



OUR SUSTAINABILITY
JOURNEY

Sustainability White Paper 2021



IVC GROUP PAVES THE WAY

Working together to pave the way for more sustainable flooring solutions that contribute to the welfare of our planet and our people

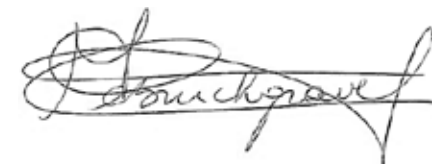
At IVC Group, we are all steadfastly convinced that our most important priority is to create products aimed at a better future and to strive towards responsible and entrepreneurial values. In this way, we are aiming to be a healthy company by entering into long-term partnerships and ensuring that our activities contribute to the preservation of our planet and the welfare of our people.

We are proud to develop, design and produce our whole range in house. In addition to high-tech innovations, investing in our human capital is one of our top priorities. We do this by both attracting top quality employees and developing internal talent. In addition, we are always on the lookout for sustainable solutions for all our activities, such as clean air technology and advanced production methods.

As a result, we have made great progress towards reducing our emissions levels and dependency on fossil fuels. Further, we have raised the bar in terms of recycling processes and “low impact” production. Our ambition is to press on with this development.

With the combination of a sustainable approach and advanced product innovation, we at IVC Group strive to take the lead in the field of environmentally friendly flooring. In order to achieve this ambition, we have formulated a series of targets that we aim to meet over the next 20 years. In this regard, our efforts will be focused on innovative leadership, top quality service provision, waste strategy and circularity. I am happy to share with you the many ways in which we have been working on a better future, and I am pleased to invite you to follow us on our journey towards zero impact by 2040.

Johan Deburchgrave
President IVC Group



Almost 25 years of dedication to flooring

IVC Group was **established in 1997** and quickly developed into an independent powerhouse in the market of luxury vinyl tiles (LVT), sheet vinyl and carpet tiles.

Currently active in 180 countries around the world with 10 production units in Belgium, Luxembourg, the United States and Russia, IVC Group has a capacity of over **130 million m² of flooring per year**. More than 1,500 IVC family members are working on new solutions every day, focusing on the needs of our customers by creating the best products, as well as raising our performance and reducing our ecological footprint.

Throughout IVC Group's evolution, our intention has always been clear: we want people to enjoy our floors. That's why we're dedicated to creating sustainable and innovative flooring **solutions for people and projects all around the world**. The people who walk, play, dance and live on our floors are at the centre of everything we do. We have already been dedicated to flooring for them for nearly 25 years.

Since 2015, IVC Group has been **part of Mohawk Industries**, the world's market leader in all things flooring, with a heritage of craftsmanship that spans more than 130 years. This broadens IVC's global reach – bringing us closer to you, wherever you go.

DID YOU KNOW...

... that IVC Group employs over **30 different nationalities worldwide**? That's the many cultures and inspirations which go into our eclectic floor designs, explaining their global appeal.



 IVC FLOORING DEVELOPMENT CENTRE
WAREGEM, BE



CARPET TILES PLANT
MOUSCRON, BE



LUXURY VINYL TILES PLANT
AVELGEM, BE



Our flooring solutions

We go beyond floor covering to formulate the perfect solution for your project.



Commercial flooring



One brand for all commercial flooring solutions IVC is the commercial division of IVC Group, dedicated to **making life better for people** in commercial environments. Through finding out the **unique needs of customers** within corporate and office, hospitality and leisure, retail, housing and education projects, IVC makes solutions that **improve the wellbeing and productivity of users**.

With carpet tiles, LVT and heterogeneous vinyl solutions that overcome flooring

challenges, IVC makes **good design more affordable and easier to implement**.

And with a **circular approach to the future of flooring** that drives product development and innovation, IVC goes beyond flooring.



LUXURY VINYL TILES



HETEROGENEOUS VINYL



LUXURY VINYL FLOORING



HETEROGENEOUS VINYL



LUXURY VINYL FLOORING



CARPET TILES



SHEET VINYL



ACCESSORIES

Residential flooring



Moduleo® not only offers a fresh approach to the **luxury vinyl flooring market**, but is also an exciting alternative for both retailers and consumers. With its wide range of **sustainable yet stylish products** and first-rate customer service, Moduleo® is proud to be different. Moduleo® is available both in a **traditional 'dryback' installation and in an easy-to-install click system**. The appeal of this system means that it is ideal for use in every modern space.



Leoline® The **cushioning vinyl that comes on a roll** is the right choice for trendy spaces that need to radiate a sense of comfort. Leoline® provides faithful imitations of terrific and timeless organic patterns and textures taken from nature and gives every interior **a unique touch**. The combination of a feeling of warmth, noise reduction and an easy-to-maintain surface leaves little doubt as to why these floors are the very best in terms of vinyl flooring solutions.



Xtrafloor® offers a wide range of flooring accessories: exactly what you need for the **installation, finishing and cleaning** of all IVC products.



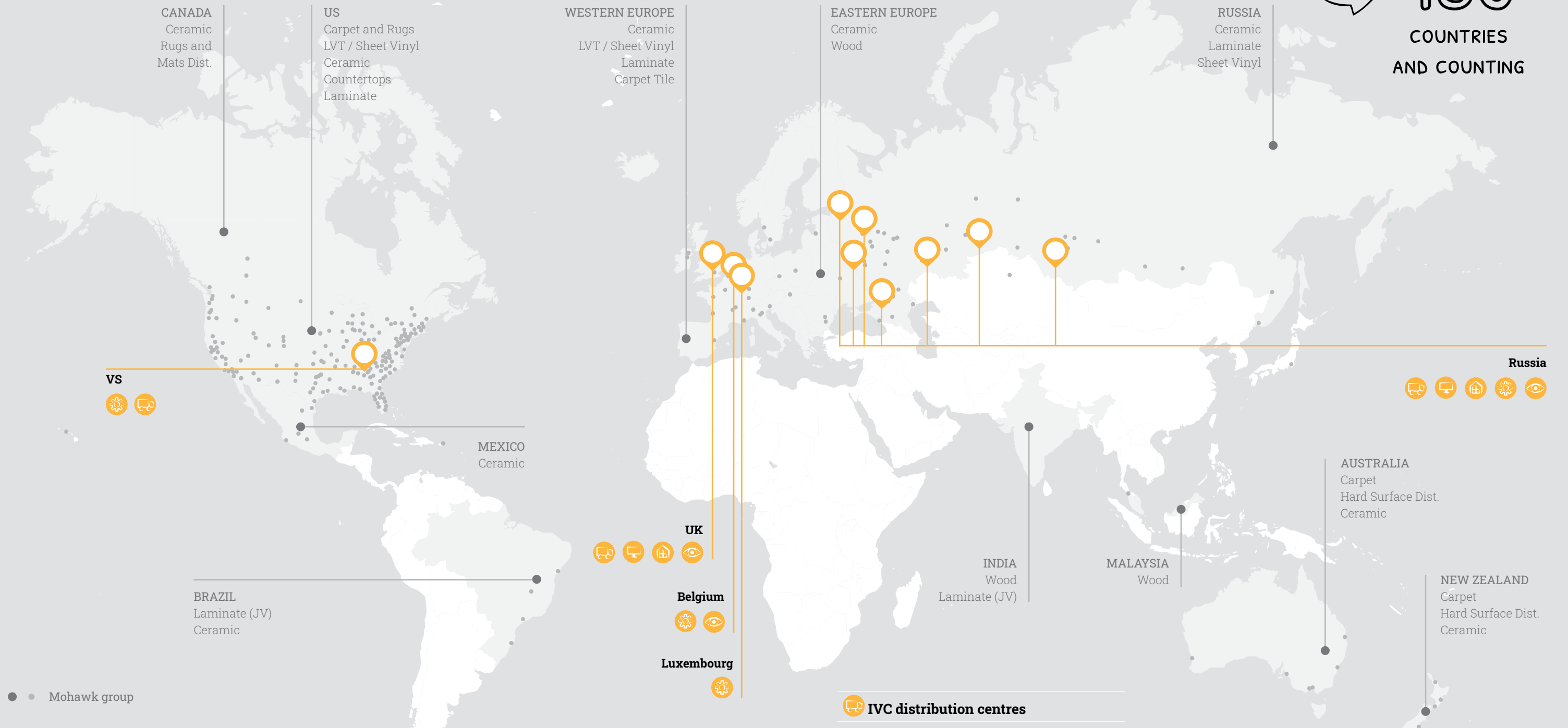
Closer to you.

SOLD IN MORE THAN



180

COUNTRIES
AND COUNTING



● ● Mohawk group

👁️ IVC showrooms		
Belgium	Waregem	IVC Flooring Development Centre
Belgium	Avelgem	IVC Vinyl Technology Centre
Germany	Dusseldorf	IVC gmbh
UK	Derby	IVC Ltd.
UK	London	London Clerkenwell
Russia	Moscow	IVC-VOSTOK LLC

*: US Mohawk Ind factories supported by the IVC vinyl technology centre

🏢 IVC offices	
Belgium	Waregem
Belgium	Avelgem
Belgium	Mouscron
Germany	Dusseldorf
UK	Derby
Russia	Moscow
Russia	Saint-Petersburg

🚚 IVC distribution centres		
Belgium	Avelgem	
UK	Derby	
UK	West Hallam	
Russia	Moscow	IVC-VOSTOK LLC
Russia	Saint-Petersburg	IVC-VOSTOK LLC
Russia	Yekaterinburg	IVC-VOSTOK LLC
Russia	Rostov on-Don	IVC-VOSTOK LLC
Russia	Samara	IVC-VOSTOK LLC
Russia	Novosibirsk	IVC-VOSTOK LLC

⚙️ IVC production units		
Belgium	Avelgem	
Belgium	Wielsbeke	
Belgium	Mouscron	
Luxembourg	Wiltz	
Russia	Orel	IVC RUS LLC
USA	Dalton	

Our dedication to achieving the Sustainable Development goals (SDGs)



Our society has changed a great deal over the past few decades. All this growth and development has had a **substantial impact on our planet**, which is now reaching and even surpassing its carrying capacity. Although general welfare has increased, inequality is still very much present in the world. To help ensure a healthy future for our planet as well as for the population, **current**

consumption levels and production patterns will have to change drastically.

