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COMMUNITY WORKS

InterfaceFLOR is the first company experts mention when it comes to corporate social responsibility (CSR), according to the GlobeScan Survey of Sustainability Experts 2006. Experts were asked their opinion on which companies are best fulfilling their responsibilities to society and InterfaceFLOR had 14 per cent of votes. Coming in at second place is Toyota (12 per cent) and in third place, BP (11 per cent), which has been the top-ranked company since 2000. Other CSR-minded companies on the list are Dupont, General Electric and Shell. 🌱

CLEAN AND GREEN WINS

Jointly conferred the SmartWay™ Excellence Award by The U.S. Environmental Protection Agency (EPA), Interface, Inc. and Meridien IQ were recognised for their efforts in reducing greenhouse gas emissions and other air pollutants related to transportation activities.

Meridien IQ collaborated with InterfaceFLOR by modifying InterfaceFLOR's highly successful Shipper FLEET Performance model to include ocean and air impacts, thus keeping the environmental effects of this product to a minimum. 🌱

TOP 10

InterfaceFLOR makes it to Portfolio 21's Top 10 Financial Performers implementing environmental business strategies for 2006. Portfolio 21 is a global equity mutual fund investing in 88 companies, selected from more than 2,000 companies based in 16 countries. The fund recognises companies that strive towards a sustainable society through the production of ecologically superior products.

InterfaceFLOR parallels this vision: it developed the first 'climate neutral' carpeting; installed photovoltaics to provide solar power to three of its facilities; is developing carpet made from renewable natural materials; and through its Mission Zero programme, aims to have zero waste and closed loop production. 🌱

COOL CARPET™ UPS GLOBAL WARMING FIGHT

SAVING THE FUTURE

Saving the earth for future generations starts with educating the young. And students in three schools in China, together with 30 other schools in the U.S. now stand to benefit from the 2006 Environmental Education Grants, a fund project jointly set up by Interface, Inc. and Interface Environmental Foundation with an eye towards a sustainable future.

When applications opened last year, response was overwhelming. In fact, more Interface employees sought out and sponsored teachers for grants – US\$500 was the maximum amount – than there were grants we could award.

The selected schools were picked by the review committee, with cheques subsequently mailed to them. What this means is that over 10,500 students will be introduced to a project which will increase their environmental awareness and responsibility. Thanks to everyone for their time and effort – we believe it will go a long way to create a better, more liveable world! 🌱

It's a major score against global warming for InterfaceFLOR Commercial, following the announcement that 100 per cent of its products are third-party certified as carbon neutral. That's a successful step in eliminating greenhouse gas (GHG) emissions – the primary contributor to global warming – associated with the life-cycle of the company's carpet tile products.

Dubbed Cool Carpet™, the programme applies to all commercial carpet tile products manufactured and shipped from the company's North American mills. It also puts into action the company's Mission Zero promise to reduce or eliminate negative environmental footprints by 2020. In 2006, 11.5 million square yards of Cool Carpet™ were sold globally. 🌱

SMOOTH RIDE

Ever wanted to drive a car with exhaust emission cleaner than the smoggy air in some cities? Well, Interface, Inc. has collaborated with Subaru to include the latter's Outback model – one of the cleanest and most fuel-efficient vehicles available in the market – in its US fleet of transport. This is part of plans to create 'climate neutral' incentives for InterfaceFLOR associates.

With this groundbreaking partnership between two environmentally-focused companies, immediate environmental benefits through reduction of overall greenhouse gas emissions can be achieved as easily as a turn of the ignition. 🌱

DID YOU KNOW?

- Interface, Inc. has made the eighth annual list of 100 Best Corporate Citizens among publicly traded firms in the United States. Developed by *Business Ethics* Magazine, this list is published in *CRO* Magazine, which targets corporate responsibility officers. Now 16th on the list, Interface, Inc. climbed from 24th position last year.
- InterfaceFLOR has diverted 93 million pounds of material from landfills; enough to carpet the Empire State Building 45 times.
- Energy used to manufacture a carpet tile is down 41 per cent – a savings equivalent to 61,000 barrels of oil.
- Greenhouse gas emissions are 60 per cent lower – the equivalent of taking 21,000 cars off the road for a year.
- Globally, InterfaceFLOR now sources 16 per cent of its total energy from renewable sources.
- Since 1996, Interface Inc's global percentage of waste sent to landfill has been reduced by 70 per cent.
- The percentage of recycled or bio-based material in Interface Inc's global products has increased from 0.05 per cent in 1996 to 20 per cent in 2006.
- Water intake per square metre of carpet is down 80 per cent in modular carpet facilities and 62 per cent in broadloom facilities from 1996 due to conservation efforts and process changes.

