

# THIS IS WHERE WE STAND



**RESPONSIBLE  
FOUNDATIONS**

**amtico**  
flooring





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# WELCOME FROM OUR SUSTAINABILITY SPONSORS

For almost 60 years, Amtico has been pioneering the design and manufacture of luxury vinyl tiles and, during that time, we have established ourselves as an industry frontrunner. To continue this for years to come, we must build a sustainable business to support our people, our customers and the environment.

We are more committed than ever to creating a future that is low carbon, contributes to the circular economy and looks after our people. The manufacture and the distribution of our products relies broadly on fossil fuels, and we are aware of the effect that these non-renewable energy sources have on our environment. As such, we are committed to reducing, and ultimately eliminating, their impact through our sustainability initiatives.

Our first sustainability strategy, Responsible Foundations, has outlined our approach to achieving this. During 2023, we will create a roadmap to net zero with the aim of achieving net zero greenhouse gas emissions by 2040. Alongside this, we will focus on improving colleagues' wellbeing, enhancing our customers' experience and maintaining a range of market-leading products with innovative developments that support our drive for a more sustainable future.

2022 has continued to present challenges to our people, customers and suppliers – from the tough economic backdrop to ongoing difficulties in our global supply chain. This year, we have listened to our colleagues and customers by commissioning surveys to further understand their perceptions regarding Amtico's sustainability journey, and we expect to be held to account if we have not noted and acted upon, their feedback.

This report not only sets out the progress we are making and our future commitments but also sets a benchmark for our business from which we can measure ourselves and define, via a suite of relevant and meaningful KPIs, the ongoing improvements we need to, and expect to, make on the road to net zero and to a more sustainable Amtico business.

We are proud to be part of this journey, publishing our first Sustainability Report and acknowledging the hard work of all our colleagues and business partners in helping us contribute to a better future.

*Holly Johnson*  
*Jason Shelley*

We are delighted to share our aspirations, our progress and the challenges ahead for Amtico in our first Sustainability Report. In 2022, we took ambitious steps to implement our strategy, including the following:



We launched Amtico Bio, our first bio-attributed PVC product.



Our new maternity and paternity pay policies were implemented, and we initiated our first menopause campaign.



We held the inaugural Gino Fanti Award for innovation amongst colleagues.



## ABOUT AMTICO

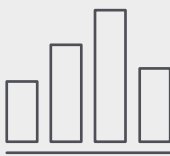
Since 1964, Amtico has been a leading manufacturer of luxury vinyl tiles (LVT), paving the way to better spaces for both residential consumers and commercial customers in over 130 countries.

Our extensive and versatile flooring collections are a direct result of substantial collaboration with our designers, manufacturers, technologists and consultants. We offer three main product collections: Signature, Spacia and Form. Although we have expanded globally, we are still working harder than ever from our home in Coventry, in the UK, with our growing global team of over 560.

It is this team's passion and hard work that have created the Amtico legacy which is now used to support the wider economy and drive our sustainability strategy.

At Amtico, our aim is to 'create with care' and support our people by encouraging trust, openness and transparency. Amtico's evolving values shape the way we do business and are embodied in all we do.

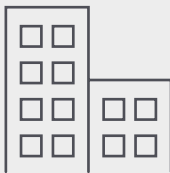
**WE CARE**  
**WE PARTNER**  
**WE EMPOWER**  
**WE COLLABORATE**  
**WE ENGAGE**



**FY22 revenue**  
£131.6m



**Workforce**  
560+ colleagues



**Locations**  
Three sites in central England: two in Coventry and one in Solihull



**Diversity breakdown**  
**Gender:** females 35%, males 65%

Offices and sales teams in Germany, Dubai, Hong Kong and Australia  
Colleagues in France, Scandinavia, Spain and Ireland

**Age:** under 30: 16%, 30–50: 52%, over 50: 32%



### Recent accolades and awards

- Coventry Live Manufacturer of the Year 2022
- Tomorrow's Contract Floors Award 2020
- Mix Interiors Flooring Product of the Year 2020 (Signature Collection)
- The Stocklists Magazine Flooring Innovation Award 2020
- Homebuilding & Renovating Flooring Supplier of the Year 2021



# OUR APPROACH TO SUSTAINABILITY

## Sustainability at Amtico

Over the last 20 years, greater regulatory requirements have encouraged the manufacturing sector to focus on its environmental impact. Simultaneously, expectations of corporates have changed regarding sustainability, with greater interest and scrutiny now being placed

on this subject. Amtico welcomes these society-wide changes in values and is reflecting these changes by addressing the highest priority sustainability issues for our organisation.

The corporate responsibility efforts of our US-based parent company, Mannington Mills Inc., are available on [Mannington's website](#).

## RESPONSIBLE FOUNDATIONS

At Amtico, we recognise that our commitments to sustainability must be formalised to ensure that we are able to benchmark our progress clearly and comprehensively. Consequently, in 2021 we created our first sustainability strategy: Responsible Foundations. The strategy builds upon areas that our stakeholders identified as a priority, which we determined through a materiality assessment and strategic analysis.

