Plan

Design

Build

Enjoy

Healthy Spaces

2021 Sustainability Report

Armstrong®
WORLD INDUSTRIES

Armstrong World Industries' First Sustainability Report

Our purpose is to make a positive difference in the spaces where we live, work, learn, heal and play. As a leader in the building products industry, we aim to lead a transformation in the design and building of spaces so that occupants, owners, operators and communities can thrive. We invite you to learn more about how we're pursuing our purpose in our first sustainability report.

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A message from our President and CEO

At Armstrong, we have seen the world change in innumerable ways since our founding more than 160 years ago. This past year, in particular, has brought tremendous change and challenged us all in unprecedented ways. These challenges, including the health, social and economic implications of the COVID-19 pandemic, prompted us to think more deeply about how we impact each other and the world around us. I am proud of the way our committed employees adapted to difficult conditions, continuing to meet our customers' and communities' needs while remaining dedicated to our purpose.

From climate change to natural resource scarcity and biodiversity loss, we face escalating global challenges that require us all to rethink the way we do business. This has prompted us, along with our customers and other stakeholders, to ask what healthy, sustainable spaces will look like in a post-pandemic world. We have put our heads together to create and bring to market new solutions to address the new challenges.

We launched our 24/7 Defend™ portfolio, consisting of products that help reassure people going back to pre-pandemic spaces that they are surrounded by materials and systems that work around the clock to keep them safer and healthier. We also designed and created our Living Lab, which is a dedicated space on our corporate campus for piloting and testing healthy space innovations for the future.

Our sustainability strategy aligns with our company purpose, but it's about more than just ideals. It also directly supports the current and future success of our business. By building a culture of inclusion and employee engagement, we can attract and retain a high-quality, diverse workforce that will develop innovative products. Eco-friendly solutions like circular systems and clean energy sourcing help reduce our environmental impact, while also saving us money and minimizing supply chain risks. And, as both customers and investors seek out companies with a deeper commitment to sustainability, we have an opportunity to cement our position as an industry leader and become a more valuable and resilient company overall.

In 2020, we accelerated our work to build sustainability into every corner of our business. We codified our sustainability strategy, aligning it with the United Nations Sustainable Development Goals (U.N. SDGs). We set aspirational goals and targets, all of which are now being integrated into our overall company strategy. We are focused on improving our performance on key metrics, including environmental impact, product safety and sourcing, employee health and well-being and community engagement. At the same time, we continue to expand our portfolio of products and solutions that meet the industry's most stringent environmental and health standards.

This past year, we also formed key partnerships and collaborations that will enable us to lead on circular and sustainable business practices, including partnerships, with the International WELL Building Institute, the Science Based Targets initiative, the Future Fit Business Benchmark and the Ellen MacArthur Foundation. We also became a signatory to the U.N. Global Compact.

As the world begins to emerge from the worst effects of the COVID-19 pandemic, we know that safe and healthy indoor spaces are more important than ever. A survey we conducted found that 83% of people expect their workplace to be adaptable to future crises, like another pandemic, as well as the current climate change crisis, and 84% of those surveyed expect their workplace to not only be safe, but also supportive of general well-being.

We believe we have a role to play in meeting these needs. We are committed to being a company that will continue to adapt and thrive, long into the future. Thank you for joining us on our sustainability journey.

Vic Grizzle
President and CEO

Armstrong WORLD INDUSTRIES

About Armstrong World Industries

Armstrong World Industries, Inc. ("Armstrong," "AWI" or the "Company") is a **growing and innovative** Pennsylvania corporation founded in 1860.

We are a leading producer of ceiling systems for use in the construction and renovation of commercial and residential buildings. We design, manufacture and sell ceiling and wall systems —primarily made of mineral fiber, fiberglass wool, metal, wood, wood fiber, glass-reinforced-gypsum and felt — throughout the Americas.

As an Americas-based ceilings and walls company, we are focused on driving profitable topline growth by expanding our core mineral fiber business and expanding into new, adjacent business categories and sectors.

We are increasing our capabilities to sell more products into more spaces through a variety of initiatives. These include expanding architectural specialties offerings, bolstered by recent acquisitions; our continuously evolving, innovative, core ceilings portfolio, including our Healthy Spaces products, Total Acoustics® solutions and SUSTAIN® family of products; and our development of digitally enabled systems and tools. Some of our well-known brands include Armstrong®, 24/7 Defend™, ACOUSTIBuilt™, AirAssure™, Airtite®, Arktura®, Calla®, Cirrus®, Cortega®, DESIGNFlex®, Dune™, Feltworks®, Humiguard®, Infusions®, InvisAcoustics™, Kanopi™, Lyra®, MetalWorks™, Moz™, Optima®, Plasterform™, Soundscapes®, Sustain®, TECTUM®, Total Acoustics®, TURF®, Ultima®, and WoodWorks®.

BUSINESS SEGMENTATION (2020)

Mineral Fiber accounts for

78%

of sales (includes our signature ceiling tiles)

Architectural Specialties accounts for

22%

of sales (includes wood, steel, radiant, metal and felt walls and ceilings)

FACILITIES

1

corporate campus

15

owned manufacturing facilities

6

manufacturing facilities in WAVE joint venture with Worthington Industries

EMPLOYEES
(as of Sept. 30, 2021)

Approximately

2,800

full-time and part-time employees

REVENUE

$937M

in fiscal 2020

OUR SUSTAINABILITY PROGRESS THROUGH THE YEARS

1860
Thomas Armstrong starts a cork stopper company in Pittsburgh, Pennsylvania, with a promise of quality under the motto, "Let the buyer have faith."

1890s
Armstrong is one of the largest cork suppliers in the world. Armstrong World Industries is formed after Thomas Armstrong realizes a 65% scrap rate, and recognizes an opportunity, since cork is acoustical and absorbs sound. Thomas embraces what later comes to be referred to as the 3 R's — reduce, reuse, recycle.

1909-1931
Introduces innovations in employee benefits, including free dental services, extra pay for overtime, employee relations, paid vacations and group life insurance.

1947
Develops mineral wool panels during World War II, due to material shortages.

1953
Builds its "idea house" filled with Armstrong products, a precursor to the company's Living Lab.

1959
Discontinues corkboard panels.

1963
Introduces suspended ceiling systems.

1980
Begins to use recycled streams of mineral wool and newsprint, instead of new materials, to make ceilings.

1993
Becomes a founding member of U.S. Green Building Council.

1995
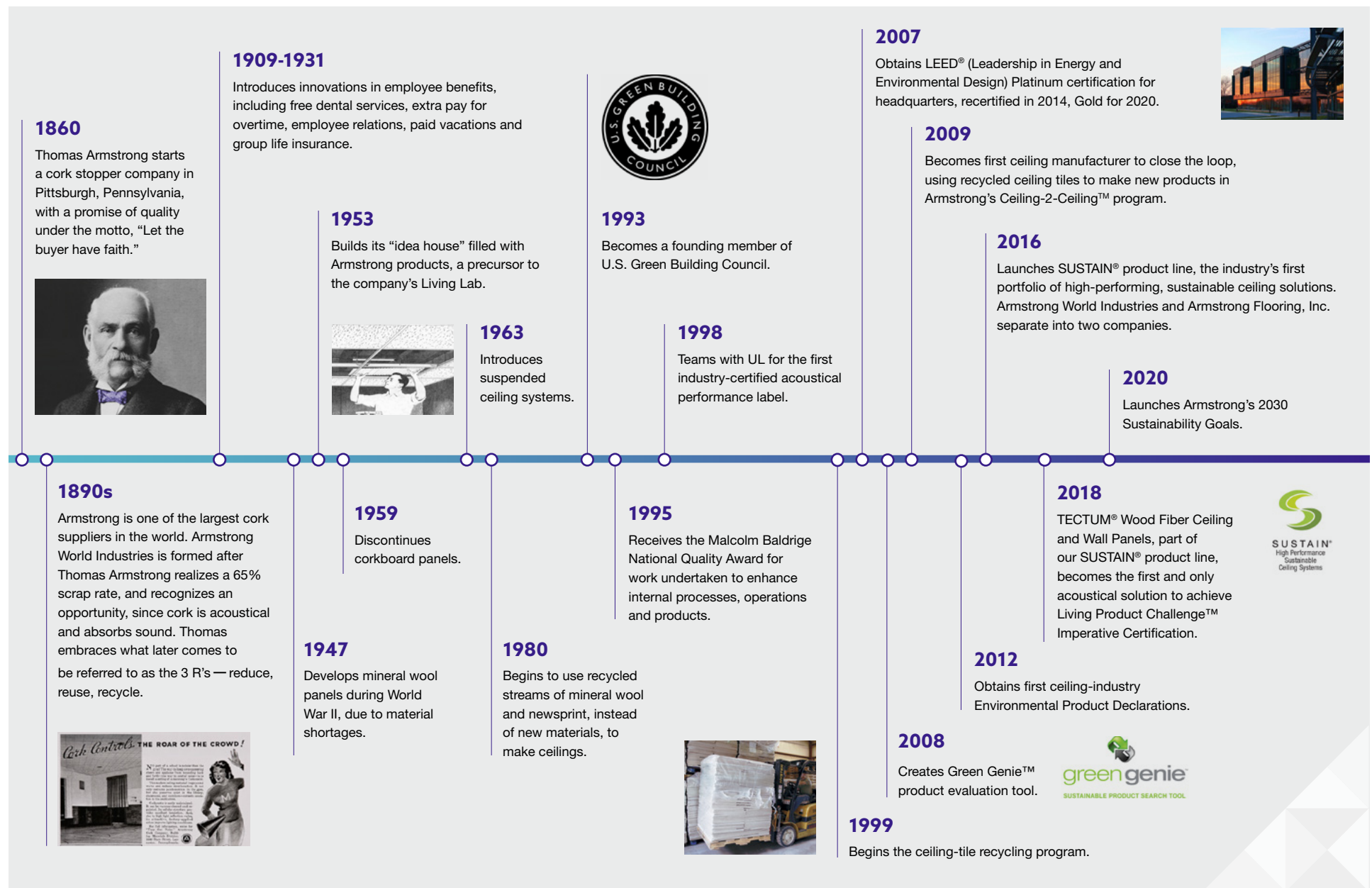Receives the Malcolm Baldrige National Quality Award for work undertaken to enhance internal processes, operations and products.

1998
Teams with UL for the first industry-certified acoustical performance label.

1999
Begins the ceiling-tile recycling program.

2007
Obtains LEED® (Leadership in Energy and Environmental Design) Platinum certification for headquarters, recertified in 2014, Gold for 2020.

2008
Creates Green Genie™ product evaluation tool.

2009
Becomes first ceiling manufacturer to close the loop, using recycled ceiling tiles to make new products in Armstrong's Ceiling-2-Ceiling™ program.

2012
Obtains first ceiling-industry Environmental Product Declarations.

2016
Launches SUSTAIN® product line, the industry's first portfolio of high-performing, sustainable ceiling solutions. Armstrong World Industries and Armstrong Flooring, Inc. separate into two companies.

2018
TECTUM® Wood Fiber Ceiling and Wall Panels, part of our SUSTAIN® product line, becomes the first and only acoustical solution to achieve Living Product Challenge™ Imperative Certification.

2020
Launches Armstrong's 2030 Sustainability Goals.

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OUR OPERATIONS ACROSS NORTH AMERICA

▲ Armstrong World Industries
▲ WAVE

HEADQUARTERS

Armstrong World Industries
2500 Columbia Ave
Lancaster, PA 17603
717-397-0611

AWI MANUFACTURING

U.S. MANUFACTURING
California
Moz Designs
711 Kevin Court
Oakland, CA 94621
510-632-0853

Arktura LLC
18225 South Figueroa St.
Los Angeles, CA 90248
310-532-1050

Florida
300 South Myrick St.
Pensacola, FL 32505
850-433-8321

Georgia
4520 Broadway
Macon, GA 31213
478-788-4811

Illinois
MRK
1821 Industrial Dr
Libertyville, IL 60048
847-362-8720

TURF
2000 Fox Lane
Elgin, IL 60123
844-887-3664

Missouri
Architectural Components
Group (ACGI)
900 George Street
Marshfield, MO 65706
417-630-3239

Ohio
4241 Leap Road, Bldg A
Hilliard, OH 43026
614-771-9307

Tectum
105 S. Sixth St.
Newark, OH 43055
740-345-9691

Lamit
111 Enterprise Drive
Hebron, OH 43025
614-444-3010

Steel Ceilings
451 E. Coshocton St.
Johnstown, OH 43031
740-967-1063

Pennsylvania
1507 River Road
Marietta, PA 17547
717-426-4171

West Virginia
141 Sensenich Drive
Millwood, WV 25262
304-273-3900

CANADA MANUFACTURING
Simplex
255 Montpellier Blvd.,
St. Laurent, Quebec
Canada H4N 2G3
514-744-3323

Plasterform
1180 Lakeshore Rd. E.
Mississauga, Ontario
Canada L5E 1E9
905-891-9500

WORTHINGTON-ARMSTRONG JOINT VENTURE (WAVE)

HEADQUARTERS
Pennsylvania
101 Lindenwood Drive,
Suite 350
Malvern, PA 19355
610-722-1200

U.S. MANUFACTURING
California
12630 Hiddencreek Way
Cerritos, CA 90703
610-722-4202

13171 Santa Ana Avenue
Fontana, CA 92337
610-651-5337

Georgia
6260 Shiloh Road, Ste 101
Alpharetta, GA 30005
770-781-3232

Maryland
1415 Perryman Road
Aberdeen, MD 21001
410-297-2260

Michigan
745 Enterprise Way
Benton Harbor,
MI 49022
269-934-6200

Nevada
4525 N. Walnut Road
North Las Vegas,
NV 89081
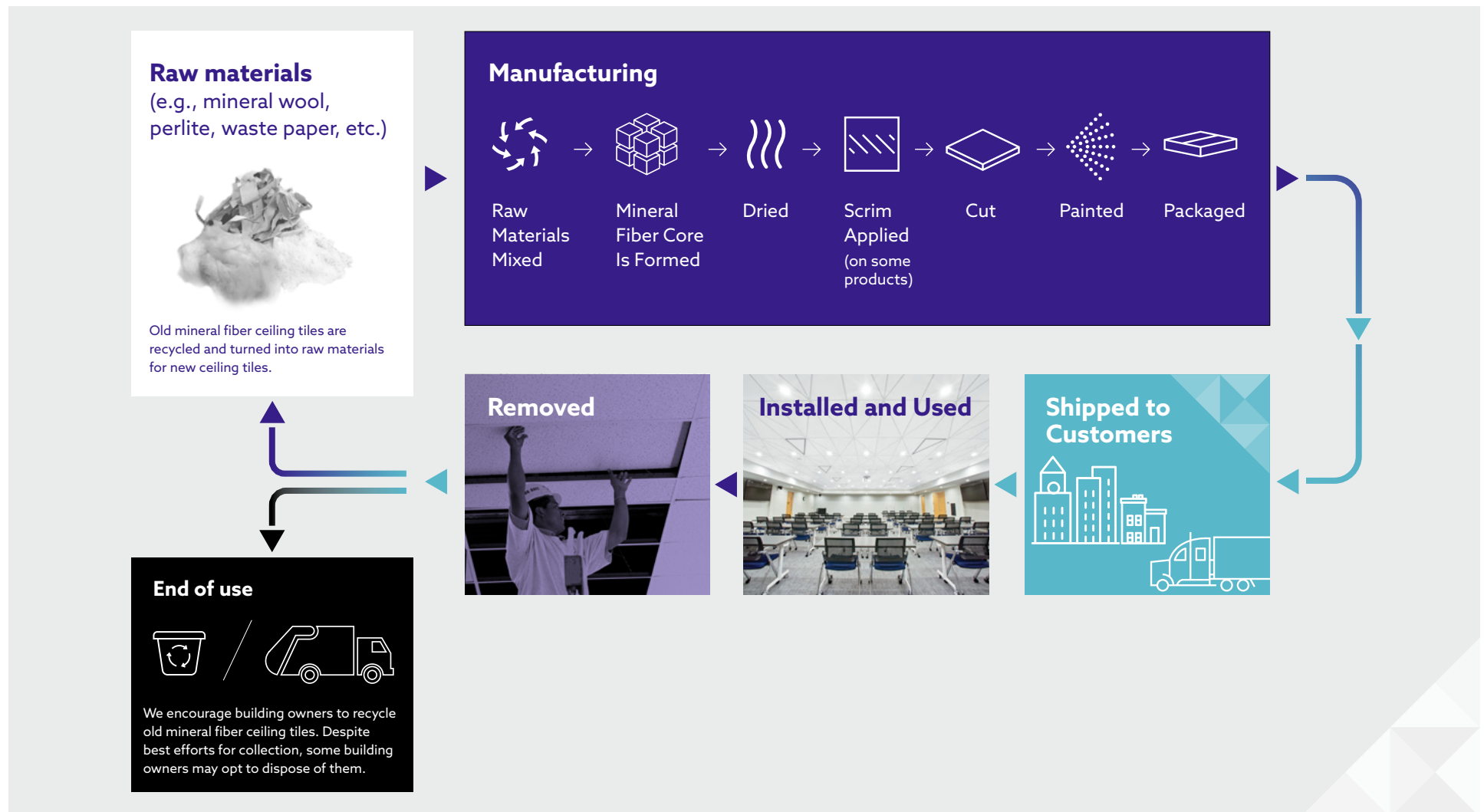702-632-1100

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OUR VALUE CHAIN

We create ceiling and wall products from raw and recycled materials, which are manufactured, shipped to distributors and contractors, and then installed and used by building owners. We have illustrated how our value chain works for our mineral fiber ceiling products.

Approximately 80% of our environmental impacts come from the raw materials we choose and the manufacturing of our products.

