monitoring and reviewing progress in sustainability performance;
- Commitment to continuous improvement;
- Promoting sustainability throughout our value chain, and expecting our suppliers and customers to comply with this;
- Ensuring that all staff are fully aware of our Sustainability Policy and are committed to implementing and improving it.

Forbo Flooring Systems' Sustainability Commitments

- Achieve a 25% reduction in environmental footprint and CO2 emissions by the end of 2015 compared to 2009
- Reduce use of adhesive and promote loose-lay installation solutions
- Reduce, renewable, reuse, recycle
- Provide transparent product information
- Implement SA-8000 – sustainability with the focus on social equity
- Improve the safety of our workers in our manufacturing facilities
- Work with the community



About this report

We published our first Sustainability Report In 2013. Like that, this, our second report, is aligned with the Global Reporting Initiative's (GRI) sustainability reporting framework. We have prepared this report in accordance with GRI 3.1 Level C reporting requirements.

Based on GRI's sustainability reporting framework, this report aims to provide a transparent overview of Forbo Flooring Systems' environmental, social and economic performance as defined by the Global Reporting Initiative. We see the compilation of this report not only as a reporting tool, but also as a way to account for our activities and improve our performance over time.

This report provides an overview of Forbo Flooring Systems' performance for the 2013 calendar year, in line with our financial reporting cycle.

We would like to thank everyone who participated in the compilation of this report. It could not have been written without their assistance and input. Finally, we invite you to let us know your thoughts about our 2013 Sustainability Report. You can do so by contacting us at contact@forbo.com.

Scope and materiality

The basis for our sustainability reporting is a materiality analysis to identify those aspects that are of significance to Forbo Flooring Systems and its stakeholders. This analysis includes the principles of the SA-8000 Social Accountability standard and the environmental improvement target to which Forbo Flooring Systems has committed. The stories and the content we provide are selected and included because the work they reflect is material to both our sustainability strategy and direction, and, more specifically, to our operations.

Report boundary

Unless otherwise stated, environmental data contained in this report is limited to our 12 floor covering manufacturing sites in the United Kingdom, the Netherlands, Russia, France and Switzerland as these entities are considered the most material in terms of environmental impact. The environmental data in this report does not cover our worldwide sales offices and warehouses in Europe, North and South America, Russia and Asia. Unless otherwise stated, social and economic information within this report covers all sites and offices worldwide. There have been no changes from the previous reporting period in the scope, boundary or measurement methods applied in this report.

Furthermore, Forbo Flooring Systems' Building & Construction Adhesives subsidiary and its three manufacturing sites do not form part of this report, unless otherwise stated.

No restatements to the previous 2012 report are required.

About this report

Stakeholder consultation

Effective and ongoing stakeholder engagement is the foundation of our business and sustainability reporting initiatives. We engage with stakeholder groups that we have dealt with for many years to ensure we maintain our social license to operate. The selection of stakeholders with which we engage reflects the relevance of those things that have a direct or indirect impact on our everyday business. In particular, we regularly consult local and national government environmental organisations because of the material impact of our environmental activities. Likewise, the social and economic dimensions of our business mean we talk with unions and organisations related to the floor covering industry. Our stakeholder engagement during 2013 involved a range of activities:

- **Internal stakeholders** – through regular meetings
- **Customers** – through customer feedback mechanisms and surveys

- **Government (national, state and local)** – through representation on committees and other regular contact regarding environmental and safety compliance
- **Environmental non-governmental organisations** – through meetings, representation on committees and other regular contact
- **Suppliers** – through regular meetings and audits
- **Unions** – through meetings and representation on committees
- **Communities** – through representation on committees, open days at our manufacturing plants and involvement with charities and schools
- **Industry associations**

As our sustainability reporting evolves, we continue to engage internal and external stakeholders to determine what areas of our reporting require further explanation and clarification.



Governance

Forbo Flooring Systems is part of the Forbo Group headquartered in Baar, in the canton of Zug, Switzerland. The Forbo Group, including its Forbo Flooring Systems and Forbo Movement Systems divisions, employs more than 5,000 people and has an international network of 24 production and distribution companies, six assembly operations and 40 sales organisations in 36 countries worldwide.

At Forbo, the concept of corporate governance encompasses the entire set of principles and rules on organisation, conduct and transparency that are designed to protect shareholders' interests. Forbo's aim is to strike a careful balance between management and control. The central rules are contained in the Articles of Association, the Organisational Regulations and the regulations of the committees of the Board of Directors. The information is set out in line with the Directive on Information relating to Corporate Governance (Directive on Corporate Governance 'DCG') and the relevant publications of the SIX Swiss Exchange. The Forbo corporate governance report is available on our corporate website www.forbo.com.

Forbo Code of Conduct

The Forbo Code of Conduct sets out our most important business principles and basic values. The Code of Conduct is central to the way we protect and develop our reputation. It is founded on the principles of integrity, transparency and fairness and describes how we are to behave.

The Code of Conduct not only ensures compliance with the applicable laws and regulations wherever we do business, it also goes beyond compliance by demonstrating our commitment to acting ethically and with integrity in every situation while at the same

time respecting people's rights as individuals. We expect this of every single employee, everywhere, every day. We also expect this of all our business partners. High standards in our relationships are the foundation for lasting success.

Forbo Core Values

Based on our Forbo Group culture and Forbo Way to Win values programme, we have defined three core values that encompass three guiding principles:

Inspiring

- Developing ideas and seizing opportunities
- Knowing what matters and focusing on it
- Raising enthusiasm and convincing others

Daring

- Taking bold and decisive action
- Giving our all with power and passion
- Achieving goals with determination and stamina

Caring

- Challenging and encouraging oneself and others
- Taking responsibility and making a difference
- Leading by example to shared success



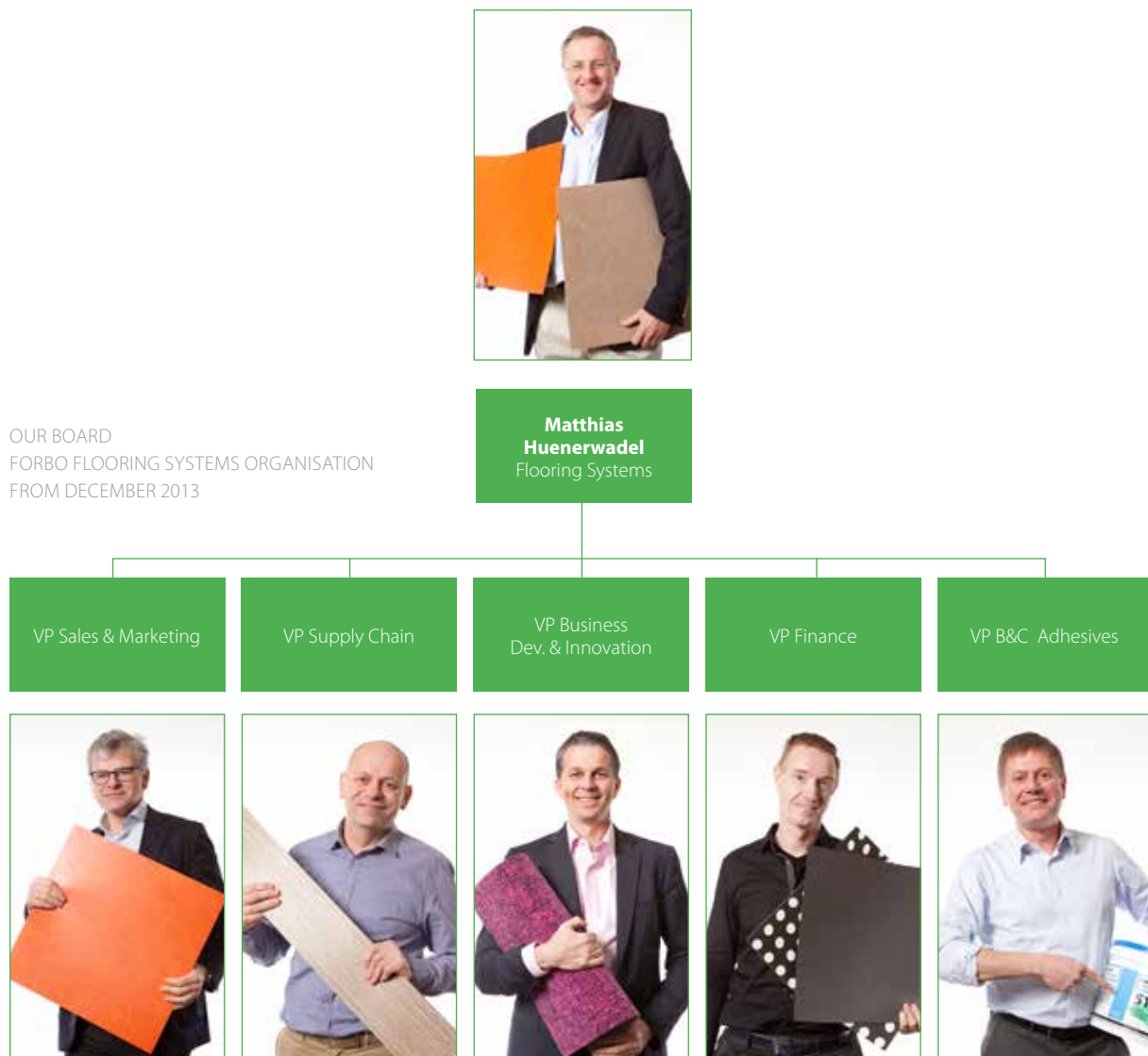
Governance

Forbo Flooring Systems company structure

Forbo Flooring Systems has 12 production facilities in six countries and distribution companies in over 20 countries. The division has sales offices in Europe, North, Central and South America as well as Asia/Pacific. The headquarters of the Forbo Flooring Systems division are in Assendelft, the Netherlands. The Forbo Flooring Systems division includes a subdivision called Building & Construction Adhesives.