That is why, in September 2015, 17 **Sustainable Development Goals (SDGs)** were formulated. These goals were formally adopted by the **UN General Assembly with the Agenda 2030 for Sustainable Development**. By 2030, the SDGs, coupled with 169 targets, must

form an action plan to prioritise sustainability and the fight against poverty. The goals reflect the 3 dimensions of sustainable development: the economic, social and ecological aspects.

For the IVC Group, the SDGs and their targets constitute a **major basis for the development of our vision, mission** and the associated strategic choices. They contribute towards a deep-rooted belief that we have a duty to **manage the planet responsibly**. In this, 'profit' has evolved into **'prosperity'** – shared profit for all – and later to **'purpose'**, whereby we strive to achieve welfare for all in this world, both now and for future generations. And this inevitably requires changes to the way in which we manage our company.

The **first 6 SDGs** are - it almost goes without saying - a **basic part of IVC's DNA**. As a Belgian firm with sites and offices all over the world, **we take proper care of one another and the people around us**. Fighting hunger and poverty,

guaranteeing good levels of health and wellbeing, equality and respect for all and optimal working conditions are the basis for a decent society and consequently also for sustainable management.

At IVC Group, **we naturally go further** than these first SDGs. Our way of doing business, the strategic planning of physical production and flows, the use of raw materials respectful of the environment and the people living in it: **everything we do has an impact on this 'purpose'** and on the future of our planet. We are not going to claim that our approach is already 100% what it has to be. However, we are working every day towards that goal because as responsible stewards of our planet, we make our decisions in such a way that

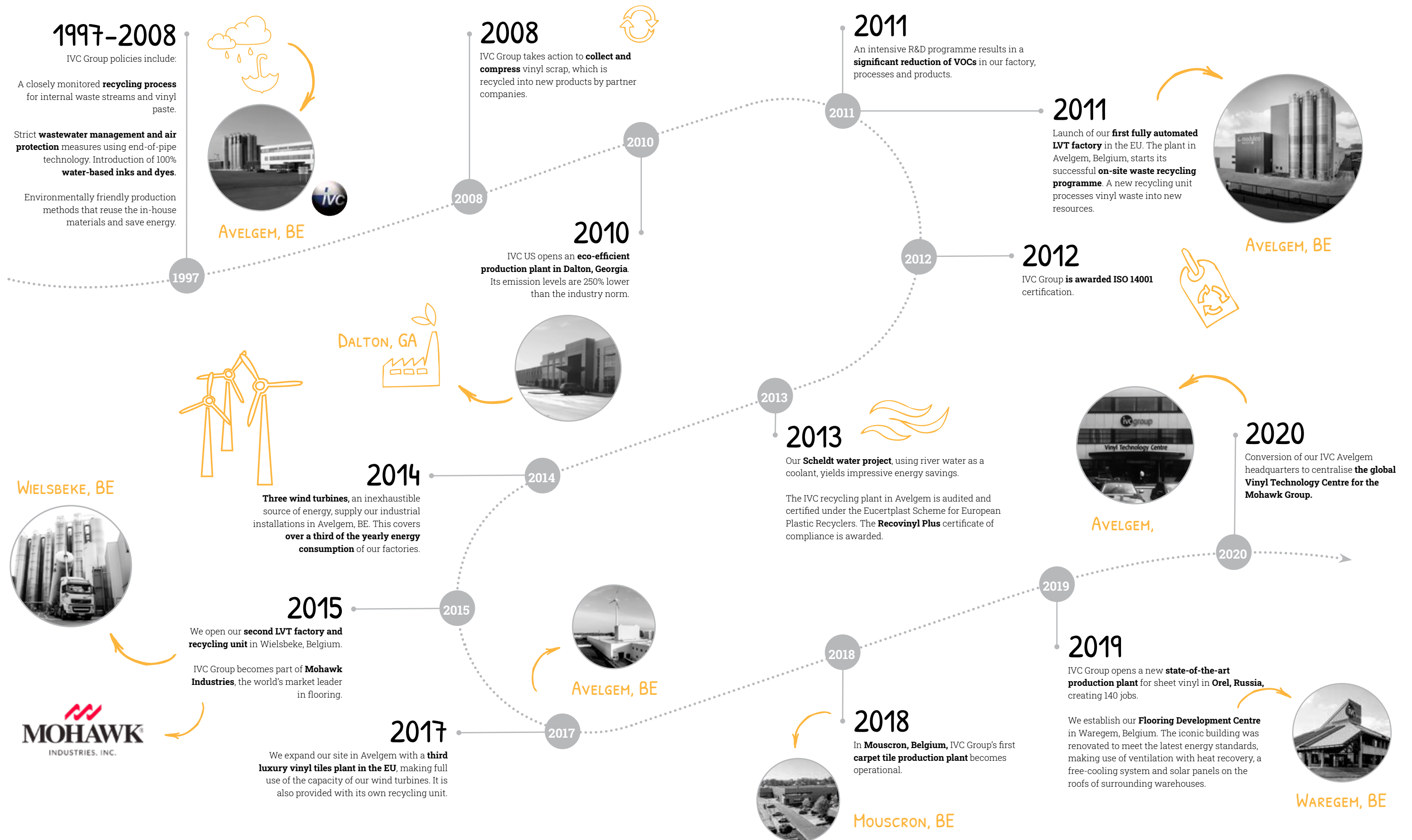
they tie in with our mission. Within this framework, our **strategic choices are made with a view to improving sustainability**, whenever and wherever we can.

We are not alone in striving for improved sustainability. **We call on everyone to cooperate with us:** customers, suppliers, competitors and all stakeholders within our value chain. Because for IVC Group, one thing is certain: together we can and must make a difference and buck the trend by switching to a **positive approach that helps contribute to the future of our planet**.

The **17 SDGs** can be divided into **5 categories**: people, planet, wellbeing, peace and partnership.



Our environmentally-friendly innovations in a nutshell



FACTS & STATS

IVC Group by the numbers



OVER 1,500 MEMBERS
of the IVC family

EST. 1997

At our vinyl tiles plants worldwide **NEARLY ALL WASTE IS RECYCLED** and reused for production purposes. This results in approximately **100,000 tons** of recycled vinyl material going back into the loop each year.

Capacity of over
130 MILLION M²
of flooring per year

Largest recycling unit in the world.

Up to **50%** recycled content in **LVT**

Up to **70%** recycled content in **backing of carpet tiles**

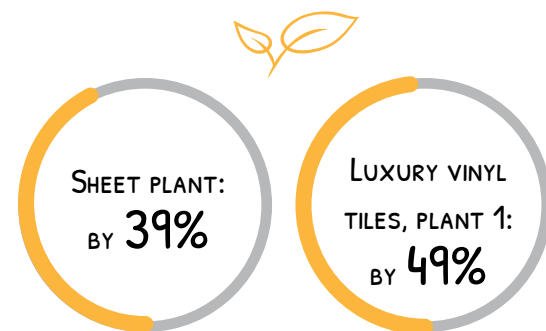
Up to **40%** recycled content in **carpet tile fibre**

OPTIMAL INDOOR AIR QUALITY.

97% of our floors have low levels of volatile compounds emission, i.e. 10 to 100 times lower than the strictest standards.

The greater part of IVC's flooring solutions is
100% RECYCLABLE.

From 2012 to 2019, our sites in Avelgem have **reduced their CO₂ footprint** with regard to gas and electricity consumption:



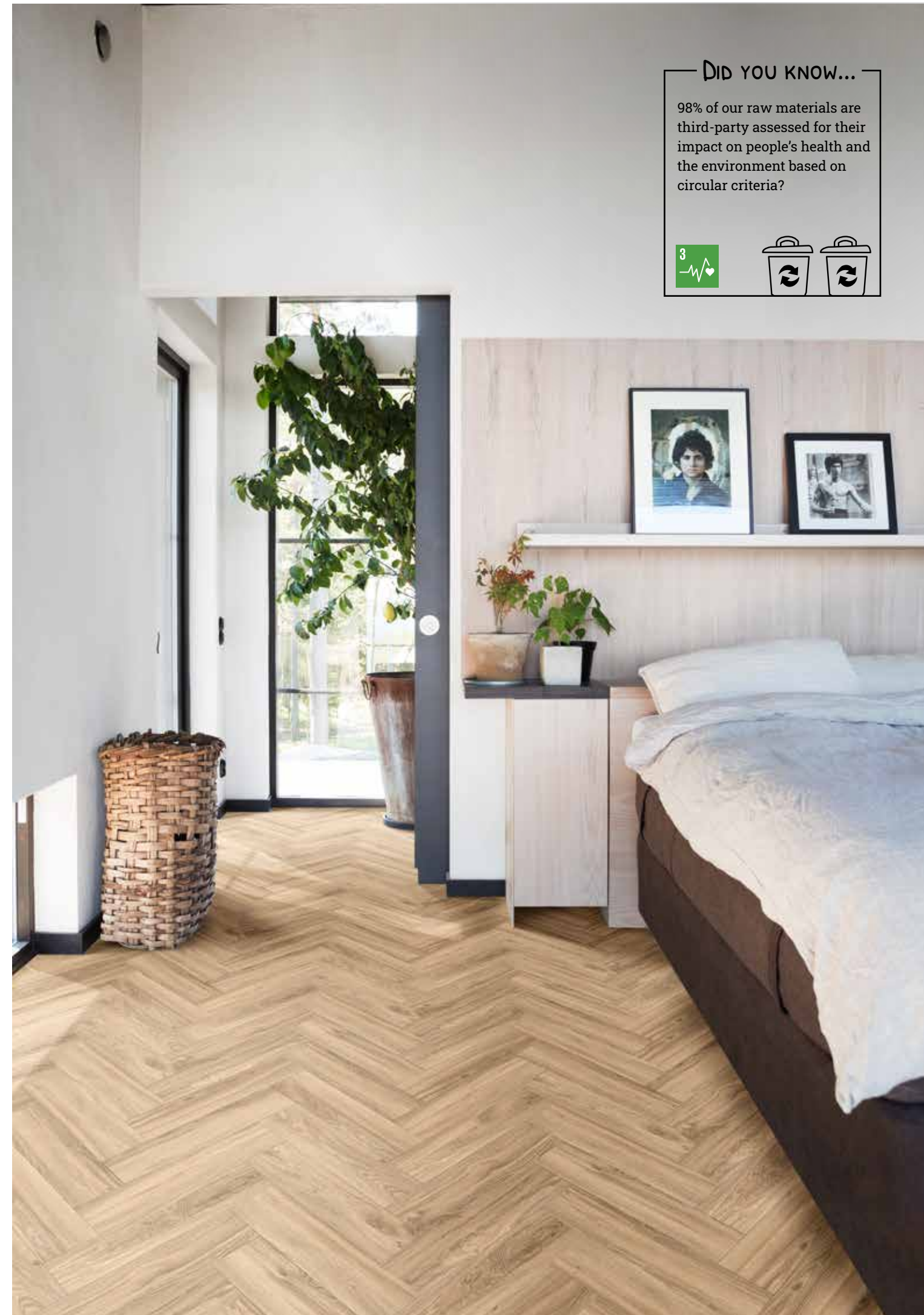
Thanks to our windmills, solar energy activities and selective energy savings, IVC Group is aiming to achieve the goal of

100% RENEWABLE ENERGY.

WE'RE ALREADY USING 100% GREEN ELECTRICITY

DID YOU KNOW...

98% of our raw materials are third-party assessed for their impact on people's health and the environment based on circular criteria?





Smart use of natural materials

When we make flooring solutions, we rely on natural resources like the sun, wind and water as much as possible to reduce the environmental impact of our manufacturing process. Since nature's resources are the most valuable ones we have, we make every effort to look for the most efficient and sustainable ways to use them.

WIND AVELGEM, BE

riding the winds of change

11 GWh/YEAR = EQUIVALENT OF
947 TONNES OF OIL (TOE)
ANNUAL ELECTRICITY CONSUMPTION
OF 3,000 HOUSEHOLDS

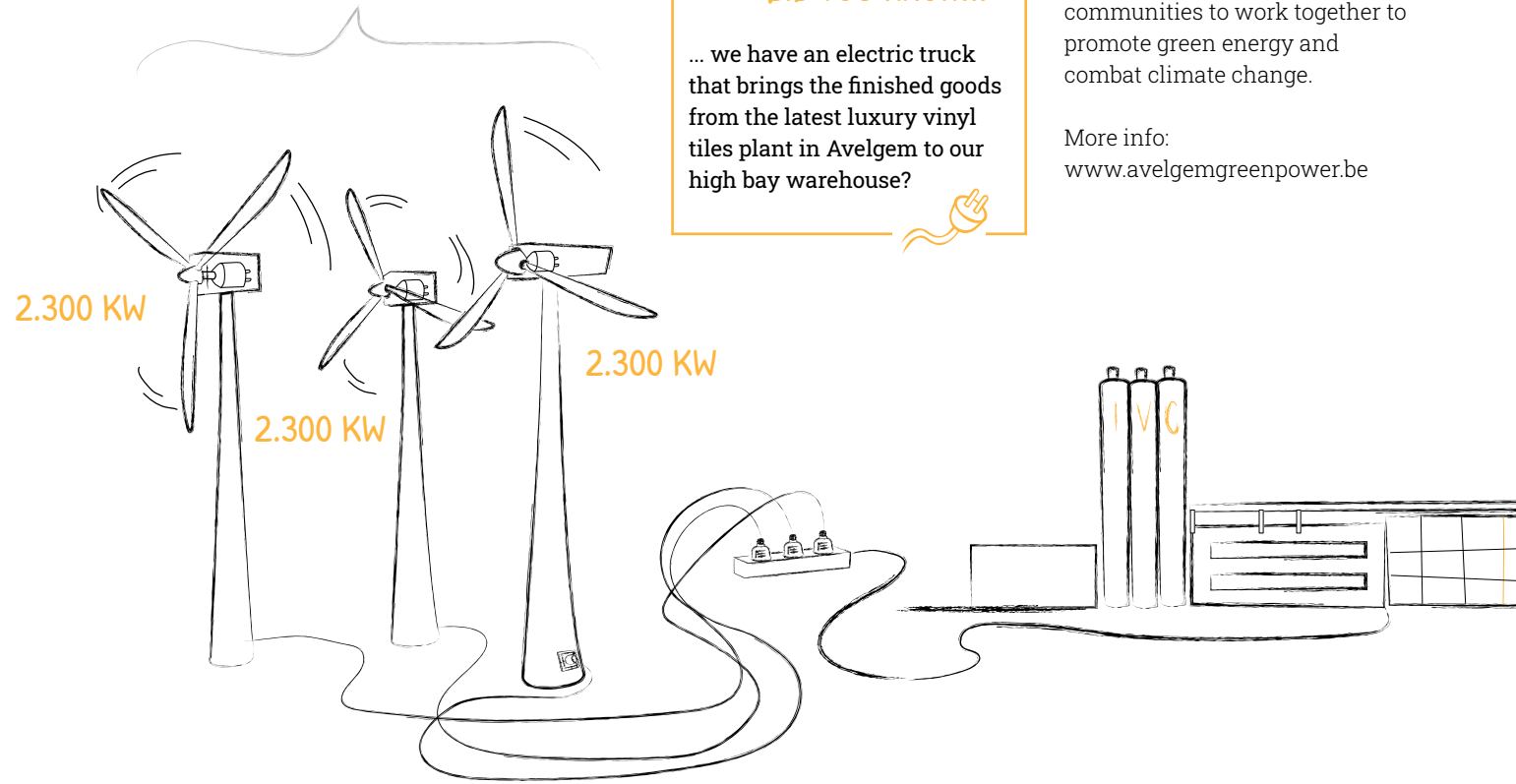
Wind farm Avelgem

In 2014, IVC Group built an on-site wind farm to supply our plants in Avelgem. The three wind turbines produce around 11,000 MWh of renewable energy a year. That's about as much as the yearly electricity consumption of 3,000 Flemish households. With this clean energy we power our own production facilities and electric trucks in Avelgem, and give back to the grid.

Avelgem Green Power project

Following the installation of our on-site wind farm in Avelgem, we decided to bring the winds of change to the local community through the establishment of a green power cooperative. Approximately 250 neighbours and 250 employees are currently participating in the three windmills as shareholders, earning 4 to 6 % yearly dividend with the production of renewable electricity. Avelgem Green Power allows IVC Group and our partner communities to work together to promote green energy and combat climate change.

DID YOU KNOW...
... we have an electric truck that brings the finished goods from the latest luxury vinyl tiles plant in Avelgem to our high bay warehouse? 



WATER AVELGEM, BE

closed-loop system with heat recuperators, the effort that never stops paying off!

■ **Scheldt Project**

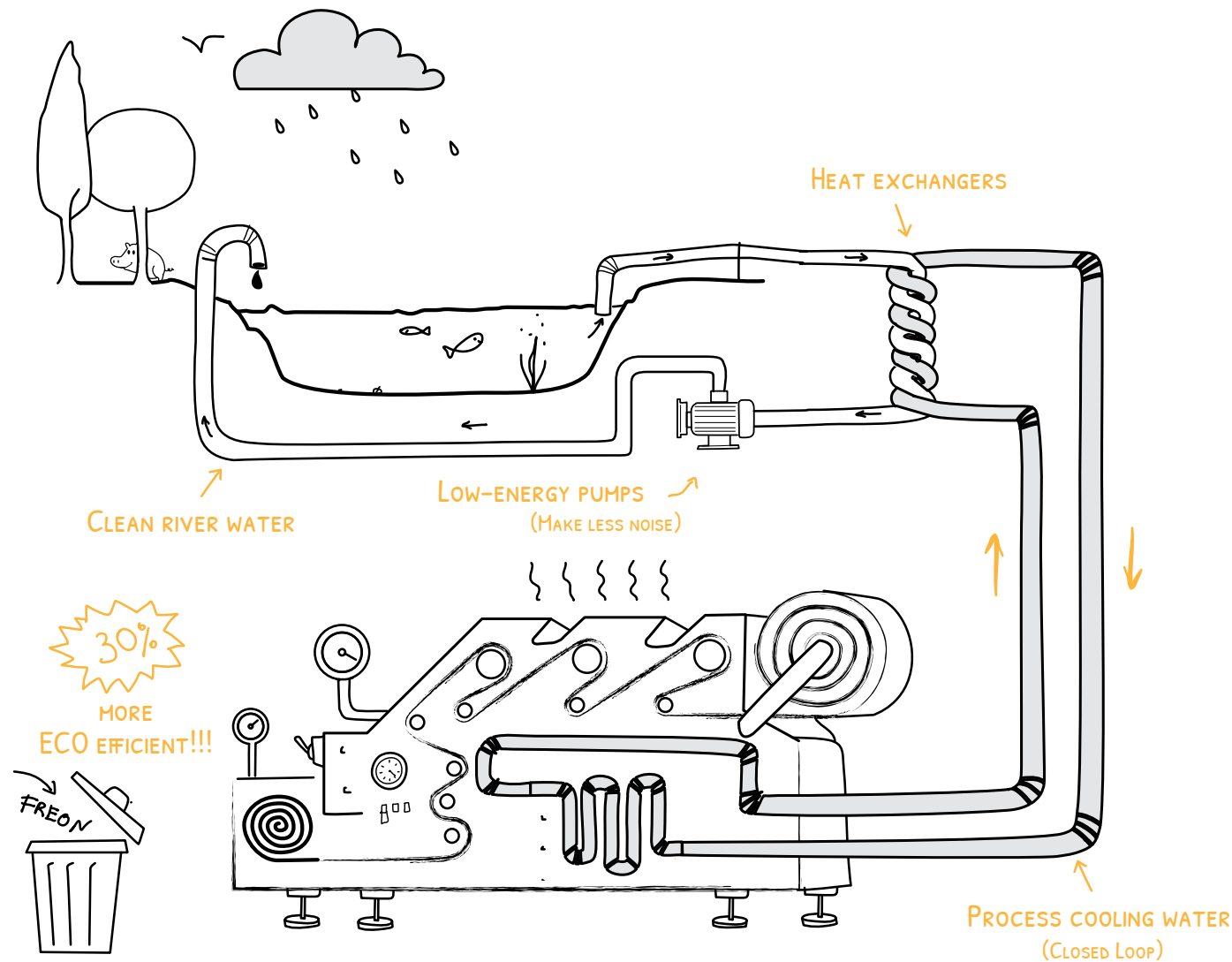
The manufacture of high-grade vinyl floors requires cooling water to absorb heat in the different stages of production. Thinking outside the box, IVC Group has invested in a bold experiment that uses surface water from the nearby river Scheldt as a secondary coolant. Using only a minimal amount of energy, river water is pumped up and sent along the closed-loop flow of our Avelgem plant's process cooling water.