We continue to find ways to increase the longevity of our products and create circular models to recycle old products at end of use and convert them into new ones.

Raw materials
(e.g., mineral wool, perlite, waste paper, etc.)

Old mineral fiber ceiling tiles are recycled and turned into raw materials for new ceiling tiles.

Manufacturing

Raw Materials Mixed → Mineral Fiber Core Is Formed → Dried → Scrim Applied (on some products) → Cut → Painted → Packaged

End of use

We encourage building owners to recycle old mineral fiber ceiling tiles. Despite best efforts for collection, some building owners may opt to dispose of them.

Removed

Installed and Used

Shipped to Customers

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MINERAL FIBER CEILING OVERVIEW

Mineral fiber ceilings are our signature products, and are installed in all types of spaces.

A few facts about our mineral fiber products below:

Our ceiling recycling program has taken back ceiling tiles for over 20 years.
We continue to value recycled streams to contribute to reducing our product footprint.
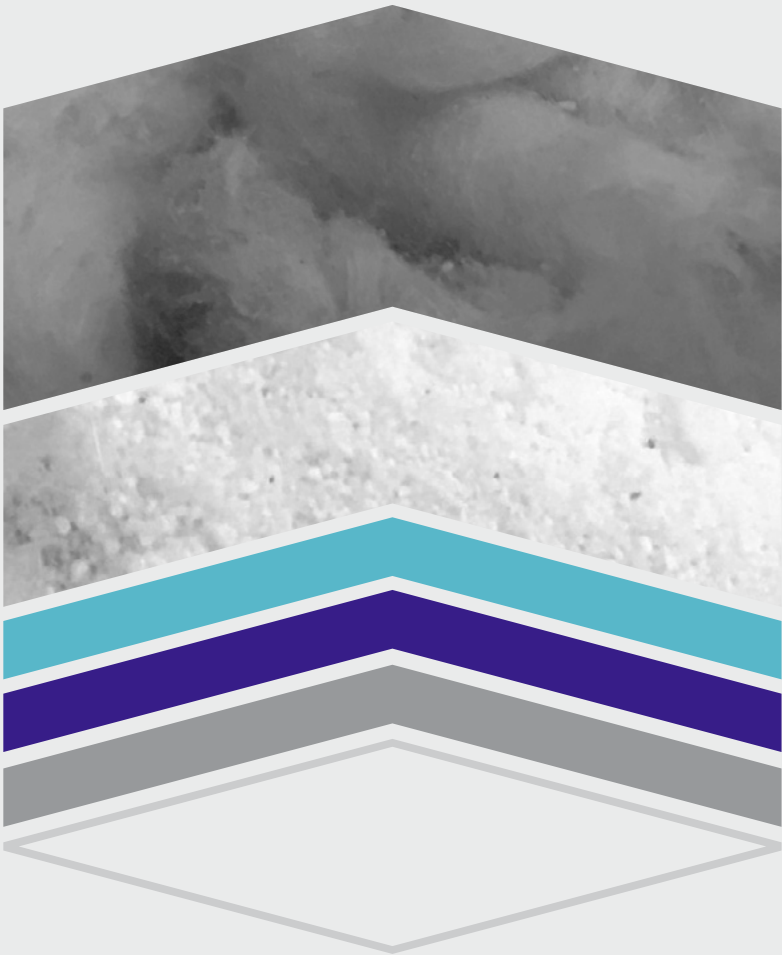You can find more details in the _Healthy and Circular products_ section of our report.

For fiscal year 2020, manufacturing mineral fiber ceiling tiles represents approximately

98%
of our annual energy use and carbon emissions, and

99%
of our annual water use.

Our mineral fiber ceiling tiles are made up of:

FIBERS
40% – 50% for acoustics

PERLITE
20% – 30% for filler

STARCH
1% – 10% as binder

RECYCLED CEILING PANELS
5% – 10% for filler

RECYCLED PAPER
1% – 10% for filler

COATING, SCRIM AND ADHESIVE
as the remaining components.

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Our Sustainability Strategy

To define our sustainability strategy, we consulted with internal and external stakeholders, performed a materiality analysis, defined three core pillars and set overarching goals and targets.

Our sustainability strategy

We fulfill our purpose and make a difference by enabling healthier, safer spaces where we live, work, learn, heal and play. As a leader in the building products industry, we aim to transform the design and building of spaces, so that occupants, owners, operators and communities can thrive, today and into the future.

OUR SUSTAINABILITY PILLARS
As depicted here, we have aligned the three pillars of our sustainability strategy with the United Nations Sustainable Development Goals (U.N. SDGs).

Thriving People and Communities

Our workforce will be safe, diverse, inclusive and fulfilled, and we will actively contribute to our local communities.

Healthy Planet

All our electricity sources will be renewable, and we will dramatically reduce carbon, waste and water impacts of our products and solutions.

Healthy and Circular Products

We are committed to responsible sourcing and to providing transparency in our products. In addition, we will design our products to minimize waste and pollution; support recycling, repurposing or reuse; and contribute to the regeneration of natural systems.

6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
5 GENDER EQUALITY
10 REDUCED INEQUALITIES
3 GOOD HEALTH AND WELL-BEING
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
15 LIFE ON LAND
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

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OUR SUSTAINABILITY GOALS

We have established nine goals under our three sustainability pillars. They are reflective of our materiality analysis and align with the U.N. SDGs and the Future-Fit Business Benchmark. See our *materiality analysis* for more context.

HEALTHY AND CIRCULAR PRODUCTS

SUSTAINABLY SOURCED PRODUCTS

We aim to create products and solutions from healthy, sustainably sourced materials, by eliminating chemicals of concern through sustainable supply chains.

CIRCULAR PRODUCTS

We aim to design our products to be recycled, reused or repurposed and drive circularity in our operations, with customers, and throughout our value chain.

REDUCED CARBON AND WATER FOOTPRINT

We aim to make a positive contribution to spaces and the environment by decreasing our products' carbon and water footprint, and by creating solutions that actively contribute to health and wellness.

HEALTHY PLANET

REDUCED CARBON FOOTPRINT

We aim to reduce our greenhouse gas emissions and increase our reliance on renewable energy using climate-science based targets.

CIRCULAR SYSTEMS

We aim to eliminate waste through innovative manufacturing processes and by creating circular systems from order to delivery.

OPTIMIZED WATER

We aim to optimize our use of water and contribute to water management and restoration efforts by reducing our reliance and impact on local water systems.

THRIVING PEOPLE AND COMMUNITIES

COMMUNITY ENGAGEMENT

We aim to engage in communities where we operate to make them vibrant places to live and work by strengthening and supporting local programs and fostering impactful relationships.

DIVERSE AND INCLUSIVE WORKFORCE

We aim to develop an inclusive culture and a diverse workforce at all locations.

SAFE AND HEALTHY EMPLOYEES

We aim to cultivate a culture that leads to safe, healthy, fulfilled employees.

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OUR SUSTAINABILITY TARGETS

We have established targets and target dates for each of our nine sustainability goals. These targets reflect our current aspirations under each of our goals and will help us monitor, measure and report progress towards our goal ambitions. These targets also align with the **Break-Even goals** of the Future-Fit Business Benchmark, which are detailed in the *Appendix*.

Healthy and Circular Products

Goal	Target	Target date
Sustainably sourced products	100% of our products free of chemicals of concern	2030
	100% of our products have verified transparency.	2030
	100% of our material sourcing activities evaluated for social, ethical and environmental performance.	2030
Circular products	50% of our products recycled, reused or repurposed at end of use.	2030
Reduced carbon and water footprint	50% reduction achieved in the carbon footprint of our products, compared to a 2019 baseline.	2030
	20% reduction in the water intensity of our products, compared to a 2019 baseline.	2030

Healthy Planet

Goal	Target	Target date
Reduced carbon footprint	30% reduction in absolute Scope 1 and 2 greenhouse gas (GHG) emissions from a 2019 baseline, in accordance with the Science Based Targets initiative (SBTi), allowing us to meet a well below 2°C scenario.	2030
	100% of our electricity needs sourced directly or indirectly from renewable energy.	2030
Circular systems	50% reduction in absolute waste from our operations, from a 2019 baseline.	2030
Optimized water	100% of our water management practices include measures designed to minimize usage and environmental discharge.	2030

Thriving People and Communities

Goal	Target	Target date
Community engagement	Locations formally engaged in local community outreach.	Ongoing
	Employees offered opportunities to actively engage in their communities.	Ongoing
	Increased community engagement scores year over year.	Ongoing
Diverse & inclusive workforce	Employees receive training or engagement on diversity and inclusion topics on a regular basis.	Ongoing
	Locations have a representative diverse workforce.	Ongoing
	Employees have a meaningful and safe opportunity to share their views on topics that matter to them.	Ongoing
Safe & healthy employees	Employees offered tools and resources to improve their financial, physical and mental health and well-being.	Ongoing
	Employees offered learning and development opportunities annually.	Ongoing
	Improved workplace safety scores year over year, while we strive to have zero workplace injuries.	Ongoing
	Employees offered at least a fair wage, to be defined as competitive total rewards based on position and location.	Ongoing

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DEVELOPING OUR SUSTAINABILITY STRATEGY

To develop our sustainability strategy, we drew on an existing foundation of efforts already underway, including our Healthy Spaces and digitalization initiatives. Healthy Spaces brings together our environmental and social efforts to deliver solutions to our customers and to our employees. Our digitalization efforts are designed to create a frictionless customer experience from our first interaction with a potential customer through product installation.

Complementing these efforts, in recognition of our customer, employee and investor expectations on sustainability action and transparency, we began to formalize a distinct sustainability strategy in 2019, defining our ambitions and issue-based pillars. In 2020, we conducted an assessment using the Future-Fit Business Benchmark as a guide to identify and refine our program goals. We also established cross-functional pillar teams within our company to help us assess our current state and develop action plans and aspirational targets designed to enable us to achieve those goals.

In 2020, we further conducted a materiality analysis and convened a number of internal workshops to confirm our sustainability reporting strategy. Moving forward, we expect to release an annual sustainability report and continually refine our strategy.

OUR PATH TO BECOMING A MORE SUSTAINABLE COMPANY: IN CONVERSATION WITH OUR VICE-PRESIDENT OF SUSTAINABILITY, HELEN SAHI

Helen Sahi provides some background on the development of our sustainability program and the impetus for partnering with the Future-Fit Foundation to help create a more resilient company.

How does sustainability fit in with Armstrong's mission of Healthy Spaces?

If we think about our strategy of contributing to healthy spaces where people live, work, learn, heal and play, a fundamental component of that will be to ensure that these spaces are also sustainable. Given the increasing scarcity of resources, the effects of climate change, and the demand for healthier indoor spaces, we see sustainability as a strategic enabler and competitive differentiator for us. In addition, we embrace the increased desire for transparency and feel it aligns with our history as a company and how we interact with internal and external stakeholders.

Why was it important for you to be a part of Future-Fit?

We recognize that our sustainability goals and actions must be both context-based and on track not just to reduce harm, but to restore the conditions that enable life to thrive. To achieve this, we have used the tools of the Future-Fit Foundation, an organization whose vision is a society that protects the possibility that humans and other life will flourish on Earth forever, by being environmentally restorative, socially just and economically inclusive.

What is the Future-Fit Business Benchmark?

The Future-Fit Business Benchmark draws on 30 years of systems science to identify clear actions and measurable goals designed to help businesses become truly sustainable. These Break-Even Goals are related to the environment, natural resources and social well-being. This benchmark was instrumental in helping us to evaluate and define the pillars, goals and targets for our sustainability program, all in a manner that was tailored to our specific business, strategies and stakeholders.

How did you prioritize Armstrong's key sustainability topics?

After we evaluated our sustainability activities within our organization, we researched and consulted with internal and external stakeholders to determine key topics of interest to see where there was alignment. The results of our materiality analysis are described further in pg.14-16 of this report.

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Our material issues in context

KEY MEGATRENDS

As we finalized our sustainability strategy and developed and refined our current goals and targets, we were mindful of recent events, emerging trends and societal shifts. These trends include new and enhanced emphasis on Resilience, Health and Circularity, as well as Transparency and Thriving Communities. We considered these trends and other factors as we completed a materiality assessment of the issues that impact our company and our stakeholders.

COVID-19

The pandemic was responsible for millions of deaths globally, along with countless physical and mental health issues. It also laid bare social and economic vulnerabilities and impacts on different social groups.

Social justice

Unprecedented social justice protests spread from the U.S. around the world, building upon decades of activity in the civil rights movement.

Climate change escalation

The severity and growing number of extreme weather events and their related disaster recovery-related impacts highlighted how quickly the Earth's systems are degrading, with serious implications for our society — including the most vulnerable populations — as well as the economy.

RESILIENCE, HEALTH AND CIRCULARITY

2020 brought significant **changes in how people live and work** and, as a result, many in the building products industry have doubled down on making their products resilient, healthy and circular, while also utilizing technology and digitalization to enhance people's experiences indoors.

Recovery plans around the world promote the concept of building back better. The related economic stimulus packages have been positioned as a way both to address the effects of COVID-19 and, in some cases, to address climate change. This includes funding for renovation, adaptive reuse of buildings and enhancing buildings' sustainability. Interest in building modernization has surged, as leaders around the globe have come to recognize that this can be a response to climate change and also to the post-pandemic recovery.

Architects and designers are also focused on designing buildings that support a more holistic vision of **health and well-being,** and that incorporate concepts such as **healthier materials**, design for flexibility and enhanced **air quality**.

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As construction **waste** continues to be a major source of landfill, expected to double to 2.2 billion tons in 2025 globally, companies are applying different approaches. **Circular** business models offer a solution to reduce the amount of construction and demolition waste to landfill, which the U.S. Environmental Protection Agency (EPA) estimates to represent double the amount of municipal solid waste currently generated.

Companies are also assessing **embodied carbon** and optimizing their products to reduce carbon — the Embodied Carbon in Construction Calculator has attracted a coalition of nearly 50 forward-looking and innovative building industry leaders. Additionally, companies are considering their ecological impact on landscapes — including on **biodiversity** and natural resources such as **forests and water**, with certifications from organizations such as the Forest Stewardship Council.

THE PUSH FOR TRANSPARENCY

As the relationship between business performance, social impacts and climate change — among other issues — becomes more apparent, investors are actively assessing the environmental, social and governance (ESG) performance of companies.

In addition to traditional topics, such as **corporate governance** and **financial performance**, investors are taking a closer look at how companies are incorporating the risks and opportunities related to **climate change** into their strategies and operational plans. In response, new investor-focused reporting frameworks such as

the Sustainable Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD) are leading companies to provide greater transparency on these climate-related risks and opportunities.

This increased interest means that companies have become more active in **engagement and transparency** across their material ESG issues.

Product transparency databases, such as mindful MATERIALS (mM) and the Embodied Carbon in Construction Calculator (EC3), and third-party certification and material disclosure programs, including UL GREENGUARD, Declare® Labels, Health Product Declarations (HPDs) and Environmental Product Declarations (EPDs), are becoming prominent resources for assessing the health and sustainability of products, including **chemicals of concern, water, emissions, carbon footprints** and **responsible materials**.

THRIVING COMMUNITIES AND WORKPLACES

With an aging workforce, **attracting and retaining employees** is critical in the competition for talent. As a manufacturing company, **employee safety and well-being** continue to be a priority. We also focus on maintaining collaborative **employee relations.** We believe that offering fair wages with competitive total rewards will enable us to attract and retain the best talent, while helping to increase equity, financial health and overall employee well-being. In order to reflect our customers and communities and create an environment where employees feel safe, welcome and energized to perform at their best, **diversity, equity and inclusion** are a moral and business imperative.

Companies have reimagined their **community engagement** approach, looking at ways to channel resources to meet bold goals on health and well-being, whether through charitable contributions or otherwise.

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OUR MATERIALITY ANALYSIS

In 2020, we conducted a materiality analysis to define and prioritize key environmental, social and governance (ESG) issues impacting our company and stakeholders. We engaged with key stakeholders to understand their areas of concern and to validate our own sustainability approach.

The materiality analysis process

To identify our material issues, we assessed key ESG external reporting frameworks, including the _Task Force on Climate-related Financial Disclosures_ (TCFD), the _Sustainability Accounting Standards Board_ (SASB), _Global Reporting Initiative_ (GRI), and the _Future-Fit Business Benchmark_. We also considered material issues identified by key ESG raters and rankers, including Institutional Shareholder Services, MSCI and Sustainalytics, as well as an analysis of competitive sustainability reports. We then conducted interviews with approximately 20 external stakeholders, including architects, designers, certifiers and distributors, and internal leaders on areas of impacts, risk and opportunities.

We identified over 100 sub-issues and then clustered them into 27 issue groups. These issue groups were then prioritized in terms of their impact on stakeholders and our company overall.

The resulting analysis was reviewed and finalized in a workshop conducted with a cross-functional group of internal subject-matter experts. We have included a summary of our material issues in the table. Our top-rated material issues informed the selection of our program goals, and included circular economy, climate change, healthy and sustainable products, and employee health, safety and well-being.