Organisational structure

Our flooring products are divided into product categories that include linoleum, project vinyl, cushion vinyl, acoustic vinyl, luxury vinyl tiles, entrance flooring, flocked flooring, carpet tiles and needlefelt. Each of our sales organisations defines the product mix for the country or region it represents. The focus is to sell a segment oriented product portfolio worldwide, with local adaptations.



Markets

Focus on new segments and markets

Forbo has launched a number of strategic projects in recent years. The purpose of these has been to add high-margin products to the product portfolio and so open up new sales channels beyond our existing market segments and established geographic markets; i.e., to reduce our dependence on public spending and take even greater advantage of the potential in our growth markets.

Successfully offsetting weaker public sector demand

Our efforts to align our strategy to the changed circumstances has led us to reinforce our distribution channels and strengthen our presence in customer segments that were relatively new to us, such as retail, offices, leisure, and hospitality. These are now having a significant impact. Thanks to this, in 2013 Forbo Flooring Systems offset weaker sales in high-revenue customer segments, such as healthcare and

education, and largely made up for faltering demand in individual European markets.

Europe has not yet experienced a continent-wide market rebound, something that to an extent reflects the weakness of the construction industry in certain countries. For example, there was a significant downturn in demand in the Netherlands and, somewhat later, France. By contrast, Russia again posted double-digit growth, while Germany, Austria, Switzerland and the UK performed well amid a challenging environment. North America continued to feel the impact of spending cuts in segments that are crucial for us, such as education and healthcare. Canada generated gratifying growth, proving the worth of our move to become a direct market player by taking over our Canadian distributor, in 2012. The Asia/Pacific markets reported mixed results. On the whole, sales were more or less on a par with the previous year. Some countries, such as China, South Korea and India, posted double-digit growth, driven by major customer installations; others, such as Japan and Australia, saw a dip in demand owing to the overall economic situation.

STEP SAFETY VINYL



Manufacturing

All 12 Forbo Flooring Systems manufacturing facilities are ISO-9001 and ISO-14001 certified.

It's about the things you can't see...

In 2013, Forbo Flooring Systems launched a campaign explaining that sustainable products or actions are not always 'obvious'. Many times, sustainability is about "the things you cannot see". This is particularly true for flooring... once installed, it is often hard to 'see' the sustainable characteristics.

Forbo floors look stylish and beautiful. They are comfortable to live, work and play on. They are also functional floors that are built to last and always perform. But looks are not everything; often it's the things you cannot see that really count. When it comes to assessing a floor's sustainability, two things matter: how a floor is made and how it performs.

Marmoleum, a natural talent

Forbo Marmoleum floors are made from almost 100% natural raw materials, so it is no surprise that our Marmoleum is the world's leading sustainable resilient flooring. Made from linseed oil, rosin, wood flour, jute and lime stone, there is no better alternative when it comes to having a 'natural' floor covering. Forbo's Marmoleum brand linoleum is the world's most awarded and certified floor covering available: Nature Plus, Blue Angel, Nordic Swan, Cradle to Cradle and numerous national certifications are proof of this. Marmoleum can be used in over 70% of every building's flooring environments, which makes it the number one sustainable choice.

Our brands: **marmoleum, marmoleum click, touch, bulletin board, furniture linoleum, marmoleum sport, marmoleum modular, marmoleum decibel, marmoleum ohmex, cork linoleum.**



Manufacturing

Making vinyl better

Vinyl floors are reliable performers that last a long time. But they can be made even better. We know that by using recycled materials drawn from internal recycling schemes and post-consumer waste, plus promoting installation take-back schemes, we can create a loop that has the potential to give a second life to every floor we install. We manufacture all our vinyl in efficient, modern factories that run solely (100%) on green electricity. We aim to create minimum waste, while continuous production helps to avoid start-stop procedures. This approach reduces waste and saves energy.

Our brands: **eternal, allura, colorex, novilux, novilon, sarlon, step.**

Flotex flocked carpet – a high-tech carpet

Flotex is neither true carpet nor a resilient. Instead, its unique construction succeeds in combining the best of both worlds. As such Flotex is the high-tech floor covering that combines all the benefits of a carpet – it provides the same level of comfort as a carpet – and the durability of a resilient floor, with its efficient, low-cost ease of cleaning. Made from nylon 6.6, Flotex is a durable hygienic floor covering that can be washed and cleaned with water and a simple household detergent. Flotex is antibacterial and the only carpet that is approved by the British Allergy Foundation.

Our brands: **flotex colour, flotex lineair, flotex vision.**

Entrance flooring that keeps the world outside, outside

Our Coral textile matting and Nuway rigid entrance flooring prevent 94% of all walk-in dirt and moisture from being carried into a building. Coral uses recycled yarn made from used fishing nets and PET bottles. In this instance, using a sustainable product delivers a sustainable performance, too, as Coral and Nuway reduce typical cleaning and maintenance costs by over 70%.

Our brands: **coral, nuway.**

Carpet tiles that close the loop

All our tufted carpet tiles are made with over 50% recycled content. Our sustainable effort begins with green design principles. This involves designing with the aim of reducing raw material requirements, while at the same time aiming for optimal performance. Econyle yarns for the pile are made from recycled waste materials, while for the backing we use up to 78% recycled material. Our carpet tile production sites in the UK run 100% on green electricity and we reuse and recycle all production waste so that we close the loop.

Our brands: **tessera, westbond.**

A new era for needlefelt

The robust, hard-wearing properties of needlefelt make it ideal for flooring installations in high-traffic areas and areas where chairs with castors are likely to be used, such as in offices, shops and hotels. Newly created vivid colours combined with a characteristic surface texture give needlefelt a modern appearance that takes it into a new era of interior design.

Our brands: **forte, markant, akzent, showtime.**

Manufacturing

Awards

We are recognised by many certification bodies for our commitment to the environment, to employees, to the community, and to our customers.

In 2013, all our manufacturing sites in Switzerland, the Netherlands, the United Kingdom and France were awarded national certificates that recognise that all (100%) of their electricity needs are met from renewable sources.

Belgium: Awarded Golden Partner for 'A better life in 2013' by VIBE (Vlaams Instituut voor Bio Ecologisch Bouwen)

USA: Awarded 'Top Performing Resilient Flooring Company' by GreenWizard.

Russia: Awarded runner-up in competition for best 'socially responsible employer' in the Kaluga region.

Our products hold a variety of national and international certifications:

MARMOLEUM



MARMOLEUM CLICK



MARMOLEUM, FLOTEX



MARMOLEUM, VINYL, CARPET TILES, CORAL, NUWAY, FLOTEX





Environment



1

Caring for our environment

Achieve a 25% reduction in environmental footprint and CO₂ emissions end of 2015 compared to 2009

In 2009, Forbo Flooring Systems started a programme to reduce our division's environmental impact by 25% by the end of 2015, versus the baseline year of 2009. To measure our progress, we calculate our environmental impact according to the Life Cycle Assessment (LCA) model of mass weighted mix for all products made. This involves calculating all environmental impacts from cradle to installation, and we also include the energy consumption of all our offices and Forbo-owned warehouses worldwide. The LCA measurement system is independently verified.

The LCA is calculated for one square metre (1m²) of installed floor covering from cradle to installation. This means that we consider every environmental impact in the supply chain:

- The extraction and production of the raw materials
- The transportation of the raw materials
- The production of the floor covering
- The transportation of the floor covering to the installation site
- The installation of the floor covering

We take into account the following environmental impact categories:

- Acidification Potential
- Eutrophication Potential
- Ozone Layer Depletion Potential
- Photo Oxidant Creation Potential
- Abiotic Depletion Potential
- Global Warming Potential

We strongly believe that creating better environments means reducing all environmental impacts – not only global warming. We therefore weight all six impact categories equally and express them in one index figure.

Supplier participation

Calculating our environmental footprint, we take into account results that relate to the actual development and production of our floor coverings. Furthermore, we have integrated the 2012 results of two raw materials: wood flour and PVC. To do so, we took into account any changes in the use of raw materials, changes in yields, the recycling or reuse of waste, and the energy and water consumption of all our suppliers of those two materials. The results for both raw materials are very positive as, in both cases, the environmental footprint improved compared to 2009. This was achieved by the wood-flour suppliers to our Assendelft operations in the Netherlands changing over to green electricity generated from biomass or wind. Furthermore, the PVC supplied to all our sites was produced using less energy. The weighted energy consumption for the PVC was reduced by 5% in 2012 compared to 2009.

Reducing CO₂ emissions through cross-docking...

Optimising transportation to our customers not only saves money, it also reduces CO₂ emissions. For a number of years, flooring products from different Forbo sites have been combined with Marmoleum products in Assendelft, the Netherlands, to form single truck-loads or containers for transport to our customer. This is an efficient and environmentally friendly process that is called cross-docking. Cross-docking ensures an even better and more reliable service for our customers and results in fewer transport movements and therefore lower CO₂ emissions.

...and constructing a LEED Gold Certified warehouse

Our new warehouse, called MXD, was designed in accordance with LEED principles and is Gold certified.

Caring for our environment



Kees van de Lagemaat, Manager Logistics Assendelft - NL:

The cross-docking volume in Assendelft has grown rapidly over the last couple of years, with the result that these activities exceeded the capacity of the existing warehouse. For this reason, investment was approved for the construction of a new cross-docking warehouse. The construction work started in early March, 2013, and the new building was fully operational within six months. A tight timetable and a great effort by the builders and project team made it possible to construct and commission the new warehouse so quickly. The building has approximately 7,500 positions for pallet storage, floor space for cross-dock activities, and a mezzanine for welding rod storage.

