Interface

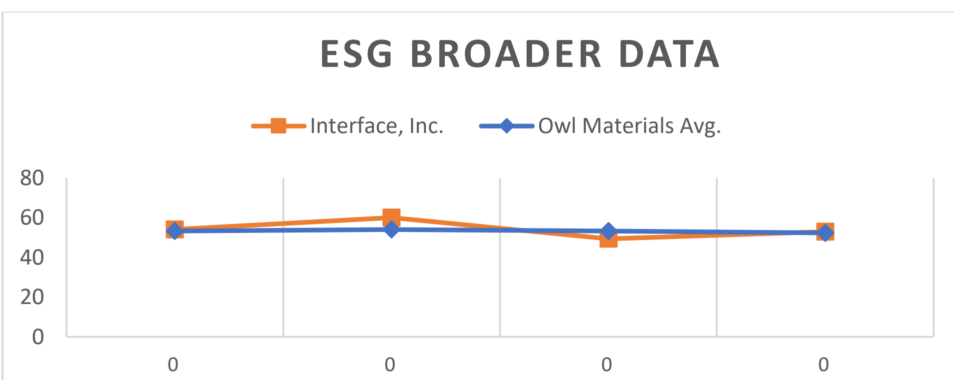
Interface, a leading manufacturer of carpet tiles, exemplifies one of the greatest stories of how a company can transform itself to make sustainability the foundation of its ethics and its business success.

In 1994, Ray Anderson, the founder and CEO of Interface, read *The Ecology of Commerce* by Paul Hawken and was greatly impacted by the book's message that businesses are the source of the most egregious abuses of the environment and, crucially, hold the most potential for solving our sustainability problems. Calling it his "spear in the chest moment", he vowed that Interface would do all it could to solve environmental problems and that the company would achieve a zero environmental footprint by 2020. Interface became the first company to adopt the Natural Step Framework in guiding its environmental mission.

Based on its 2019 Sustainability Report, every product Interface sells is now carbon neutral across its full lifecycle. 100% of electricity used is from renewable sources. It has achieved a 69% reduction in the carbon footprint of its carpet tile products and a 96% reduction in greenhouse gas emissions. Waste sent to landfills has dropped by 92% and the amount of water used in each unit of production is down by 89%. Late in 2020, Interface introduced what it believes may be its most revolutionary product—carpet tile that is carbon negative.

Utilizing plant-based and recycled materials, Interface has reduced the carbon footprint of its carpet tiles by 74%. Less carbon dioxide is emitted during the manufacturing process for this product than is absorbed by the plants during their lifespan. The product was cited by *Corporate Knights* as one of the top business moves that helped the planet in 2020, a sustainability initiative of the year in 2020 in the UK, and the 2020 green building material of the year in Australia.

Interface describes itself as having a purpose driven culture where ESG issues are fully incorporated in the management of the company. Two of the six board members are women and one of the other board members is a minority. 52% of non-management employees are minorities and 56% are women. 13% of management are minorities and 41% are women. The company has not produced a gender equity report for its entire workforce but has done one that covers the United Kingdom. It showed that the mean average pay for women was 4.9% more than for men. In general, the company could do a better and more thorough job reporting on ESG issues other than the environment.



Source: OWL SHARES