➤ _Please refer to the Materiality section of our website to see the definitions of each of the material issues._

Legend: ▲ High impact ▲ Medium impact ▲ Low impact △ No impact

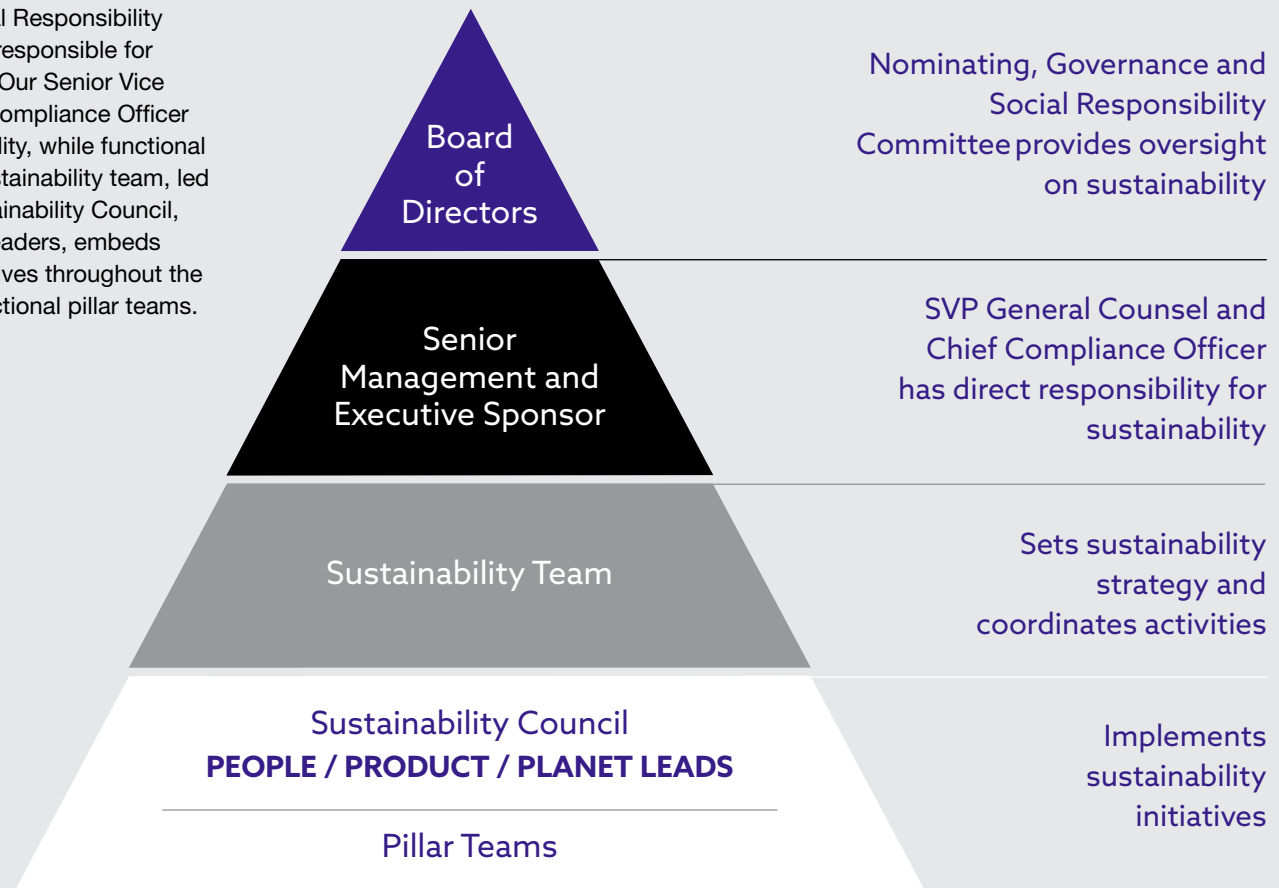|	Suppliers	Employees	Customers	Community	Regulators	Investors
People						
Employee health, safety and well-being	Low	High	High	High	High	High
Diversity and inclusion	High	High	High	High	Medium	Medium
Talent attraction and retention	Medium	High	Medium	Low	Low	Medium
Human rights	Medium	High	High	High	High	Medium
Employee relations	No	Low	Low	Medium	Medium	Medium
Community engagement	No	Medium	Medium	High	Low	No
Infectious diseases	High	High	High	High	High	High
Changes in how people live and work	High	High	High	High	High	High
Planet						
Environmental management	No	Medium	No	Low	Medium	Medium
Climate change	High	High	High	High	High	High
Water and effluents	No	High	High	High	High	Medium
Air emissions/quality	Low	Medium	High	High	High	High
Waste management	High	High	High	High	High	Medium
Circular economy	High	Medium	High	Medium	Medium	High
Responsible materials	High	High	High	Medium	Medium	High
Biodiversity loss	Medium	Medium	Medium	Low	Low	Low
Products						
Healthy and sustainable products	High	High	High	Medium	Medium	Medium
Responsible supply chain	High	High	High	Low	Medium	High
Chemicals of concern	High	High	High	Medium	Medium	Medium
Forest conservation	Medium	Low	High	Low	Medium	Medium
Conflict minerals	Low	Low	No	No	Medium	No
Economic						
Financial performance	High	High	High	Medium	Low	High
Indirect economic impacts	Low	Medium	No	High	High	Medium
Digital transformation/digitalization	High	High	High	Low	Low	High
Governance						
Corporate governance	No	High	No	Low	Medium	High
Ethical behavior	No	High	No	Medium	Medium	Medium
Engagement and transparency	No	High	High	High	Low	Low

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Governance

As we proceed on our sustainability journey, we will **be true to our principles** and maintain strong governance structures, clear lines of accountability, and consistent and transparent engagement with internal and external stakeholders.

Sustainability governance

We have clearly assigned responsibility for prioritizing environmental, social and governance (ESG) criteria. The Nominating, Governance and Social Responsibility Committee of our Board of Directors is responsible for oversight of our sustainability program. Our Senior Vice President, General Counsel and Chief Compliance Officer holds direct responsibility for sustainability, while functional leadership falls under our dedicated sustainability team, led by the Director of Sustainability. A Sustainability Council, with People, Product and Planet pillar leaders, embeds and implements our sustainability initiatives throughout the organization, with the help of cross-functional pillar teams.

Board of Directors

Nominating, Governance and Social Responsibility Committee provides oversight on sustainability

Senior Management and Executive Sponsor

SVP General Counsel and Chief Compliance Officer has direct responsibility for sustainability

Sustainability Team

Sets sustainability strategy and coordinates activities

Sustainability Council
PEOPLE / PRODUCT / PLANET LEADS

Pillar Teams

Implements sustainability initiatives

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Corporate governance

From the beginning, our founder, Thomas Armstrong, was determined that his company would act with fairness and in the "balanced best interests (of) customers, stockholders, employees, suppliers, community neighbors, government and the general public." To this day, we act consistently with these principles, and we take corporate governance seriously.

We continuously seek to adapt and apply best practices in our corporate governance. Our Board has been comprised of a majority of outside, independent directors since at least 1990. We established governance principles, a Board evaluation process and fully independent audit, finance, compensation and governance committees.

Within our current Board, 89% of our directors are independent, 22% are female and 22% are from minority populations.

Our Corporate Governance Principles, biographies and membership of our Board of Directors and Board Committees, and the charters of each of our Board Committees can be found in the *About Us* section of our website.

We also provide references to governance documents available on our website and in our GRI Content Index at the end of this report.

OUR CURRENT BOARD COMPOSITION

89% independent

22% female

22% minority

Enterprise risk management

We maintain a risk management process that includes oversight from our Board and audit committee, led by an internal risk council that includes executive leadership from our business segments, as well as finance, operations, legal, human resources and internal audit departments.

This risk council facilitates risk identification, mitigation, and oversight. The Board then reviews performance and the functioning of our overall risk management efforts and systems, and will help ensure that the Company has taken steps to incorporate the assessment of climate change in its risk assessments.

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Ethical behavior

We are committed to operating responsibly and with integrity everywhere we work.

Our values, embodied and established in our Operating Principles, are as follows:

- To respect the dignity and inherent rights of the individual in all dealings with people.
- To maintain high moral and ethical standards and to reflect honesty, integrity, reliability and forthrightness in all relationships.
- To reflect the tenets of good taste and common courtesy in all attributes, words and deeds.
- To serve fairly and in proper balance the interests of all groups associated with the business: customers, stockholders, employees, suppliers, community neighbors, government and the general public.

Our *Code of Business Conduct* (our Code) is centered on our Operating Principles and serves as the foundation of our compliance program, supporting our commitment to ethical behavior and integrity.

The Code is a tool to guide all employees in their decision making, providing a summary of important company policies and expectations. Employees who conduct business on behalf of Armstrong and its subsidiaries must comply with all applicable laws and regulations and meet high ethical standards.

The purpose of the Code is to:
- Provide principles to guide employees;
- Promote honest, ethical and responsible conduct; and
- Provide a basis to seek guidance or report a possible violation of the law or company policies.

The Office of Compliance oversees and monitors compliance with our Code, including adherence to company policies. All allegations of noncompliance are investigated and tracked by the Office of Compliance. Our company provides training on our Code and company policies to all employees. Training is conducted upon joining Armstrong, and annual certification is required for certain employees.

In addition to the Code, all Finance professionals are required to certify compliance with our Code of Ethics for Finance professionals, to demonstrate and verify our compliance with the law and with professional conduct measures. This certification is an important part of the Armstrong Finance culture.

Employees may raise concerns in confidence through our Office of Compliance, our Legal Department, the HR Department, any manager or our company's ethics line. The Compliance team follows up with an investigation into the matter until a resolution is found. In addition, the Internal Audit team conducts regular audits against the Code, and findings are brought to the Office of Compliance.

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Stakeholder engagement

We regularly engage with our stakeholders on a wide range of topics. The following table offers examples of recent engagements across different groups.

Stakeholder group	How they are engaged	Examples from 2020	Key topics
Employees	• Town halls • Open forums • Pulse, employee and site surveys • Employee resource groups • Training and development • Internal messaging • Intranet • Individual and team meetings	• We conducted pulse surveys with our employees to understand how our digitalization strategy was taking shape within the organization. • Employees were included within our sustainability reporting strategy process. • We held virtual quarterly all-employee town hall meetings.	Employee health, safety and well-being Diversity and inclusion Talent attraction and retention Human rights Infectious diseases Climate change Water and effluents Waste management Circular economy Responsible materials Healthy and sustainable products Financial performance Corporate governance Ethical behavior Engagement and transparency
Distributors/specifiers/architects/ designers/contractors	• Direct engagement with local Armstrong representative or regional manager • Techline • AWI website • Customer portals (e.g. My Armstrong and other digital communications platforms) • Industry group engagement (e.g., standards development and associations) • Commercial relationships • Catalogs • Design and estimating services (e.g. You Inspire™ Solutions Center, ProjectWorks® service, other estimating tools online) • Social media • Trade shows • Surveys	• We launched Kanopi™, the digital platform offering end-to-end solutions to accelerate renovation. Kanopi helps with demand generation, provides tools to identify the right ceilings, offers different types of customer service, a full portfolio of products and installation services. • We participated virtually in USGBC Greenbuild, Living Future and Metropolis in 2020.	Healthy products Circular products Embodied carbon/climate change Product transparency Employee health and safety Water and effluents Air emissions/quality Waste management Circular economy Responsible materials Chemicals of concern Forest conservation Financial performance Digital transformation/digitalization
Building occupants and owners	• Surveys • Market research • Direct engagement	• We completed a survey (see COVID-19 section) envisioning what workplaces would look like post-pandemic. • We achieved LEED®; WELL™ Health-Safety Rating; Fitwel® Safety Rating Certification to help protect building occupants.	Healthy products Product transparency Responsible materials Embodied carbon/climate change

Armstrong WORLD INDUSTRIES

Stakeholder engagement

Stakeholder group	How they are engaged	Examples from 2020	Key topics
Investors	• SEC filings • Individual investor calls • Quarterly earnings calls • Conference attendance • Presentations • Press releases	• We held shareholder outreach calls that included discussions on sustainability.	Corporate governance Financial performance ESG performance Climate change Employee health, safety and well-being Waste management Circular economy Healthy products
NGOs	• Direct engagement • Memberships • Partnerships	• We joined as members of several sustainability organizations—see Memberships and collaborations for more details.	Climate change Product transparency ESG governance Circular economy
Suppliers	• Direct engagement with procurement • Site visits and audits • Purchasing relationships	• We worked with third parties to assess materials for their alignment with supplier disclosure standards. • We assess our suppliers against our Supplier Code of Conduct. • We conducted virtual discussions with our suppliers.	Healthy and sustainable products Responsible supply chain Financial performance Digital transformation/digitalization
Community	• Partnerships • Donations and sponsorships • Employee volunteerism • Membership • Press releases	• We fundraised for the United Way and the Extraordinary Give in 2020, in addition to other causes.	Community engagement Diversity and inclusion Operational environmental footprint Chemicals of concern Engagement and transparency
Government	• Indirect engagement through industry associations (see Memberships and collaborations on the following page)	• We did not engage directly with government stakeholders in 2020.	Employee health, safety and well-being Human rights Infectious diseases Operational environmental footprint

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Memberships and collaborations

We are a proud sponsor and/or member of the following organizations:

Acoustical Society of America (ASA)

American Academy of Healthcare Interior Designers (AAHID)

American Institute of Architects (AIA)

American Society of Interior Designers (ASID)

Association of the Wall and Ceiling Industry (AWCI)

Ceilings and Interior Systems Construction Association (CISCA)

Ellen MacArthur Foundation

International Facility Management Association (IFMA)

International Interior Design Association (IIDA)

International Living Future Institute (ILFI)

International WELL Building Institute
Keystone Member

materialsCAN

National Association of Insulation Manufacturers (NAIM)

National Association of Manufacturers (NAM)

National Council of Acoustical Consultants (NCAC)

Renewable Energy Buyers Alliance (REBA)

Sustainable Brands

U.S. Green Building Council (USGBC)

ASHRAE

Center for Workplace Compliance

We are a signatory to the following initiatives:

Carbon Leadership Forum

Future Fit Foundation

Science Based Targets Initiative

United Nations Global Compact

United Nations Sustainable Development Goals

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COVID-19: Meeting the changing needs of our employees and customers

In 2020, the COVID-19 pandemic caused significant disruption, challenging us to rapidly adapt how we operated, while also rethinking how our product solutions will be used in the post-pandemic world. All our manufacturing facilities remained operational, while following governmental and local health authorities' guidance for limiting the spread of the disease.

These measures included encouraging remote work when possible, maintaining a maximum of 25% capacity at our campus; providing personal protective equipment; installing "no touch" surfaces; limiting group meetings; restricting business travel; implementing enhanced cleaning and sanitizing procedures; ensuring social distancing; and requiring a daily self-health risk assessment for employees working in person.

The realities of COVID-19 have also profoundly changed the way we think about meeting the emerging needs of our customers. The definitions of "healthy" and "safe" have changed significantly as a result of the pandemic and now include a focus on invisible threats, like airborne pathogens.

> ➤ *Please see "Understanding new workspace needs in a post-pandemic world" for more details on our research.*

In response to these heightened concerns, we launched the 24/7 Defend™ suite of products in October 2020, which contribute to healthier, cleaner, safer spaces with improved indoor air quality. The 24/7 Defend portfolio offers reassurance to people returning to indoor environments that they are surrounded by materials and systems that work around the clock to keep them safer and healthier. The 24/7 Defend portfolio of products is designed to:

- Contain and control air flow through AirAssure™ Ceiling Tiles, which form a tight seal and reduce airflow leakage, allowing air ventilation and filtration systems to work more effectively.
- Clean the air through the VidaShield UV24™ Air Purification system, which offers safe, unobtrusive in-room air purification for cleaner air, including shielded UV light and filtration that deactivates pathogens and reduces the risk of indoor air transmission of viruses.
- Provide ceilings that can be disinfected through the CleanAssure™ portfolio of ceilings, walls and suspension systems that can be fogged, sprayed or wiped clean.
- Provide dividers that can be disinfected and enhance social distancing, through products such as Infusions™ Resilient Partitions and other options from Moz Designs and TURF Design.
- Protect people building our spaces with pre-engineered system solutions that allow for fewer people on the jobsite.

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COVID-19: Meeting the changing needs of our employees and customers

UNDERSTANDING NEW WORKSPACE NEEDS IN A POST-PANDEMIC WORLD

The COVID-19 pandemic has upended the way we live and work in 2020 and 2021, and the impact of the pandemic will linger for some time. How we approach shared spaces has also changed as a result. After more than a year of intensive focus on how and when we interact with other people, many workers have new, higher expectations of workspace standards.

In early 2021, we conducted an online survey of 1,000 randomly selected people in the United States who work in offices, schools and hospitals, to better understand the changing attitudes toward traditional workspaces post-COVID. We found that the vast majority of respondents — around 83% — expect their workplace to be adaptable to future crises, such as another pandemic, as well as to the current climate change crisis. At least 84% of those surveyed also expect their workplace not only to be safe, but supportive of general well-being.

This survey data, along with our wider understanding of the healthy evolution of building materials, informs our design and manufacturing for human health.

Around

83%

expect their workplace to be adaptable to future crises, such as another pandemic, as well as to the current climate change crisis.

At least

84%

of those surveyed also expect their workplace not only to be safe, but supportive of general well-being.

ACHIEVING A WELL™ HEALTH-SAFETY RATING

We obtained the WELL™ Health-Safety Rating from the International WELL Building Institute for Building 402 and Building 5 on our main campus in Lancaster, Pennsylvania. The rating is an evidence-based, third-party-verified rating focusing on 22 strategies to help building managers on cleaning and sanitization procedures, emergency preparedness programs, health service resources, air and water quality management, stakeholder engagement and communication and innovation – particularly important in a post-COVID world.

➤ *Please see "Designing a more resilient workplace starting with our headquarters" for more details on our Living Lab and the changes made to our buildings.*

Armstrong WORLD INDUSTRIES

Healthy and Circular Products

Indoor environments can have a significant impact on our health and well-being. As the world recovers from the COVID-19 pandemic, the way we design, build and occupy has never felt more important for the health of people. At the same time, we are facing escalating environmental crises, including climate change, biodiversity loss, dwindling natural resource supplies and increasing waste and pollution. Through our **Healthy and Circular Products pillar**, we're committed to making products that create healthier, more sustainable spaces.