The CO₂ reduction comes from the MXD warehouse's strategic location in Assendelft, which is the site of Forbo Flooring Systems' largest factory. Virtually every day, trucks with products from different Forbo Flooring sites head off to countries around the world. By consolidating different Forbo Flooring products from other manufacturing sites in this flow, we can achieve a significant reduction in transport kilometres. The direct result of this is lower CO₂ emissions. A win-win situation for our customers and the environment.

Sustainable building – LEED Gold Certificate

Throughout the building design process, a lot of attention was given to realising the greenest possible warehouse. By applying innovative and environmentally favourable solutions and well-thought-out processes, we were able to build a warehouse that is one of a kind. The warehouse is equipped with automatically dimming lights, LED lighting in the office spaces, a highly efficient heating system and highly water-efficient systems in bathrooms and toilets.

On top of this, the MXD is equipped with the equivalent of over 100,000 kWh of solar panels on its roof. This means that the warehouse will actually generate its own energy whenever the sun is shining!

Because of the very sustainable design and construction, we applied for LEED gold certification. LEED is a standard for Green Buildings that is recognised worldwide. Forbo Flooring Systems is the first company to receive a LEED Gold Certificate for a warehouse in the Netherlands.

Caring for our environment

Green Design and Innovation

We use LCA as the main method by which we measure our environmental performance.

What companies have traditionally done, still do and will possibly continue to do, is to use LCA reactively – they look back, set a baseline and then trust that the improvements they make will have a positive impact. Forbo Flooring Systems takes a different view, something that can be seen in the great emphasis we place on Green Design and Innovation. Simply put, we recognise that we have to do things differently if we are to achieve our divisional goals of becoming a sustainable and environmental leader. When designing and developing products and collections the 4 R's – reduce, renewable, reuse, recycle – are important indicators in our quest to find the most green product and green technology.



An interview with Cecile Mitchell, Innovation Manager, Assendelft, the Netherlands

How long have you worked for Forbo Flooring Systems and what do you do today?

I joined Forbo Flooring Systems 11 years ago, after completing my study in textile engineering. I started in the division's textile R&D department in Reims, France. After a few years I became

R&D manager of our needlefelt product, and project manager for vinyl and textile product developments. In 2010 I had the opportunity to be involved in the management of the environmental strategy project,

a theme I have been interested in professionally and personally for a long time.

What influence does sustainability have on your work?

As R&D manager, improving the environmental impact of our products became a key factor in my daily work. We have changed our way of working, integrating this factor into our processes locally as well as at divisional level. Our R&D and Design teams try as much as possible to apply green design principles – always considering the product life cycle analysis (LCA) when developing products or searching for new raw materials. Today, as Innovation Manager, I continue to take environmental improvement into account in my projects.

Can you give an example of an environmental impact improvement that stems from one of your product or process developments?

In Reims we developed full bath impregnation for coarse and fine-fibre needlefelt and we increased the percentage of production waste we recycled. For the vinyl part, we have developed loose-lay products in sheet. Not gluing the product onto the floor anymore gave us an LCA improvement of 12%.

Our design department has contributed a lot: while minimising the number of cylinders and reducing the use of printing ink, they developed new collections with a large pallet of designs and colours.

What does sustainability mean to you in daily life?

Sustainability is not only a working preoccupation for me but also a personal commitment. Sorting and recycling waste has been a habit for a long time. I pay attention to cooking family meals using ingredients from organic and local farming sources. When I lived in Reims, I regularly used my bike to get around. Today, living in the Netherlands, it has become my daily transport and my best friend... even when it rains!

Caring for our environment

Reduce use of adhesive and promote loose-lay installation solutions

Floor-covering installation

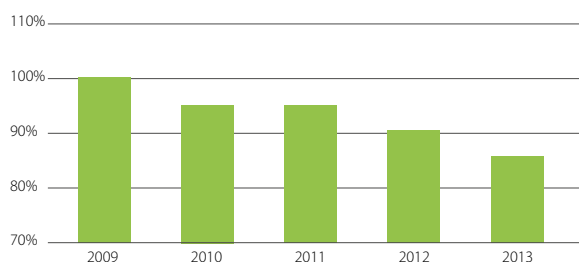
Measured by material weight, the adhesive used to install a floor covering makes a proportionally big contribution to the environmental footprint of 1m² of flooring. Forbo Flooring Systems is therefore continuously developing and introducing installation systems that are based on new techniques and new types of adhesives that improve the installation sustainability of our floor coverings.

During 2012, we started to introduce new adhesives for Marmoleum: FORBO EUROCOL 614 Eurostar Lino Plus in Europe, and FORBO SUSTAIN 885m in North America. Both adhesives have a better environmental footprint than their predecessors because they enjoy a much lower application weight and release no emissions into the air indoors.

Today and in the future, we will continue to explore possibilities for optimising the use of adhesives for all our products.

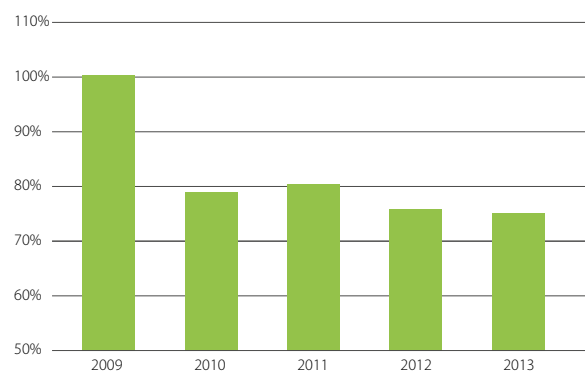
www.eurocol.com
www.forboflooringna.com

LCA INDEX
Environmental footprint 2013



Our environmental footprint index improved again in 2013. The biggest average contribution to our goal came from including the improvements made by introducing our newly developed Marmoleum adhesives. However, many of our manufacturing sites also made a positive contribution: reducing energy use, increasing the recycled content of our products and reducing the use of raw materials. All these improvements are reflected in the reduction of our carbon footprint, as shown in the Global Warming Potential graph.

GLOBAL WARMING POTENTIAL
Carbon Footprint



Caring for our environment

Reduce, renewable, reuse, recycle

These 4 R's are at the heart of our efforts to reduce our impact on the environment and are important indicators in our quest to become a more sustainable company. With a publicly stated objective of reducing our LCA by 25% end of 2015 (versus 2009), it is important to view how we are progressing in each aspect as each will have an impact on our overall performance target.

Reduce

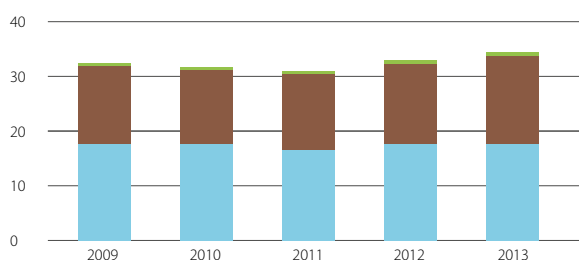
We consider this to be the most important R – reducing our consumption of materials, energy and waste has the biggest impact both environmentally and financially. Reducing consumption and waste will have a significant impact in reducing our environmental footprint.

REDUCE ENERGY

We have seen a continuing increase in our energy consumption since 2011. This is caused by lower product volumes, which reduces the efficiency of our production processes, plus a shift in our sales towards more commercial products. On average, commercial product has a higher square metre weight, which requires more energy to produce. In 2012, the long and relatively cold winter in Europe also had a negative effect on our energy efficiency.

PRIMARY ENERGY INDEX (all energy)

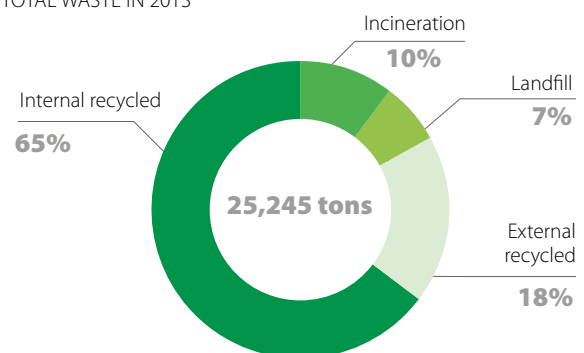
● Direct Energy: Oil MJ/m² ● Direct Energy: Gas MJ/m²
● Indirect Energy: Electricity MJ/m²



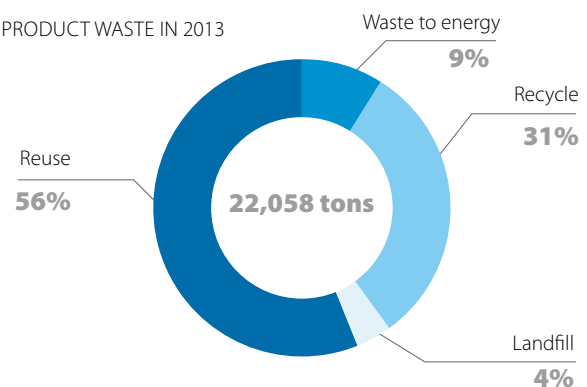
REDUCE WASTE

In 2013, the total amount of material that was sent to landfill sites decreased compared to 2012 and 8% more waste material was recycled.