FLAUNT IT

Create greater product awareness and appreciation; demonstrate how smart floor design can be environmentally positive; showcase the functional and creative capacity of InterfaceFLOR products – the Shanghai showroom, centrally located at Raffles City Shanghai, achieves all these and more.

As a platform to highlight InterfaceFLOR's Mission Zero initiative, it makes a bold statement with the use of recycled materials. The stunning wooden installation features, for instance, are made from remnants of Shanghai's old buildings earmarked for demolition. The high quality, knot-free wood was lovingly restored by local craftsmen with carvings of traditional Chinese motifs and woven with InterfaceFLOR carpet tiles.

For such efforts, it won the prestigious Gold award in the Leadership in Energy and Environmental Design (LEED) accreditation, the benchmark for design, construction and operation of high performance green buildings and interiors.

The showroom will also launch InterfaceFLOR's three-part branding campaign and serve as a venue for launches, meetings for external groups and customer events, as well as a source of continual product training for staff.



TREES FOR LIFE

The abuse and neglect of our environment is worsening. Care for our natural habitat is stirring a groundswell of global concern. With each passing year, global warming and its consequences wreak greater havoc on life.

The answer to this problem: paying closer attention to the eco-system. Trees play a key role in sustaining environmental wellbeing and balance. Fundamentally, the very presence of trees reduces greenhouse gases from entering the ozone layer and prevents the 'hole in the sky' from getting bigger than it is now.

CORPORATE RESPONSIBILITY

Globally, environmentally conscious organisations have been heeding the call to protect our world. Interface, Inc is one such organisation raising the bar with its Trees for Travel™ initiative. Essentially, the organisation purchases trees planted to offset business air miles accrued by its employees. In 2006 alone, over 12,000 trees were planted in the U.S and since the programme started back in 1997, more than 75,000 trees have taken root and made a positive impact on the world's eco-system.


Paralleling this concept is the international trading practice of carbon credits, where every participating organisation is given a quota for carbon dioxide emission. Organisations that exceed

their quotas are able, then, to purchase carbon credits from others who have under-utilised their quotas, effectively managing the emission limits set by international treaties such as the Kyoto Protocol.

In Asia however, environmental protection is still in its infancy stage. Natural disasters have blighted the region in recent times, some of which were mainly caused by man-made activities. Whether it is illegal logging or using fire to clear land, it has led to disasters such as landslides and air pollution growing into haze, affecting the health and general quality of life in the region as a consequence. The magnitude of environmental abuse, admittedly, is a global issue. However, on an individual level, everyone can still play a part in making the world a better place to live in.

HOW CAN WE PLAY OUR PART?

- Simple, effective methods like printing on both sides of the page each time would help reduce paper wastage.
- Similarly, reuse paper whenever possible. For example, use waste paper to wrap up fragile ornaments for storage.
- Lastly, bringing waste paper (e.g. newspapers, magazines, etc) to nearby recycling bins contribute to the region's recycling efforts.

By taking a leaf from InterfaceFLOR's Mission Zero initiative to Reuse, Reduce and Recycle in our daily lives, more trees can be saved, thus preserving the eco-system and creating a healthier world. 

RAY ANDERSON ECO MAN

Combine the revelations of one book, practical baby steps and a man with a vision, and what do you get? A company that's on its way to being the world's first billion-dollar sustainable company.

AT 60, an age where most men envision reaping the fruits of their labour, Ray Anderson woke up a converted man.

It took one seminal book – Paul Hawken's *The Ecology of Commerce* – to completely turn life on its head for Ray, then CEO of Interface, Inc. Hawken's book flogs the industrial damage that was destroying the world and its resources. For Ray, reading the book was 'like a spear to the chest'.

NATURE COMES FIRST

A close check into company practices revealed a grim fact: Interface's factories were producing hundreds of gallons of waste water and nearly 900 pollutants. Immediately, Ray charted a new course – to turn Interface, Inc. into the world's first industrial firm dedicated to sustainability.

In the carpeting business, that was mission impossible, given that for decades the industry was totally dependent on petrochemicals. That was 1994. Today, Ray is making sustainability a reality. In fact, Interface is on track to achieve its Mission Zero initiative to eliminate all environmental impact by 2020.