Sustainably sourced products

Our Goal: We aim to create products and solutions from healthy, sustainably sourced materials, by eliminating chemicals of concern through sustainable supply chains.

2030 TARGETS:

100% Products free of chemicals of concern.

100% Products with verified transparency.

100% Material sourcing activities evaluated for social, ethical and environmental performance.

The spaces where we live, work, learn, heal and play have important effects on our health and well-being. We seek to create products that not only avoid harm to people and the planet, but that also help to create healthy, inviting spaces.

DESIGNING AND TESTING

We consider the health and safety implications of our products, starting with the design process through manufacturing, installation and end use. All our products, whether manufactured by Armstrong or a qualified third-party vendor, undergo a comprehensive Product Safety Design Review process. This includes a multiphase screening of all safety attributes, including chemical content, seismic and fire performance and susceptibility to microbial development.

We have policies and practices in place to ensure that all raw materials and chemicals used in manufacturing and our final products comply with local and global safety regulations.

Our Material Screening Process provides a thorough review of any new ingredient that enters our manufacturing process, and we regularly review the latest regulatory guidance to ensure that all new and existing products comply with the requirements. We follow all state- and federal-level regulations, as well as directives published by industry and our customer trade organizations regarding chemicals of concern.

Many of the materials and ingredients used in our mineral fiber and fiberglass products have been in use for decades and are backed by years of testing. We screen all of our raw materials for potentially hazardous chemicals using safety data sheets — standardized OSHA hazard documents on health and safety implications that material manufacturers are required to submit to regulatory bodies — and other confidential information provided by our suppliers. One hundred percent of our product and service categories are assessed for health and safety impact improvements.

We take multiple steps across the value chain to ensure the safe use of our products. We follow our quality management process to ensure that our products meet internal product safety design review and third-party test standards. Our products go through third-party verification for fire and acoustical performance. At the construction stage, we ensure that the builders and contractors installing our product have guidance for a safe and effective installation. Following this guidance is mandatory to receive the product and system warranties. In addition, we conduct an annual audit of our distributors, which includes an assessment of meeting business and quality objectives, and we actively solicit feedback on our products through mock-ups and test installations from our customers, including biannual audits with contractors.

We participate in product labeling and attribute-certification programs that provide specific, third-party-verified disclosures on potential health hazards associated with product ingredients, as well as the environmental impacts of material sourcing and manufacturing processes.

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ELIMINATING CHEMICALS OF CONCERN

Indoor air quality has become an issue of increasing concern in recent years. Most people spend 90% of their time indoors and, according to the EPA, indoor air pollution can be 2 to 10 times higher than levels outdoors. The chemicals used in indoor building materials and many other products can release volatile organic compounds (VOCs) into the air. These include so-called "chemicals of concern" that may pose health risks to human and/or ecological species but are used in products for functional reasons due to a lack of alternatives.

Most people spend

90%

of their time indoors and, according to the EPA, indoor air pollution can be

2 to 10

times higher than levels outdoors.

As part of our 2030 targets, we are working to eliminate all chemicals of concern in our products. We define chemicals of concern using state-level databases in the United States, Restriction of Hazardous Substances (ROHS) Compliance, the European Union's Directive 2002/95/EC, which directs use restrictions for certain hazardous substances, as well as the European Chemicals Agency's current REACH list of restricted substances. As part of our commitment to transparency, we screen our products against these lists, as well as the current International Living Future Institute's Living Building Challenge® (LBC) Red List, to verify that they do not contain any chemicals of concern. We also publish our products' ingredients in our Health Product Declarations and Declare Labels. We plan to continuously monitor ongoing developments regarding chemicals of concern and adjust our practices where appropriate.

In 2017, we launched _SUSTAIN_®, the industry's largest portfolio of high-performing, sustainable ceiling and wall solutions. We can identify material composition to the 100 parts per million (ppm) level for our SUSTAIN® products, which are free of LBC Red List chemicals, and meet the most stringent health and environmental standards. As of 2020, 64% of our business is compliant with SUSTAIN® standards.

PRODUCT TRANSPARENCY

The sustainability and health implications of materials used in our everyday world is an issue of increasing importance, not only to building industry professionals but also to building occupants. For this reason, product transparency is a critical issue for our business, and an important part of how we work to create healthier spaces.

Transparency documents and certifications include Environmental Product Declarations (EPDs), Declare® Labels, Health Product Declarations, UL GREENGUARD, Forest Stewardship Council (FSC) Certificates and U.S. Department of Agriculture (USDA) Certified Biobased Products. In addition, our products that are part of the SUSTAIN product line are certified under UL GREENGUARD®, an internationally recognized labeling program for manufacturers of low-emitting indoor products and materials. Many of these labels and certifications contribute to green building standards, including U.S. Green Building Council LEED®, WELL Building Standard™, Living Building Challenge® and Living Product Challenge[SM]. We also conduct a life-cycle analysis as part of our EPDs, which includes environmental impacts during each stage of use.

➤ _To give customers and prospective customers ready access to this information, we centralize the certification documentation on our Transparency website and we also offer Green Genie™ a sustainable product search tool, powered by Ecomedes, to help users find the right solution, as well as the required submission documentation for the major green building rating systems._

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BUILDING A SUSTAINABLE SUPPLY CHAIN

The impact of our business and products extends beyond the walls of our own facilities. Building and maintaining a sustainable supply chain is an important part of our work to create products that support the health of people and the planet.

We expect our suppliers to follow the terms of our *Supplier Code of Conduct*, including compliance with environmental laws and regulations, mitigation of environmental impact and protection of employees' health and safety. The Supplier Code of Conduct, most recently updated in 2019, also includes expectations around key International Labor Organization conventions on the protection of human rights, avoidance of forced or child labor, and protection against discrimination. We have long-term relationships with our suppliers and typically visually inspect environmental and sustainability conditions during on-site visits.

The vast majority of our suppliers are now located in the United States, with the balance of our suppliers located in diverse geographical areas. For example, we import two major commodities from Europe for our mineral fiber ceiling tiles. We also source product ingredients from an American-owned company with operations based in China, and procure some of our slag, a byproduct of ore smelting used in our mineral fiber products, from

other international sources. Mineral fiber products that are processed in the United States account for approximately 90% of our raw material sourcing.

Our Architectural Specialties products are created from wood, steel, aluminum, felt and fiberglass reinforced gypsum, the majority of which are sourced primarily from North America. As part of wood procurement, we recognize the importance of managing and mitigating potential social and environmental issues related to raw and finished wood sourcing. Where possible, we pursue Forest Stewardship Council (FSC) and Sustainable Forestry Initiative (SFI) certification for our products. In the meantime, as we integrate new companies into the Armstrong family, we are focusing on understanding the cumulative footprint of our raw and finished wood sourcing, in terms of the percentage that are third-party-certified or meeting other fiber sourcing standards.

As we look forward, we are working toward a supply chain management system that will enhance collaboration with suppliers and address current challenges, including limited transparency around ingredients in third-party materials and products.

CONFLICT MINERALS STATEMENT

Armstrong World Industries does not source or knowingly use gold, tin, tungsten or tantalum in any of its products. We make a good-faith, reasonable country-of-origin inquiry regarding conflict minerals at least annually. Our aim is to avoid knowingly buying conflict minerals from the Democratic Republic of Congo and adjoining countries, or directly from mines, smelters or refineries. We work with our suppliers to obtain accurate information about their purchasing practices and include language around compliance with conflict minerals laws in our supplier contracts.

➤ *Read more about our conflict minerals policy*
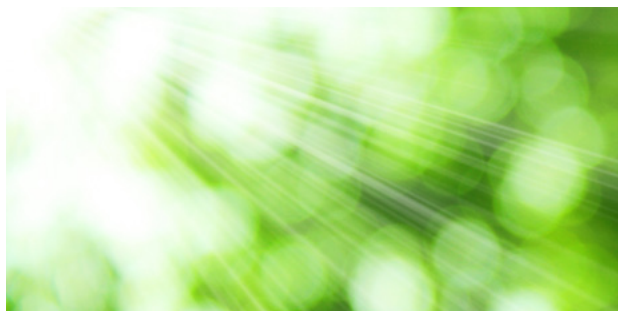
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Circular products

Our Goal: We aim to design our products to be recycled, reused or repurposed and drive circularity in our operations, with customers, and throughout our value chain.

2030 TARGETS:

50%

Products recycled, reused or repurposed at end of use.

With the overlapping threats of climate change, natural resource loss and a proliferation of waste becoming clearer every day, nearly every industry needs to reconsider its approach to business as usual. A circular economy — in which waste and pollution are designed out, products are kept in use and natural systems are regenerated — is an important tool to address these wider issues. It's also a key part of our journey to becoming a resilient company that can address the challenges of the 21st century.

Circular product design is a key part of our approach to sustainable products. This is also part of our strategy to meet resilient break-even goals to eliminate GHG emissions related to our products and to do all we can to encourage product repurposing at end of life. We have been an early leader in integrating circularity principles into our products. Since 1999, we have operated our Ceiling Recycling Program, which allows our customers to recycle their end-of-life ceiling tiles, to be remanufactured into new products. As of 2020, the program has diverted more than 200 million square feet of ceiling tile from the landfill. The program also helps our customers meet their own waste reduction targets, and we provide calculators that directly measure the resulting environmental impact and savings.

As we pursue our circularity goal, we will be expanding our efforts around recycling, reusing and repurposing into other product categories.

ELLEN MACARTHUR FOUNDATION
Member

We joined the Ellen MacArthur Foundation in 2021, to support our continued objective to create circular products and services.

CEILING RECYCLING PROGRAM

As of 2020, this program has diverted over

200 million

square feet of used ceiling materials from the landfill.

Armstrong WORLD INDUSTRIES

Reduced carbon and water footprint

Our Goal: We aim to make a positive contribution to spaces and the environment by decreasing our products' carbon and water footprint, and by creating solutions that actively contribute to health and wellness.

2030 TARGETS:

50% Reduction in the carbon footprint of our products compared to a 2019 baseline.

20% Reduction in the water intensity of our products compared to a 2019 baseline.

REDUCED WATER

As a key input in the creation of our products, we aim to further develop our capabilities in reducing our manufacturing processes. See the *Optimized water* section for further details of our initiatives.

LEADING THE WAY ON EMBODIED CARBON

The building and construction industry has a very large carbon footprint — the energy required to construct and operate buildings accounts for around 40% of total global greenhouse gas emissions. This includes so-called embodied carbon, a significant and often overlooked aspect of emissions in the industry. The carbon associated with the extraction and production of construction materials, from concrete and steel to wood products and mineral fiber, is known as embodied carbon, and is expected to account for almost half of total new construction emissions between now and 2050. Unlike the emissions of a building during its use, which can be improved over time through energy management and other operational steps, embodied carbon emissions are fixed once construction is complete.

There is a growing shift in the architecture and construction community toward reducing embodied carbon. At Armstrong, we have an opportunity to positively contribute to this shift by creating lower-carbon products and committing to greater product transparency to help our stakeholders make informed decisions. We are a Platinum Sponsor of the Carbon Leadership Forum, a collective of architects, engineers, contractors and other industry professionals working to decarbonize buildings and infrastructure. We are also a Founding Member of materialsCAN (Carbon Action Network), which includes members of the global building industry who are ready to act on the smart prioritization of embodied carbon in building materials. In addition, all the products in our mineral fiber line are available on the Embodied Carbon in Construction Calculator (EC3), a free tool that allows building professionals and policymakers to better understand the carbon embodied in various types of materials.

Global CO_2 Emissions by Sector

- Other 9%
- Building Operations 28%
- Building Materials and Construction 11%
- Transportation 22%
- Industry 30%

Source: https://architecture2030.org/new-buildings-embodied/

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Reduced carbon and water footprint
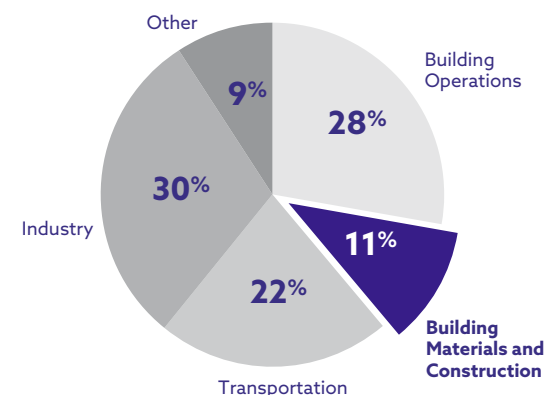
DESIGNING A LIVING WORKPLACE AT OUR CAMPUS HEADQUARTERS

Creating spaces that are healthy for people and the environment is a top priority at Armstrong, and this focus has only intensified as a result of the recent pandemic. Our campus headquarters in Lancaster, Pennsylvania, stands as a testament to this commitment. The main campus building, known as Building 701, earned LEED® Platinum Certification for New Construction in 2007, LEED Platinum Re-certification for Existing Buildings: Operations and Maintenance in 2014, and LEED Gold in 2020. This building's current renovation is being executed according to the LEED Interior Design and Construction standard and is currently expected to be completed in 2022-2023.

We consider the health of our building occupants to be just as important as our impact on the environment. In 2021, Building 402 of our campus, also known as the Armstrong Avenue, and our Building 5 complex earned a WELL™ Health-Safety Rating from the International WELL Building Institute (IWBI). The Avenue also earned a Fitwel® certification for its healthy design from the Center for Active Design. For more on our efforts to support sustainability and well-being on our campus, see _our website_.

In 2020, working closely with a wide range of partners, architects and designers, we began to create a dedicated pilot space in the Armstrong Avenue to serve as a "Living Lab" for healthy space

innovations. Throughout 2021, we will be testing new design features that utilize our new and existing Armstrong® products in the pilot space. Our aim is to go beyond the traditional parameters of healthy spaces, like acoustics and good lighting. For example, we're testing sensors that monitor and display CO_2 levels and occupancy density in real time. We are also integrating biophilic design elements, like ample natural light and easy access to outdoor work and social areas. Find out more about our living lab installation on _our website_.

As we move forward, the features we pilot will inform improvements across our campus. Ultimately, our goal is to create the safest, healthiest office space possible for our employees, and then leverage those innovations far beyond the bounds of our campus, to our customers.

➤ _Take a Tour_

Armstrong® WORLD INDUSTRIES

Healthy Planet 🌍

In order to create healthy buildings and spaces, we need a functioning and stable environment.

The threats we all face from climate change—as well as related issues of waste, pollution, natural resource depletion and biodiversity loss—have never been more pressing. We are driven to create innovative, sustainable products that make responsible use of resources and can support a more restorative natural environment. Through our **Healthy Planet pillar**, we are also working to improve sustainable operations across our company and to do more with less.

Reduced carbon footprint

Our Goal: We aim to reduce our greenhouse gas emissions and increase our reliance on renewable energy using climate-science based targets.

We recognize the potential impact the escalating climate crisis may have on our business, as well as on our customers and communities. We want to minimize these impacts and to contribute to solutions, and we recognize that climate change mitigation and adaptation are of material importance to our company.

CLIMATE CHANGE

We monitor risks related to climate change, as well as opportunities to meet changing customer needs and lead the industry on more sustainable practices and products.

RISKS

We depend on functioning, stable ecosystems to source raw materials, like mineral fiber and wood, for many of our products. Climate change, and related impacts on natural resource and biodiversity loss, threatens to drastically disrupt ecosystems, potentially impacting our access to raw materials. Products made of post-consumer materials may also face future supply shortages, as customer demand for more sustainable options increases. As climate change causes more frequent and severe weather events, we also face weather- and natural disaster-related risks at many of our facilities, as well as risks at key suppliers and customers. Severe weather conditions could also disrupt residential or commercial construction activity, which is

a key driver of our business. In addition, new regulations have the potential to affect our business, and to increase the costs of energy and transportation of our products. Other stakeholder concerns, such as deforestation, waste and recyclability, could become subject to further regulation. Lastly, because investors are increasingly focused on climate change, in the absence of positive performance, investors could start to divert capital.

OPPORTUNITIES

We are working to reduce our greenhouse gas emissions, limit waste and optimize our water use, which we discuss further in this report. The building and construction industry accounts for over 40% of global greenhouse gas emissions. There is an enormous opportunity to improve industry performance and make positive contributions to

2030 TARGETS:

30% Reduction in absolute Scope 1 and 2 greenhouse gas (GHG) emissions from a 2019 baseline, in accordance with the Science Based Targets initiative (SBTi), allowing us to meet a well below 2°C scenario.

100% Electricity needs sourced from renewable energy.
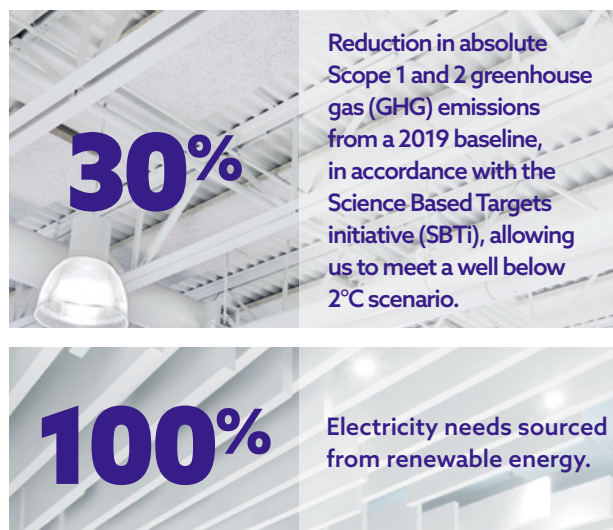
ALIGNING OUR GOALS WITH CLIMATE SCIENCE

The private sector has a critical role to play in the global response to climate change. We recognize our responsibility to reduce our carbon emissions significantly, and to do so in a way that aligns with climate science. In April 2021, we joined the *Science Based Targets initiative*, to set goals in line with the Paris Agreement under the United Nations Framework Convention on Climate Change. Working with the SBTi, we set an internal goal to meet a well-below 2°C target and have committed to reducing absolute Scope 1 and Scope 2 GHG emissions by 30% from a 2019 baseline. Achieving this goal will offset all of our carbon emissions from electricity usage and a portion of our natural gas usage. Moving forward, we are continuing to work with the SBTi to set a Scope 3 emissions target.