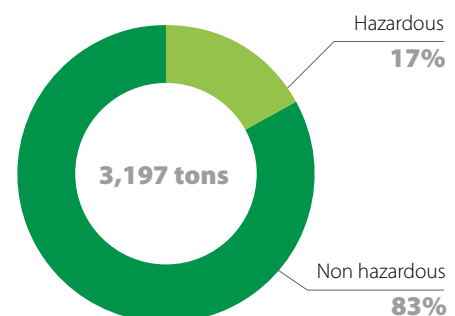
TOTAL WASTE IN 2013



PRODUCT WASTE IN 2013



NON PRODUCT WASTE IN 2013

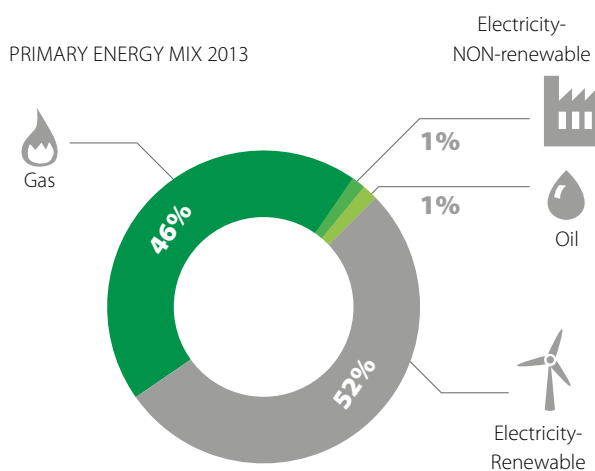


Caring for our environment

Renewable

RENEWABLE ENERGY

We have an ongoing policy of sourcing our electricity supplies from renewable sources. In 2013, renewables accounted for 52% of all the energy consumed in our manufacturing facilities. This in turn is helping to shrink our carbon footprint by reducing CO2 emissions to the environment. We continue to believe that limiting the environmental impact at source is far better than offsetting.



Reuse and recycling

Forbo defines reuse as being “waste that, after reprocessing, can be fed back as a raw material into the same manufacturing processes”. Our definition of recycling is “material diverted from the waste stream during a manufacturing process that is sent to a third party for them to use as a raw material”. That third party can be another Forbo site or external recyclers.

In 2013, we made large investments in recycling in the UK and the Netherlands. In Bamber Bridge, the UK, we invested CHF 1.5 million in a new backing mixing system. This has enabled us to greatly increase the recycled content of our Tessera carpet tile. In Coevorden, the Netherlands, we invested more than CHF 1 million in additional scrap-compounding capacity. This was needed to deal with increased production volume. A separate investment programme was started to introduce recycled safety vinyl flooring into our products. As a result we outperformed our 2012 recycling result by 8%. In 2013, we reused and recycled more than 87% of our product waste.

Caring for our environment

**Steve Wilson, Process & Project Engineering,
Bamber Bridge – the UK, said:**

“It has become increasingly common for flooring contractors to request that carpet contains more than 50% recycled content.”



Improving sustainability performance for Tessera carpet tiles has been an interesting challenge for everyone at Bamber Bridge. Whilst we have made increasing use of recycled materials, such as Econyl yarn and recycled backing cloths, over 60% of the Tessera carpet tile is made up of the backing. To achieve the 25% LCA improvement and 50% recycled content targets we therefore needed to do something radical to improve the bitumen backing mix.

In 2013, we installed a new 12-screw ring extruder on the bitumen backing line. This has allowed us to make some substantial improvements:

- Move to recycled calcium sulphate filler – We used the opportunity provided by the extruder installation to upgrade the filler feed system and so broaden the range of powders we could use. Previously, we used virgin limestone filler powder as the problem with many recycled materials is that they are often difficult to handle and process. However, thanks to upgrading the filler feed system, we were able to commission the extruder using recycled calcium sulphate filler, a waste product of hydrofluoric acid production from a nearby manufacturing plant.
- Re-use cutting waste – The biggest challenge for this project was reprocessing carpet edge trim from our cutting line. We therefore installed Pierret guillotines to produce cutting waste pellets that can be fed into the extruder to form part of the backing mix. This will be a focus for continuous improvement for the next few years. Once we can reprocess our internal factory waste, the aim is to move on to offer to take back post-installation waste and maybe even some post-consumer waste in the future.

A benefit of this project is that it has had a positive effect on the whole Tessera range, rather than just a handful of premium environmental products. We have reduced bitumen use for all products by over 40% and the related heating costs by over 50%. Bottom line: all products now contain over 50% recycled content, with most in the 60-70% range.

The environmental footprint as measured with LCA has improved dramatically, with an improvement of over 40% against our initial benchmark. Our aim is to continue to push these figures higher with further developments.

Achieving genuine improvement in environmental performance is important to me – backing up ideas with action rather than just talk of improvement. At home, I have reduced my utility bills by over 65% in the last three years, reducing my dependence on gas and grid electricity by installing solar panels, energy efficient appliances and using a wood stove to heat the house. So it has been a pleasure to be involved in a project like this where a major step change in performance has been achieved.

Caring for our environment

Flotex:

The most sustainable carpet tile, it features a recycled and reused content of up to 59%.



Luxury Vinyl Tile (LVT):

Allura contains up to 20% recycled and reused content.



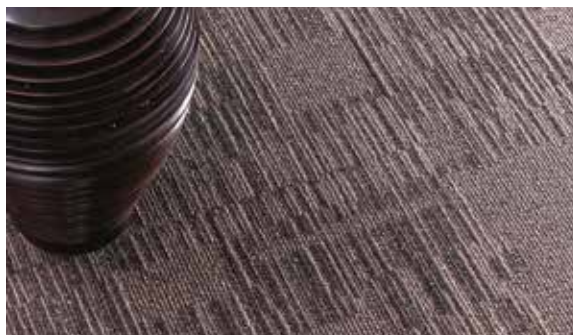
Entrance systems:

Coral Welcome, Coral Brush Blend and Coral Brush Pure are available in 100% post-consumer-recycled yarn. Coral Duo is available in 75% post-consumer-recycled yarn.



Tessera and Westbond carpet tiles:

Tessera is available in 100% post-consumer-recycled yarn and with 78% of recycled and reused content in the backing. Westbond tiles have a recycled PVC backing.



Vinyl:

Vinyl is available with up to 45% recycled and reused content in the backing.



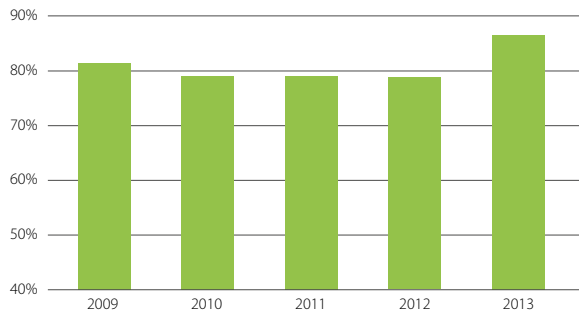
Marmoleum:

Marmoleum contains up to 43% recycled and reused content.

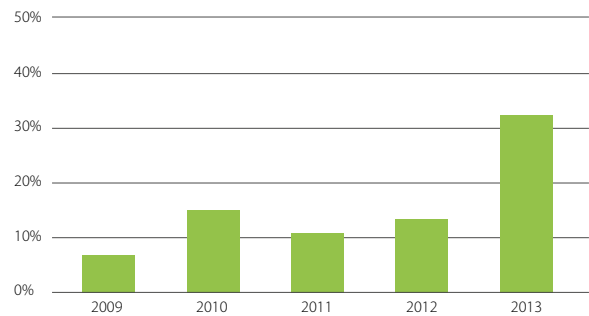


Caring for our environment

% REUSED & RECYCLED PRODUCT WASTE

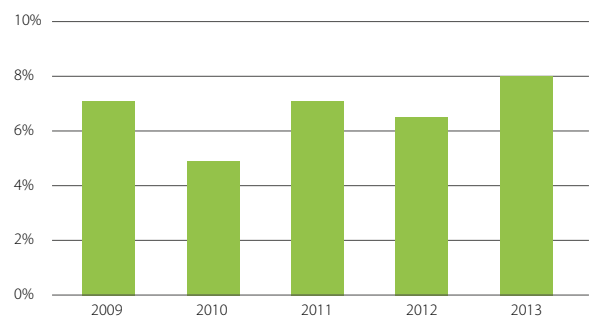


CARPET - % RECYCLED & REUSED

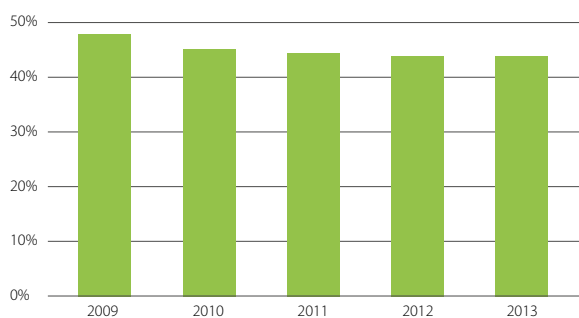


In 2013, the weighted average amount of recycled and reused content in our products came to over 27%, which equates to a 3% improvement over 2012. This is positive in every respect. Marmoleum has long contained the most reused and recycled material of all resilient floor coverings. In 2013, our focus on reusing and recycling waste led to very good results by increasing the recycle content in our Allura, Flotex, Coral and Tessera product ranges. The upshot of this is that we now have a wide portfolio of products that contain recycled content, and this portfolio will continue to grow.