How was this possible? Through small practical steps. The company's first move was reduce waste, everything from carpet scraps to industrial pollutants. That spelled immediate savings – more than US\$60 million in the first three years alone. That figure today is US\$300 million. Enough to finance the company's core sustainability challenge: how to use recycled textiles for its products. These days, the company looks at every way to cut wastage in energy and raw materials, resulting in innovative practices, from redesigning pipelines (wider openings, smaller pumps) to studying geckos to figure out how to get carpets to stick without glue.

CREATING AWARENESS

As for Ray, he's on the next level of his environmental mission. As Chairman of the company, he spends most of his time on the road, spreading the gospel of sustainability to other companies and consumers worldwide. He gives countless speeches, has written a book, *Mid Course Correction: Towards a Sustainable Enterprise: The Interface Model*, and funded the Alliance to Save Energy, helping kids design energy-saving campaigns for their schools.


What makes Ray an anomaly in business is that he's proving to companies that you can do well by doing good – protect the environment and increase profits. The man he is today is a far cry from the one who started Interface, Inc. 34 years ago. Armed with an industrial engineering degree from Georgia Institute of Technology, he worked for 14 years with various textile manufacturers before starting Interface, Inc. with the mission to make his own carpet business the biggest in the world. He succeeded, turning it into a billion-dollar-a-year

company. "I didn't give much thought to what we were doing to the earth, I just wanted to survive," he recalls.

Then he discovered Hawken's book, and the rest is best described as an 'industrial revolution'. "The new course we're on at Interface... is to pioneer one that's kinder and gentler to the earth. It's not just the right thing to do, it's the smart thing to do."

JOURNEY TO SUSTAINABILITY

Ray's contributions have not gone unnoticed. In 1996, he was awarded the Inaugural Millennium Award from Global Green and won recognition from *Forbes* Magazine and Ernst & Young, which named him Entrepreneur of the Year. The following year in 1997, Anderson was named co-chairman of President Clinton's Sustainable Development Council. More recently in 2001, he was lauded with the George and Cynthia Mitchell International Prize for Sustainable Development.

Still, there's a long way to go on the road to total sustainability – a goal employees refer to as "the peak of Mount Sustainability". For Ray, that goal has become his life. "The biggest contribution I can make is to continue to lead this process that puts us at the top of the mountain. I am a recovering plunderer, and an organisation of more than 5,000 people is instrumental in that recovery." 



LOVIN' LIFE

Get to know Mei Lua, bubbly InterfaceFLOR Malaysia's Business Manager and be infected by her contagious zest for life.

LIFE is not a piece of cake when you are in a management position, but Mei Lua, Business Manager of InterfaceFLOR, Malaysia, is loving every minute of her job. This feisty and fun-loving 37-year-old is having the time of her life – let's find out why!

Describe a typical work week for you.

I spend most of my time on the move, whether it's meeting with the various dealers' sales representatives or wining and dining clients. This leaves me with barely a dull moment in my work week.

Sum up your job scope as Business Manager.

My job revolves around making my dealers, customers, bosses and company happy by developing and growing InterfaceFLOR's business. And doing it well makes me happy too!

Residing in Malaysia, where good food is everywhere, what are some of your personal favourites?

Thanks to many different cuisines available in Malaysia, I am able to indulge in regional dishes, particularly North Indian,

Korean and Chinese. I personally love the yummy Shanghai noodles and dumplings.

Work aside, what are some hobbies you indulge in?

I love to read almost anything, except fiction, and spend quite a bit of time watching VCDs as well. Unfortunately, laziness has crept in and I have not managed to keep up with my gym visits as much as I would like to.

Where do you like to go to spend quality time with family?

I really enjoy spending time with my family at home and just being in each other's company. Besides that, the beaches in Malaysia's East Coast, such as Redang and Perhentian, are favourite haunts as well. I'm a shopaholic so I frequent Mid Valley and 1-Utama malls quite a bit.

If your house were on fire, what would be the one thing you would rescue?

The answer is simple – my adorable cat, BluBlu!

With InterfaceFLOR working towards zero impact on the environment, how have you played your part in seeing this fulfilled?

I am a firm advocate of reducing waste, saving electricity and water, recycling newspapers and car-pooling where

possible. Most importantly, I feel I have contributed significantly to this by promoting our environmentally friendly Cool Carpet™ to clients.

What is your life motto?

To make the best out of all situations, so that I remain a happy person and I can genuinely care about people around me. The rest will just fall into place! 🍀



WINDS OF CHANGE

Not all change is good, but in the case of the Thailand plant and showroom, its new expansion has seen rewarding results immediately.