The exchange of thermal energy (up to 4,000 kw) is achieved through state-of-the-art heat exchangers, so there is no direct contact between the river water and the process water en route.

Using minimal electricity compared to other cooling systems, these innovations have resulted in a 30% increase of energy efficiency in the overall production of vinyl floors (tiles and sheets).

By eliminating the need for machine-driven refrigeration, we've also significantly reduced on-site noise and created better working conditions.

Finally, by continuously looking for improvements on our closed-loop system for process water, we have established an additional 40% reduction in the use of process water between 2010 and 2019 at the sheet production plant in Avelgem.



SUN WAREGEM, BE & DALTON, US

a clean energy policy that truly shines!

DID YOU KNOW...
... our Flooring Development Centre is cooled thanks to a free-cooling system, powered by solar energy?

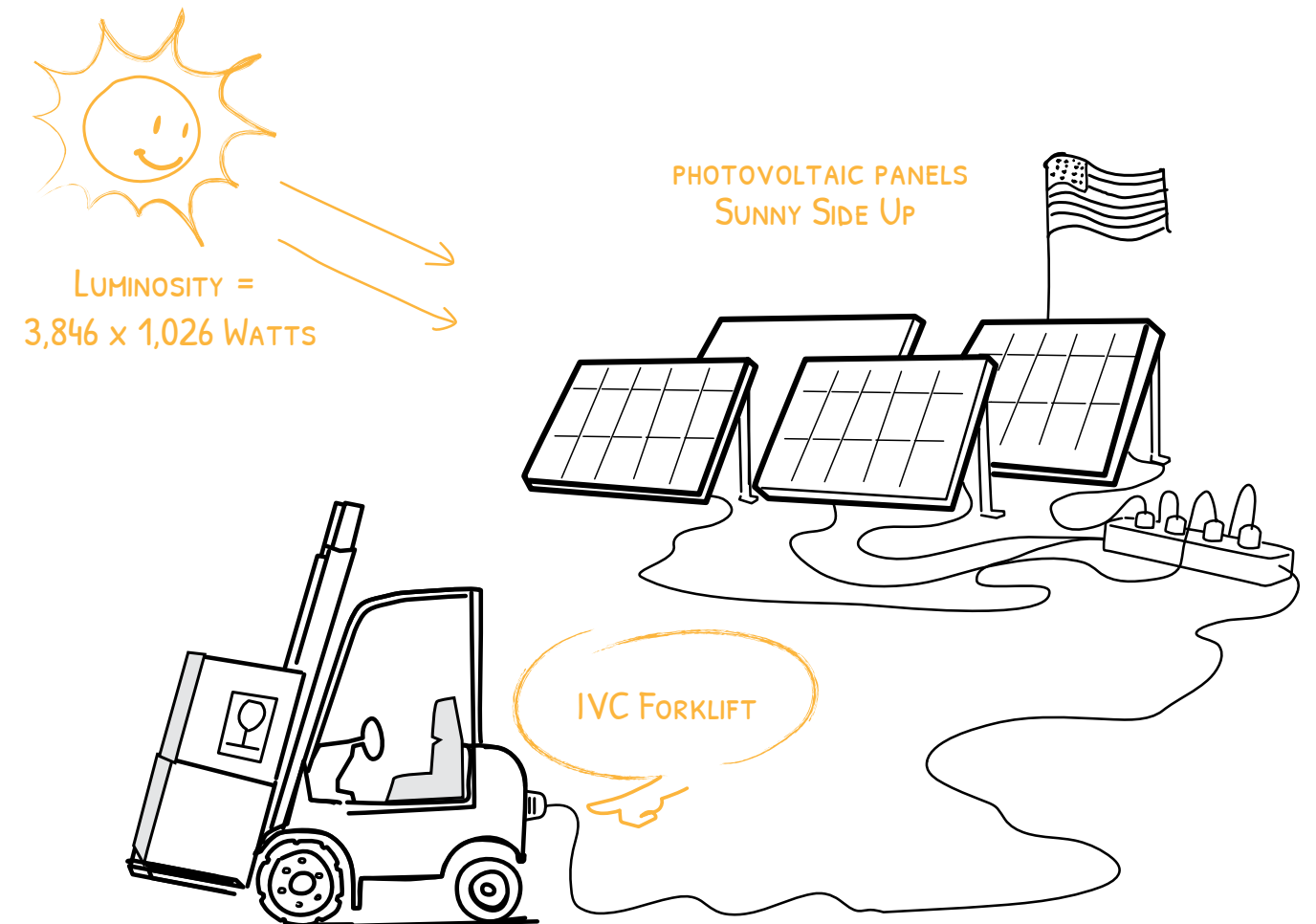


■ **Solar panels at IVC Flooring Development Centre**

On 11 February 2019, we opened our IVC Flooring Development Centre in Waregem. We've endeavoured to turn it into a sustainable base, not only through ventilation with a heat recovery, free-cooling system and LED relighting based on intelligent LED technology, but also by installing solar panels on the roofs of the adjoining warehouses. The panels have a total capacity of 305 kWp, equalling 40% of the annual consumption of our Flooring Development Centre. Hence the building is eligible to become LEED certified.

■ **Solar panels at IVC US**

Overseas in Dalton, Georgia (US), we've installed solar panels that provide enough clean electricity to power our fleet of electrical lifting trucks, which run on rechargeable batteries.