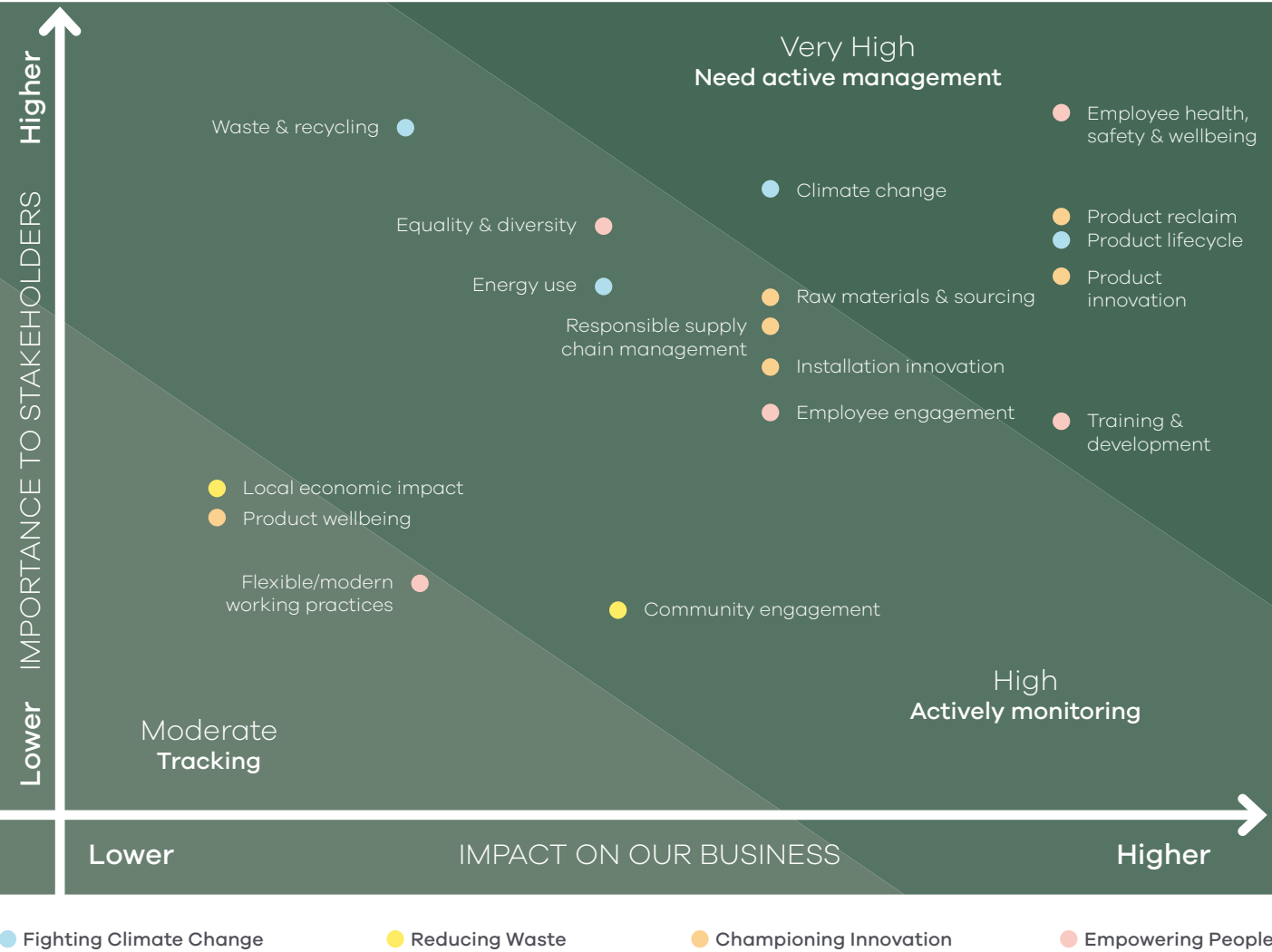


## Materiality

Responsible Foundations was informed by an in-depth materiality assessment. The assessment identified the highest priority sustainability topics for our business and our stakeholders. We reviewed internal and external drivers, and used best practice sustainability frameworks as a guide, including the Sustainability Accounting Standards Board (SASB), the Global Reporting Initiative (GRI) and the UN Sustainable Development Goals (UN SDGs).

As demonstrated by our materiality matrix, the highest priority sustainability topics for Amtico are:

- Colleague health, safety and wellbeing
- Climate change
- Product reclaim
- Product lifecycle
- Product innovation
- Training and development



This materiality matrix was one of the outputs of our materiality assessment in 2019, and we are due to conduct this assessment again for our 2024 report.

## Responsible Foundations

The Responsible Foundations strategy addresses key sustainability areas and establishes a route for managing them. In particular, four core areas or pillars are defined, and our initial sustainability efforts will be focused on these pillars over a five-year period. They are:

### Fighting Climate Change:

We view climate change as a defining challenge of our time; as such, we are collecting data to set real, achievable carbon reduction targets which we will review in five years. (SDG 7, SDG 9).

### Reducing Waste:

As a manufacturer, we are in a unique position to lead the transition towards a circular economy, which is why we aim to take responsibility for our products at all stages of their lifecycle. (SDG 12).

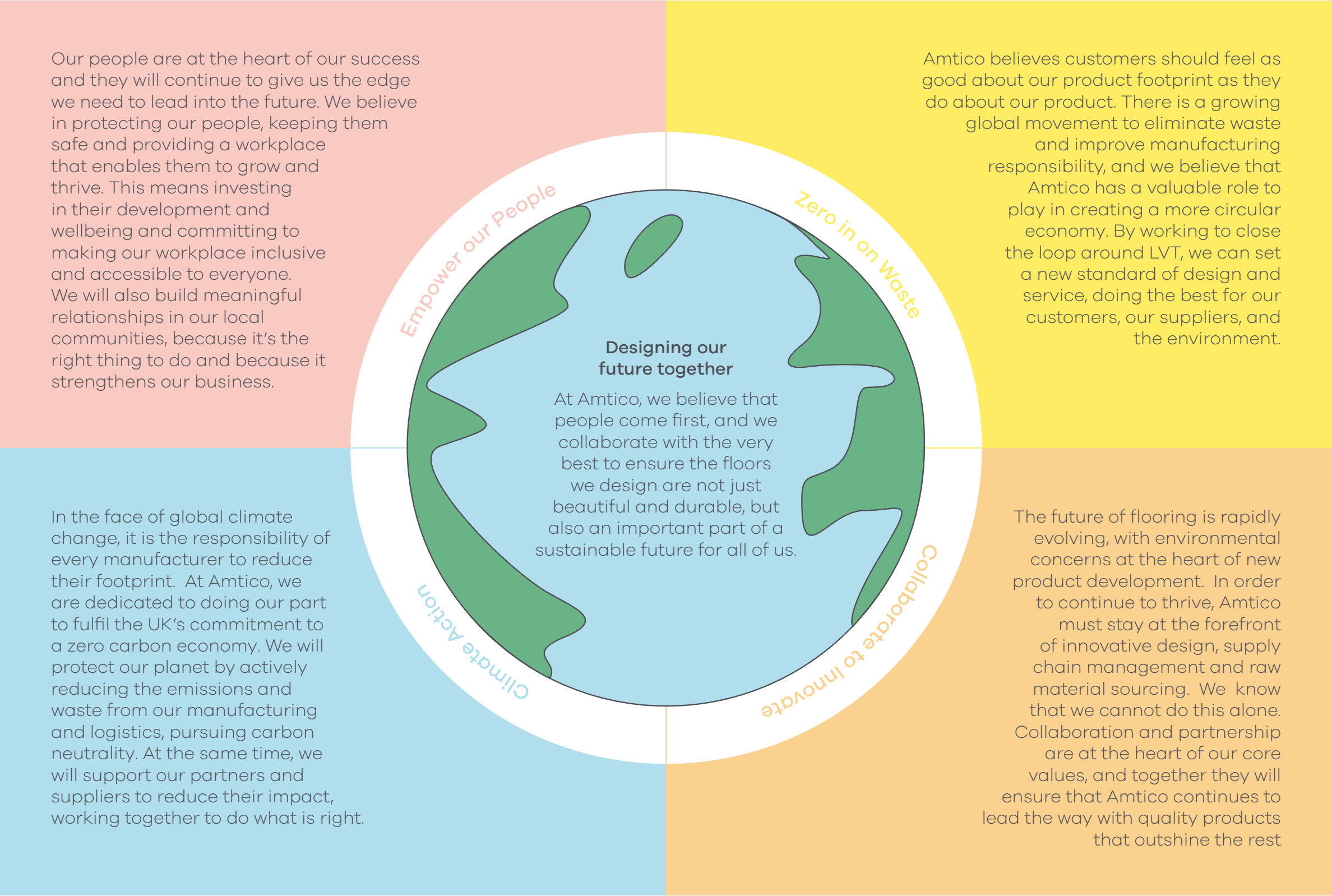
### Championing Innovation:

We take great pride in the quality and design of our products and services. In order to continue innovating at pace, we are tapping into wider expertise from universities and like-minded manufacturers and extending the meaning of innovation within Amtico. (SDG 12, SDG 9).

### Empowering People:

We are committed to actively promoting the diversity, wellbeing and development of our colleagues, and we are committed to having a positive impact on our local communities, enabling them to thrive. (SDG 4, SDG 5, SDG 10).

## RESPONSIBLE FOUNDATIONS



## FOUNDATIONAL GOVERNANCE OF RESPONSIBLE BUSINESS

Best practice management on Ethical Conduct, Employee Wellbeing, Labour Practice and Responsible Supply Chain



Key performance highlights

We have identified KPIs to measure our progress and targets with a focus on continuous improvement. By setting challenging yet achievable targets across each pillar, and monitoring progress towards them, Amtico demonstrates its long-term dedication to our strategy and its aims.

Supporting our aim to embed sustainability into how we do business, Amtico has been certified to the ISO 14001 Environmental Management System standard since 2017 and ISO 45001 Occupational Health and Safety Management System standard since 2018.