WITH additional floor space, the plant now has a rack house and is able to hold almost 50 per cent of the company's yarn, which until now was housed in a third-party warehouse. This instantly saves time and money. Furthermore, the plant has a new addition in the form of a 5/64 cut-and-loop tufter. This allows bolder, better designs to be produced from the factory, such as the new 1968 Collection™, soon to be introduced into the market.

Another noteworthy change is the 5S Housekeeping Programme that the plant has recently engaged in. To kick off this programme, 12 March 2007 was earmarked as

'Big Cleaning Day' for all employees. Key staff from various departments were given relevant training so they could impart and share their newly acquired knowledge with other colleagues. It's an initiative that's derived from the Japanese style of housekeeping. This includes:

SEIRI – TIDINESS

Throw all unrelated materials in the workplace away.

SEITON – ORDERLINESS

Set everything in its proper place for quick retrieval and storage.

SEISO – CLEANLINESS

Keep the workplace clean.

SEIKETSU – STANDARDISATION

Standardise the way of maintaining cleanliness.

SHITSUKE – DISCIPLINE

Practice the 'Five S' daily – make it a way of life; this also means 'commitment'.

Efficiency and improvements at the plant don't end here. The plant now boasts a yarn processing facility set up by Universal Fibers within its premises. The strategic move shortens processing time and subsequent logistics in one fell swoop. This removes the previous practice of having to wait for processed yarn to be shipped from the US. With this new facility, the lead-time for yarn is now shortened to less than a week.

To top off the plant's ambitious expansion, the current office space would be transformed into a showroom, with the new office space slated to be completed end April 2007.



COLOUR ME HAPPY

If InterfaceFLOR were an animal, what would it be? That was the question the marketing team was asking earlier this year in an attempt to capture the essence of the company.

The unanimous answer: a chameleon.

IT was all part of a fun, exciting exercise to create greater awareness of and promote the InterfaceFLOR brand. In fact, the chameleon is one of three themed marketing campaigns we plan to launch this year to give customers – and staff – a clearer idea of who we are and what we do.

SAY HELLO TO KIRBY

Kicking off the first campaign was InterfaceFLOR's friendly new mascot, Kirby the Chameleon. Why the chameleon? Simply because InterfaceFLOR has a great deal in common with this colourful and interesting creature.

For one, the chameleon is extremely adaptable, versatile and resilient, changing its colours to best suit the environment and its living conditions. Sounds familiar? InterfaceFLOR's wide range of random modular carpet designs does just that too. The carpets come in a rainbow





palette of colours, offer flexible installation and mix and match options, while playing up any given space to great effect. On another practical level, InterfaceFLOR carpets are built to stand up well to wear and tear. The products are tough on bacteria and stains while requiring little maintenance with a guaranteed, improved lifespan.

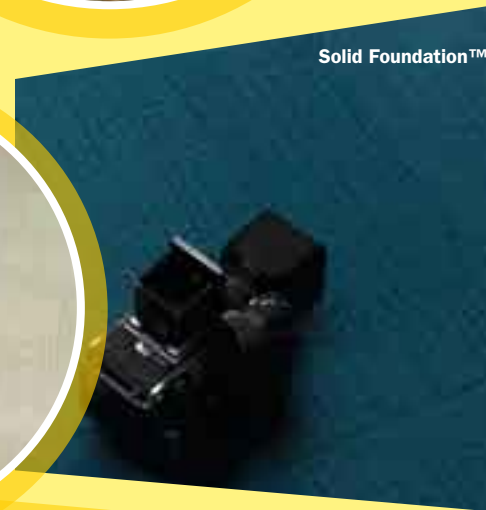
And finally, like nature's creature the chameleon, InterfaceFLOR products are one with Mother Nature. The company is committed to its Mission Zero initiative to 'reduce, reuse and recycle' and eliminate its environmental footprint on earth by 2020 through eco-friendly practices and designing and manufacturing sustainable products.

FROM IDEA TO REALITY

A slew of promotional activities was launched to introduce Kirby and bring the theme to life in full, vibrant colour. It all boiled down to creative, even quirky, ideas. There were cute chameleon

beanies strategically positioned in spaces; 3D standies of Kirby and its 'colour therapy' theme complementing a series of tongue-in-cheek postcard invitations and ads – all to pique customer interest and get them to visit the showrooms to find out more about our products. There's even a cool animation based on Kirby! Even small details took the cue – from brightly coloured pencils, colour-changing candles to Kirby wallpapers.