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the fight against climate change, especially with the move toward more energy-efficient buildings and targets for net-zero greenhouse gas emissions. As building codes, industry standards and customers move toward more sustainable materials, we are creating innovative products and solutions that better support the health of people and the planet. Our greenhouse gas reduction efforts — including our work on _Embodied Carbon_ — also help future-proof our business against regulatory shifts, save us money over the long term and respond to growing investor demands for net-zero or net-positive climate action.

GOVERNANCE AND TRANSPARENCY ON CLIMATE RISK

For our approach on governance with respect to our climate change initiatives, please refer to the Sustainability governance section of the report, our Code of Business Conduct and our Environmental Policy.

FUTURE ACTIVITIES

In this, our first comprehensive sustainability report, we address several key recommendations of the Task Force on Climate-Related Financial Disclosures, also known as TCFD (see index, page 71-72). In 2021, we plan to assess climate-related scenarios, in line with TCFD recommendations and our overall approach to enterprise risk management. These scenarios will also support our progress towards our Science-Based Target.

CLIMATE CHANGE PERFORMANCE DATA

Our emissions decreased in 2020, due to COVID-19 related production decreases and, in the short term, we expect emissions to increase due to new acquisitions and an increase in production. However, we expect this will be mitigated as we make progress towards our climate change targets.

Scope 1 emissions (metric tons CO_2e)

2019	206,466
2020	160,484

Scope 2 emissions (metric tons CO_2e)

2019	104,439
2020	100,786

Total Scope 1 and 2 emissions (metric tons CO_2e)

2019	310,905
2020	261,270
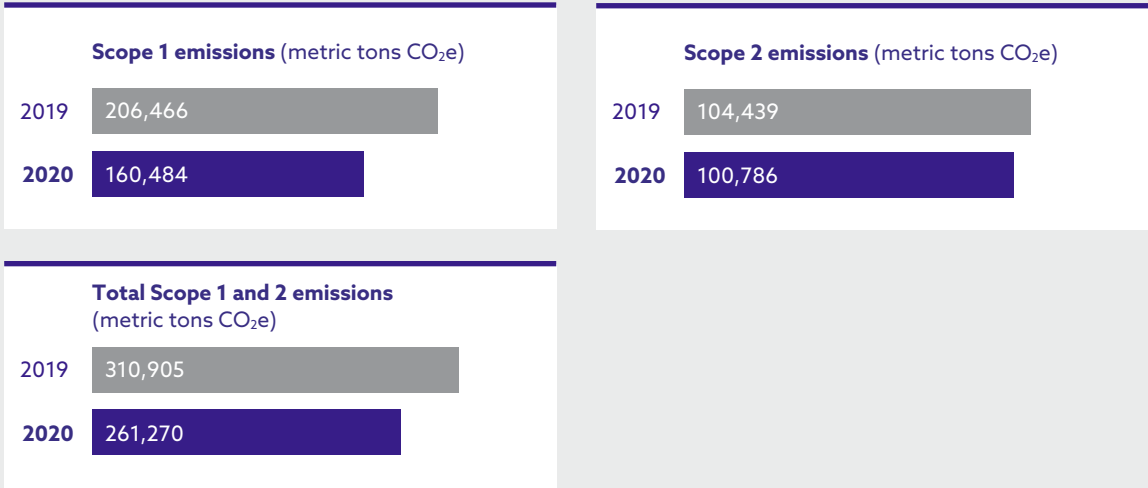
Note:
- Data does not include emissions from our discontinued operations (our international businesses in Europe, the Middle East and Africa, including Russia, and Asia-Pacific, which we sold to Knauf International GmbH in September 2019).
- 2019 and 2020 data excludes Oakland (Moz Designs), Elgin (TURF Design) and Los Angeles (Arktura) facilities.
- Armstrong World Industries has acquired the following businesses in the last five years: Tectum (January 2017), Plasterform (May 2018), Steel Ceilings (August 2018), ACGI (March 2019), MRK (November 2019), TURF Design (July 2020), Moz Designs (August 2020) and Arktura (December 2020).
- CO_2e refers to carbon dioxide equivalents.
- We do not currently track our Scope 3 emissions or the factors influencing GHG emissions reductions, but will begin to do so in 2021.
- Scope 1 emissions include on-site fossil fuel consumption and Scope 2 emissions include purchased electricity.
- Scope 1 currently represents natural gas consumption only.
- Climate change performance data is currently under review as part of developing our final SBTi targets. These values may change in the future.
- The data presented here has not been audited and represents our best attempt at collecting accurate information about our performance on key issues. As we improve and formalize our data tracking systems, we may retroactively adjust these figures in future reports.
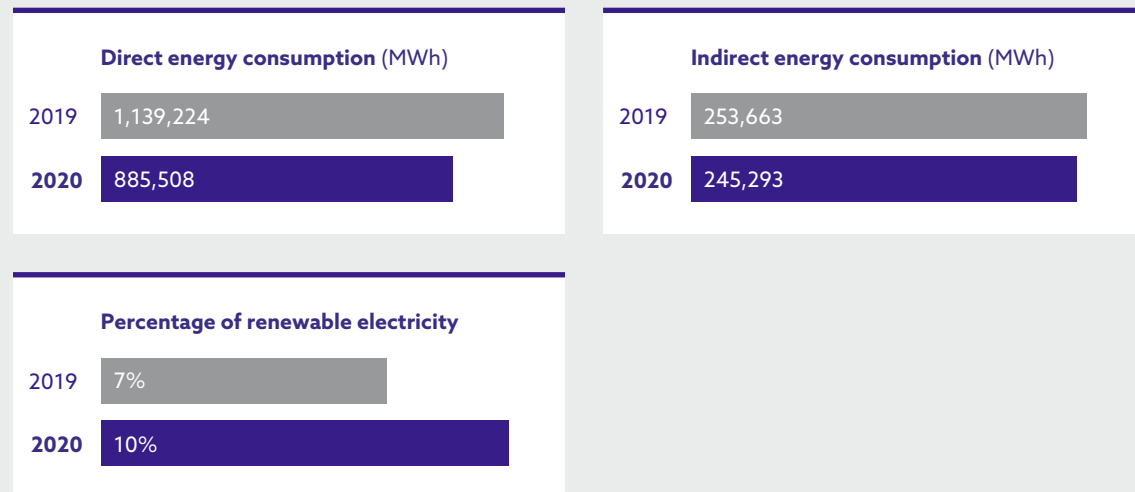
Armstrong
WORLD INDUSTRIES

ENERGY

Some of our products are energy-intensive to manufacture. For this reason, we have identified our energy sources as key target areas for improving our carbon footprint. Currently, natural gas combustion makes up nearly 70% of our Scope 1 and 2 greenhouse gas (GHG) emissions, while approximately 7% of our total electricity comes from renewable sources. We have set an aspirational target to shift to 100% renewable energy for our electricity and decrease GHG emissions by 30% by 2030. We are exploring various renewable energy solutions, direct and indirect, to meet our 2030 goal, including on-site solar, off-site solar, battery storage and renewable energy credits, among others.

Mineral fiber manufacturing — in particular the board-drying process — accounts for the majority of our energy use within our portfolio, and this process currently relies on natural gas. For a large portion of our products, our finishing process includes coating dryers that are also fueled by natural gas. Overall energy conservation measures are an important part of our strategy to reduce our energy use, and we are being more intentional about how we upgrade our manufacturing equipment, to achieve efficiency gains.

In addition, some of the more sophisticated and higher-quality products evolving in our portfolio demand more energy to manufacture. We anticipate this to be a challenge moving forward, requiring design innovation and careful operational monitoring as we strive to meet our emission reduction goals. Currently, we're exploring ways to better embed a sustainability lens in our product design and manufacturing processes.

ENERGY PERFORMANCE

Direct energy consumption (MWh)

Year	Value
2019	1,139,224
2020	885,508

Indirect energy consumption (MWh)

Year	Value
2019	253,663
2020	245,293

Percentage of renewable electricity

Year	Value
2019	7%
2020	10%

Notes:
- Direct energy consumption refers to natural gas consumed in our facilities.
- Indirect energy consumption refers to electricity used at our facilities.
- The percentage of renewable energy was derived from the amount of renewable energy currently used on the grid.
- The data presented here has not been audited and represents our best attempt at collecting accurate information about our performance on key issues. As we improve and formalize our data tracking systems, we may retroactively adjust these figures in future reports.

Circular systems

Our Goal: We aim to eliminate waste through innovative manufacturing processes and by creating circular systems from order to delivery.

We recognize that we have an important role to play in managing waste streams. Designing waste out of our value chain is key to our transition to a circular economy model.

Our mineral fiber products account for the majority of our environmental footprint, including waste. Waste generated during production is recycled back into the manufacturing process wherever possible. We use recycling streams like post-consumer waste — including newspapers, telephone books and water bottles — as

Waste reduction is a crucial part of building a more sustainable future, and we have set the following target to guide and monitor our progress:

2030 TARGET

50%

Reduction in absolute waste from our operations, from a 2019 baseline.

With

less than one-third

of all construction and demolition waste recovered and reused globally, we take a proactive stance toward waste reduction.

well as pre-consumer fiberglass and mineral wool, to reduce the use of virgin materials in our products. Our waste streams include unusable product scrap and materials filtered out during processing, raw material packaging and paint waste, among other sources. We also create a relatively limited volume of hazardous waste, including unused chemicals and aerosol cans.

With less than one-third of all construction and demolition waste recovered and reused globally, we are working to integrate a circular economy approach across our portfolio. We first focus on creating high-quality products that encourage long-term use, to postpone the day when they need to be removed. At the end of life, we offer a ceiling-tile recycling program that diverts waste from the landfill and converts used products into new inventory.

▶ *More information on our approach can be found in the* <u>*Circular products*</u> *section of this report.*

WASTE PERFORMANCE

Non-hazardous waste (landfill) (metric tons)

Year	Value
2019	18,588
2020	18,491

Non-hazardous waste (incinerator) (metric tons)

Year	Value
2019	270
2020	316

Hazardous waste (metric tons)

Year	Value
2019	52
2020	91
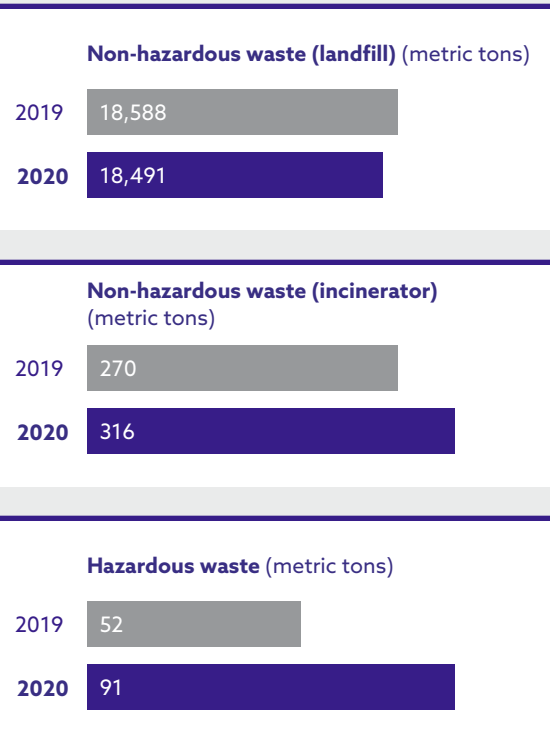
Notes:
- 2019 and 2020 figures exclude data from Montreal, Campus, Moz, TURF and Arktura.
- 2019 figures exclude January and February data for ACGI due to the acquisition date of March 2019.
- The increase in hazardous waste was due to disposal of a large amount of chemicals that became unusable due to acquisitions and consolidation of operations.
- The data presented here has not been audited and represents our best attempt at collecting accurate information about our performance on key issues. As we improve and formalize our data-tracking systems, we may retroactively adjust these figures in future reports.

Armstrong WORLD INDUSTRIES

Optimized water

Our Goal: We aim to optimize our use of water and contribute to water management and restoration efforts by reducing our reliance and impact on local water systems.

Access to clean, adequate water resources is an issue of growing concern around the world, and one that could have an even more significant impact in the future. We do not currently operate in any areas experiencing high water stress, but we are still mindful of our responsibility to limit our consumption and protect local watersheds from pollution.

Our water usage varies across our operations, but our mineral fiber board forming process is the most water-intensive. The majority of our water use is in the raw material slurry used for board forming at our Macon, Georgia; Marietta, Pennsylvania, and Pensacola, Florida, plants. This slurry is dewatered through mechanical processes to create a mat, which is then conveyed through

2030 TARGET

100%

Water management practices include measures designed to minimize usage and environmental discharge.

WATER USE IN MINERAL FIBER CEILING TILE MANUFACTURING
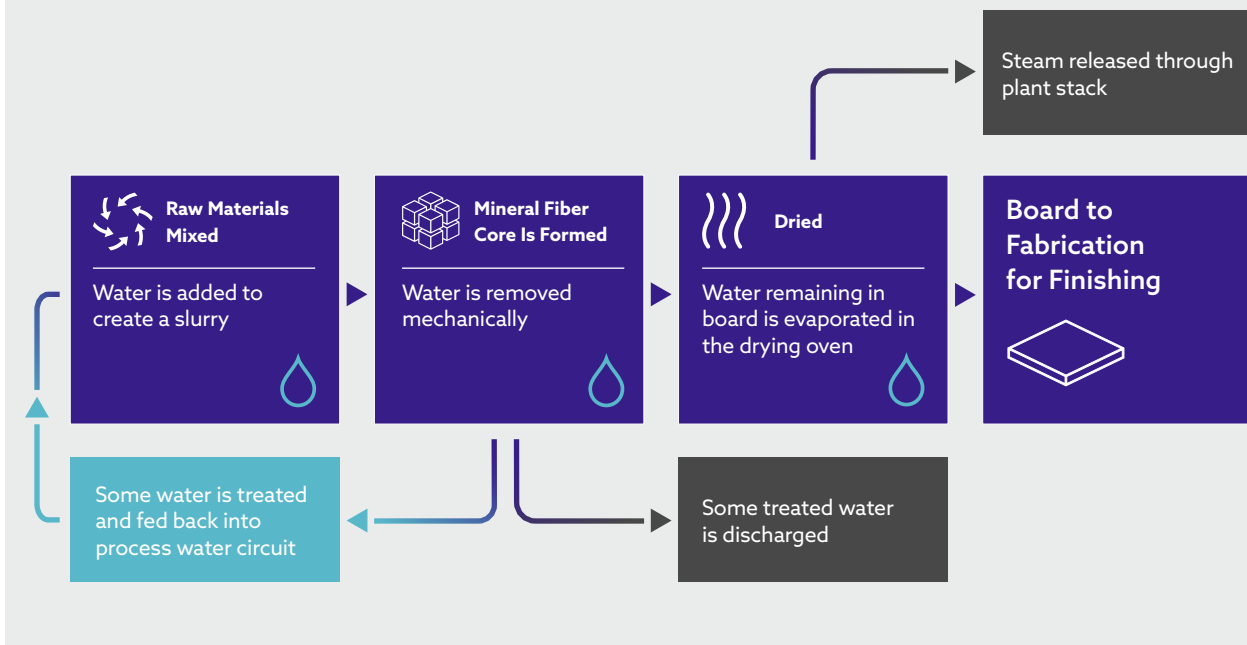
a large natural gas dryer, where the remaining water is evaporated. The water collected from the dewatering process is collected and treated. A portion of the treated water is then reused in the process and a portion is discharged (to surface water bodies or publicly owned treatment plants, depending on the location).

We are working to both limit the quantity and improve the quality of our discharge water. The water treatment system at each plant is unique, making much of the work very focused at the facility level. All of our U.S. facilities are subject to local, state and federal discharge requirements, and in many cases are permitted.

➤ *Under our Environmental Policy, AWI management is responsible for implementing appropriate environmental control and compliance plans.*

WATER PERFORMANCE

Water use (gallons)

2019	725,002,109
2020	642,077,027
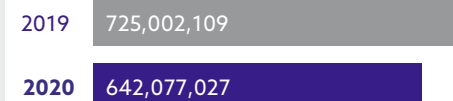
Notes:
- Water use excludes the Montreal, Campus, Moz, TURF, and Arktura locations.
- The data presented here has not been audited and represents our best attempt at collecting accurate information on our performance on key issues. As we improve and formalize our data-tracking systems, we may retroactively adjust these figures in future reports.

Armstrong WORLD INDUSTRIES

Environmental compliance

We have systems in place designed to ensure that we are compliant with all environmental regulations. For example, our facilities conduct annual Environment, Health and Safety self-assessments and complete a corporate audit every three years. We also regularly update our audit procedures to align with evolving ISO 14001 standards.

In 2020, these audits were complicated by the COVID-19 pandemic. We are now able to complete some of these audits remotely and are working to return to our usual schedule of on-site audits.

We expect all our employees to comply with applicable environmental rules and regulations under our Environmental Policy and our Business Code of Conduct.

New plant managers receive compliance training when they start, and environmental training modules are included regularly with health and safety training, and as required by applicable permits and regulations. We maintain an Incident Management Plan, and site Emergency Action Plans, which set out protocols on how to handle emergencies, including spills or emissions from any of our facilities that could impact local communities.

➤ *Our environmental compliance performance is reported in the* GRI Content Index.