Pillar	KPI	Target	2022 Position
Fighting Climate Change	Greenhouse gas emissions, scope 1, 2 and 3 (tCO <sub>2</sub> e)	Develop a net zero roadmap by end of 2023	In development
	Greenhouse gas emissions, scope 1, 2 and 3 (tCO <sub>2</sub> e)	Achieve net zero by 2040 <sup>1</sup>	3.2% decrease in scope 1, 2 and scope 3 Grey Fleet emissions in 2022
	Energy consumption (kWh)	Reduce energy consumption by 5% annually, based on prior year	In 2022, our energy consumption increased by 2.9%.
Reducing Waste	% reduction of total operational waste (tonnes) compared to prior year	Reduce operational waste by 5% annually, based on prior year	In 2022, we reduced our operational waste by 19.8%
	% of samples returned and reused or recycled per annum	Achieve an annual return rate of 25% of all samples sent out by 2025	8% of samples were returned in 2022
	Installation waste recycled (tonnes)	Recycle a minimum of 10 tonnes of installation waste per year from 2023 to 2026	In development, initial pilot scheme underway
Championing Innovation	Number of Continuous Improvement Scheme suggestions submitted by Amtico colleagues	Maintain average number of suggestions submitted through the Continuous Improvement Scheme at 17 per month for 2023	17 suggestions were submitted by Amtico colleagues each month, on average, in 2022
	% of products available with bio-attributed content option	Offer bio-attributed options on 100% of UK manufactured products by the end of 2023	Bio-attributed options were offered on 67% of our UK manufactured products in 2022
Empowering People	% of Amtico colleagues who have the opportunity to create a personal development plan, with access to associated learning, coaching, training and mentoring	Provide 100% of colleagues with the opportunity to create a personal development plan, with access to associated learning, coaching, training and mentoring, by 2025	55% of colleagues were provided with the opportunity to have a personal development plan in 2022
	% of colleagues invited, during 2023, to share their opinions on our culture and how it should evolve to reflect their needs	Invite every Amtico colleague to share their opinions on our culture and how it should evolve to reflect their needs	in development

<sup>1</sup> Date of achieving net zero subject to confirmation based on the development of Amtico's net zero roadmap in 2023.



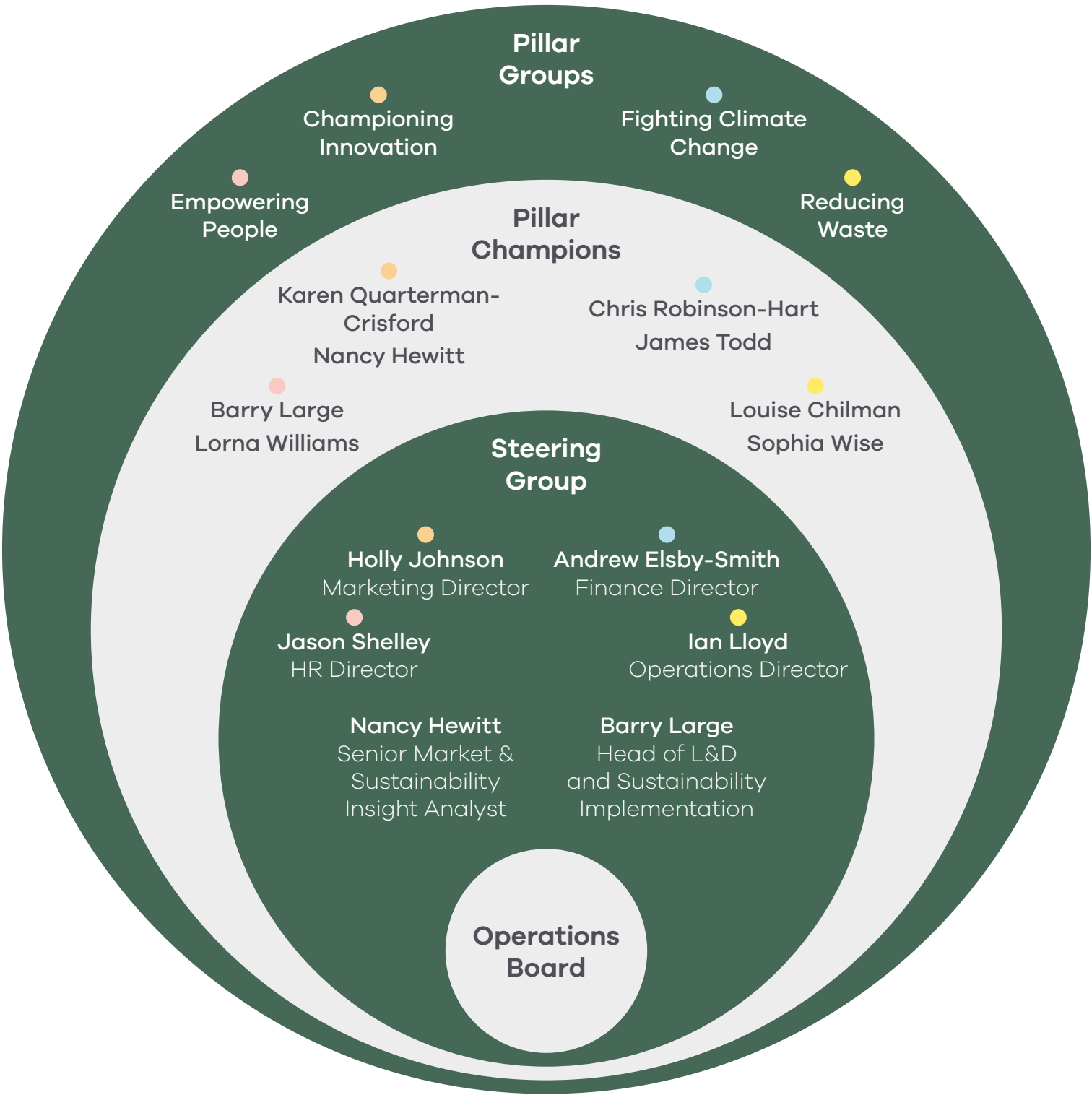
## Governance

Our Operations Board is ultimately accountable for the delivery of our Responsible Foundations strategy. Every four weeks, our Operations Board, including our Operations Director and Group Financial Director, meets to discuss the standing agenda, which includes sustainability and the progress of implementing Responsible Foundations. Our HR Director and Marketing Director are our Board Sponsors for sustainability.

The content discussed at the Operations Board is determined by regular meetings held by our Sustainability Steering Group. Co-chaired by our Pillar Champions, the meetings comprise of Pillar Leads and Pillar Champions who meet quarterly to discuss performance against our KPIs and targets, as well as progress on initiatives. This helps us to remain dynamic on where and how to focus resources.

Pillar Leads are accountable for the performance of their pillars against strategic objectives and targets. They are supported by Pillar Champions and a wider team of passionate colleagues who support the execution of different initiatives and activities.

Strategic internal communication ensures that everyone in Amtico understands their role in progressing sustainability. This includes providing regular internal updates, bulletins and opportunities for different departments to discuss sustainability and Amtico's role in making a positive difference to the world around us.



## Ethics and compliance

We create with care; therefore, we ensure that we conduct our business in an ethical and responsible manner. Amtico has a zero-tolerance approach to unethical conduct: we manage this approach by ensuring that all our colleagues acknowledge and understand our fundamental ethics and compliance policies at the end of their induction. These policies are:

- Dignity at work
- Equality and diversity
- Ethical business
- Modern slavery and human trafficking
- Bribery act
- Gender pay gap report
- Whistleblowing
- Human rights

Our colleagues must complete annual refresher training on anti-bribery and anti-corruption, health and safety, modern slavery, and human trafficking. Furthermore, we are developing diversity, equity and inclusion (DEI) training, which will become a mandatory part of our annual refresher training programme..







## FIGHTING CLIMATE CHANGE

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**Climate change is one of the defining challenges of the 21st century, and our global society must work collaboratively to transition to a low carbon future. As manufacturers of PVC-based products, we understand that our operations and our value chain have a significant impact on the environment and that we must do our bit to help reduce this impact.**

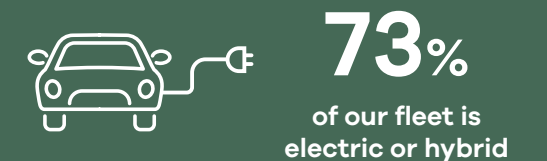
Amtico is committed to tackling climate change head-on with the same determination and ingenuity we have always exhibited. We have an aspiration to achieve net zero by 2040, with the intention to have this target validated by the Science Based Targets initiative (SBTi) once we have set out our net zero roadmap. To tangibly achieve this goal, we understand that carbon reductions must be made, especially within our supply chain. Accordingly, we now offer bio-attributed PVC options for our LVT products.