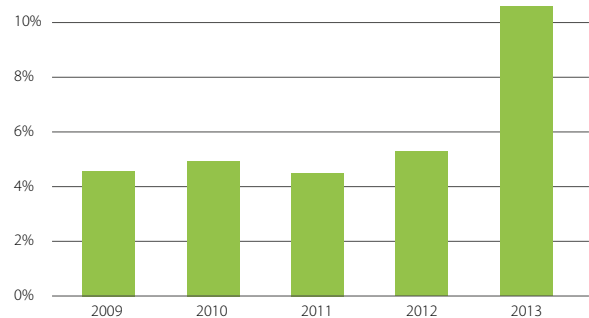
VINYL - % RECYCLED & REUSED



LINOLEUM - % RECYCLED & REUSED



ENTRANCE SYSTEMS - % RECYCLED & REUSED

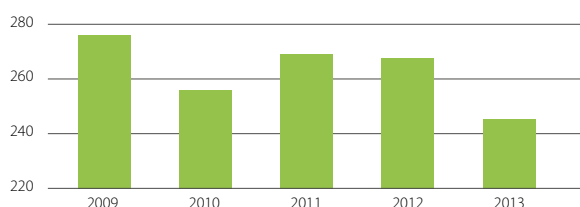


Caring for our environment

TOTAL DIRECT AND INDIRECT GREENHOUSE GASES BY WEIGHT

The total greenhouse gases are calculated with LCA for the production stage from “cradle to gate”, including raw material extraction and processing, transportation to manufacturing site and manufacturing.

YEARLY CO₂ EMISSION (X 1,000 TONS)



Take-back programmes

POST-INSTALLATION WASTE RECYCLING

Manufacturers have begun to pay great attention to post-industrial waste over the last few years, and have invested heavily to reduce, reuse and recycle waste generated in the manufacturing process.

Installation waste, however, has continued to be neglected as both waste and as a potential resource. Given that we already invest in internal recycling solutions – plus the increasing cost of raw materials – we are now turning our attention to installation waste.

Installation waste can account for up to 6% of an installation and from a recycling perspective is as good to process as post-industrial waste because we know what is in it and it is clean, i.e., free from contaminant. The difficulty has always lain in creating a sustainable logistics infrastructure to make the collection of post-installation waste economically viable.

Forbo Flooring Systems is one of the leading companies in the business of installation-waste take-back programmes. Schemes are in place for Vinyl in Sweden and France and for Linoleum in the USA and the Netherlands. In September 2013, we began developing a “Back to the Floor” scheme in the UK that involves reprocessing installation off-cuts of Flotex, smooth sheet vinyl, cushion vinyl and Marmoleum.

In 2013, we collected and recycled 171 tons of installation waste:

- 31 tons of Marmoleum in the Netherlands
- 32 tons of vinyl in Sweden
- 29 tons of vinyl in France
- 4 tons of Flotex in the UK
- 75 tons of Marmoleum in the USA

COMPOSTING MARMOLEUM

Forbo Flooring Systems North America continued to develop its composting programme during 2013. The compost is suitable for use in farmers’ fields, vegetable gardens and home flowerbeds. Building on this, we have begun collecting and composting installation waste as well. The waste is collected by Forbo Flooring Systems’ delivery trucks as part of their routine schedules. This way, we don’t require extra truck movements, which means we are not adding to the transportation burden.

Composting Marmoleum is closing the loop: natural renewable raw materials like flax, jute, rosin and wood are recycled back to nature – field to field. In 2013, Forbo Flooring Systems composted another 145 tons: 75 tons of installation waste and 70 tons of warehouse scrap.

Caring for our environment

Provide transparent product information

While Forbo Flooring Systems performs its LCA calculation to international standards, we believe that two other aspects – human health and ecology – should also be considered as important in this assessment.

In 2000, Forbo Flooring Systems was the first global floor covering company to commit to providing information about eco-toxicity and human toxicity impacts in our Life Cycle Analyses (LCA). In 2013, we were still the only company in the world to include these impacts in our Environmental Product Declarations. To assess our product's toxicity performance, the internationally recognised USEtox method is used to do the calculations.

ENVIRONMENTAL PRODUCT DECLARATION – EPD

An EPD presents quantified environmental data for a product, based on information from a life cycle assessment (LCA). An EPD communicates verifiable, accurate, non-misleading environmental information for products and their applications, is third party verified, and has a uniform and internationally standardised format. EPDs are in increasing demand from architects and planners as they can be directly incorporated into sustainable building design tools, e.g., to carry out a building Life Cycle Assessment. Forbo Flooring Systems continues to publish third-party certified EPDs for our individual floor covering products. By the end of 2013, 19 products had been EPD certificated and published. All the LCA calculations were third-party verified by UL Environment.

Our EPDs are based on the Product Category Rules set out in the EN 15804 and ISO 14025 standards. Product Category Rules define how to conduct a life cycle assessment for a product group and what data



Caring for our environment



to include in the resulting report, thereby supporting scientifically based fair choices and stimulating the potential for market-driven continuous environmental improvement.

In principle, the benchmark when using EPDs to compare products is the contribution they make to the environmental performance of a building. Consequently, EPD comparisons of the environmental performance of competitive floor covering products are based on a product's use in a building and the impact it has on the building.

<http://www.ul.com/global/eng/pages/offerings/businesses/environment/databasesearch/iframe/>

DINP PLASTICISER

We use DINP plasticiser in several of our vinyl products. This plasticiser is the worldwide accepted standard for compliance with all regulations. Special interest groups have claimed that DINP plasticiser in vinyl products poses a threat as an endocrine disruptor or a cancer threat to consumers. The basis for their claim is that it contains an ortho-phthalate group. Regulators throughout the world, including the US Environmental Protection Agency and ECHA in Europe, have said that the DINP we use is safe, and that the use in floor coverings is not a

health concern. DINP that meets global specifications is permitted for use in every country in which we sell our products.

In 2013, under the right-to-know law known as Proposition 65, the State of California began requiring labels warning consumers if they can expect to be exposed to DINP. The purpose of Proposition 65 is to notify consumers that they are being exposed to chemicals that are known to cause cancer and/or reproductive toxicity. It is important to note that California continues to allow all these products to be sold, including ones that require the Proposition 65 warning. Consumers can decide for themselves if they wish to purchase or use the product. A Proposition 65 warning does not automatically mean a product is in violation of any product-safety standards or requirements.

From a precautionary principle, Forbo Flooring Systems decided to start using plasticisers that are not suspected of containing and free of ortho-phthalate. Alternative formulas were developed during 2013, and by the start of 2014 Forbo Flooring Systems had replaced half the amount of DINP we use. We intend to expand its use as manufacturing capacity for this alternative plasticiser becomes available.



People



Inspiring our people

Implement SA8000 – sustainability with focus on social equity

SA-8000 – Social Accountability International

Corporate citizenship and accountability is no longer restricted to publishing an annual report and becoming energy efficient. Today society, shareholders, employees and other stakeholders demand that organisations act responsibly and that their growth and development don't compromise the ability of future generations to meet their needs. At Forbo Flooring Systems, we take our continuous endeavours to strengthen our corporate responsibility very seriously. With our Sustainability Policy we commit ourselves, to all our stakeholders, *to create a better environment*. We do that by acting on all three individual dimensions of sustainability: the environmental, the economical and the social dimension. For the social dimension, we have chosen to commit ourselves to the Social Accountability International standard – SA-8000.

The SA-8000 standard is the world's first third-party auditable social certification standard for human rights and decent workplaces across all industrial sectors. It is based on conventions of the ILO, UN and national law, and spans industry and corporate codes to create a common language to measure social compliance. In order to protect the basic human rights of workers throughout the supply chain, SA-8000 integrates nine core elements:

- Employment is freely chosen
- Freedom of association and the right to collective bargaining
- Working conditions are safe and hygienic
- Child labour shall not be used
- Remuneration shall meet at least the minimum legal or industry standard
- Working hours are not excessive
- No discrimination is practiced

- Regular employment is provided
- No harsh or inhumane treatment is allowed

SA-8000 is a process-type standard, not a product-type standard. There is no seal or label on goods produced by companies certified against the standard.

We have included the SA-8000 standard in our supplier conditions and we continuously monitor and audit their performance.

In 2013, we received SA-8000 certification from Lloyd's Register Quality Assurance Ltd, the accredited certification body, for our all our operations in France. We are well on course to obtaining SA-8000 certification in the United Kingdom, in 2014, and the Netherlands in early 2015.

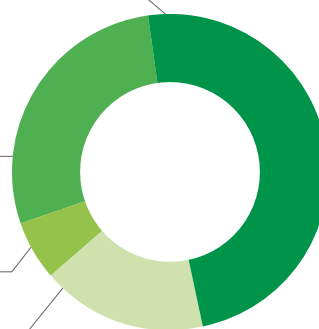
SA-8000 SOCIAL REQUIREMENTS

Work and labour Rights-
Conditions of Employment

Work and labour Rights-
Conditions of Work

Work and labour Rights-
Conditions of Workers

Fundamental Rights



Inspiring our people

Sophie Charre, QHSE process and internal communication manager, Reims - France, said:



“By including our supply chain, the aim is to create a snowball effect regarding social responsibility.”

The SA-8000 standard led us to classify and organise various existing documentation. The aim of this was to prove we conform to the standard in our daily practises and communication. Our main challenge in developing our approach was to take into account all the stakeholders involved. By including our supply chain, the aim is to create a snowball effect regarding social responsibility. With this in mind, the project team contacted our stakeholders (raw material suppliers, subcontractors, etc.) and asked them to relay our approach. We also performed audits to verify compliance.

The SA-8000 standard provides employees with a way to report, anonymously or not, any concerns or non-conformances to the workers representative without having to go through legal staff representatives (trade unions, H&S committee, works council...). This is another confidential means of communication that foster exchanges and communication on issues which are sensitive or hard to express.