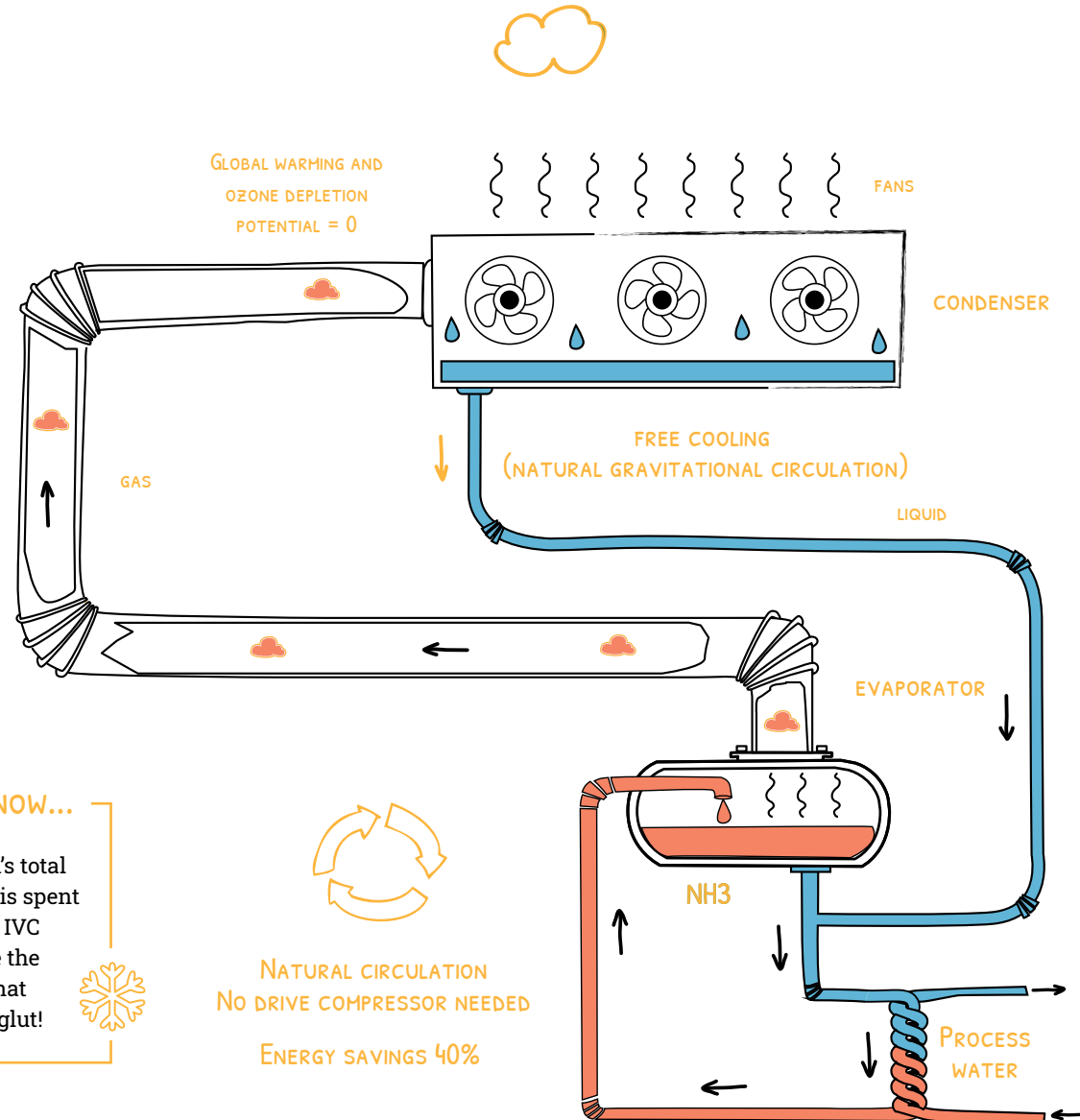
AIR AVELGEM, BE

bye-bye to harmful HFC refrigerants!

Natural refrigerants

Compared to cushioned vinyl, producing luxury vinyl tiles requires cooling agents with a temperature considerably lower than those afforded by the river Scheldt. For this reason, IVC has chosen the next best medium available: natural and biodegradable gases that are perfectly safe and harmless to the ozone layer. Free or dynamic cooling is applied when the outside

temperature is lower than the process water temperature, relying on gravity. This natural principle cuts the high energy cost of a compressor, heat exchangers or additional gadgets, making for a great (and green) return on investment. However by a simple flick of a switch, we can revert to mechanical cooling.

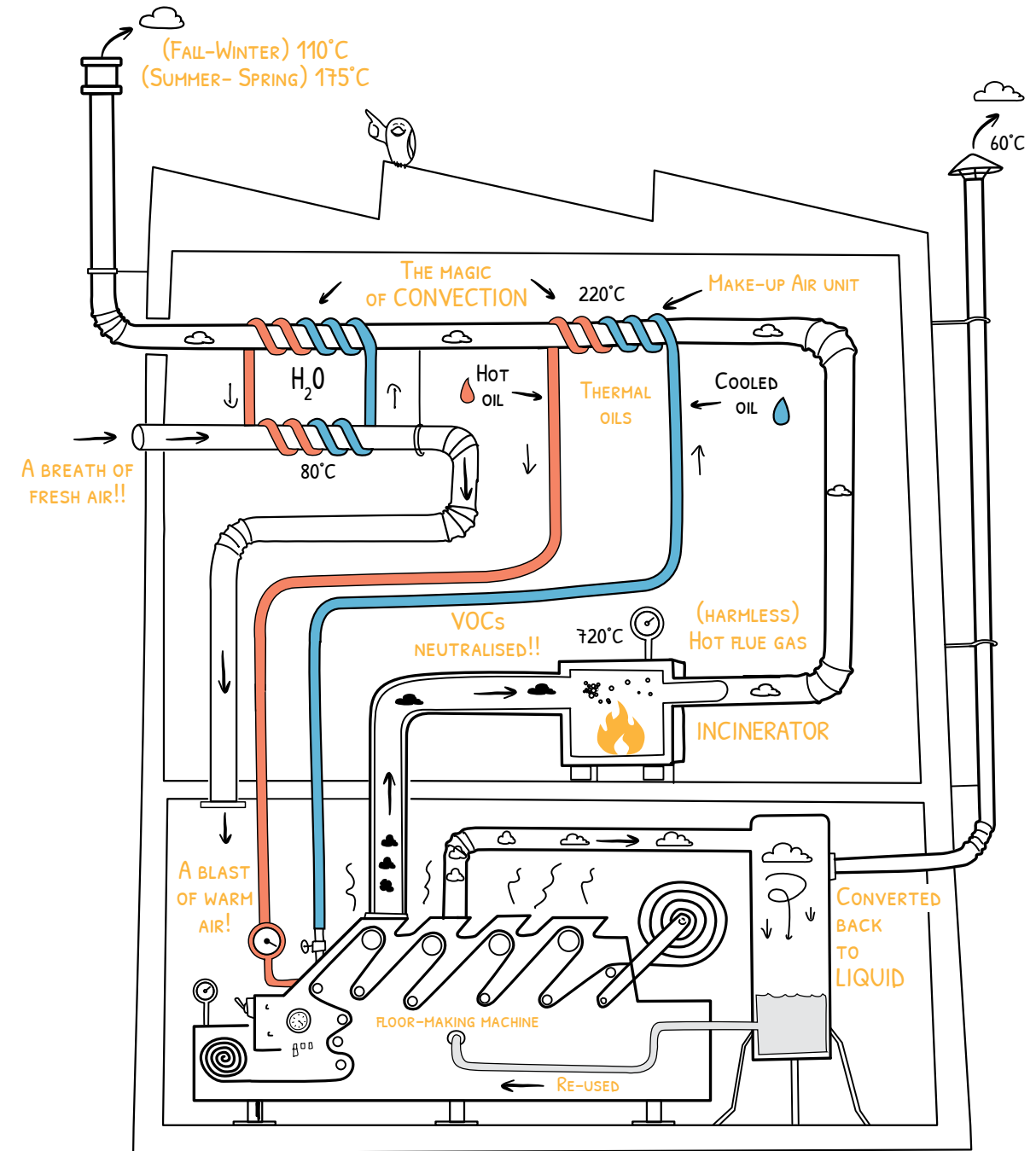


DID YOU KNOW...
 ... that 15% of Belgium's total energy consumption is spent on refrigeration? The IVC Group is proud to ride the wave of innovation that will help reduce this glut!

NATURAL CIRCULATION
 NO DRIVE COMPRESSOR NEEDED
 ENERGY SAVINGS 40%

THE BIG COMMUTE

recovering and reusing materials and energy

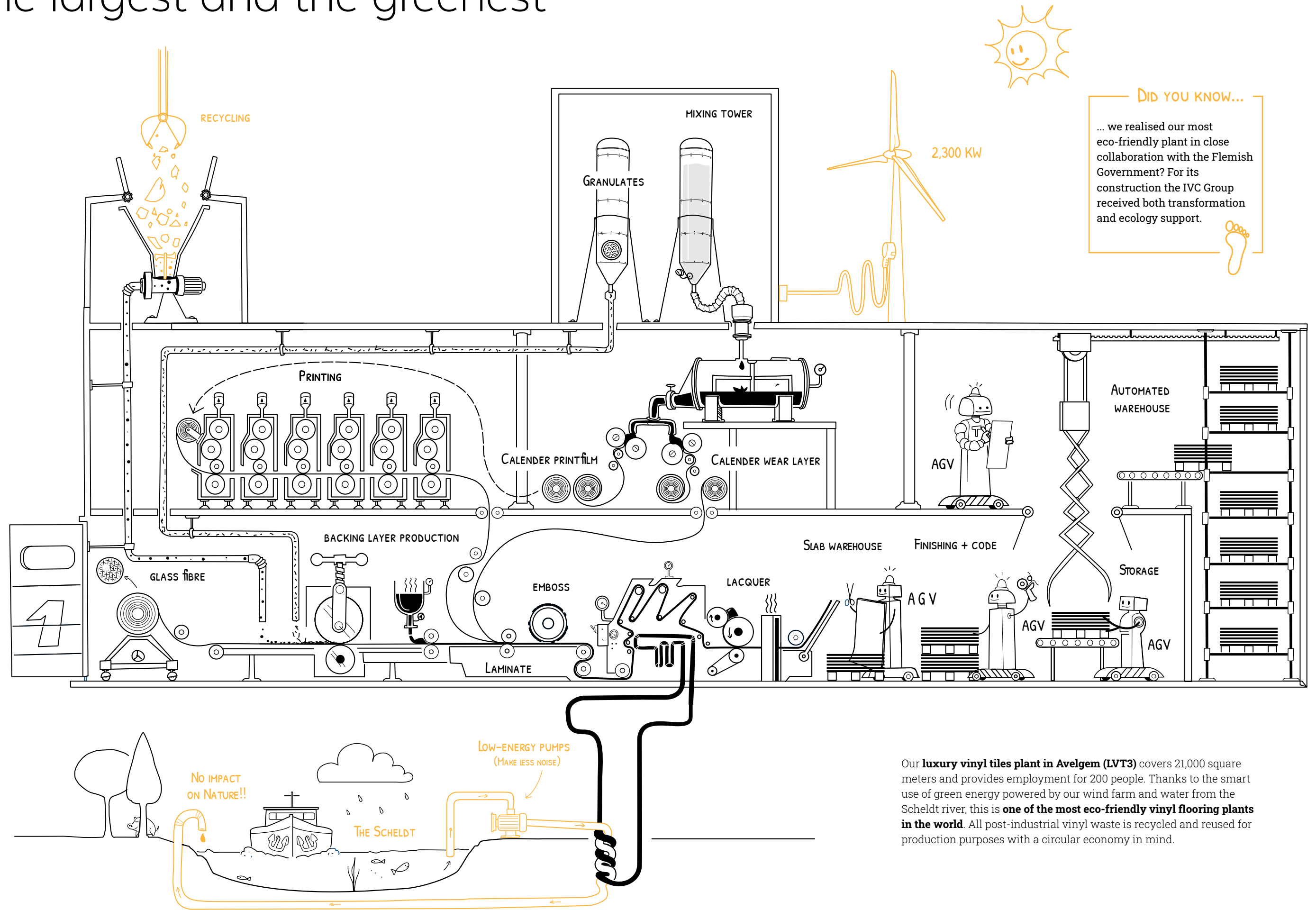


Recuperating resources

A lot of love goes into the making of our vinyl flooring products. And only a little energy is allowed to escape. In all of our plants, we recover and reuse materials and

energy in the maze-like course of the production process. IVC calls this internally coordinated system of reciprocation and reconversion 'The Big Commute'.