Armstrong
WORLD INDUSTRIES

Biodiversity

Biodiversity loss related to climate change, industrial activity and habitat disruption is a global issue that is of increasing concern based on emergent research. Species loss has a ripple effect across ecosystems and poses various risks to humans, including food insecurity, exacerbation of climate change and major disruptions to commodity supply chains. The impacts of biodiversity loss can also manifest in unexpected ways. For example, scientists have shown that loss of biodiversity increases the risk of human-to-animal virus transmission, which is believed to have been a possible source of the COVID-19 pandemic in 2020.

We seek to be responsible stewards of the ecosystems we impact. We have not established a specific biodiversity target for 2030, but we expect this to be an increasingly important issue for our company and the building industry at large in the near future. Our company impacts biodiversity through raw material sourcing, and through the construction of buildings in which our products are used. We remain mindful of biodiversity risks, including ecosystem disruption and deforestation, and work to mitigate these by engaging in responsible sourcing practices, reducing our environmental footprint and making positive contributions to our local ecosystems.

We are also aware that stakeholder and investor concern around biodiversity will accelerate and we will continue to monitor developments and evolve our practices.

➤ *For more on our approach to procurement, see the* <u>*Sustainable Supply Chain*</u> *section of this report.*

IMPROVING BIODIVERSITY AT OUR FACILITIES

Since 2016, we have worked to convert a former landfill at our Macon facility into a functioning ecosystem. We partnered with the Pollinator Project, a nonprofit focused on protecting pollinating species, to begin to restore the natural landscape at the site. We turned the site into a 4.5-acre meadow planted with 20 native plants that attract and support bees, butterflies, birds and other species crucial to a functioning ecosystem.

At our corporate headquarters, we planted a 1-acre sunflower field as part of the national Great Sunflower Project in 2019 to attract pollinators. We also planted butterfly weed, a plant critical in the life cycle of monarch butterflies. In 2021, we continued our participation in the Great Sunflower Project with a new planting.

CREATING LIVING PRODUCTS THAT HELP MITIGATE CARBON

At Armstrong, we are on a journey to create products that not only avoid harm, but that create a net-positive impact. We were the first ceiling manufacturer to earn a Living Product Challenge® certification from the International Living Future Institute (ILFI), which challenges manufacturers to find innovative ways to make their products net-positive. Our TECTUM® Ceiling and Wall Panels, which are made of natural fibers from the Wisconsin aspen tree, achieved Imperative Certification from the ILFI in 2018 for their carbon reduction benefits. The Wisconsin aspen tree is very efficient at sequestering atmospheric CO_2 and is a highly resilient species. The trunk of the aspen that grows above ground can live for between 40 and 150 years, and its root system can survive for thousands of years. The species also quickly regenerates trunks that have been harvested, giving our TECTUM® ceiling and wall products a link to carbon sequestration. Our TECTUM® product line uses Rainforest Alliance Certified™ and Forest Stewardship Council® raw material standards to ensure that we are sourcing from sustainably managed forests.

➤ *More details are available in our TECTUM®* <u>*brochure*</u>.

Armstrong®
WORLD INDUSTRIES

Thriving People and Communities

Through our **Thriving People and Communities pillar**, we will aim to create healthy and restorative spaces, both within our company and in our communities. That means that we cultivate and maintain an environment that encourages safe, healthy and fulfilled employees and that we develop an inclusive culture and diverse workforce at all levels of the organization. Through the Armstrong World Industries Foundation (AWIF), our 501(c)(3) charitable organization, we are also actively engaged in the communities where we operate.

Community engagement

Our Goal: We aim to engage in communities where we operate to make them vibrant places to live and work by strengthening and supporting local programs and fostering impactful relationships.

We operate in 20 locations across the Americas, and we are committed to being a good community member in the places where we live and work. Through the efforts of our company and employees and leveraging the resources of the AWIF, we aim to make a positive difference in our communities.

We have set the following targets for our community engagement work:

ONGOING

Locations formally engaged in local community

outreach.

Employees offered opportunities to

actively engage

in their communities.

Increased

community

engagement scores year over year.

THE ARMSTRONG WORLD INDUSTRIES FOUNDATION

Since its inception in 1985, the Armstrong World Industries Foundation has donated more than $50 million to charities. Today, the Foundation's strategy is primarily focused on making a positive difference in the lives of people where they live, work, learn, heal and play, awarding grants to 501(c)(3) organizations that meet at least two of the following criteria:

- Operate in communities where AWI employees live and work;
- Commit to elevating the importance of design and buildings in people's lives;
- Renovate the buildings where they operate to improve their spaces and therefore the quality of service they provide to the people they benefit; and
- Focus on those who are most in need, particularly underserved children and early childhood education.

This approach encourages opportunities to partner with the business to provide in-kind ceiling solutions and services. We also offer an employee match program, and volunteer opportunities for employees and retirees.

Since its inception in 1985, the Armstrong World Industries Foundation has donated more than

$50 million

to charities.

Armstrong®
WORLD INDUSTRIES

AWARDING BUILDING IMPROVEMENT GRANTS

The Foundation works with nonprofits in the communities where AWI operates, to help create improved environments for the constituents they serve. For example, in Pennsylvania, the Foundation worked with the Boys & Girls Club of Lancaster, to provide in-kind and financial support to renovate two facilities for local children in need of a safe, engaging, inviting place to study, play and socialize. In 2017, the Foundation provided $100,000 in financial support and over $150,000 in product donations, design and construction expertise, as well as a one-time $25,000 maintenance grant. The Foundation has completed similar projects with the Lancaster Science Factory and the Lancaster Early Education Center.

INVESTING IN THE ARMSTRONG FOUNDATION

In 2020, Armstrong World Industries, Inc., gifted $10 million to the Foundation in support of its mission and strategy.

COMMUNITY EVENTS AND VOLUNTEER EFFORTS

Our employees actively volunteer in their communities. Through the foundation, we offer a gift-matching program for employees who contribute monies or volunteer time to causes they care about.

We continue to look for ways to streamline our giving and volunteering, and to support employees' participation in signature organizations and causes the Foundation and AWI support, including:

- **United Way** — Armstrong has proudly supported United Way fundraising and volunteer campaigns since 1924, with millions raised by employees and matched by our company.
- **Columbus Zoo** — With four manufacturing facilities in the greater Columbus, Ohio, area, the Foundation contributes to the Columbus Zoo to support its operations and conservation programs. Plant employees and their families have also participated in a family walk at the Zoo called OutRun Autism, to raise awareness and funds for autism programs and services throughout Ohio.
- **Extraordinary Give** — The Foundation supports the Extraordinary Give, an annual event that raises more than $10 million in a 24-hour period for communities in Lancaster County, Pennsylvania, where more than a thousand Armstrong employees live, work and raise their families. In 2020, the Extraordinary Give raised $13.5 million for 522 participating community nonprofit organizations, exceeding the previous year's achievement of $10.9 million. Armstrong employees raised $22,167 and the Foundation contributed $25,000 to the Extraordinary Give.

"The Armstrong World Industries Foundation is one of the vehicles that Armstrong World Industries uses to enrich the communities where our employees — and their friends, families and neighbors — live and work. Our goal is to help lift up our communities by bringing our support to what we know best, and that's making our built environments better. That's Armstrong's focus, and as the company's philanthropic arm, that's the Foundation's focus, too. It's very rewarding to help nonprofits improve their spaces for the people they serve. Our environments influence how we feel and how we perform, and everyone deserves safe, healthy, supportive places to live, work, learn, heal and play in. That's how Armstrong and the AWI Foundation are making a difference."

Jennifer Johnson
President, Armstrong World Industries Foundation

Armstrong WORLD INDUSTRIES

Talent acquisition and retention

We believe employees are our greatest asset, and strong employee engagement is essential for business performance. We aim to create a supportive culture that recognizes our employees as a key player in Armstrong's future. While we have approximately 2,700 full-time and part-time employees working in 20 facilities, we encourage employees get to know one another and to collaborate with leaders and colleagues across our company. It is not unusual for Armstrong employees to have a long tenure at our company; on average, employees have been at our company for 11 years.

BENEFITS

We offer benefits to our employees that include medical and dental assistance, education sponsorship, life insurance, dependent care reimbursement account, employee assistance program, employee purchase program, medical flexible spending account, overtime pay, savings and investment plan 401(k). We also use personal development planning to help employees progress in their career based on their strengths and interests.

With new acquisitions, we continue to align our benefit offerings for each location.

➤ *Please see the GRI Content Index for further details.*

RECOGNITION

We have a working culture that rewards individual achievement, teamwork and collaboration. We believe employee recognition increases engagement, supports customer satisfaction, reduces turnover and, most importantly, makes employees feel appreciated.

We recognize employee achievements in a number of criteria: process improvement, quality, total customer experiences, sustainability, sales, technology/ innovation, safety and leadership. Employees can nominate one another, and the award is approved by the nominee's line/department supervisor, manager, vice president, manager or in the case of extraordinary achievement, by the CEO. We have different levels of achievement, including:

- A quick hit, which recognizes extra-effort achievements that have meaningful impact on the effectiveness of a department or team;
- A bronze award, which recognizes achievements of significant value that contribute to department or team objectives;
- A silver award, which recognizes achievements that contribute to overall department or functional objectives; and
- A gold award, which recognizes outstanding/ extraordinary achievements that contribute to overall Company results.

In addition, we offer service awards for key five-year milestones to mark and celebrate employees' tenure at Armstrong.*

*We have not implemented our Awards program at our last three acquisitions of TURF, Moz and Arktura, due to the integration model. All other locations are eligible.

ENGAGING EMPLOYEES IN DIGITALIZATION

Over the past few years, we have significantly transformed the way we do business, through a push for greater digitalization. This has changed how we do business, automating less value-added tasks and focusing us on the success of our customers. In 2020, we conducted a number of pulse surveys to better understand how these changes have affected employee engagement.

97%
of employees surveyed stated that they consistently and easily connect to online tools and resources.

97%
of employees surveyed stated that adopting digital habits has positively influenced their work.

94%
of our employees agree that they are experiencing greater collaboration and digital innovation across Armstrong today.

Armstrong
WORLD INDUSTRIES

ACQUIRING TALENT DURING THE PANDEMIC

During the pandemic, we found new ways to identify and acquire full-time talent. As of March 13, 2020, all of our in-person interviews became virtual, and in some cases, some of our new hires at our campus started their roles remotely, with new hires at our manufacturing facilities in person, with all COVID-19 safety precautions being taken. This has opened up new possibilities for how and where employees work.

We typically hire for Information Technology, Finance, Engineering and Sales roles at colleges, through in-person career fairs. All of our college hiring in Fall 2020 was virtual, and because this did not involve travel, it allowed us to take part in 27 career fairs, an unprecedented number. We also expanded our online outreach to more schools, through our partnership with Handshake, a platform we use to post jobs on campuses and reach out to students, and with RippleMatch, a platform for early-career hiring that allows us to build diverse talent pipelines with its virtual tools. After career fairs, we invite students for a social and interview day. This year, this event was conducted virtually, including breakout discussions and even a plant tour.

2020 TALENT ACQUISITION AND RETENTION PERFORMANCE

New employee hires by gender

Male 71% — Female 29%
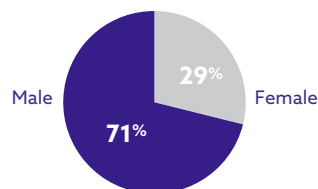
New employee hires by age group
Total: 346

50+ 22% — <30 33% — 30-50 45%
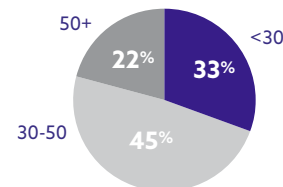
New employee hires by minority status
U.S. only

20.1%

minorities

Employee turnover by gender
(voluntary turnover), global

Female 7%
Male 9%
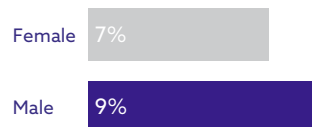
Employee turnover by age group
(voluntary turnover), global

<30 13%
30-50 5%
50+ 10%
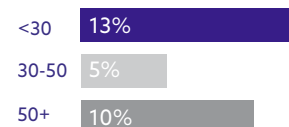
Employee turnover among minority employees
(voluntary turnover), U.S. only

7.2%

minorities

Please note that figures for minorities are only available for the U.S., while figures for gender and age group are included for all employees. Only voluntary turnover figures are included above.

Armstrong WORLD INDUSTRIES

Diverse and inclusive workforce

Our Goal: We aim to develop an inclusive culture and diverse workforce at all locations.

To ensure that the way we design and build spaces is fit for today and tomorrow, it is imperative that our employees reflect the society we serve across the dimensions of race, sex, ethnicity, age, gender or gender identity, sexual orientation, religion, disability and veteran status. A diverse and inclusive workplace will help our business by bringing a wealth of experience, diversity of thought, creativity and improved engagement.

We have embedded diversity and inclusion in our overall corporate strategy and community outreach, as well as related initiatives. These efforts are supported by employee engagement, training and regular surveys, affinity groups, performance management and succession planning.

In 2020, we hired a Vice President of Talent Sustainability, Diversity and Inclusion to guide our efforts, and build upon decades of activity through our affirmative action programs and other policies and programs. We aim to encourage a sense of belonging among all our employees.

" As Armstrong World Industries grows as an organization and integrates new organizations, we aim to harmonize our cultures to reflect what Armstrong is as a company, one that makes a difference in the spaces where people live, work, learn, heal and play. We are creating a working environment where everyone is comfortable being themselves — because at the end of the day, we can't be Armstrong without our people."

Salena Coachman
Vice President of Talent Sustainability, Diversity and Inclusion

ONGOING

Employees receive training or engagement on

diversity and inclusion

topics on a regular basis.

Employees have a

meaningful and safe

opportunity to share their views on topics that matter to them.

Locations have a representative

diverse workforce.

Armstrong WORLD INDUSTRIES

AFFINITY GROUPS

Currently, Armstrong has two affinity groups that help to foster diversity and inclusion within the organization. These include:

AWI Professional Network (APN)

APN is an employee resource group created to support the development and advancement of employees. It acts as an adjunct to Human Resources in providing member-initiated development activities.

Armstrong Women Achieving Real Excellence (AWARE)

AWARE provides women of Armstrong with opportunities to network internally and a forum to share ideas and best practices, peer support and advice for women with shared circumstances and concerns. It also organizes speakers and educational opportunities.

EMPLOYEE DEMOGRAPHICS

By gender

Female

Male

- Male: **74.5%**
- Female: **25.5%**
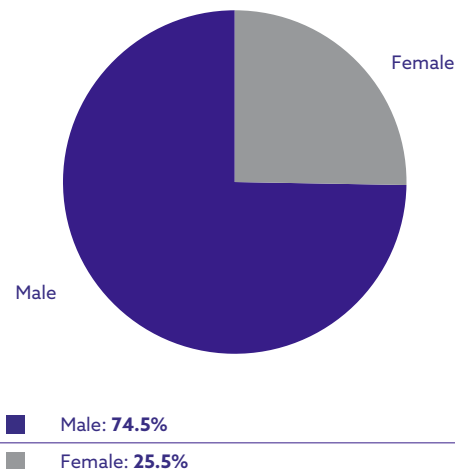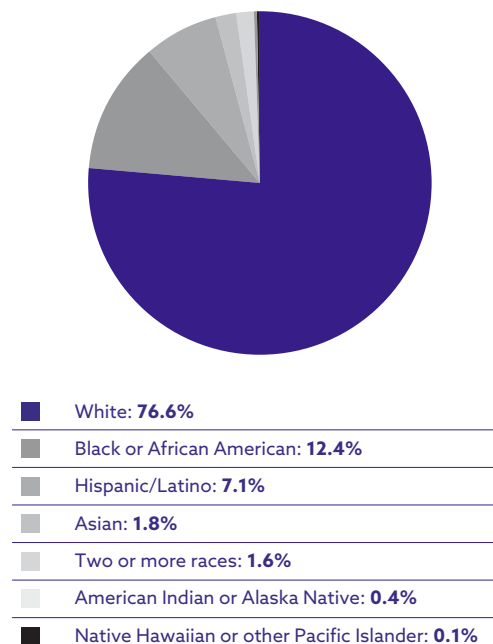
7.3% of AWI employees identify as an individual with a disability.

2.4% of AWI employees identify as a protected veteran.

By minority status, U.S. only

- White: **76.6%**
- Black or African American: **12.4%**
- Hispanic/Latino: **7.1%**
- Asian: **1.8%**
- Two or more races: **1.6%**
- American Indian or Alaska Native: **0.4%**
- Native Hawaiian or other Pacific Islander: **0.1%**

Note:
- The above is AWI EEO-1 reporting data for 2020, including the input of all 2020 acquisitions. The data presented here has not been audited and represents our best attempt at collecting accurate information about our performance on key issues. As we improve and formalize our data-tracking systems, we may retroactively adjust these figures in future reports.

Safe and healthy employees

Our Goal: We aim to cultivate a culture that leads to safe, healthy, fulfilled employees.

Safety is the bedrock of Armstrong, and it has been central to our culture since our inception. With our commitment to healthy spaces, we also believe that employee well-being — from a physical, mental and social perspective — is an important part of our commitment to our employees. Healthy employees not only feel better, but they also perform better and contribute to a positive work environment.

SAFETY MANAGEMENT SYSTEMS

Guided by our *Safety Policy*, we have built a safety management system that covers 100% of AWI employees. The management system includes processes and procedures that support meeting our goal of zero workplace injuries. We track and review safety metrics internally on a regular basis, and comply with all regulatory reporting requirements.

The key requirements of our Safety Management System include:

- **Personal behavior** — All Armstong employees are called upon to become a safety role model through their own actions.