Our Fighting Climate Change Committee, chaired by our Group Finance Director, is responsible for achieving our 2040 net zero target. Meeting every month, the committee discusses the progression we have made across all our initiatives and opportunities for improvement.

For 2022, the Fighting Climate Change Committee's aim was to begin the development of our net zero roadmap and also to implement the reduction projects identified by our Energy Savings Opportunity Scheme (ESOS) report. In 2023, we are committed to developing a net zero roadmap and establishing near- and long-term science-based targets to achieve net zero.

### Carbon emissions

We take our responsibility to reduce greenhouse gas emissions from our manufacturing operations and across our value chain very seriously. For Amtico, this began with understanding our impact by comprehensively measuring our emissions, enabling us to identify which areas of the business require the greatest attention.



Since 2019, we have calculated and disclosed our scope 1, 2 and limited scope 3 (business travel) carbon footprint in line with the UK Streamlined Energy and Carbon Reporting (SECR) Regulations. We have also committed to offsetting all of our scope 1 and 2 emissions since 2019 through UN-approved carbon offsetting schemes. In addition to offsetting, in 2022 we reduced our direct scope 1 emissions by continuing to substitute our company car fleet for electric and hybrid vehicles. In 2018, 19% of our fleet was electric or hybrid, and by the end of 2022 that figure had increased to 73%.

To achieve our aspiration of net zero by 2040, we must focus on how we can reduce the scope 3 emissions within our value chain and the embodied carbon within our products. It is with this in mind that we have begun to develop our net zero roadmap, which we intend to publish in 2023. The roadmap will give us a specific action plan for achieving our targets.

In our bid to develop our roadmap, we began capturing our full scope 3 emissions data in 2021 for all relevant categories, as per the Greenhouse Gas (GHG) Protocol.



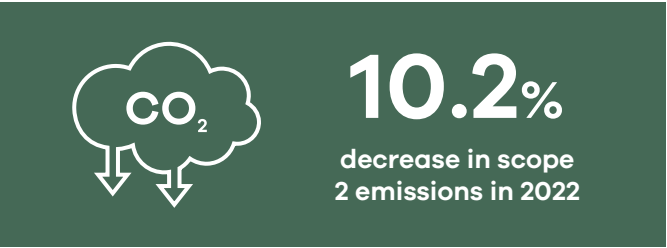


# FIGHTING CLIMATE CHANGE

Our 2021 carbon footprint represents a full emissions baseline, reflecting business-as-usual conditions for Amtico. Through these measurements, we discovered that although our biggest emissions hotspot was identified to be purchased goods and services, downstream transport and distribution was a significant emissions source for Amtico. This is due to a small fleet of delivery vans that undertake lengthy journeys across the UK.

2022 production volumes were similar to those in 2021. We recorded a 10.2% decrease in scope 2 emissions, which resulted in an overall decrease in absolute scope 1 and 2 emissions. As a result, our emissions intensity ratio decreased by 2.7% to 1.322 tonnes of CO<sub>2</sub>e per m<sup>2</sup>. Ultimately, we are making good progress in the

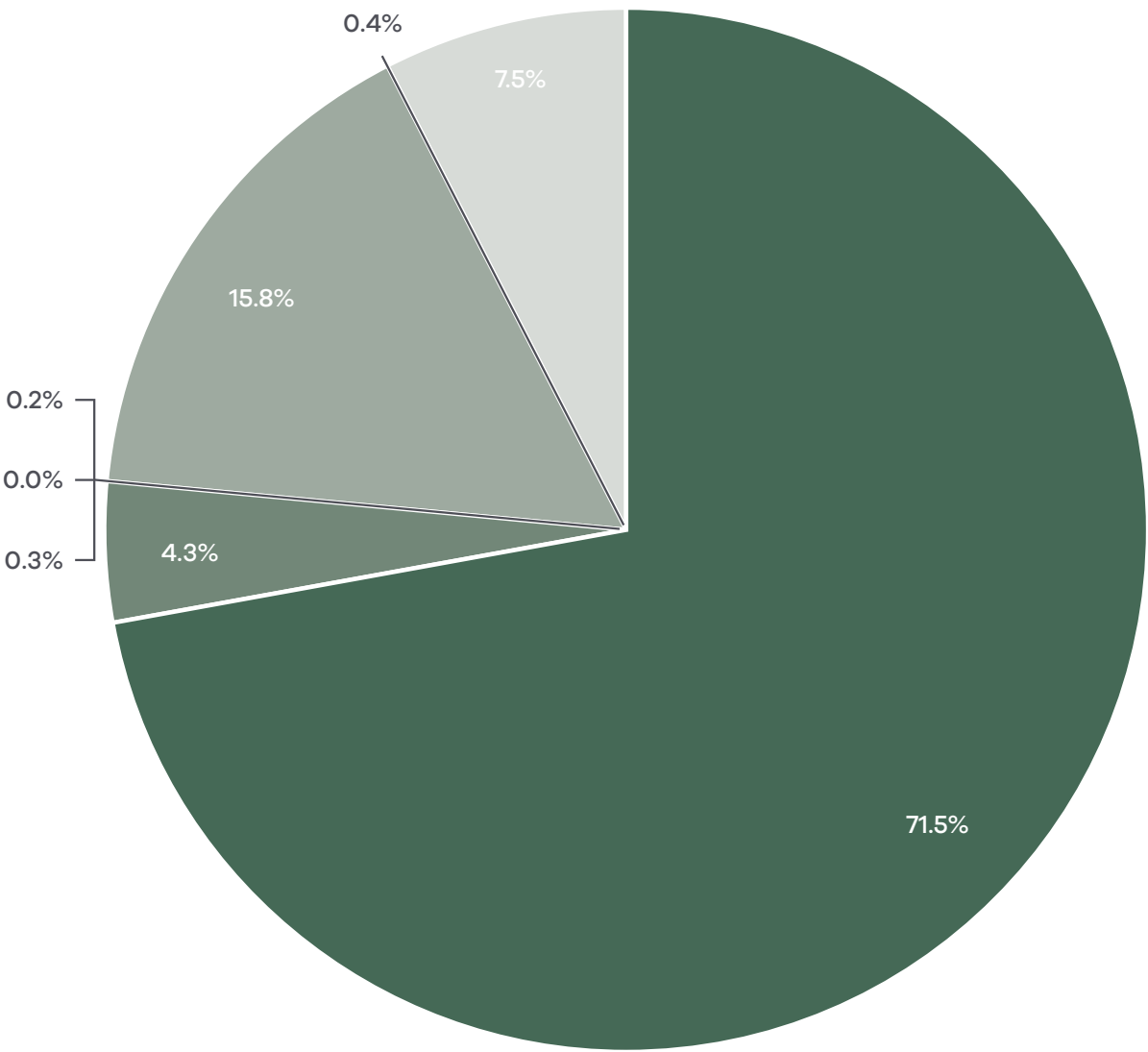
reduction of our scope 1 and 2 emissions against our 2018 baseline, reducing absolute emissions by 24.3%. In 2022 our scope 1 emission increased due to a rise in gas consumption and the reason for this is under investigation. We are looking at ways to decrease this in 2023. Our Scope 3 emissions showed a reduction of 0.4% in 2022. This information will inform the development and implementation of our net zero roadmap in 2023, providing a focused and strategic approach to meet our target of net zero by 2040.



