

Sustainability Brief: The Journey Begins

"In the future, people like us will go to prison." Those are the words of Ray Anderson, chairman and founder of Interface. A strange thing to say perhaps, but most of our raw materials are virgin petrochemicals; we have 27 factories that are not 100% efficient; and the majority of our products, once used, still end up in landfill. With sales offices in 110 countries, over 7,000 employees and annual sales over \$1.2 billion, Interface, alongside every other major corporation, continues to damage the planet. We recognize that we are part of the problem, and we intend to become part of the solution.

In 1994, in response to a growing number of questions from customers about Interface's environmental policies and use of recycled materials, Interface Research Corporation hosted an internal conference to review and establish our position. They asked Ray Anderson to share his environmental vision. As the conference date drew nearer, Ray realized that he did not have a 'vision' on the environment that he could share with his team.

However, just before the conference, someone sent him a copy of Paul Hawken's book, "The Ecology of Commerce". This book changed his life; he did not get halfway through it before he realized that he had not only the vision he had been seeking, but also a mission that was to become the driving force of his life. He likened reading the book to "having a spear thrust into my chest". Of course, Interface had complied with legislation, but Ray realized that complying with legislation was just another way of being as bad as the law allows.

In the speech that Ray eventually made to his team, he incorporated many of Hawken's examples of environmental degradation, which could be attributed almost exclusively to business and industry. Ray realized that, while business is part of the problem, it can also be part of the solution. As the largest, wealthiest and most pervasive institution on Earth, the world of commerce and industry is responsible for most of the damage and it must now take the lead in directing the world away from collapse and towards Sustainability and Restoration.

At the conference Ray gave a speech that surprised him, stunned his team and galvanized us all into action when he challenged us to convert Interface

into a Sustainable Business. We developed our vision statement as a direct result of that speech, and we are constantly refining the strategy for delivering that vision.

Corporate Vision

We will be the company that, by our deeds, shows the entire industrial world what sustainability is in all its dimensions: people, process, product, place and profits by 2020 - and, in doing so, we will become restorative through the power of our influence.

We describe it as a mountain to climb and with the work of a team of globally recognized visionaries we have identified seven faces of Mount Sustainability. We are currently in different places on each of those seven faces, but hoping to meet at the top. The top of Mount Sustainability represents a sustainable enterprise - a company treading so lightly on the earth as to leave no environmental footprint.



The seven faces are:

1. Eliminate waste.

QUEST stands for *Quality Utilizing Employee Suggestions and Teamwork*. There are hundreds of projects under way throughout Interface, eliminating waste. We measure all waste in the organization and have saved over \$165 million since 1994. This is paying for the revolution in our company as we reinvest it in new technologies, equipment and Research & Development.

2. Eliminate harmful emissions.

We want to be sure that whatever we emit is harmless to the biosphere. We counted all outlet stacks and pipes in our factories, and have set out to close down every one of them. So far we've shut down 66 of the 241 - 27% in 6 years.

3. Use only renewable energy.

We believe in time that all of our energy must come from solar, wind or other forms of renewable energy rather than continuing to use seemingly inexpensive fossil fuels. Fossil fuel emissions are polluting our air and changing our climate.

4. Create closed loop processes.

Taking our products back at the end of their useful life and giving them new life again and again through a closed loop fashion. **If we can get this right, we will never have to take another drop of oil from the earth.**

5. Minimize movements of people and material.

This is a difficult issue for an organization operating in 110 countries. We can video conference to avoid unnecessary journeys; we can drive the most efficient cars available; we can locate our factories close to their market; we can plan logistics for maximum efficiency; but we must maintain contact with our customers.

In the medium and long term we hope to eliminate our production of carbon dioxide, but in the short term we are beginning to compensate for the carbon dioxide we emit. For example, we are working with customers to provide 'climate neutral floorcoverings' where we offset the carbon emitted in the production of our products and air travel by investing in non-Interface carbon emissions reduction projects around the world.

6. Integrate Sustainability into our culture.

Interface believes that sustainability is about sustaining the development of our quality of life as a society, not some wistful notion of returning to hunting and gathering. This approach seeks to engage all Interface stakeholders in understanding nature's strategies and limits to deliver new and better value to our customers. This includes our customers, suppliers, employees, shareholders and the community at large. Interface and its Chairman and Founder, Ray Anderson, continue to "spread the word" and encourage others to join us on the journey. The message is being heard. It has resulted in Ray's appointment to co-Chair the President's

Council for Sustainable Development, along with a wide array of awards and recognition from Mikhail Gorbachev, the United Nations, the National Academy of Sciences, and Fortune Magazine. Many Interface associates around the globe have also become involved in taking the Interface story to government, academia and the corporate world and their communities.

7. Pioneer new business models of sustainability.

We are proposing the redesign of commerce itself, which, perhaps, calls for the recognition of different principles of economics than those currently reflected in laws. For example - creating laws that no longer tax labor, earnings and property, but tax waste and pollution instead. Maybe, in the future, people like us (or, more precisely, people like we were in 1994) **will** be imprisoned as polluters of the planet.

Today

Today we look carefully at each of our processes, adopting new technologies and abandoning some conventional ones. We are investigating how we might redesign those that remain, finding ways of manufacturing products that will leave a far lighter footprint on the earth.

We have found that attention to environmental issues and social responsibility is an unexpectedly rich source of inspiration and innovation, especially in how to attract customers, rally people, design products and industrial processes - and particularly to reduce costs. We have adopted a new sense of humility in design. Nature works, and she has much to teach us, if we would only listen.

We're continuing to do what we set out to do in 1994, transforming Interface into a new kind of industrial company. We have stayed the course on sustainability and have never wavered from this commitment. It has meant too many positive things to our business, brought us too many customers, and galvanized our people around too much pride and purpose to be abandoned or de-emphasized.

Today for Interface, sustainability is even broader than before. It is a new business model that seeks to deliver superior value through a dedication to people, process, products, place, and profits (the five Ps of sustainability). Doing well by doing good.

Contact your local Interface Flooring Systems Account Executive for more information. Or visit us on the web at www.interfaceflooring.com.