- **Accountability** — Each organization should have a formal system in place to measure safety performance, evaluate achievements against milestones, and to hold managers, supervisors and employees accountable for safe work.
- **Communication** — Each organization is responsible to build and sustain an excellent safety culture.
- **Employee involvement** — Each organization must actively promote employee involvement through Safety Committees and programs that encourage and enable all employees to participate in safety activities.
- **Hazard Identification and Control** — Management must assess and control risk in its operations.
- **Education** — Each employee must receive the education required to ensure they can conduct tasks safely.
- **Audits** — Each level of the organization must conduct audits to ensure compliance and continuous improvement.

ACCOUNTABILITY

We have multiple layers of accountability within the organization, including a Safety Accountability procedure to ensure that safety is embedded in our culture and progress is evaluated.

- Our Corporate Environment, Health and Safety (EHS) team sets overall direction for health and safety and is responsible for auditing the business units to ensure that minimum requirements are met.
- Operations management, including facility EHS Managers, ensure plant procedures and practices meet or exceed the requirements of the AWI Safety Management System.

ONGOING

Employees offered tools and resources to

improve

their financial, physical and mental health and well-being.

Employees offered

learning and development

opportunities annually.

Improved workplace

safety

scores year over year, while we strive to have zero workplace injuries.

Armstrong WORLD INDUSTRIES

TRAINING

Training is a fundamental part of maintaining the health and safety culture at Armstrong. Training starts from the top — manufacturing supervisors and leadership typically undergo one week of leadership development training, one day of which is specifically dedicated to safety.

Each site has bespoke training that matches the needs of the particular facility, and this is maintained by the EHS manager on site. Contractors are also required to participate in safety training and follow all Armstrong site safety requirements.

HAZARD CONTROLS

In order to protect our employees, we evaluate hazards and work to mitigate them, and we use engineering controls to automate any work that could potentially cause a safety concern. Lastly, where employees might need to engage with any process that could become a safety issue, we provide them with risk assessment tools and any necessary personal protective equipment to avoid any hazards.

HEALTH AND SAFETY PERFORMANCE

Fatalities

2019	0
2020	0

OSHA Total Recordable Incident Rate

2019	1.62
2020	1.51

OSHA Recordable Injuries

2019	37
2020	37

Hours Worked

2019	4,560,348
2020	4,907,289

Notes:
- 2019 data does not include discontinued operations, such as our international businesses in Europe, the Middle East and Africa, including Russia and Asia-Pacific, sold to Knauf International GmbH in September 2019. 2019 data includes Tectum, Inc., Plasterform, Inc., and Steel Ceilings, Inc.
- 2020 data includes those counted in 2019, along with MRK Industries, Inc. and Architectural Components Group, Inc. (ACGI).

MAINTAINING OUR EMPLOYEES' WELL-BEING

There are a number of ways we help facilitate employee well-being. We offer workout facilities at some locations to help employees meet their physical fitness goals, including at our main campus in Lancaster, as well as our Marietta, Macon, Hilliard, Millwood and Arktura manufacturing facilities. In addition, we offer mental health support through our confidential Employee Assistance Program and, during the pandemic, we also offered virtual groups to support our employees' mental health and well-being.

Fatality-free at our operations for

40 years

HUMAN RIGHTS

Our Operating Principles state that we must "respect the dignity and inherent rights of the individual in all dealings with people." Our Code of Conduct also reinforces that every Armstrong workplace is safe and productive, free from discrimination, harassment, violence, drugs and alcohol.

As a company that operates mainly in North America, we benefit from strong labor laws and enforcement, representation from labor, and support from our human resources function. We comply with all applicable laws on voluntarily chosen work, work hours and overtime, and we respect freedom of association. We condemn the use of forced labor or child labor, and these are issues that are strongly enforced in the jurisdictions where we operate.

FAIR WAGE

We are committed to taking actions and maintaining programs that are designed to enable us to attract and retain the best talent for our functions, locations, teams and positions. We also support the general principle that everyone has the right to earn a basic standard of living adequate for the health and well-being of themselves and their family that is aligned with their local community.

We also recognize that compensation and total rewards play a critical role in the pursuit of the workforce of today and tomorrow. Whether by increasing the quantity and quality of job applicants, reducing turnover, increasing worker loyalty, or by enhancing productivity, creativity and customer satisfaction, we believe that fair and competitive wages and total employee rewards play an integral role in the sustainability and fitness of our business.

For all our locations and positions, including those obtained through acquisitions, we aim to offer fair and competitive total rewards, including wages. In 2022, we plan to work closely with external experts to develop a structured program that will allow us to regularly identify and assess the employment and compensation practices and trends applicable to our local workforces, as well as develop strategies and actions designed to establish and maintain the competitiveness and fairness of our offerings. These efforts will include an external market competitiveness study and an internal analysis of job descriptions to the job type and grade with specific compensation levels, which will complement and enhance our current ongoing practices in this area.

HUMAN RIGHTS IN THE SUPPLY CHAIN

➤ *For our approach to human rights in our supply chain, please see our Sustainable supply chain section.*

ONGOING

Employees offered at least a

fair wage,

to be defined as competitive total rewards based on position and location.

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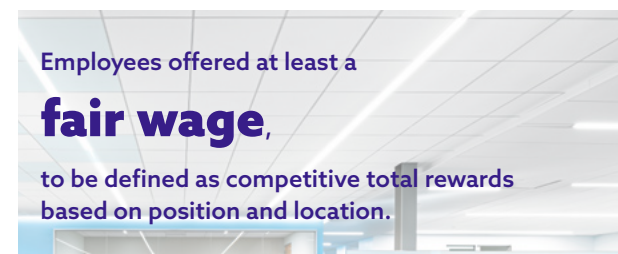
Employee relations

Since our company's inception in 1860, our focus has been to build trust and integrity with our stakeholders, including, most importantly, our employees. Our company was an early pioneer in creating fair labor conditions. In 1913, Armstrong was one of the first companies to offer extra pay for overtime and, in 1919, was one of the first to have shop committees communicating with management directly.

We aim to continue maintaining strong relationships and open lines of communication with all our employees, including those who belong to a union and their labor representatives. Four of our 15 plants have unionized work teams, who represent approximately one quarter of Armstrong's employees. Each of these facilities has its own bargaining unit, and agreements are negotiated approximately every three years.

At all of our facilities, we strive to maintain measures designed to promote open lines of communication at every level. The following are specific examples from some of our manufacturing plants:

- Regular opportunities for employees to speak with management about concerns;
- Clearly defined allocation of responsibilities between management, employees, and their representatives where applicable;
- Grievance mechanisms, including with union representatives where applicable;
- Routine touchpoints and site assessments;
- Roundtable discussions with employees about their concerns at various locations;
- Cultivation of trust-based relationships between employees and their local human resources manager;
- Regular positive relations training, with a component of National Labor Relations Board training, at non-union plants; and
- Other feedback mechanisms, including suggestion boxes at some locations.

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Appendix

About this report

The report, unless otherwise stated, covers all of the entities under Armstrong World Industries, including the acquisitions Arktura LLC, Moz Designs, Inc. TURF Design, Inc., MRK Industries, Inc., Architectural Components Group, Inc., Steel Ceilings, Inc., and Plasterform, Inc. It does not include discontinued operations.

This is the first sustainability report for Armstrong World Industries, and as a result, there were no restatements or changes in reporting. The report was released in November 2021. The reporting period is the calendar year ended Dec. 31, 2020. We aim to release reports on an annual basis going forward.

For any questions regarding this report, please reach out to the Armstrong World Industries Sustainability team at _sustainability@armstrongceilings.com_.

We have prepared this report in accordance with the GRI Standards, Core option. We have also aligned our reporting with the following frameworks and standards: Sustainability Accounting Standards Board (SASB), Building Products & Furnishings standards and the Task Force on Climate-Related Financial Disclosures. This report also serves as Armstrong World Industry's United Nations Global Compact Communications on Progress.

Forward-looking statements / Disclaimers

Our Sustainability goals, KPIs, projects, plans, targets and expectations are long-term, directional and aspirational, and, by their nature, include forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such statements are intended to be covered by the safe harbor provided by the same. Statements of aspiration, future events or conditions, including forward-looking statements, are sometimes identified by the words "will," "should," "intend," "expect," "estimate," "believe," "could," "project," "target" or other similar words or expressions. Forward-looking statements in this document may include, but are not limited to: statements regarding our sustainability goals, KPIs, projects, plans, metrics, affiliations, pledges, commitments and strategies. By their nature, they are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. As such, no guarantees or assurances are made that they will be achieved or successfully executed. Additionally, the Sustainability data, statistics and metrics included herein, unless otherwise specifically indicated, are non-audited estimates, were not prepared in accordance with U.S. generally accepted accounting principles (GAAP), have not been externally assured, continue to evolve and may be based on assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees. We are considering implementing an external assurance process in the future. Except to the extent required by applicable law, we undertake no obligation to publicly update or revise any forward-looking Sustainability statement, whether as a result of new information, future events or otherwise. Our Sustainability reporting may also use certain terms, including those that the GRI Guidelines or other reporting formats refer to as "material" topics, to reflect the issues of greatest importance to us and our stakeholders. Used in this context, these terms are distinct from, and should not be confused with, the terms "material" and "materiality" as defined by or construed in accordance with securities law or as used in the context of financial statements and reporting.

Global Reporting Initiative Content Index

The Global Reporting Initiative (GRI) Standards create a common language for organizations to report on their sustainability impacts in a consistent and credible way, allowing for comparability of sustainability information, so that the Company can be transparent and accountable. The following information has been reported in accordance with the GRI Standards.

Disclosure	Reference	Explanation
Organizational profile		
102-1 Name of the organization	About Armstrong World Industries	Armstrong World Industries, Inc.
102-2 Activities, brands, products, and services	About Armstrong World Industries	
102-3 Location of headquarters	About Armstrong World Industries	2500 Columbia Ave., Lancaster, PA 17603
102-4 Location of operations	About Armstrong World Industries - Our Operations Across North America _Contact Us_	
102-5 Ownership and legal form	About Armstrong World Industries	
102-6 Markets served	About Armstrong World Industries	
102-7 Scale of the organization	About Armstrong World Industries Annual report	
102-8 Information on employees and other workers	About Armstrong World Industries	
102-9 Supply chain	Our value chain	
102-10 Significant changes to the organization and its supply chain	Our value chain	
102-11 Precautionary Principle or approach	Enterprise risk management Ethical behavior Environmental policy	

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Disclosure	Reference	Explanation
102-12 External initiatives	Memberships and collaborations Enterprise risk management Ethical behavior Environmental policy	
102-13 Membership of associations	Memberships and collaborations	
Strategy		
102-14 Statement from senior decision-maker	A message from our President and CEO	
102-15 Key impacts, risks, and opportunities	A message from our President and CEO An overview of our material issues in context Climate change	
Ethics and integrity		
102-16 Values, principles, standards, and norms of behavior	Ethical behavior	
102-17 Mechanisms for advice and concerns about ethics	Ethical behavior	
Governance		
102-18 Governance structure	*Board of Directors* *Board Committees*	The Nominating, Governance and Social Responsibility Committee (NGSRC) of the Board of Directors has responsibility for oversight of the company's environmental, social and governance program. Oversight responsibility for related economic or employee-related areas may be found in other committees, including the Management Development and Compensation Committee, the Finance Committee or the Audit Committee, or at the Board level.
102-19 Delegating authority	Sustainability governance	
102-20 Executive-level responsibility for economic, environmental, and social topics	Sustainability governance	
102-21 Consulting stakeholders on economic, environmental, and social topics	Stakeholder engagement	In terms of consulting stakeholders on economic, environmental and social topics, we proactively engage in annual shareholder outreach, and we are in regular contact with our large shareholders through our Investor Relations Team. Employee concerns are raised through multiple channels, including our Ethics Hotline.

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Disclosure	Reference	Explanation
102-22 Composition of the highest governance body and its committees	*Board of Directors* *Board Committees* 2021 Proxy Statement *(DEF14A)*, pg. 14-16	
102-23 Chair of the highest governance body	*Board of Directors*	The chair is independent – Larry S. McWilliams.
102-24 Nominating and selecting the highest governance body	*Nominating, Governance and Social Responsibility Committee Charter (NGSRC)*	The Board may participate in our shareholder outreach program for nomination and other matters. Independence, expertise and experience on specific subject matter areas for the Board are considered. Diversity is also taken into account.
102-25 Conflicts of interest	*Corporate Governance Principles* pg. 4-5	
102-26 Role of highest governance body in setting purpose, values, and strategy	*Sustainability Governance* *Nominating, Governance and Social Responsibility Committee Charter*	
102-27 Collective knowledge of highest governance body		The NGSRC is responsible for the Board's continuing education and development. It organizes continuing education modules for the Board, and subject matter experts are invited to present on relevant topics. These may include specific ESG topics.
102-28 Evaluating the highest governance body's performance	*Nominating, Governance and Social Responsibility Committee Charter*	On an annual basis, the Board conducts an independent evaluation of the Board and its committees, typically facilitated through external counsel, which also includes self-assessment from each board member. On an annual basis, the NGSRC also reviews each committee and the Board to ensure that all key topics are addressed as required, and that each committee is performing in accordance with its committee charter. In 2019, from these reviews and discussions with management, the Company implemented various performance enhancements to economic, environmental and social areas, including the establishment and revitalization of the Company's sustainability program and hiring of a new Director of Sustainability, Helen Sahi.
102-29 Identifying and managing economic, environmental, and social impacts		The NGSRC is responsible for oversight of the Company's sustainability program, and the Audit Committee is responsible for evaluating the robustness of the Company's risk assessment program. Each committee provides feedback to the Board regarding its respective areas of risk oversight.
102-30 Effectiveness of risk management processes	2021 Proxy Statement *(DEF14A)*, pg. 11 (Board's role in Risk Management Oversight) Enterprise Risk Management	
102-31 Review of economic, environmental, and social topics		The NGSRC, and other relevant committees, reviews economic, environmental and social program updates from management on a quarterly basis, as part of its sustainability oversight responsibility. The enterprise risk management process is reported to the Board formally on an annual basis, and updates regarding risk management are provided periodically, as needed.

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Disclosure	Reference	Explanation
102-32 Highest governance body's role in sustainability reporting		The NGSRC reviewed the materiality analysis, sustainability strategy and this report, as part of its sustainability oversight responsibility.
102-33 Communicating critical concerns	*Board Committees*	Critical concerns can be sent to the Board email address or via letter to the General Counsel's office, and employees can also report issues to the Board on the Ethics hotline, routed through Compliance.
102-34 Nature and total number of critical concerns		This information cannot be reported, for reasons of confidentiality.
102-35 Remuneration policies	2021 Proxy Statement *(DEF14A)*, pg. 15, 24, 34 - see Compensation of Directors, Management Development and Compensation Committee, and Compensation Discussion and Analysis	
102-36 Process for determining remuneration	2021 Proxy Statement *(DEF14A)*, pg. 24 - see Compensation of Directors	
102-37 Stakeholders' involvement in remuneration		As part of the annual shareholder outreach process, shareholder views are solicited on executive compensation, and external consultants are used to benchmark compensation. Shareholder votes are conducted annually on an advisory basis regarding the Company's executive compensation, as required by the U.S. Securities and Exchange Commission.
102-38 Annual total compensation ratio	2021 Proxy Statement *(DEF14A)*, pg. 55, CEO Pay Ratio	
102-39 Percentage increase in annual total compensation ratio	2021 Proxy Statement *(DEF14A)*, pg. 55, CEO Pay Ratio	The compensation of the highest paid individual in the Company, our CEO, increased by 4% between fiscal year 2019 and 2020. The median annual total compensation for all employees except the highest-paid individual had an increase of compensation of 5% between fiscal year 2019 and 2020. The annual total compensation increase ratio is thus 4:5.

Stakeholder engagement

Disclosure	Reference	Explanation
102-40 List of stakeholder groups	Stakeholder engagement	
102-41 Collective bargaining agreements	Employee relations	Almost 26% of our employees are covered by collective bargaining agreements.
102-42 Identifying and selecting stakeholders	Stakeholder engagement	
102-43 Approach to stakeholder engagement	Stakeholder engagement	
102-44 Key topics and concerns raised	Stakeholder engagement	

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Disclosure	Reference	Explanation
Reporting practice		
102-45 Entities included in the consolidated financial statements	About this report	
102-46 Defining report content and topic Boundaries	About this report	
102-47 List of material topics	An overview of our material issues in con-text *Materiality analysis* *Materiality analysis definitions*	
102-48 Restatements of information	About this report	
102-49 Changes in reporting	About this report	
102-50 Reporting period	About this report	
102-51 Date of most recent report	About this report	
102-52 Reporting cycle	About this report	
102-53 Contact point for questions regarding the report	About this report	
102-54 Claims of reporting in accordance with the GRI Standards	About this report	
102-55 GRI content index	GRI Content Index	
102-56 External assurance	About this report	

Disclosure	Reference	Explanation
Economic Performance (GRI 103: Management Approach 2016 and GRI 201: Economic Performance 2016)		
103-1 Explanation of the material topic and its Boundary	Annual report	
103-2 The management approach and its components	Annual report	
103-3 Evaluation of the management approach	Annual report	
201-1 Direct economic value generated and distributed	Annual report	
201-2 Financial implications and other risks and opportunities due to climate change	Reduced carbon footprint	Although we have calculated high-level climate change risks and opportunities within the report, the exact financial implications have not been specified.