## Amtico carbon footprint

Scope	2018 emissions	2021 emissions	2022 emissions	Change (2021 to 2022)
<b>Scope 1</b> Direct emissions (tCO <sub>2</sub> e)	3,285.7	2,810.8	3,041.6	+8.2%
<b>Scope 2</b> Indirect emissions, location-based (tCO <sub>2</sub> e)	6,200.6	4,614.3	4,142.8	-10.2%
<b>TOTAL</b> (Scopes 1 and 2) (tCO <sub>2</sub> e)	9,486.3	7,425.1	7,184.4	-3.2%
<b>Intensity ratio</b> Scope 1 and 2 (kgCO <sub>2</sub> e / m <sup>2</sup> of production)	1.629	1.358	1.322	-2.7%
<b>Scope 3</b> (Indirect emissions) (tCO <sub>2</sub> e)	Not calculated	45,231.7	45,028.2	-0.4%

2022 Carbon footprint:  
Scope 3 Emissions Breakdown



- Category 1 Purchased goods and services
- Category 3 Fuel and energy-related activities
- Category 4 Upstream transport and distribution
- Category 5 Waste generated in operation
- Category 6 Business travel
- Category 9 Downstream transport and distribution
- Category 12 End-of-life of sold products
- Category 15 Investments



Throughout 2022, we continued to improve our data accuracy related to purchased goods and services. Calculating the embodied carbon within our products and services has allowed us to update environmental product declarations (EPDs) for our products. In 2023, we will conduct lifecycle assessments on more of our product ranges. Doing so will identify the aspects of our production process that are carbon-intensive and enable us to determine a methodology to reduce this. We will share the results in 2023.

We understand that achieving net zero cannot be accomplished without collaboration and engagement with our supply chain. We have onboarded a new Director of Supply Chain in 2023. Key responsibilities will include overseeing collaboration with our suppliers to reduce our collective carbon footprints and ensuring that business is conducted responsibly.

Energy management

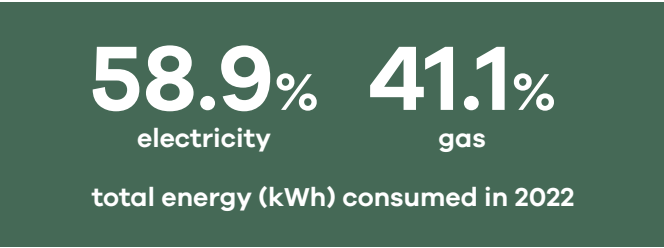
The energy-intensive nature of our manufacturing process is a key contributor to our overall carbon footprint, with gas and electricity comprising 96% of our scope 1 and 2 emissions. Energy management is, therefore, a key aspect of our objective to reduce the carbon intensity of our business and we introduced several energy management initiatives in 2022.



We set a target to reduce our energy consumption by 5% each year. This reduction is based on an energy intensity factor that considers the energy consumed based upon the volume of output in our previous year of reporting.

Energy	2018 (Baseline)	2021	2022	Change (2021 to 2022)
Electricity (kWh)	21,904,885	21,731,872	21,423,294	-1.4%
Gas (kWh)	16,163,298	13,736,986	14,919,045	+8.6%
Total (kWh)	38,068,183	35,468,858	36,342,339	+2.5%
Intensity factor (kWh/ m <sup>2</sup> of production)	6.7	6.7	6.9	+3.0%

In 2022, we recorded a total energy consumption of 36,342,339 kWh, consisting of 58.9% electricity and 41.1% gas. Whilst this represents a 4.5% reduction against our 2018 baseline energy consumption, it represents a 2.5% increase in our energy usage from 2021.



Our electricity consumption decreased by 1.4% in 2022 due in part to the implementation of our energy efficiency initiatives as part of our ESOS recommendations. We have complied with the UK’s Energy Savings Opportunity Scheme (ESOS) Regulations since its Phase 1 inception in December 2015. This requires us to conduct regular energy assessments. Our most recent assessment, conducted in November 2021, highlighted a number of recommendations to reduce both our energy consumption and its associated carbon emissions. Actions we have taken include retrofitting lighting across our warehouses, factories and offices to install energy-efficient light-emitting diodes (LEDs) as well as installing passive infrared motion sensors (PIRs) to ensure lighting is used only when required. Phase 3 of ESOS has a deadline of December 2023 and from this we look to gain further recommendations for energy savings.

We are also making strides towards using more renewable energy throughout our operations. Our total electricity supply is sourced from entirely renewable energy, as certified by our Renewable Energy Certificates. Our net zero roadmap will outline how we plan to reduce our consumption further and transition away from other non-renewable sources of energy.

To maintain momentum, in 2023 we will roll out awareness training for all colleagues to educate our staff more broadly on the importance of energy management and climate change.







# REDUCING WASTE

**Amtico has a valuable role to play in creating a more circular economy. As a manufacturer, we appreciate that we must take responsibility for the full lifecycle of our products. This will be achieved by incorporating circular economy principles at all stages of our production process, from design to manufacturing. We are delighted to have already diverted 100% of our operational waste from landfill at our Coventry factory.**

Our Reducing Waste pillar is managed by the Reducing Waste Committee, chaired by our Operations Director; through this we monitor key initiatives and performance against our KPIs and targets. The committee itself includes a variety of colleagues from different areas of the business to provide fresh and diverse insight into our initiatives and their progress. Furthermore, 100% of our Reducing Waste pillar members have completed initial circular economy training.

### Waste management

Waste disposal method	2021 (tonnes)	2022 (tonnes)	Change
Reused / repurposed	2,939.23	2,120.04	-819.19
Recycled	330.56	373.72	+43.16
Landfill	0	3 <sup>2</sup>	+3
Treated	84.87	158.13	73.26
Energy recovery (refuse derived fuel)	294.09	270.73	-23.36
TOTAL	3,648.75	2,925.62	-723.13

In 2022, our total waste production was 2,925.62 tonnes. This represents a 20% decrease on our 2021 waste production.

To apply the waste hierarchy and to incorporate a model which reflects a circular economy, we aim to reduce waste at the source by designing it out, as well as improving processes to reduce its production. We then aim to reuse or repurpose our waste to limit end-of-life disposal methods. In 2022, 72.4% of our waste was sent for reuse and repurposing with our third-party waste partners, Heyside and PRISMM.



Our Reducing Waste Committee and Continuous Improvement Team are attributed with the identification of waste management opportunities. Through their work, we have introduced several waste reduction initiatives, including:

- introducing a pilot take-back scheme for our commercial and residential customers;
- developing an innovative thermal imaging technique to reduce scrap waste at our manufacturing facilities; and
- implementing projects to reduce plastic packaging waste, introducing recyclable water-based tape to seal our packaging.

Having successfully implemented these initiatives in 2022, we are confident that we can embed the circular economy into our business and contribute to it. In 2024, we will set a target date by which our products will be 100% recyclable.

<sup>2</sup> The 3 tonnes of waste which was sent to landfill was generated from construction waste, it was not produced through Amtico's direct operations.



Retailer Take-Back Scheme

We recognise that we are responsible for waste produced not only by our direct manufacturing operations, but also throughout our value chain. In recent years, we have become increasingly aware of the impact of waste during flooring installation. On average, around 7% of our flooring is offcut during installation, the majority of which goes to landfill via commercial or household waste disposal routes.



In an effort to reduce waste during installation, we developed a retailer take-back scheme in 2022. Our scheme is currently in its pilot phase, which consists of 12 of our Amtico One retail partners. The aim of the pilot scheme is to carry it out on a small scale, allowing us to evaluate the benefits, challenges and any opportunities for improvement prior to launching.

At present, the pilot scheme involves reclaiming offcuts and scraps produced during installation, placing them into an industrial granulator at our manufacturing facilities, and heating these materials until they reach a dough-like consistency. We then roll out and flatten the material and repurpose the reclaimed offcuts into new flooring products. If the waste has been contaminated, it is sent to our waste repurposing partner, Heyside Plastics Ltd., for repurposing into products such as bollards and speedbumps. In the first four weeks of our pilot phase, we received 945 kilograms of installation waste from our

retailers, exceeding our initial expectations. Based on this information, we estimate that we could receive back over 11,000 tonnes of waste annually to be repurposed if the scheme was launched.