The largest and the greenest



DID YOU KNOW...
 ... we realised our most eco-friendly plant in close collaboration with the Flemish Government? For its construction the IVC Group received both transformation and ecology support.

Our **luxury vinyl tiles plant in Avelgem (LVT3)** covers 21,000 square meters and provides employment for 200 people. Thanks to the smart use of green energy powered by our wind farm and water from the Scheldt river, this is **one of the most eco-friendly vinyl flooring plants in the world**. All post-industrial vinyl waste is recycled and reused for production purposes with a circular economy in mind.

Responsible use of raw materials

RECYCLING & WASTE MANAGEMENT

As well as limiting our environmental impact by relying on natural resources, we also strive towards the responsible use of raw materials in each and every product. All our departments are improving their resource efficiency through recycling and take-back initiatives.

Recycled pvc

Recycling the ingredients that make up IVC's distinct flavour of floors is key to our vision on sustainable management. 35 to 50% of any luxury vinyl tiles floor consists of recycled materials from a controlled origin. Through **post-industrial recycling**, we are able to distil a **particularly 'pure' type of vinyl** with very limited impact on the environment. For example, Leoline's Greentex floors, which have a padded textile back, use up to 60% recycled household plastics, such as PET bottles and plastic containers.

Similarly in Dalton, all of IVC's leftover plastics are locally recycled into automotive floor mats, giving new meaning to the motoring phrase 'flooring it'.

Closing the loop on vinyl and carpet tile waste

Since 1997, the IVC Group has made a point of **recycling the vinyl waste streams that are generated in the manufacture** of its products. Vinyl scraps are salvaged and then pressed into bales, ready to be re-used in a wide variety of applications. All **surplus vinyl paste is recovered** and injected back into the production process of our sheet vinyl.

IVC Group has five luxury vinyl tiles plants, each with their own vinyl recycling plant, ensuring that the vinyl waste of our sheet vinyl or LVT processes can be recycled into new tiles.

We also promote **take-back initiatives for vinyl cutting waste** from installation projects at construction sites, end-of-life looselay cushion vinyl, looselay LVT or click LVT.

The EU Circular Flooring project

On a larger scale, we support the EU Circular Flooring project, which is **testing an environmental-friendly way to recycle post-consumer vinyl** floor coverings. With the help of a new recycling technique called Creasolv, the Circular Flooring project aims to dissolve and remove undesirable plasticisers and achieve a **high-quality, virgin-like vinyl material**. After being processed into granulates, **this material can be re-used in new floor coverings** that will be compliant with regulations and meet consumer expectations.

GREEN FACT

Each year IVC reclaims on average 20.000 tons of vinyl material in each recycling plant, resulting in approximately 100,000 tons of recycled vinyl material going back into the loop.



reCover

ReCover® waste recovery programme

At IVC Group, we have made circularity a priority. In our mission, we state that we will achieve **100% circularity** and **zero footprint** by 2040. For that reason, our efforts to limit waste do not end with our production facilities for carpet tiles. The goal of the IVC ReCover® programme is to maximise the quantity of recycled material by **collecting and recycling old flooring**. To do this, we will rely on our European network of recyclers.

The ReCover® programme provides for the recycling and reuse of post-industrial and post-consumer waste. It can be broken down into four key components:

1. Post-industrial waste

IVC Group has the largest recycling plant in Europe. As a result, we are able to recycle and reuse all post-industrial waste. Thanks to our efforts, IVC Group has, for decades, been able to offer products that are mainly made of recycled components.

2. Post-installation waste

In the same way as for post-industrial waste, IVC Group can collect post-installation waste from its own factories for recycling. The recovery of this waste is a specially tailored process due to the complex logistics. We know perfectly what this waste contains and can guarantee that it has not been contaminated by other materials or influences.

3. Post-consumer waste, end-of-life strategies

In the flooring industry, it is still the exception to the rule to achieve 100% circularity and active recovery. IVC Group wants to change this. We are working on a number of activities within our recovery programme that aims to achieve 100% circularity by 2040.

IVC Group is therefore developing forms of collaboration with suppliers, customers and peer organisations so that we can devise effective and efficient logistics solutions that allow the take-back of used flooring products. We are already able to take back and recycle old flooring when we install new IVC flooring.

IVC Group is also working on innovative products made of materials that are not harmful to the environment and that can easily be broken down into separate components at the end of their lifespan. This makes recycling efficient. The recycled materials then again form the raw material for new floors: and so we complete the circle.

4. Worldwide collaboration initiatives

IVC Group firmly believes in the importance of transparency and collaboration in the supply chain. To achieve our goal of 100% circular flooring with zero environmental footprint, manufacturers, suppliers, customers, the authorities and all other parties involved need to work closely together. Only in this way can we arrive at an affordable and eco-efficient recovery process. IVC is the

co-founder of the EU-subsidised Circular Flooring project. Together with its partners, IVC wants to bring about a circular recycling process for plasticised PVC from post-consumer waste.

Waste water

H₂O is pivotal to our core business, the making of premium floors: **water is used as a coolant** and medium in the production cycle, but also as a cleaning product during printing stages. But having a watertight system of closed loops doesn't mean we're not careful about the way we treat this most valuable resource. That is why we go the extra mile to **collect, process, purify and recycle the water** that runs through the veins of our plants, without any risk or exposure to the outside environment.



Certification for our green efforts

ENERGY EFFICIENCY

ISO 14001

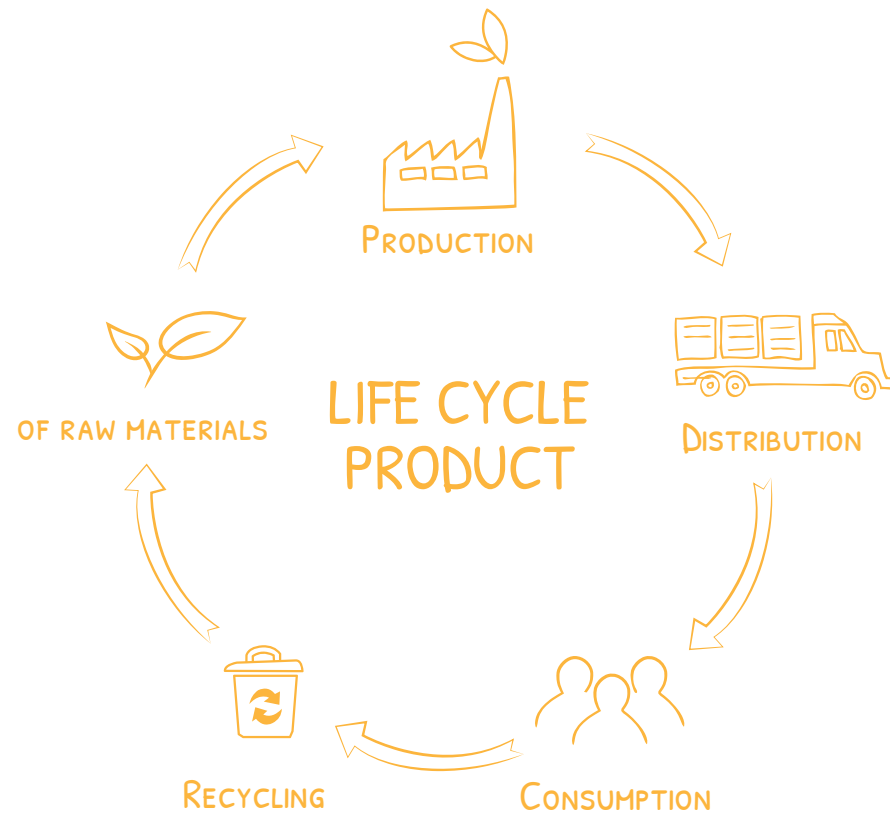
Since 1997, IVC Group has made substantial efforts towards introducing a well and precisely tailored, fully integrated environment management system. This well-thought-out approach has allowed us to strike a good balance between economic efficiency and environmental integrity, which inspires us to become more sustainable.

In December 2012, our company was awarded ISO 14001 certification. This certification for ecological performances is a good reflection of our past efforts and current compliance with environmental rules and regulations. In addition, it is also recognition for our systematic dedication to the welfare of our planet.



LIFE CYCLE ASSESSMENT

IVC Group uses the 'Life Cycle Assessment (LCA)' methodology for all its products in accordance with the requirements of ISO 14040, ISO 14044 and ISO 21930. LCA creates a comparable overview of the sustainable impact of products and processes. With our LCA efforts, we are able to show the outside world where we stand on our path to a zero footprint; internally, it creates a dashboard with clear plans for improvement. Our goal in this is twofold: to reduce the environmental impact of our products and to help project owners reduce the environmental impact of their buildings.



ENVIRONMENTAL PRODUCT DECLARATIONS

By analogy with ISO 14025, Type III Environmental Declarations, based on our LCA research we are developing Environmental Product Declarations (EPDs) that are evaluated and certified by an independent external party. An EPD shows the LCA scores for the full life cycle of a product: from its extraction, processing,

production, installation and maintenance to its end-of-life processing. The EPD deals with all major types of environmental problems: climate change, depletion of the ozone layer, acidification, consumption of minerals and water, air and water pollution and quantity of waste. We continually assess ourselves

thanks to the LCA and show the results by issuing EPDs for all our products. Over the past few years, IVC Group has made enormous efforts on behalf of the environment. This has had a positive effect on our EPDs.