The key was to create a fun and impactful campaign. And more importantly, to breathe zest into customers' lives through our innovative, exciting, colourful products. So far, feedback is that people love Kirby! Next up, the second phase of our campaign, which promises to be just as exciting. Watch this space! 🌀



WHAT'S NEW?

READY, SET, GO!

In the Formula One circuit, brawn and beauty make winning partners. Like the hottest racing event, Acceleration™ and Proportion™ sizzle up interiors with a winning combination of style and function. Acceleration™ is highly textured with a plush appearance. With Proportion™, patterns are the focus with rounded squares and rectangles creating stunning designs. And Proportion™'s geometric shapes provide a strong visual impact when contrasted with Acceleration™.

BACK TO THE FUTURE

To look forward in design trends, you sometimes have to look to the past. Taking a nostalgic trip to the '60s, Equator™ recreates the stripes and geometrics of yester-year even as it turns up the heat with a rendition of fiery colours. With names like Congo, Sulawesi and Amazon, the colour variations are as diverse as the 13 countries located around the equator. Its unique colouration and pattern are specifically designed for Quarter-turn and Brick installation. With added features like Optimum@RE and GlasBac® or GlasBac@RE, premium quality is assured.

SPICE IT UP

What's in a name? Plenty, especially when it comes to the Solid Foundation™ range. Thirty-two unique and evocatively named colours play on the senses, stirring a myriad of sensations. Add warmth to any room with Corn yellow and Sunburn red; cool off with refreshing Forest Pine; indulge your senses with a rich chocolate Brownie or cool, crisp Champagne. It's almost like the real deal. What's more, the carpets employ a modern linear texture that sits well with just about any interior space.

FINE THREADS

Make a bold statement with Threads™, which seamlessly weaves together a riot of texture, pattern and colour. Its tufted textured loop style that comes with unique linear patterns creates comfort and elegance. Threads™ comes in eight bold colours interwoven with neutrals for a burst of energy – Spin, Weave, Entwine, Plait, Crochet, Knit, Wool and Silk. Versatile and stylish, it suits any environment from corporate to hospitality and retail.

IMAGINE THE POSSIBILITIES

Pictorials™ now allows you to explore colours and patterns like never before. Thanks to an innovative new product simulation tool, you can now maximise your sampling options with minimal sampling waste. This is in line with InterfaceFLOR's Mission Zero promise to eliminate its environmental footprints by 2020.

Here's how Pictorials™ works:

STEP 1

Choose a colour scheme from the Equator™ colour line of 18 choices, such as Maldives, Sentosa and Galapagos.

STEP 2

Choose a pattern/design from a total of 32 individual patterns.

STEP 3

Choose an installation method from the following options:

BRICK – each module is installed in staggered fashion

or

QUARTER-TURN – each module is rotated 90° from the module next to it.

You may also choose to apply the Solid Foundation™ range to create borders from 32 colours, such as Forest Pine, Brownie and Champagne.

Once you have decided on the colour and pattern, we will create Pictorials™ samples in your choice of colour and pattern combinations in the form of simulated perspective illustrations. You will see the whole effect of colour-accurate patterns in digital prints. You will also see the pattern and texture up close in an actual size digital tile. To top it off, give us a photograph of the interior you intend to carpet and we will insert the carpet digitally so you can get a virtual 3D perspective of the final result. 🌀

1968 Collection™

RETRO FEVER

What do the mini-skirt, Go-Go boots, pop art, and the Fab Four bring to mind? The swinging '60s of course! InterfaceFLOR embraces the psychedelic era with the 1968 Collection™. It features five intense colourways and six unique patterns of geometric shapes and lines, delivering instant punch to any interior.



ECO-WATCH

Have you heard...

Recycling just one aluminium can saves enough energy to power a TV for three days.

Over the last century, average global temperatures have crept up by one degree. By 2050, rising temperatures, exacerbated by carbon dioxide emissions, could lead to the extinction of more than a million plants and animals.

Safeguarding the environment isn't a modern concern. John Muir, who inspired many of President Roosevelt's conservation programmes, including Yosemite National Park, set up the Sierra Club in 1892 – now one of the largest environmental advocacy groups in the US.

Movies can change lives. At least it did for Bill Travers and Virginia McKenna who starred in a film about raising a wild lion in Kenya in 1964. They were so moved by their time with the lions that they began Born Free – a conservation organisation that helped, among other pro-environment achievements, to ban the international ivory trade.



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