We will expand this scheme in 2023 and, to encourage participation, we will develop an ‘Amtico Green Partner’ certification for participating retailers. This will involve supplying participating retailers with a certificate and window stickers to demonstrate their commitment to sustainability with customers who choose Amtico products. Additionally, throughout 2023, we will expand the take-back scheme to include several larger commercial projects, working with developers to increase the volume of off-cut waste returned and recycled.

Thermal imaging to reduce scrap waste

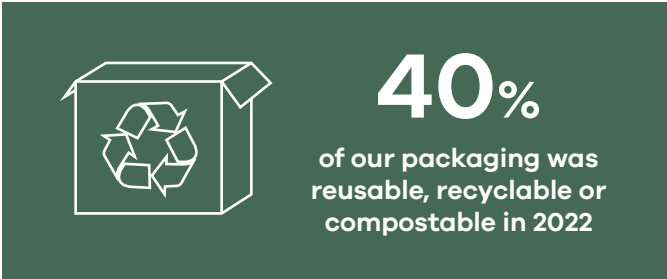
Scrap waste is a recurrent by-product of the flooring industry. As a pioneering manufacturer, Amtico creates innovative solutions to complex issues. The issue of scrap waste proved no different.

In 2022, we implemented a new method for using thermal imaging cameras to detect defective areas within our flooring during the lamination process, during which the layers of PVC are combined using heat and pressure to produce our flooring. By identifying specific defective areas and cutting out these minimal pieces rather than removing much larger segments, we have been able to dramatically reduce raw material scrap. Since the introduction of this new method into the lamination process, we have saved a total of 29 tonnes of scrap.

In 2023, we will continue to improve our thermal imaging process. Furthermore, we will train all our lamination operators in the thermal imaging system; this will total 30 colleagues.

Reducing packaging waste

Amtico delivers thousands of flooring packages to our retailers and customers every year, from large orders to small samples. Packaging is essential to maintain the high quality of our products. In 2022, we set out to identify innovative methods to both reduce our packaging waste and make our packaging recyclable. By the year’s end, 40% of our packaging was reusable, recyclable or compostable.



In 2022, we began replacing our solvent-based packing tape dispensers with water-based tape dispensers. Our new, water-based tape is 100% biodegradable,

and our new dispensers distribute a pre-determined length of tape, meaning we have significantly reduced our tape usage. Since we started this project in October, we have integrated 15 new dispensers. In 2023, we plan to install another five water-based tape dispensers, by which point we will have replaced over 50% of our dispensers.

We also transitioned to a 100% recyclable padded mailer for our small samples and began developing chemical-free information labels for the packaging’s exterior. The mailers are used for our small samples service, for which a pre-paid returns label is now included. If the sample is returned to us in good condition, we are able to reuse this for another customer. If the sample is not in good condition, it will be recycled into new flooring using our granulation process.



Sakshi Rath  
Market Insight  
Assistant  
2022/2023

Engaging placement students in sustainability

“Throughout my placement at Amtico I have gained invaluable skills and been exposed to all areas of the business, starting with a business-wide induction, to ensure I felt welcomed and well-equipped in making the transition from being a university student to working full-time a comfortable experience.

Every day provides a challenge at Amtico with new learning opportunities constantly arising to enable me to be stretched professionally. I have had the amazing opportunity to be involved in the Reducing Waste sustainability pillar; from this I have gained creative problem-solving and innovative-thinking skills.

Overall, my year at Amtico has provided me with a well-rounded experience of how a real business successfully operates, extensive knowledge on sustainability, as well as experiences and skills that will put me in a better position during my third year and when securing a graduate job.”





**At Amtico, innovative thinking is a mindset that we use to reimagine our day-to-day operations. When it comes to product quality, design and evolution, we are focused on delivering more sustainable solutions to LVT flooring. We are applying our knowledge and expertise in product and process innovation to reduce the environmental impact of our products.**

Our Championing Innovation pillar is managed by the Championing Innovation Committee, chaired by our Marketing Director. The pillar has three main objectives and as such is governed by three subcommittees. The three subcommittees are:

- ➔ Culture and Championing Innovation
- ➔ Product Innovation
- ➔ Partnerships and External Bodies

Our Marketing Director holds a meeting every 6–8 weeks with all members of each subcommittee, with the purpose of understanding opportunities to innovate across the business. We regularly measure the number of continuous improvement suggestions that have been made as well as the number that have been successfully implemented.

**Product quality, design and evolution**

In 2022, we built on and expanded several schemes to encourage both product and process innovations that improve the sustainability of our products. We launched Amtico Bio, marking the introduction of our first bio-attributed flooring. Amtico Bio is made from PVC, where the fossil-

fuel-derived raw material used for its production has been switched for an identical material derived from renewable biomass sources. We maintained and expanded our Continuous Improvement Scheme, which aims to ensure continuous innovation in our products and processes, encouraging constant development within our operations. Additionally, we expanded and further developed our collaborative partnerships with the University of Stirling and the University of Strathclyde with the intention of tapping into further expertise surrounding product and process innovation.

**Amtico Bio**



In December 2022, we launched Amtico Bio, our first bio-attributed LVT flooring. Amtico Bio is made from a more sustainable PVC, produced from biomass alternatives using mass balance principles, replacing the use of fossil fuels. Biomass is a renewable raw material that is derived from organic matter such as perennial grass and trees. When biomass is used in the paper pulping industry, crude tall oil is produced as a by-product. Crude tall oil, or used cooking oil, is then utilised to produce biomass-derived ethylene, which is sourced by our PVC resin manufacturers to make the bio-attributed PVC which we use for Amtico Bio. This PVC resin production process is markedly less carbon-intensive than the manufacture of standard PVC, with a carbon emission reduction of 90% compared to the fossil-fuel-derived equivalent. Additionally, Amtico Bio is certified to the International Sustainability and Carbon Certification (ISCC) scheme, to guarantee traceability of the products’ sustainability credentials.





Although Amtico Bio has just been launched, uptake from our customers has been incredibly promising. We have introduced it into our three main product collections – Signature, Spacia and Form – and it is available on two-thirds of the product and print design options that Amtico offers. In 2023, we plan to expand Amtico Bio as an option for more of our product ranges.



Continuous Improvement Scheme

In 2017, we established our Continuous Improvement Team, comprised of people from multiple manufacturing disciplines. The team developed our Continuous Improvement Scheme, which was mainly used by manufacturing colleagues to

encourage engagement and garner knowledge from within the company. In 2022, we expanded the scheme to encourage wider participation from all areas of the business. The scheme works by empowering all of our colleagues to submit suggestions for ongoing improvements across the business by completing a form. Colleagues can be rewarded if their suggestion is accepted and implemented. Since its inception, the Continuous Improvement Scheme has seen 850 suggestions submitted, with 329 suggestions successfully implemented as of 31 December 2022.



2019 saw a particularly creative solution emerge from this scheme. An Amtico colleague developed a method to reduce waste during the product-embossing process, enabling us to achieve a 40% reduction in waste at this manufacturing stage. This solution won our inaugural Gino Fanti Award, set up to recognise innovative thinking at Amtico. Each year, all colleagues will be invited to vote on their favourite innovation from a shortlist of finalists. The award was established in memory of Gino Fanti, who was Amtico’s Product Development Manager for nearly 40 years. Gino was responsible for many of Amtico’s innovative production techniques that are still used today. In 2023, we will continue to encourage and reward creative thinking through our Continuous Improvement Scheme and the Gino Fanti Award.

Collaborative partnerships

We are proud to work with several higher education institutions to improve our product design and innovation. Over the years, we have managed relationships with different universities to drive innovation across our products.