AIR QUALITY

During the process phase

■ 'End of pipe' technology and strict monitoring

When vinyl is processed, low concentrations of VOCs (volatile organic compounds) are emitted. These substances subsequently sublimate into the surrounding air. Thanks to 'end of pipe' technology and a rigorous testing and monitoring programme - an integral part of our **ISO 9001** quality management system - IVC Group has succeeded in complying with even the strictest European regulations and anti-pollution laws.

During the product phase

■ Water-borne ink & PU coatings

In the past, the majority of manufacturers put their faith in solvent-borne ink to print their patterns and designs. This technique has also been used for a long time at IVC Group: but with one eye on the future we now only use water-borne ink for print assignments. This decision has not only helped reduce the risk of hazardous substances being emitted into the air, but it has also reduced our total CO₂ footprint substantially. Water-borne ink is

100% recyclable and does not emit any vapours.

The **polyurethane finish** that protects our vinyl floors and gives them a fresh appearance is completely water-borne. This is good news for Mother Nature and for the people who enjoy the comfort of the clean air from our products.



MEMBER OF THE GREEN INDUSTRY

As a leader in flooring, IVC Group is a member of a wide range of industry organisations that represent the industry. We are a member of the European Resilient Flooring Manufacturers' Institute (**ERFMI**), the Multilayer Modular Flooring Association (**MMFA**) at European level and the **FEB** in

Germany. In Belgium we are a member of the **Fedustria and Voka** employer organisations. Within these industry organisations, we consider it important to work together for a green industry.



GREEN PRODUCT CERTIFICATES

REACH

At IVC Group, we meticulously inspect the raw materials we purchase and process, and we make sure that they do not contain any suspicious or potentially harmful substances. This quality guarantee system complies with the European Union Directive on the registration, evaluation, approval and authorisation of chemical substances, known as REACH.

IVC Group only works with raw materials that are in line with the REACH regulations and with suppliers who comply with the REACH regulations. In this way, we are able to guarantee the integrity and quality of the end product that we deliver to the end user.

GUT

On top of this, we have GUT certification. The goal of GUT is to work on the continuous improvement of all aspects in connection with environmental and consumer protection throughout the life cycle of a textile flooring (from production and installation to the use phase and recycling). In collaboration with officially certified European test laboratories, registered products are regularly tested in accordance with GUT criteria for persistent organic pollutants, emissions and odours.

GREEN A+ LABEL

All our vinyl flooring brands – Leoline®, Moduleo® and IVC Commercial – carry the green A+-label, the highest distinction awarded by the French Government. This tried and tested mark of approval is based on the European Construction Products Directive (CpD) and validates the environmental friendliness of our flooring solutions.

Belgium, part of the A+ game :

In Belgium, the third European country to have introduced stringent emission norms for the flooring sector, IVC Group collections score equally well: both our vinyl and modular floors remain well below the emission mark of the 270 potentially harmful substances blacklisted by the Federal Public Service for health, food chain safety and the environment.

GREENTAG

Global GreenTag International simplifies the selection of sustainable products as an application in the Green Building construction, interior and infrastructure sectors that use Global GreenTag Cert™, through the assessment and ranking of products based on the LCA product eco label, rating, EPD and Product Health Declaration (PHD) programmes. IVC products are certified using the GreenTag label and thereby contribute to the Green Building certificate.

SGBC

The Singapore Green Building Council (SGBC) plays a major role by stimulating sustainability in the world of construction. SGBC creates green buildings by striving to reduce the ecological footprint of buildings and promoting responsible procurement, with the support of SGBC's product and service certification schemes, which emphasise the importance of this environmental sustainability. IVC products are certified with the SGBC label and thereby contribute to the Green Building Certificate.

FloorScore®

IVC products, such as Flexitec, Moduleo and several residential collections, are FloorScore® certified and contribute to points in the Leadership in Energy and Environmental Design (LEED) programme. Products bearing the FloorScore label meet the indoor air quality emissions criteria of CHPS and the Green Guide for Health Care, and are recognised by a long list of healthy building programmes. This qualifies our products for safe use in public spaces, like schools, kindergarten and healthcare facilities.

'GREEN BUILDING' CERTIFICATES

VOCs are a fact of life when building materials are concerned: even wood and stone cannot escape the natural law of sublimation over the longer term. Fortunately, the IVC Group can guarantee the indoor air quality of the countless homes and businesses that enjoy our floors. Don't take our word for it though, here is a list of the international credits and certificates we have accrued over the years for the protection of living and working environments:

BREEAM

The Building Research Establishment Environmental Assessment Method.

Established in 1990: BREEAM is the most broadly used Green Label with approaching 600,000 certificates worldwide. IVC can demonstrate where up to 17 accreditations can be gained across the Management, Health and Wellbeing, Energy, Materials and Waste categories.

LEED

Leadership in Energy and Environmental Design established by the US Green Building Council in 1998. The most-widely used label in the US and its companies worldwide with over 130,000 certificates already issued. With a focus on sustainable materials, IVC can demonstrate where up to 13 points can be gained across several categories.

WELL

Managed by the International WELL Building Institute (IWBI) and certified via the Green Business Certification Inc. (GBCI). WELL takes a holistic view on sustainability and health: It combines best practices in design,

construction and medical research to provide a framework assessment method for improving health and human experience. This has become a label that has taken on added significance during the covid pandemic. IVC can demonstrate where its products can help to attain 4 preconditions and 25 optimisations within the assessment method.

Germany: DIBt/AgBB, DGNB and GUT

Deutsche Gesellschaft für Nachhaltiges Bauen. The certification behind the **DIBt/agBB-label** is by far the most unforgiving interpretation of the European directive for the safe and sustainable use of construction products: stricter, even, than French and Belgian regulations. Owing to IVC Group's continued research into more eco-effective floors, our products satisfy the stringent emission criteria as stipulated by the renowned DIBt Institute in Berlin. IVC Group has also joined the German Sustainable Building Council (**DGNB**). IVC is able to show that by using our products we can improve the percentage score of DGNB assessment by up to 11.90 %.

HQE

Haute Qualité Environnementale Certification program France, certified for Office Building activities by Certivéa a subsidiary of the CSTB Centre Scientifique et Technique du Bâtiment (Scientific and Technical Center for Building). IVC products contribute significant to obtain HQE green building certificate and can help to attain the accreditation of "High Performing". We are even more involved in sustainability for building in France. Indeed, IVC Group is a member of the Alliance HQE. This membership strengthens our sustainable actions and puts us in the heart of information and action around HQE certification.

Greenstar

Australia's only national voluntary, comprehensive sustainability rating system for the built environment. It's Mission: To lead the sustainable transformation of the built environment. Green Building Council of Australia (GBCA), Australia's leading authority on sustainable buildings and communities (2002). IVC can demonstrate where up to 16 points can be gained across several categories.



Research and development with a focus on wellbeing

With a view to improving our product range in terms of performance, comfort and sustainability, IVC Group is dedicated to a continuous research process. Our Research and Development programme is situated in the Flooring Development Centre in Waregem, the Vinyl Technology Centre in Avelgem and our carpet tiles plant in Moeskroen. Its objective is as simple as it is challenging: we aim to create value for our customers by producing better, more sustainable products while further strengthening our position in the flooring market.



Better performance and quality

For us at IVC Group, sustainability starts with **delivering high-performance products** that respond to the needs of the customer as well as to a growing diversity of interior trends. Enhancing the performance of our flooring products means **extending their lifespan** by focusing on various dimensions, such as:

- ▶ Slip, stain and scratch resistance
- ▶ Dimensional stability
- ▶ (Fire) safety
- ▶ Design
- ▶ Acoustics
- ▶ Light fastness
- ▶ Ease of installation
- ▶ Ease of maintenance

We look to develop the best-quality, **future-proof solutions** for our customers, our employees and our planet. Therefore, next to analysing lifespan and safety parameters, we're invested in improving the **recyclability and environmental impact** of our entire range.

Promoting the end user's WELLBEING

Like quality and performance, the end user's needs and wellbeing are a cornerstone of our innovation efforts. While producing vinyl flooring, we want to make sure our products support the **safety, health and wellbeing** of the people who use them. That's why we not only pay attention to the uniqueness of our designs, but also to **the soft underfoot feeling** that characterises our flooring solutions. In line with today's market demands, all our floors are developed with high thermal conductivity and are thus ideally suited for use with underfloor heating.

Furthermore, IVC Group has made important investments in **acoustic research**. Life these days is full of sound. Whether at home or in the office, we believe our customers should never be bothered by excessive sound, especially if it can be prevented. In this regard we endeavour to optimise the acoustic properties of our products at our **own acoustic lab in Avelgem**.

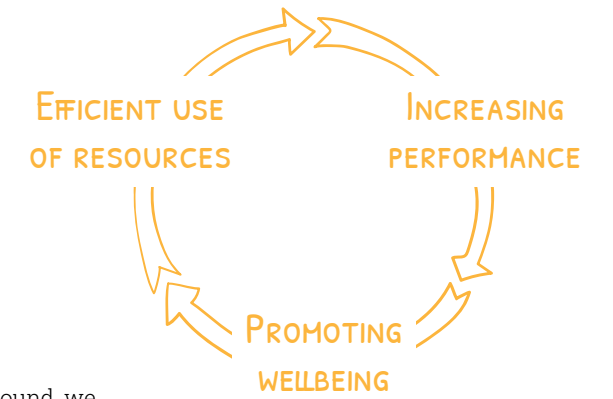
Based on the science of sound, we guarantee our **soft surface flooring generally works better** as a sound barrier. Our carpet tile solutions bring acoustic advantages for those areas where better soundproofing is, demanded.