This approach will only be sustainable if every single concern or non-conformance is addressed quickly and systematically. In order to do so, we have implemented a standardized procedure to handle complaints. Complaints are directly reported to the SA-8000 workers representative and handled by the management team. It is important to say that this SA-8000 procedure is not intended to replace other legal committees or procedures. We see that it is really important to accurately identify if the complaint is admissible. The complaint will only be admissible if it refers to one of the 9 chapters of the SA-8000 standard. The next step is the full integration of the SA-8000 management system into the QHSE management system. The aim with this is to comply with the ISO-26000 standard, which provides guidance for social responsibility and covers four standards: ISO-9001 (Quality), ISO-14001 (Environment) OHSAS-18001 (Health and Safety) and SA-8000 (social responsibility).

This approach really helps to optimise and simplify processes and avoid lots of redundancies and duplication of work for more efficiency.

Inspiring our people

Our commitment to all our stakeholders

Forbo Flooring Systems recognises its corporate responsibility to five main groups in our community. We are committed:

To employees: To respect the rights of all employees, whether directly employed or sub-contracted.

To customers: To win and retain customers who adhere to business principles consistent with our own by developing and providing services that offer value in terms of price, quality, safety and environmental impact. To be responsive to customer comments and complaints.

To shareholders: To build shareholder value by consistently increasing earnings. To conduct our operations in accordance with accepted principles of good corporate governance. To provide timely and accurate information to all shareholders on our activities and performance.

To suppliers and business partners: To seek mutually beneficial relationships with suppliers and joint venture partners. To require that, as far as is practicable, all of these adhere to business principles consistent with our own.

To the wider community: To conduct business as responsible corporate citizens, to give proper regard to the health, safety and the environment of local communities, and to be sensitive to and supportive of local cultural, social, educational and economic needs.

Workforce

Our people are a core value of Forbo Flooring Systems. They are the ones who make and sell our floors, see the potential, have the ideas, talk things through with colleagues and clients, do things as well as they know how – and then find ways of doing them better.

We nurture their potential by encouraging self-reliance and initiative – both in individuals and in teams – through training and a management approach that doesn't just connect people through hierarchy, but interconnects them through dialogue. We invest in our people and try to offer them a stimulating working environment. We want our people to be the most knowledgeable, skilled and trusted partners in the industry and focus on education as well as a safe and pleasant working environment.

We recognise that by looking after our employees, our business operates more successfully across the world. Our workforce includes those from our head office in Assendelft, the Netherlands, everyone in operations and warehousing, and all our sales and marketing offices worldwide. At the end of 2013, our total workforce amounted to 3,030 people.

Inspiring our people

Employee development and reward

In developing our people we are in effect developing our organisation, and vice versa, and it is with this in mind that the core of our performance management system is an active and rigorously applied employee development programme. Every individual deserves to be recognised for their contribution and our performance appraisal system is the formal process by which this recognition is established. The performance appraisal forms the starting point for further development actions, such as training, coaching or job enlargement. The performance appraisal is also used for our internal succession planning process. In 2013, the performance appraisal completion rate was 86%.

Forbo Flooring Systems is strongly focused on offering flexibility so employees can balance work and family responsibilities. Flexibility around start and finish times, part-time work and return to work after parental leave are all part of the way we ensure that work-life balance is integral to working life at Forbo Flooring Systems.

Our reward system is based on our belief that people should be fairly rewarded for their individual contribution. Our staff employee remuneration is graded against the Hay Group job evaluation process, and is influenced by the financial performance of the company and specialist remuneration surveys and reviews. An annual salary review process is in place in which salary survey and economic data is taken into consideration.

PROCEDURES FOR LOCAL HIRING

Forbo Flooring Systems has no personnel policy or employment practices that provide for preferential treatment of people from local vicinities in connection with the hiring of members of management for the respective country organisations.

Health and safety

Improve the safety of our workers in our manufacturing facilities

Strategic workforce planning

Although 2013 was a challenging year economically, we were able to maintain overall employee numbers at almost the same level as 2012. The slower demand for linoleum led to a reduction in headcount in our linoleum operations and structural adjustments in the relevant markets.

The Business Development organisation, consolidating product management, marketing, design and innovation, was created to focus on the different market segments for all our products and services. The organisation is responsible for discovering and identifying customer needs, defining business opportunities and translating these customer needs and requirements into product solutions.

Turning to our sales organisations, developments here were fully aligned to our Forbo Flooring Systems strategy of concentrating on emerging and growth markets and exploring private sector opportunities.

Health and safety

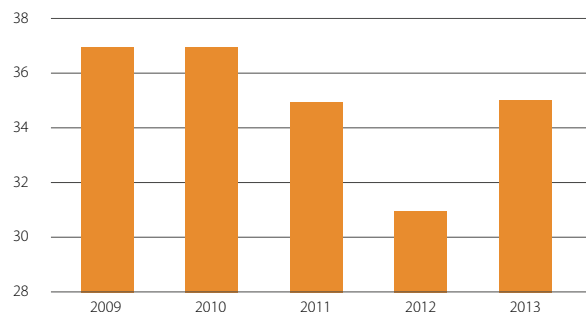
The safety of our employees is our top priority across Forbo Flooring Systems. Many employees at our manufacturing and distribution sites work with complex machinery in busy environments, so stringent adherence to our occupational health and safety strategy is essential. Our Assendelft site in the Netherlands and our Reims site in France are already OHSAS-18001 certified and we are now introducing this safety management system at our other manufacturing sites as we are convinced this will contribute to a safer working environment.

The key indicators of our safety performance are:

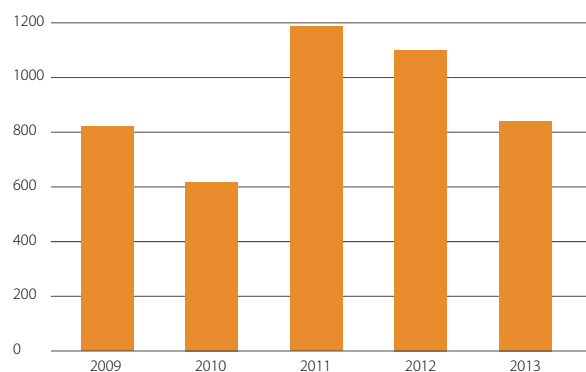
- Lost Time Accidents
- Lost Days Injury
- Total Accident Frequency Rate
- Safety Concerns Frequency Rate

These key performance indicators are measured and reported monthly at all sites. In 2011 and 2012, all sites developed and executed safe awareness programmes to reduce the number of accidents. Despite all these efforts, the number of lost time accidents in 2013 fell back to the level of 2011. Days lost is still showing a downward trend.

LOST TIME ACCIDENTS



LOST DAY INJURY



Health and safety

We started to report our Total Accident Frequency Rate and Safety Concern Frequency Rate in 2012. Total accidents are defined as all accidents, including those with no injuries. A safety concern is defined as all reported unsafe situations and near misses. These two indicators are reported to management every month to improve our overall safety performance. The growing safety awareness of our workforce resulted in better reporting of accidents and safety concerns, and this is reflected in the higher numbers noted for 2013.

“Inspiring our people: knowing what matters and focusing on it”

Year	2012	2013
Total Accident Frequency Rate	83	107
Safety Concern Frequency Rate	404	586



Health and safety

Our safety initiatives

Site policy and procedures across all of our operations cover the following areas to ensure employee safety:

- Provision of personal protective equipment
- Joint management/employee health and safety committees
- Participation of worker representatives in health and safety inspections, audits and accident investigations
- Periodically training and education
- Safety concerns reporting mechanisms
- Periodic site inspections
- Mandatory safety instructions for all contractors and visitors

While we are investing significant resources to improve our work systems and upgrade equipment, we also recognise that variability in safety performance can often be attributed to behavioural

factors. Sustainable behavioural change is therefore key to our long-term OHS strategy and the focus of many of our training programmes.

Health

Although it is very important to have a good absenteeism protocol, prevention is increasingly important, especially with an ageing workforce in our production facilities.

We therefore have a number of initiatives to promote the health and wellbeing of our employees. For example:

- Medical check-ups
- Healthy lifestyle programmes
- Promoting healthy food
- Stop smoking programmes
- Sponsored fitness activities
- Facilitating sports activities



Employee training

The annual performance appraisal provides the starting point for training. In this, individual training requirements are matched with the training requirements indicated in the Forbo Flooring Systems strategy as well as any legal training requirements that are in place.

Forbo Flooring Systems conducts a wide range of training, from management development to the enhancement of factory floor skills, and a number of management employees have been supported in obtaining post-graduate qualifications such as Master's degrees. Other specialist employees have the opportunity to attend seminars and conferences.

On-the-job training for our production and warehousing operators includes:

- Site and company introduction
- Hazard identification, control and risk assessment
- Job Safety Analysis
- Job-specific training

Several local and international training programmes are in place. In 2013, we provided the following international programmes:

- Forbo Leadership & Management Courses
- Flooring management training programmes
- Project management training
- Sales training programme
- Product training programme
- Prevention of Corruption training
- LEED training
- Introduction to Forbo Flooring Systems and its portfolio

The development of learning and training programmes is evaluated every year. In 2013, two pilot programmes were run to gain knowledge about new ways of learning and training. Depending on their success, these programmes will be rolled out across the whole organisation.



Employee training

SERVICE-FACTOR: EXCEL IN CUSTOMER SERVICE

In the Netherlands, Customer Service began the "S"-factor: excel in customer service" training and development programme. The aim of this programme is to further increase the level of customer satisfaction. The main elements are:

- Customer experience
- Entrepreneurship
- Problem solving

As a result of the training, the first signs of a cultural change have become visible. The agreed improvement areas have resulted in actions that are followed-up during individual and team meetings. The improvements will be measured in our annual customer satisfaction surveys.