In 2022, we maintained our collaborative partnership with the University of Stirling and established a new partnership with the University of Strathclyde. Both universities are leaders in product innovation and design. These partnerships allow Amtico to access academic expertise on transformative engineering processes, product design and sustainable raw materials, whilst providing real-world experience to the student and faculty members involved. With Strathclyde, we are working to improve the thermal stability of our products to enhance their resistance under heat stress. With the University of Stirling, we have been evaluating and designing suitable dementia-friendly flooring for care homes and other customers who may suffer from dementia.

In 2023, we will continue our partnership with the University of Stirling, designing more products for which we aim to gain Dementia Services Development Centre (DSDC) accreditation.

Designing dementia-friendly flooring with the University of Stirling

Dementia causes the deterioration of cognitive function, bringing about a change in emotional control, social behaviour and motivation. By 2025, it is estimated that there will be one million people living with dementia in the UK, and

studies have shown that providing familiar surroundings can reduce some of the loss of function associated with dementia. Through our work with the University of Stirling, we identified flooring in our current product collections that is suitable for people who suffer from dementia. The flooring was assessed by the DSDC at the University of Stirling to ensure that it adhered to the DSDC’s Class 1b or Class 2 rating criteria.<sup>3</sup>



Class 1b-rated products are semi-plain designs, meaning they have minimal texture or contrast between patterns. Class 2-rated products have some pattern to them, which is used with caution. Adhering to these rules enables us to provide flooring which can become familiar to people suffering from dementia. Approval from the DSDC has led to us receiving interest from designers and architects looking to design care homes and elderly residences. We are also building a long-term partnership with the DSDC to assess future collections.

<sup>3</sup> The criteria for Class 1b and Class 2 can be found in the DSDC’s ‘Dementia Design Product Accreditation’ guide.





# EMPOWERING PEOPLE

**At Amtico, we owe our position as leaders in flooring innovation, quality and design to our people. In turn, we aim to treat our colleagues with integrity and respect, investing time and resources so that they feel supported in all aspects of their work.**

Our fundamental responsibility is to keep our colleagues safe from harm through comprehensive health and safety procedures. Furthermore, through our sustainability strategy, we have now placed colleague development, wellbeing, and diversity, equity and inclusion (DEI) at the top of our agenda.

We govern these areas through our Empowering People Committee, led by our HR Director and chaired by joint Pillar Champions. The committee monitors key initiatives and performance on our KPIs and targets and is comprised of five separate working groups:

- ➔ Health, Safety and Wellbeing
- ➔ Colleague Development
- ➔ Diversity, Equity and Inclusion
- ➔ Charity and Community
- ➔ Education Collaboration

Each working group reports back to the Empowering People Committee to ensure strong communication and consistency in the monitoring of our key performance areas.

### Health and safety

It is imperative that we create a work environment where health and safety is the number one priority. Since 2018 we have been certified to the internationally recognised health and safety management standard, ISO 45001. This demonstrates

that our organisation monitors, manages and continually improves health and safety performance.



50

colleagues are Institution of Occupational Safety and Health certified.

Health and safety is the responsibility of everyone working at Amtico. Our approach to health and safety is set out in our health and safety policy, the implementation of which is led by our Health and Safety Team. They monitor incidents and identify preventative and corrective action, as well as delivering training across the business. Two of our Health and Safety Executive (HSE) Team are National Examination Board in Occupational Safety and Health (NEBOSH) certified, and 50 colleagues across our wider teams are Institution of Occupational Safety and Health (IOSH) certified.

Every six weeks, our Health and Safety Team meets with representatives across all departments to review any incidents that have occurred and identify potential trends. We share any incidents with our parent company, Mannington Mills Inc., to raise awareness and to give warning of potential issues. This then informs our Operations Board meetings.

As part of our ISO 45001 accreditation, any aspects of our system that can be improved are targeted and addressed. By installing a new software system, Evotix, we have enhanced our ability to share and monitor health and safety information. With Evotix, all our policies and procedures are digitised and all relevant data and KPIs are available on a user-friendly dashboard.



# EMPOWERING PEOPLE

Through increased reporting of near misses and incidents, we closely monitor and mitigate the risk of reoccurrence. In 2022, we reported:

Incidents	2022
Health and safety incidents classified as near misses or observations <sup>4</sup>	543
Minor injuries	37
RIDDORs <sup>5</sup>	2
Lost Time Injury Rate (LTIR)	0.74

Our target is to achieve an LTIR below 0.52 each year; we did not achieve this in 2022. To address this going forward, we are increasing education around hazards in the workplace and how we can reduce our LTIR. The two RIDDORs we recorded this year resulted from incidents arising in our operations during the manufacturing process. These can be attributed to slips, trips and falls. Our incident response procedures were immediately implemented and, to prevent these incidents from occurring again, we have embedded remedial actions to eliminate the risks.

## Wellbeing

Through the implementation of Responsible Foundations, we are taking a more proactive approach to our people’s wellbeing. Established in 2022, Amtico’s Wellbeing Committee has worked closely with the Health and Safety Team to coordinate wellbeing initiatives for the benefit of our workforce. Since the committee’s launch, we have invited a qualified nurse to all three of our sites to have one-on-one appointments, should any colleague want one. In addition, we provide our colleagues with a Virtual Wellbeing Centre on the My Amtico

website, which offers hints, tips and videos on exercise, diet, personal finance and mental wellbeing.

In 2022, we undertook our first menopause campaign to educate colleagues on how the effects of perimenopause and menopause can impact women whilst at work. This campaign included guest speakers who were qualified doctors and mandatory training for managers.

We also began our relationship with the world-renowned Newton Health Menopause Team which offers a range of support services including a mobile app providing specific support. Amtico funds the additional support content in the app for any colleague who needs access as well as one-to-one consultancy appointments with a specialist doctor for advice and guidance on managing their individual menopause needs.

## Colleague development

Our people’s knowledge and experience are integral to the success of our business. We recognise that the developmental needs of our people vary, and for 2022 we set a goal to create a customised approach to colleague development, equipping our colleagues with the skills to align their development with their individual needs.



Amtico is committed to the professional development of our colleagues through offering a range of flexible developmental pathways. Each Amtico colleague in the UK not represented by the Unite Collective Bargaining Agreement must complete a personal development plan (PDP), involving a two-way conversation between line manager and colleague.<sup>6</sup> The core aim of the PDP is to support our people in understanding their individual developmental needs and assist them in establishing the measures and objectives to achieve their ambitions and support our corporate goals. In 2022, Amtico relaunched its PDP appraisal scheme to offer our colleagues further guidance on how to make the most of their PDP. The appraisal scheme involves various learning opportunities, including instructions on how to approach conversations with line managers. By 2025, all colleagues globally and including those covered by the Unite Collective Bargaining Agreement, will be given the opportunity to create a PDP.

Beyond professional development, Amtico is also committed to ensuring the wellbeing of our colleagues. We offer a plethora of complementary LinkedIn Learning courses to our colleagues and their families which support this aim. These range from skills such as time management and Microsoft Excel training, to health and wellness courses and diversity education sessions.

Our colleagues have completed almost 10,000 hours of LinkedIn Learning training; this equates to an average of 18 hours per colleague since its launch in 2019.



## Supporting local communities

Whilst Amtico is committed to nurturing and retaining the best talent, we simultaneously recognise that attracting new talent and ensuring our future success is contingent upon the development of people in our surrounding communities. Accordingly, Amtico has introduced multiple external developmental initiatives for our communities. These include internship and apprenticeship programmes designed to provide in-depth practical experience, skills and knowledge.

Our Education Collaboration Committee works with local schools and higher education institutions to support with careers events and paid internships for students.

<sup>4</sup> We define incidents as reporting or identifying situations before they cause harm, injury or damage.  
<sup>5</sup> RIDDOR refers to the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013.  
<sup>6</sup> Not inclusive of our manufacturing ‘shop floor’ colleagues.




We offer design and marketing internships to undergraduates and graduates from many universities across the UK, to help prepare students for working life following their studies. We regularly partner with Coventry University to offer paid marketing internships that provide practical skills and knowledge that they can apply directly back into their studies.