■ Making flooring adhesive-free

IVC Group's patented click technologies, adhesive-free heterogeneous vinyl and carpet tile solutions are easy to install and just as easy on the environment:

- LVT click
- LVT looselay
- LVT engineered vinyl click
- Heterogeneous vinyl rolls looselay
- Heterogeneous vinyl rolls with polyester backing
- LVT dryback on Xtrafloor Flexpro
- Carpet tiles
- Xtrafloor Flexlok tabs

If a floor does need adhesive, we advise using **Xtrafloor adhesives** or underlays with **very low emissions** and indoor air quality certification.



Our innovation policy focuses on three pillars

Efficient use of resources

- ▶ life cycle assessment
- ▶ resource efficiency
- ▶ carbon footprint
- ▶ recyclability
- ▶ circularity

Increasing performance

- ▶ scratch & stain resistance
- ▶ ease of installation
- ▶ stability
- ▶ fire safety
- ▶ heat insulation

Promoting wellbeing

- ▶ design
- ▶ acoustics
- ▶ indoor air quality
- ▶ maintenance
- ▶ slip properties

DID YOU KNOW...

... in March 2021, IVC's Studio Moods product won the Red Dot Design Award in the Product Design category for its exceptional design quality and sustainability? Its innovative design guarantees sustainable circularity. The Red Dot Design Award is a prestigious German international design award.



SOFT UNDERFOOT FEELING



OPTIMISED ACOUSTIC PROPERTIES



Flooring is a 'people business'

Starting up a sustainable company begins with a happy and healthy company culture. IVC Group has 1,500 employees who give their all to deliver top quality flooring to our customers. At the same time, they also strive to achieve as small an ecological footprint as possible. Thanks to their daily efforts and creativity, we are able to continue expanding and diversifying our portfolio. The wellbeing of our entire IVC family is crucial to us. And that is why we leave nothing to chance in our mission to achieve a safe and inspiring workplace.

Safety always comes first

We aim to be a zero harm company, with a positive and considerate culture, where safety is an intrinsic part of our management method. The safety and health of our employees is crucial for IVC Group. Legal safety requirements - such as the provision of collective and personal protective equipment - form the basis for this.

Care for our employees is of the greatest importance. To reach this goal, we have drafted a Health & Safety plan that is based on three pillars:

■ Technical safety:

In past years, we have made substantial efforts to improve the technical safety of our operational machines. We continue to carry out risk analyses and upgrade our facilities.

■ Organisational safety:

Although we have already drawn up a lot of procedures and instructions, we also make continual improvements to our equipment and the training of our people.

■ Safety awareness and culture:

We continually invest in communication, training and awareness raising to guarantee safety and health in our daily activities.

Only when we achieve these 3 central pillars can we develop into a zero harm company.

An inspiring workplace

Our ideal workplace does not only feel like a safe haven, but it is also a pleasure to spend time there. In 2019, we created **a new home for the commercial department and the design department of IVC Group**. In this, we are meeting the need for a **co-working space** where our people, customers and

suppliers can come to discuss and carry out projects in total comfort. The IVC Flooring Development Centre in Waregem is located in an iconic building on the E17. The building is renowned for its angular shapes and large slanting roof constructions.

The underlying desire of architect Glenn Sestig in the renovation of the first and second floors was to create an inspiring environment: "The goal of promoting collaboration and guaranteeing the



DID YOU KNOW...

... we are optimising the height of our packaging and transport facilities for improved ergonomic comfort?



"The wellbeing of IVC employees was central in the design of our Flooring Development Centre."

wellbeing of employees and visitors to the centre at the same time had to be the central focus. Both **acoustically and in terms of ergonomics**, we have ensured that the office spaces meet the very strictest requirements." In addition to functionality, the **special consideration for the aesthetic aspect has ensured a different identity in every space**. An identity that fits in perfectly with the teams that work there.

■ Talent development at IVC Academy

IVC Technical Training Academy in our Flooring Development Centre is used for training, both externally and for our employees. We consider this **a fantastic way to share our knowledge** with others and further develop the talents of our people.

Our **internal technical initiation training courses** are open to all employees and are compulsory

for newcomers. Every session can host up to 18 people. In this way, we create an atmosphere of trust and this enhances interactivity. The goal is to increase levels of basic technical knowledge of products and commitment to the IVC Group's sustainability efforts by making it clear to our people how they themselves are able to contribute. At least once every quarter, or on request, we organise initiation training courses.

To convey our technical knowledge to our customers, we also offer **external technical training courses**. We organise a series of standard modules on a regular basis. Customised sessions are available for larger groups. The ratio of theory to practice varies depending on the audience and the subject. As they are held in our Flooring

DID YOU KNOW...

... in the first year, over 1,200 architects, designers and customers from 11 different countries visited the Flooring Development Centre?




Sense of community is crucial

To encourage this commitment and create a sense of team spirit, IVC Group organises group training and **a range of social activities such as our annual family day**. On this day, the partners and children of our staff are given a chance to get acquainted with the company. In order to provide further support to the communities to which our people belong, we sponsor local sports clubs and offer an education programme in a number of schools. We also organise **professional work placements** and introduce ambitious **graduates to the company** via our 'Young Graduate' programme. In this way, they are given a personal development plan to help build their career.

In addition, we do not only provide support to young talent, but to those of all ages. We strive to bring in skills and expertise irrespective of gender, skin colour and religious beliefs. We believe that **staff diversity** is extremely important. With regard to gender, we are very happy to observe that in the past few years **the number of female employees at IVC Group has risen**. We are very proud and happy that 49% of our management and office positions are occupied by women and 51% by men.

DID YOU KNOW...

... In the first full year since the opening of our academy, over 300 partners (architects, designers, contractors, installers and retailers) took a training course there?



Protecting our pollinators

The survival of the majority of flowering plants depends on pollinators. 80% of all pollinating insects are bees. IVC Group is working **in partnership with a local beekeeper** on the protection of endangered bee colonies in Belgium. Within the framework of the 'Bees for Business' programme, from May 2020 two beehives were installed next to the pond of our Flooring Development Centre. Thanks to the diversity of plants in the neighbouring gardens and parks, the bees are prospering in a business environment. They are active within a radius of 1.5 to 4 kilometres around the company site. **The beehives in our Flooring Development Centre** produce around 15 kg of honey a year. It makes a nice present for our customers.

In addition, an **insect hotel in our carpet tile production facility** in Mouscron stimulates biodiversity by offering shelter to many different and useful species of insects such as ladybirds, butterflies and green lacewings.

Environmental management & biodiversity

As a part of our Sustainability Journey, we are committed to improving the world around us. We are therefore **preserving in a natural way the management of the environment and biodiversity**, and we also make sure it improves. We have invested over €200,000 in a sprinkler installation at our factory in Luxembourg in an effort to restore the original habitat of the nearby forest and river as effectively as possible. This initiative has helped contribute to the **return of a variety of native beaver**, after decades of absence.



OPENDOOR FLOORING DEVELOPMENT CENTRE



IVC SUMMER BAR



Our contract for the future

The IVC Journey 2040

Facing the biggest environmental challenge of our time, IVC Group understands the necessity for a long-term strategy towards the sustainability of our business and our planet. To this effect, we have developed our IVC Journey 2040 plan, consisting of five bold targets in order to live up to our exemplary role as an eco-friendly flooring company.

The first and main focus of our strategy is achieving **zero impact** in the value chain. By setting five-year objectives we mean to cut out CO₂ emissions, eliminate waste and make use of 100% renewable energy for our all processes and transportation activities. Subsequently, we are researching the use of renewable sources and the re-use of current materials. This way we want to evolve from recycling to **closed-loop production**.

Not only in terms of materials but also in technologies and processes, we're constantly looking at ways of improving the function of our production plants. Starting 2025, our measurable plan for **innovations leadership** should be integrated in IVC's global innovation approach and controlled by multidisciplinary project teams. For the roll-out we rely on a diverse knowledge network of suppliers, customers and institutions.

As a fourth target IVC Group intends to become **'the easiest company to do business with'**. From product to service, we're working towards the best levels of quality and striving to obtain certifications for our sustainable products. Not just to appeal to our customers, but to set goals for ourselves in terms of ecology and responsible enterprise.

Throughout our journey we will explore new competitive business models to ensure the cohesion of our green efforts and a healthy profit growth. In this way we aim to do good by doing well.

We wish to be an inspiration for those we do business with and are in business with. That's why we're driven to provide internal and external training to create more **environmental awareness** and further develop the talents of our employees. Open communication surrounding our objectives, as well as encouraging and involving local communities, is essential to build an **engaged corporate culture**. Through our undertakings in the protection of people and the planet, IVC Group hopes to set a precedent for future flooring designer generations.



5 LONG-TERM TARGETS:



- 1 ZERO IMPACT IN THE VALUE CHAIN**
- ▶ elimination of waste
 - ▶ no harmful emissions
 - ▶ 100% renewable energy in processes and transport



- 2 CIRCULARITY**
- ▶ re-designing products
 - ▶ use of new and reusable materials and renewable sources
 - ▶ from recycling to closed-loop production



- 3 INNOVATIONS LEADERSHIP**
- ▶ exploring new technologies and materials
 - ▶ development of smart solutions, contributing to the quality of life
 - ▶ open a diverse knowledge network for collaboration with suppliers, customers, institutions



- 4 THE EASIEST COMPANY TO DO BUSINESS WITH**
- ▶ from product to service
 - ▶ best quality and certified sustainable products
 - ▶ explore new competitive business models



- 5 AWARENESS AND ENGAGEMENT**
- ▶ engage and inspire those we do business with
 - ▶ training and developing talent
 - ▶ local communities involvement



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