A PERSPECTIVE ON E-LEARNING

The UK Commercial Team decided to invest in the creation of e-learning modules in order to:

- Support the multi-product solution selling approach
- Convey pre-launch product and product range details
- Create a library of modules for future use and referral for current and new team members
- Support a continuous learning approach for all team members

E-learning modules have proven their worth and are now an established part of the UK Commercial Team training portfolio. They have improved the effectiveness of sales conferences and product launches because the sales force already know a lot about the product before they arrive. This means that they absorb the visual or practical information presented at the sales conference much better.

Community engagement

Work with the community

We believe that building meaningful, long-term relationships with employees, customers, suppliers and communities is good business practice for us. This is, and always has been, the founding principle of our commitment to Social Equity.

Forbo Flooring Systems plays an active role in the communities in which we operate. We conduct a stakeholder and impact assessment analysis at all our operations as part of environmental management, in accordance with ISO-14001. The third-party certification of this management system ensures the yearly improvement and development programmes.

Through proactive engagement, we support the local economy and contribute to the social fabric. Forbo Flooring Systems understands that in order to operate in these communities, we must minimise any potential negative impact of our operations. We do this by operating and communicating transparently within these communities, mitigating our environmental impacts where possible, monitoring our environmental performance and engaging in community consultation.

One example of community engagement is the “open days” we hold to ensure open communication with our neighbours.

Charity

Forbo Flooring Systems is keen to make a sustainable contribution to improving people’s quality of life. To this end, various charity projects are supported on site with products, expertise and financial contributions. The focus is on small, locally initiated projects and partnerships. Examples from 2013 include:

- **Poland:** sponsorship of eye clinic in Szczecin
- **Denmark:** sponsorship of the Danish championship for young people in vocational education
- **France:** donations of floor covering to Hôpital Necker and Hôpital Trousseau
- **Ireland:** sponsorship of the LauraLynn Children’s Hospice

Community engagement

Cycling 500 km for Ronald McDonald Houses – the Netherlands

Ronald McDonald Houses offer a free place to stay for families whose children are receiving treatment in hospital. There are currently over 320 Ronald McDonald Houses in 52 countries. Every night, Ronald McDonald Houses provide over 7,200 bedrooms to families around the world.

Forbo Flooring Systems in the Netherlands supports the Ronald McDonald charity by providing floor coverings in the Dutch Ronald McDonald houses. The Ronald McDonald charity in the Netherlands has 15 houses, two holiday sites and a sports location. Every house has two or three paid staff, but is run mainly by volunteers. Furthermore, every house is independently financed and has its own governing board.

Since no new houses were built or renovated in 2013, Forbo Flooring Systems in the Netherlands decided to find a different way to contribute as part of their ongoing commitment to this much needed facility. This led to the business sponsoring the 2013 Homeride, a 500 km team relay cycling event that lasts 24 hours. The Homeride is organised by the Dutch Ronald McDonald foundation to raise money and visits many Ronald McDonald houses, using them as stops for the teams to catch their breath. Forbo Flooring Systems sponsored all the locations that were visited. The Forbo Flooring Systems cycling team, together with customers and employees, raised €14,253.50 – equivalent to 238 nights in a Ronald McDonald House for the family of a sick child.



Community engagement



Supporting Outward Bound – the UK

For over a decade, Forbo Flooring Systems has supported the Outward Bound Trust, an educational charity that helps young people in the UK discover their potential by placing them in challenging yet supportive outdoor environments a long way from home.

FINANCIAL SUPPORT

One of the main ways we help is by providing flooring products free of charge for the Trust's activity centres. In the last year alone we supplied thousands of pounds worth of Flotex, Step safety vinyl and Coral for centres at Loch Eil, near Ben Nevis, and Aberdovey, on the edge

of Snowdonia National Park. Forbo Flooring Systems also provided a temporary installation of Tessera Arran carpet tiles and Flotex Metro flocked carpet for a floor of The Shard tower, in London. This made it possible for two important fundraising events to be held at the iconic building, generating over £300,000

SUPPORT THROUGH MENTORING

Each year a number of our employees volunteer to mentor groups of young people from disadvantaged areas during week-long activity trips to Aberdovey. Damian Dashti, a production technician from Bamber Bridge, and Gavin Clunie, an engineering apprentice from Kirkcaldy, went to Aberdovey in October 2013 to mentor youngsters from Telford as they enjoyed an Outward Bound Trust activity week.

Community engagement

Damian said:

It was rewarding because you could see how the children had changed by the end of the week. They seemed different from when they arrived, and had more confidence to take on challenging tasks. I can honestly say that I helped them achieve this. There were so many different abilities – some kids would jump straight into everything... others were not so keen. That's where the mentors came in, to help them overcome their barriers. The children learnt



all sorts of things, such as teamwork, communication and taking responsibility. These things are important in everyday life so this course is a good way of showing them life skills which they can take back and implement back

at home. I think it makes them better people.

Gavin said:

I had a great experience down in Aberdovey. As the week went on we did various activities, such as mountain

climbing, raft building, canoeing and miniature team games. Also, after the canoeing came the famous jetty jump – into the sea from a height of around 15 to 20 feet! Of course I had to do the jump first – otherwise the kids wouldn't do it. Or was this just their way of seeing me get soaked?



During the Outward Bound course I saw a group of kids who felt out of their comfort zones with most activities, learn that through teamwork they could accomplish almost everything they were asked to do. What's more, by the end of the week, kids who didn't really speak to each other had become the best of friends. I would definitely do the whole course again! They were a great group of kids and I hope to see them again in the future. It's great to see Forbo Flooring Systems sponsoring initiatives like this!

For more information on the Outward Bound, please visit www.outwardbound.org.uk



Community engagement

Eye camp, sanitation and water project – Bangladesh

Forbo Flooring Systems sources raw materials for its flooring products from all over the world. In doing so, we have long been committed to ethical trading, based on the belief that business can be both responsible as well as profitable to all parties involved.

In 2013, we and our supplier Janata Jute Mills explored possibilities for developing social and medical aid projects in Bangladesh, one of the poorest countries in the world.

Bangladesh and the state of West Bengal, in India, together form Bengal, a historical, geographical and ethno-linguistic region in South Asia. Jute is an important crop for the farmers in this region. The fibres of the jute plant are spun into yarn and

woven into cloth locally. This jute cloth is used for our Marmoleum backing.

Together with Najmul Huq and Mahmud Huq, the owners of Janata Jute Mills, our jute supplier in Bangladesh, we identified and developed two projects that were sponsored by Forbo Flooring Systems.

Janata Jute Mills is located in a rural area north east of the capital Dhaka in the village named Palash in the Narsingdi district.

EYE AND DENTAL CAMP PROJECT

The first involved setting up an eye and dental check-up camp in the grounds of Janata Jute mills.

Forbo Flooring Systems donated to this medical aid programme, covering the spending costs of the project. The camp was organised and co-sponsored by the Lion Club of Narayanganj and Janata.



Community engagement

The main focus of the programme was the timely diagnosis of cataracts. If diagnosed in time, cataracts can be cured by a simple operation. However, if not treated, cataracts can result in complete blindness. In the western world, this simple medical treatment is available to all, but this is not the case in Bangladesh.

The Eye Camp at Janata's is organised approximately every two years and the doctors are all members Lions Club. An addition in 2013 was the organisation of a dental camp with dentists from the Lions Club. They provided a dental check-up, medical advice and free medicine as necessary. The Dutch Ambassador, Gerben de Jong, officially opened the camp.

From Palash and the surrounding villages in total 425 people visited the dental camp and 890 people came to the eye camp. A total of 88 people ended up having a cataract operation in a Dhaka hospital. This whole programme is free for the people involved, including transport to and from Dhaka, medical treatment, medicine, the hospital stay and any additional medical treatment needed as follow up.

SAFE SANITATION AND CLEAN WATER PROJECT

Clean drinking water and good sanitation are essential when it comes to health and preventing the spread of disease. In Bangladesh, where flooding frequently occurs, this is even more important, yet both are scarce.

In 2013 we started a project to give everyone who works in the Janata linoleum weaving mill that supplies Forbo Flooring Systems a domestic toilet and/or tube well for drinking water.