We also support students in their education by collaborating with Universities running live project briefs. In 2022, we ran a flooring design project with De Montfort University for second-year textiles students, and as a result we offered one undergraduate student a month-long summer internship.

Throughout 2022 we also provided internships for design graduates from Birmingham City University, Loughborough University, De Montfort University, the University of Dundee and Manchester Metropolitan University. And at

Birmingham City University’s Graduate Industry Awards Day, we presented a graduate with the Materiality Award and subsequently offered them a six-month paid internship that commenced November 2022.



9

apprentices hosted by  
Amtico in 2019 via its  
partnership with MGTS

Through Midland Group Training Services (MGTS) in Coventry, we offer paid apprenticeship schemes in engineering and manufacturing. Collectively, Amtico hosted eight apprentices in 2021 and nine in 2022 via its partnership with MGTS. In 2023, we plan to increase this number even further as we look to build our talent pipeline.




**Bailey Wiggett**  
Manufacturing  
Apprentice  
2022

Our apprenticeship opportunities

“My apprenticeship at Amtico began when I applied directly to Amtico’s apprenticeship partner, whilst I was finalising my first year of sixth form. After a short interview process, I was offered an engineering and manufacturing apprenticeship role at Amtico. Joining the apprenticeship scheme at Amtico has helped me develop as a person. I gained numerous skills within the workplace, rotating around multiple different departments. I started the apprenticeship without any knowledge of engineering and manufacturing, and completing the apprenticeship now means I have a set of skills that I can apply not only across manufacturing but throughout the Amtico workplace. These skills include teamworking, engineering knowledge, plant process knowledge and an increased belief in myself.

Whilst studying for my BTEC and HNC in general engineering, I struggled with the maths element of my course. To support me, Amtico offered the time and resources for James Todd (another Amtico apprentice) to help me develop my maths skills. This ultimately meant I was able to successfully complete my qualifications and I am now an Engineering Project Technician, working on various projects at Amtico, some of which involve sustainability initiatives. Taking on this apprenticeship has been the best decision I have made so far in my life. I am now career-driven with goals and ambitions set for the future”.





Over £20,000 raised for charity in 2022

Charitable contributions

Amtico is committed to supporting local charities, offering volunteering and financial contributions through fundraising initiatives such as bake sales. Amtico colleagues collectively chose a charity of the year, voted for by our colleagues from a shortlist of three. This year, our colleagues chose Birmingham Children’s Hospital. In 2022, we donated over £20,000 to several charities, emanating from a combination of fundraising, matched funding and other donations.

In 2022, our colleagues collectively received over 100 days of paid volunteering time to support charitable causes in their local communities. Currently, colleagues are entitled to two paid volunteering days per annum. In future years, we aim to increase the annual number of paid volunteering days each colleague may take.



100

days of paid  
volunteering  
time in 2022



# EMPOWERING PEOPLE

## Diversity, Equity and Inclusion

At Amtico, we celebrate the diversity of our people. We aim to create a diverse workforce by providing an inclusive and accessible workplace. During 2022, our DEI working group made progress in understanding our current position with regard to diversity and working towards establishing targets to improve this going forward.



Since 2017, we have captured and reported on the gender diversity of our workforce, and we aim to have a more balanced workforce across Amtico. As of 2022, our entire workforce was 35% female and 65% male.

Diversity metric	Under 30	30-50	Over 50
Men	48%	63%	78%
Women	52%	37%	22%

One of the other ways we look to achieve gender parity throughout our organisation is the removal of our gender pay gap. The gender pay gap has improved from 6.38% in 2021 to 5.41% in 2022. To help achieve this, we developed new maternity and paternity policies to support women returning to work as well as encourage men to play a greater role in childcare. In 2022, we improved the parental offer from the previous statutory entitlement of 6 weeks at full pay and 33 weeks statutory entitlement. New mothers now receive up to 20 weeks at full pay, and a remaining 19 weeks at statutory pay, and new fathers receive two weeks at full pay.

Gender pay gap	2021	2022
Mean	6.38%	5.41%
Median	2.49%	2.14%

To achieve a more diverse workforce, we must also understand the diversity of our people across the key diversity characteristics: race, ethnicity, sexual orientation and disability. This involves the collection of key personal information which will enable us to identify gaps and determine what we need to do to improve.

In 2022, our DEI working group created an internal campaign to encourage employees to share their diversity information via our existing HR self-service platform. The aim of this was to obtain more information on the diversity of our workforce at Amtico. Following the campaign, we concluded that the lack of anonymity built into the tool had led to colleague reluctance to respond, with participation rates at approximately 20%.

We are now responding to this issue through a new external partnership, the project will support Amtico by collating anonymised data on our colleague diversity breakdowns. In addition to this, we are engaging with trusted partners such as Standard Life, our pension provider, and its parent company, the Phoenix Group, to learn from their advanced and ambitious DEI propositions.

Our target for 2023 is to grow our DEI network further and collect a broader set of diversity metrics to be able to understand the intersectionality of our workforce in greater detail and, over time, increase the diversity of our people.





# LOOKING AHEAD: OUR COLLEAGUE SURVEY RESULTS

In January 2023, we conducted our sustainability survey for the first time since 2019. We undertook this assessment to understand how our colleagues feel about working at Amtico, how they understand sustainability in the workplace and also to encourage them to get more involved in our programmes.

We received a response rate of just over a third of our workforce, with the largest proportion of responses coming from desk-based colleagues. Of the respondents, 90% stated that they believed it was important that Amtico operates its business sustainably and ethically, and 87% believed that sustainability is everyone’s responsibility. Internally, this demonstrated that the Responsible Foundations strategy and our messaging on sustainability are working,

but with a response rate of a just over a third, we are now focusing on how we can increase engagement across the wider workforce.



Through the survey, we were also able to gather valuable insights on how our colleagues view the different pillars of Responsible Foundations across Amtico. This information has provided us with a good understanding of what our people expect us to focus on next year. We have identified the following areas on which to focus our efforts, in addition to those stated above.



## Pillar Areas of Focus 2023

### Fighting Climate Change

Following the implementation of our net zero roadmap, we will focus our efforts on carbon reduction for our direct operations.

### Championing Innovation

We want more of our colleagues to understand our definition of innovation and how everybody can be innovative and creative, whatever their role or department within the business. We will encourage our workforce by educating everyone on how they can contribute to the future success of our business.

### Reducing Waste

We plan to communicate our waste practices to more of our colleagues, as many are not aware of the work, we do externally to achieve zero waste to landfill.

### Empowering People

We will focus more on the development of our people, understanding and defining our internal culture, improving colleague benefits and wellbeing, developing and promoting our approach to DEI.

Our ambition is to conduct our sustainability survey on an annual basis to gauge our progress on both our colleagues’ understandings of sustainability and their satisfaction with how Amtico manages the issues related to it. Focusing on the matters stated above will improve the sustainable operation of Amtico’s business model and contribute to Amtico becoming an employer of choice.

To demonstrate our commitment as a business to driving our purpose and values, we are launching our inaugural Culture Event in 2023. The aim of this event is to bring our managers together to explore how Amtico is adapting to an ever-changing world. During 2023 and beyond, we aim to invite all our colleagues to help shape the culture within Amtico.



Date of publication: 08/06/23

The reporting period covers Amtico’s Financial Year 2022, from 1 January to 31 December 2022. Performance data relates to this period unless otherwise stated. We have also taken account of significant events prior to this period and up to the editorial deadline of 28/04/23 2023.

To further improve the reporting for our first Sustainability Report, we have used the GRI reporting principles to describe our approach and performance related to the management of our material sustainability topics. In future Sustainability Reports, we will evolve our reporting to align with appropriate mandatory and voluntary reporting standards to provide a transparent and comprehensive picture of Amtico’s performance in reducing its significant impacts on the economy, environment and people.