The inventory of all 154 workers showed we needed to provide 41 tube wells for drinking water and 43 toilets. As a first step, we began with those living closest to the mill – they also comprised the

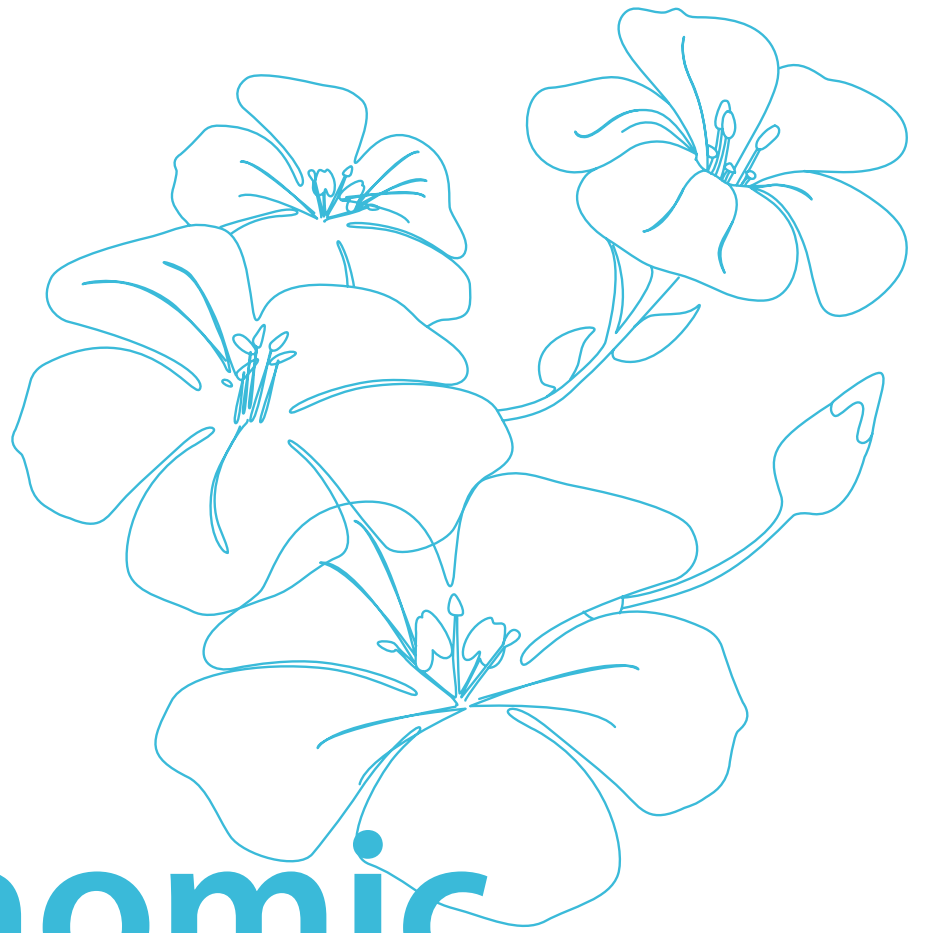


greatest portion of those in need. Janata made all local arrangements, such as hiring a contractor and inspecting the potential installation sites and completed installations.

The project has begun very well, providing 14 tube wells and 15 toilets in 2013. We have also learned that tube wells are normally shared among village neighbours, so scaling up the impact. We are continuing to support the project in 2014 with a new donation.

THE HUMAN RIGHT TO WATER AND SANITATION

In 2010, the United Nations General Assembly passed a non-binding resolution by majority vote to officially recognise the human right to water and sanitation and declared that clean drinking water and sanitation are "essential to the realisation of all human rights". The UN called upon nations and international organisations to provide financial resources, capacity building and technology to help all countries provide safe, clean, accessible and affordable drinking water and sanitation for all residents.



Economic



Our economic impact

Maintaining a strong financial position is central to our objective of becoming a sustainable organisation and is something that will be enhanced by continuous improvement and innovation in the design, service, performance, scope and quality of our offer to all our stakeholders. We will of course achieve this while respecting the responsibilities covered by corporate governance, risk and crisis management, codes of conduct and compliance with international laws and regulations.

Business integrity

Forbo Flooring Systems insists on integrity, honesty and equality in all aspects of our business and we seek the same from those with whom we do business, directly and indirectly. No employee may directly or indirectly offer, pay, solicit or accept a bribe or other such payment that may be construed as such, in any form.

Forbo's Code of Conduct applies to all our employees and clearly stipulates that the company will not engage in or tolerate any disputable or corrupt business practices. The code of conduct is part of Forbo's education programme and is mandatory training for all relevant employees.

Risk management

Risk management and risk assessment are an integral part of Forbo's organisational processes and are included in every decision-making process. Periodically, financial and hazard risks are identified and assessed internally or by third parties. Once risks have been identified and assessed, we manage the risk by applying techniques that fall under one or more of the following major categories:

- Avoidance (eliminate)
- Reduction (mitigate)
- Sharing (outsource or insure)
- Retention (accept and budget)

Risk assessment

Forbo Group conducts an annual risk assessment that analyses all the business areas within the company. The assessment covers internal controls and business risk, and includes targeted questions concerning fraud and corruption. An additional and more focused risk assessment devoted entirely to fraud and corruption is conducted annually with key executives. This risk assessment addresses corruption in business areas on a materiality basis.



Our economic performance

Forbo Flooring Systems' consolidated financial result for 2013 includes the division's new Building & Construction Adhesives activity.

Significant indicators for the generation and distribution of value plus the organisation's total capitalisation, with breakdown in debt and equity in accordance with GRI requirements, can be found in the Forbo Group Annual Financial report:

www.forbo.com/en/Media-Center/Corporate-Publications/Annual-Report-2013/

Selection of locally based suppliers

Forbo Flooring Systems pursues a procurement policy that focuses on low costs, safety and independence. Before a collaboration agreement can be concluded, a multiple-stage risk analysis and assessment – including environmental and social risks – is carried out for every new supplier (see also SA-8000 section). Wherever possible, we buy goods and services from local businesses. However there are no directives regarding preferential treatment of local suppliers or from certain countries.

G3.1 Content Index

STANDARD DISCLOSURES PART I: Profile Disclosures

1. Strategy and Analysis

Profile Disclosure	Description	Reported
1.1	Statement from the most senior decision-maker of the organization.	5

2. Organizational Profile

2.1	Name of the organization.	1
2.2	Primary brands, products, and/or services.	15, 16
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	13
2.4	Location of organization's headquarters.	13
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	13
2.6	Nature of ownership and legal form.	12
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	14
2.8	Scale of the reporting organization.	13, 34, 49
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	10
2.10	Awards received in the reporting period.	17

3. Report Parameters

3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	10
3.2	Date of most recent previous report (if any).	10
3.3	Reporting cycle (annual, biennial, etc.)	10
3.4	Contact point for questions regarding the report or its contents.	10
3.5	Process for defining report content.	10
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	10
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	10
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	10
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	10
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	10
3.12	Table identifying the location of the Standard Disclosures in the report.	50

4. Governance, Commitments, and Engagement

4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	12, 13
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	13
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	13
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	13
4.14	List of stakeholder groups engaged by the organization.	11
4.15	Basis for identification and selection of stakeholders with whom to engage.	11

STANDARD DISCLOSURES PART II: Performance Indicators		
Economic		
Indicator	Description	Reported
Economic performance		
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	49-P
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	NR
EC3	Coverage of the organization's defined benefit plan obligations.	49-P
EC4	Significant financial assistance received from government.	NR
Market presence		
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	NR
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	49
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	35
Indirect economic impacts		
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	NR
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	NR
Environmental		
Materials		
EN1	Materials used by weight or volume.	NR
EN2	Percentage of materials used that are recycled input materials.	27
Energy		
EN3	Direct energy consumption by primary energy source.	23
EN4	Indirect energy consumption by primary source.	NR
EN5	Energy saved due to conservation and efficiency improvements.	23, 24
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	NR
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	NR
Water		
EN8	Total water withdrawal by source.	NR
EN9	Water sources significantly affected by withdrawal of water.	NR
EN10	Percentage and total volume of water recycled and reused.	NR
Biodiversity		
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	NR
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	NR
EN13	Habitats protected or restored.	NR
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	NR
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	NR
Emissions, effluents and waste		
EN16	Total direct and indirect greenhouse gas emissions by weight.	22, 28
EN17	Other relevant indirect greenhouse gas emissions by weight.	NR
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	22, 23, 24
EN19	Emissions of ozone-depleting substances by weight.	NR
EN20	NOx, SOx, and other significant air emissions by type and weight.	NR

NR: Not Reporting P: Partial

Indicator	Description	Reported
EN21	Total water discharge by quality and destination.	NR
EN22	Total weight of waste by type and disposal method.	23
EN23	Total number and volume of significant spills.	NR
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	NR
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	NR
Products and services		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	29
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	NR
Compliance		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	NR
Transport		
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	NR
Overall		
EN30	Total environmental protection expenditures and investments by type.	NR
Social: Labor Practices and Decent Work		
Employment		
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	34-P
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	NR
LA3	Benefits provided to full-time employees that are NR provided to temporary or part-time employees, by major operations.	NR
LA15	Return to work and retention rates after parental leave, by gender.	NR
Labor/management relations		
LA4	Percentage of employees covered by collective bargaining agreements.	NR
LA5	Minimum NRice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	NR
Occupational health and safety		
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	NR
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	36, 37
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	37, 38, 39
LA9	Health and safety topics covered in formal agreements with trade unions.	NR
Training and education		
LA10	Average hours of training per year per employee by gender, and by employee category.	39-P
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	39-P
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	35
Diversity and equal opportunity		
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	NR
Equal remuneration for women and men		
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	NR
Social: Human Rights		
Investment and procurement practices		
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	NR

NR: Not Reporting P: Partial

Indicator	Description	Reported
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	NR
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	NR
Non-discrimination		
HR4	Total number of incidents of discrimination and actions taken.	NR
Freedom of association and collective bargaining		
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	NR
Child labor		
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	NR
Forced and compulsory labor		
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	NR
Security practices		
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	NR
Indigenous rights		
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	NR
Assessment		
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	NR
Remediation		
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	NR
Social: Society		
Local communities		
S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	41
S09	Operations with significant potential or actual negative impacts on local communities.	NR
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	NR
Corruption		
S02	Percentage and total number of business units analyzed for risks related to corruption.	NR
S03	Percentage of employees trained in organization's anti-corruption policies and procedures.	NR
S04	Actions taken in response to incidents of corruption.	NR
Public policy		
S05	Public policy positions and participation in public policy development and lobbying.	NR
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	NR
Anti-competitive behavior		
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	NR
Compliance		
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	NR
Social: Product Responsibility		
Customer health and safety		
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	NR
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	NR

NR: Not Reporting P: Partial

Indicator	Description	Reported
Product and service labelling		
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	NR
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	NR
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	NR
Marketing communications		
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	NR
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	NR
Customer privacy		
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	NR
Compliance		
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	NR