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Disclosure	Reference	Explanation
Indirect Economic Impacts (GRI 103: Management Approach 2016 and GRI 203: Indirect Economic Impacts)		
103-1 Explanation of the material topic and its Boundary	Community engagement	Partial information provided as relevant to the organization.
103-2 The management approach and its components	Community engagement	Partial information provided as relevant to the organization.
103-3 Evaluation of the management approach	Community engagement	Partial information provided as relevant to the organization.
203-1 Infrastructure investments and services supported	Community engagement	Partial information provided as relevant to the organization.
Materials (GRI 103: Management Approach 2016 and GRI 301: Materials 2016)		
103-1 Explanation of the material topic and its Boundary	Circular products Sustainably sourced products	
103-2 The management approach and its components	Circular products Sustainably sourced products	
103-3 Evaluation of the management approach	Circular products Sustainably sourced products	
301-1 Materials used by weight or volume	About Armstrong World Industries Sustainably sourced products	
301-2 Recycled input materials used	Circular products	
301-3 Reclaimed products and their packaging materials	Circular products	We use recycled and reclaimed materials in products across our portfolio. Our mineral fiber products, for example, can contain 15% to 80% recycled content, while some of the felts used in our Architectural Specialties use up to 50% recycled material. Some of our products also use U.S.-sourced steel, which contains 20% to 25% reclaimed materials on average.
Energy (GRI 103: Management Approach 2016 and GRI 302: Energy 2016)		
103-1 Explanation of the material topic and its Boundary	Energy	
103-2 The management approach and its components	Energy *Environmental Policy*	
103-3 Evaluation of the management approach	Energy	

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Disclosure	Reference	Explanation
302-1 Energy consumption within the organization	Energy	
Water (GRI 103: Management Approach 2016 and GRI 303: Water and Effluents 2018)		
103-1 Explanation of the material topic and its Boundary	Optimized water	
103-2 The management approach and its components	Optimized water Environmental Policy	
103-3 Evaluation of the management approach	Optimized water	
303-1 Interactions with water as a shared resource	Optimized water	
303-2 Management of water discharge-related impacts	Optimized water	
303-3 Water withdrawal	Optimized water	
303-5 Water consumption	Optimized water	
Biodiversity (GRI 103: Management Approach 2016 and GRI 304: Biodiversity 2016)		
103-1 Explanation of the material topic and its Boundary	Biodiversity	
103-2 The management approach and its components	Biodiversity	Partially reported—this is an emerging area that we are investigating further.
103-3 Evaluation of the management approach		We have not yet developed an approach to evaluate our management approach on biodiversity.
304-2 Significant impacts of activities, products, and services on biodiversity	Biodiversity	
304-3 Habitats protected or restored	Improving biodiversity at our facilities	

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Disclosure	Reference	Explanation
Emissions (GRI 103: Management Approach 2016 and GRI 305: Emissions 2016)		
103-1 Explanation of the material topic and its Boundary	Reduced carbon footprint	
103-2 The management approach and its components	Reduced carbon footprint Environmental policy	
103-3 Evaluation of the management approach	Reduced carbon footprint	
305-1 Direct (Scope 1) GHG emissions	Reduced carbon footprint	
305-2 Energy indirect (Scope 2) GHG emissions	Reduced carbon footprint	
305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	See below	See below

In short tons	2020
Particulate matter	242
Volatile Organic Compounds	552
Hazardous air pollutants	88
Nitrogen oxides (NOx)	151
Carbon monoxide (CO)	2406
Sulfur oxides (SOx)	35
Ammonia (NH3)	66

AIR EMISSIONS DATA IS INCLUSIVE OF THE FOLLOWING FACILITIES:

- Macon, Georgia
- Marietta, Pennsylvania
- Pensacola, Florida
- Hilliard, Ohio
- Montreal, Quebec
- Millwood, West Virginia
- Mississauga, Ontario (Plasterform Inc.)
- Marshfield, Missouri (ACGI)
- Johnstown, Ohio (Steel Ceilings)
- Newark, Ohio (Tectum)
- Hebron, Ohio (Tectum)
- Oakland, California (Moz Designs)
- Elgin, Illinois (TURF Design)
- Lancaster, Pennsylvania (Campus headquarters)
- Libertyville, Illinois (MRK) facilities.

Los Angeles, California (Arktura) is not yet included.

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Disclosure	Reference	Explanation
Effluents and Waste (GRI 103: Management Approach 2016 and GRI 306: Waste 2020)		
103-1 Explanation of the material topic and its Boundary	Circular systems	
103-2 The management approach and its components	Circular systems Environmental policy	
103-3 Evaluation of the management approach	Circular systems	
306-1 Waste generation and significant waste-related impacts	Circular systems	
306-2 Management of significant waste-related impacts	Circular systems	
306-3 Waste generated	Circular systems	
Environmental Compliance (GRI 103: Management Approach 2016 and GRI 307: Environmental Compliance 2016)		
103-1 Explanation of the material topic and its Boundary	Environmental compliance	
103-2 The management approach and its components	Environmental compliance Environmental policy Business Code of Conduct	
103-3 Evaluation of the management approach	Environmental compliance	
307-1 Non-compliance with environmental laws and regulations	*2020 10K* Note 27 to the Consolidated Financial Statements (pg. 84) 2021 10Q	In accordance with the global standards for sustainability reporting through GRI, Armstrong follows GRI's definition of significant environmental actions as those in which the total cost of fines or penalties are equal to or greater than $100,000 USD. There are no significant environmental actions to report for 2019 or 2020.
Emissions (GRI 103: Management Approach 2016 and GRI 308: Supplier Environmental Assessment 2016)		
103-1 Explanation of the material topic and its Boundary	Building a sustainable supply chain	
103-2 The management approach and its components	Building a sustainable supply chain Supplier Code of Conduct	
103-3 Evaluation of the management approach	Building a sustainable supply chain	
308-1 New suppliers that were screened using environmental criteria	Building a sustainable supply chain	All suppliers, including all new suppliers, are assessed against the Supplier Code of Conduct, which includes criteria on environmental compliance.

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Disclosure	Reference	Explanation
Employment (GRI 103: Management Approach 2016 and GRI 401: Employment)		
103-1 Explanation of the material topic and its Boundary	Talent acquisition and retention	
103-2 The management approach and its components	Talent acquisition and retention	
103-3 Evaluation of the management approach	Talent acquisition and retention	
401-1 New employee hires and employee turnover	Talent acquisition and retention	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Benefits	See below for more details on employee benefits, regular and temporary full-time and part-time.

	Regular		Temporary	
Programs	**Full-time**	**Part-time**	**Full-time**	**Part-time**
401(k) Plan	Yes[6]	Yes[6]	Yes[6]	Yes[4,6]
Dental Plan	Yes	No[7]	No	No
Education Sponsorship Program	Yes	No	No	No
Employee Assistance Program	Yes	Yes	No	No
Employee Purchase Program	Yes	Yes	Yes	Yes
Flexible Spending Account—Dependent Care	Yes	Yes	No	No
Healthcare	Yes	Yes	No	No
Holiday Pay—Scheduled Holidays	Yes	Yes[1]	Yes[1]	No
Holiday Pay—Personal Holiday	Yes[2]	No	No	No
Leave of Absence	Yes	No	No	No
Life Insurance/Accidental Death and Dismemberment (AD&D)	Yes	No	No	No
Long-Term Disability Plan	Yes	No	No	No

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	Regular		Temporary	
Medical Plan and Prescription Drug Plan	Yes	No[7]	No	No
Overtime Pay (for hourly and salaried non-exempt)	Yes	Yes	Yes	Yes
Pension Plan (for certain employees)	Yes[3]	Yes[3]	Yes[3]	Yes[3,4]
Service Awards	Yes	No	No	No
Severance Plan (excludes hourly union)	Yes	Yes	No	No
Short-Term Disability Plan	Yes	No	No	No
Travel Accident Insurance	Yes	Yes	Yes[5]	Yes[5]
Vacation Pay	Yes	No	No	No
Voluntary Benefits	Yes	Yes	No	No
Workers' Compensation	Yes	Yes	Yes	Yes

Notes:
1. Holiday pay is paid only if the employee is normally scheduled to work on the holiday. The amount paid would be for the regular hours normally scheduled to work on that day.
2. In order for new employees to be eligible in the year employed, they must be on the payroll as of June 30.
3. The pension plan is closed to all new hires and rehires. AWI salaried (nonproduction and production) employees hired or rehired on or after Jan. 1, 2005 are not eligible to participate in the pension plan. In addition, AWI salaried nonproduction employees whose age and continuous employment with the Company totaled less than 60 points on Feb. 1, 2006, are not eligible for new benefit accruals under the pension plan after Feb. 1, 2006. Union employees hired or rehired on or after a specific date as outlined in the CBA are not eligible to participate in the pension plan: Marietta June 2, 2011, Macon Dec. 1, 2011, Pensacola Dec. 1, 2011. Nonunion hourly employees hired or rehired on or after April 1, 2012, are not eligible to participate in the pension plan.
4. Regular full-time employees working on a temporary part-time basis during a Family or Medical Absence (Status Code FL) are eligible to continue or begin participation in this plan or program.
5. $50,000 coverage for Armstrong retirees who have returned to work.
6. AWI salaried nonproduction whose pension was frozen as of Jan. 1, 2018, AWI salaried (nonproduction and production) employees hired or rehired on or after Jan. 1, 2005, and AWI salaried non-production employees whose age and continuous employment with the Company totaled less than 60 points on Feb. 28, 2006 are eligible to receive the enhanced 401(k) company match of 100% on the first 4% employee pretax contributions and 50% on the next 4% employee pretax contributions.
   All AWI salaried production hired prior to Jan. 1, 2005, AWI hourly union at Marietta, AWI hourly union at Macon and Pensacola hired on or after Dec. 1, 2011, hourly union employees at Tectum hired on or after Jan. 1, 2018, and all employees at ACGI as of Aug. 1, 2019 are eligible to receive the standard 401(k) company match of 50% on the first 6% employee pretax contributions.
   All hourly union employees hired prior to Dec. 1, 2011, at Macon and Pensacola plants and hourly union employees hired prior to Jan. 1, 2018, at Tectum are enrolled in our 401(k) plan with no company match.
7. According to the Affordable Care Act (ACA), any employee who works an average of 30 or more hours are considered ACA full-time and are eligible for health care and dental coverage.
8. Some benefits may vary for members of collective bargaining units, based on negotiated agreements.

General Considerations
a. Any and all terms, conditions, limitations or other explanation or description, of the benefits, programs or benefit plans mentioned in this document are governed by and subject to the plan/program documents or summary plan descriptions for those benefits, programs or benefit plans.
b. Employees transferred from one category to another will be eligible for only those programs available in their new employment category.
c. The policy for benefits coverage of temporary hourly employees at plants with bargaining units may vary by individual location.

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Programs	Regular		Temporary	
	Full-time	**Part-time**	**Full-time**	**Part-time**
401(k) Plan	All	All	TL, SC, AC	TL, SC, AC
Dental Plan—ACA mandates that employees who average 30 or more hours per week are entitled to health care coverage	All	No[7]	No	No
Education Sponsorship Program	TL, SC, AC, AK			
Employee Assistance Program	TL, SC, AC, MK, TF, AK	TL, SC, AC, MK, TF, AK		
Employee Purchase Program	TL, SC, AC	TL, SC	TL, SC	TL, SC
Flexible Spending Account—Dependent Care	SC, TF	SC, TF		
Flexible Spending Account—Healthcare	SC, TF	SC, TF		
Holiday Pay—Scheduled Holidays	All	All	TL, SC, AC, TF, AK	
Holiday Pay—Personal Holiday	TL, SC			
Leave of Absence	TL, SC, AC, MK, TF, AK		AK	
Life Insurance/Accidental Death and Dismemberment (AD&D)	TL, SC, AC, MK, TF, AK	MK, TF		
Long-Term Disability Plan	TL, SC, AC, TF, AK	TF		
Medical Plan & Prescription Drug Plan—ACA mandates that employees who average 30 or more hours per week are entitled to health care coverage	All			
Overtime Pay (for non-exempt employees)	All	All	All	All
Pension Plan	TL	TL	TL	TL
Service Awards	TL, SC, AC, MZ			
Severance Plan	TL, SC, AC, MK, AK	TL, SC, AC, MK		
Short-Term Disability Plan	TL, SC, AC, MK, TF, AK	TF		
Travel Accident Insurance	TL, SC, AC, MK, TF, AK	TL, SC, AC, MK, TF, AK	TL, SC, AC, MK, TF, AK	TL, SC, AC, MK, TF, AK
Vacation or Paid Time Off (PTO) Pay	All	TF		
Voluntary Benefits	All	TL, SC, AC, MK, TF		
Workers' Compensation	All	All	All	All

TL - Tectum / Lamit
SC - Steel Ceilings, Inc.
AC - Architectural Components Group, Inc.
MK - MRK
TF - TURF Design
MZ - Moz Designs
AK - Arktura

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Disclosure	Reference	Explanation
Employment (GRI 103: Management Approach 2016 and GRI 402: Labor/Management Relations)		
103-1 Explanation of the material topic and its Boundary	Employee relations	
103-2 The management approach and its components	Employee relations	
103-3 Evaluation of the management approach	Employee relations	
402-1 Minimum notice periods regarding operational change	N/A	Each union agreement is confidential and stipulates a minimum notice period for employees and their representatives for the implementation of significant operational changes that could substantially affect them. On average, it is between 3-14 days.
Occupational Health and Safety (GRI 103: Management Approach 2016 and GRI 403: Occupational Health and Safety 2018)		
103-1 Explanation of the material topic and its Boundary	Safe and healthy employees	
103-2 The management approach and its components	Safe and healthy employees *Safety Policy*	
103-3 Evaluation of the management approach	Safe and healthy employees *Safety Policy*	
403-1 Occupational health and safety management system	Safe and healthy employees *Safety Policy*	
403-5 Worker training on occupational health and safety	Safe and healthy employees *Safety Policy*	
403-8 Workers covered by an occupational health and safety management system	Safe and healthy employees *Safety Policy*	100% of AWI employees are covered by our environmental health and safety program.
403-9 Work-related injuries	Safe and healthy employees *Safety Policy*	
Training and Education (GRI 103: Management Approach 2016 and GRI 404: Training and Education 2016)		
103-1 Explanation of the material topic and its Boundary	Talent acquisition and retention	
103-2 The management approach and its components	Talent acquisition and retention	

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Disclosure	Reference	Explanation
103-3 Evaluation of the management approach	Talent acquisition and retention	
Diversity and Equal Opportunity (GRI 103: Management Approach 2016 and GRI 405: Diversity and Equal Opportunity 2016)		
103-1 Explanation of the material topic and its Boundary	Diverse and inclusive workforce	
103-2 The management approach and its components	Diverse and inclusive workforce	
103-3 Evaluation of the management approach	Diverse and inclusive workforce	
405-1 Diversity of governance bodies and employees	Diverse and inclusive workforce	Please refer to Armstrong World Industries' EEO filing on page 47 for 2020 for additional details.
Freedom of Association and Collective Bargaining (GRI 103: Management Approach 2016 and GRI 407: Freedom of Association and Collective Bargaining 2016)		
103-1 Explanation of the material topic and its Boundary	Employee relations	
103-2 The management approach and its components	Employee relations	
103-3 Evaluation of the management approach	Employee relations	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employee relations	Currently, there are no operations or suppliers in which the right to freedom of association and collective bargaining may be at risk.
Local Communities (GRI 103: Management Approach 2016 and GRI 413: Local Communities 2016)		
103-1 Explanation of the material topic and its Boundary	Community engagement	
103-2 The management approach and its components	Community engagement	

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Disclosure	Reference	Explanation
103-3 Evaluation of the management approach	Community engagement	
413-1 Operations with local community engagement, impact assessments, and development programs	Community engagement	This indicator reports only on local community development programs that are developed based on local communities' needs.
Supplier Social Assessment (GRI 103: Management Approach 2016 and GRI 414: Supplier Social Assessment 2016)		
103-1 Explanation of the material topic and its Boundary	Building a sustainable supply chain	
103-2 The management approach and its components	Building a sustainable supply chain	
103-3 Evaluation of the management approach	Building a sustainable supply chain	
414-1 New suppliers that were screened using social criteria	Building a sustainable supply chain	All suppliers, including all new suppliers, are assessed against the Supplier Code of Conduct, which includes criteria on social compliance.
Public Policy (GRI 103: Management Approach 2016 and GRI 415: Public Policy 2016)		
103-1 Explanation of the material topic and its Boundary	Code of Business Conduct	
103-2 The management approach and its components	Code of Business Conduct	
103-3 Evaluation of the management approach	Code of Business Conduct	
415-1 Political contributions		Armstrong has not historically made any political contributions and did not make any in 2020.
Customer Health and Safety (GRI 103: Management Approach 2016 and GRI 416: Customer Health and Safety 2016)		
103-1 Explanation of the material topic and its Boundary	Designing and testing Eliminating chemicals of concern	
103-2 The management approach and its components	Designing and testing Eliminating chemicals of concern	

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Disclosure	Reference	Explanation
103-3 Evaluation of the management approach	Designing and testing Eliminating chemicals of concern	
416-1 Assessment of the health and safety impacts of product and service categories	Designing and testing	
Marketing and Labeling (GRI 103: Management Approach 2016 and GRI 417: Marketing and Labeling 2016)		
103-1 Explanation of the material topic and its Boundary	Product transparency	
103-2 The management approach and its components	Product transparency	
103-3 Evaluation of the management approach	Product transparency	
417-1 Requirements for product and service information and labeling	Product transparency *Product transparency website*	
Socioeconomic Compliance (GRI 103: Management Approach 2016 and GRI 419: Socioeconomic Compliance 2016)		
103-1 Explanation of the material topic and its Boundary	Ethical behavior	
103-2 The management approach and its components	Ethical behavior	
103-3 Evaluation of the management approach	Ethical behavior	

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United Nations Global Compact Index

AWI became a signatory to the United Nations Global Compact (UNGC) in early 2021, to demonstrate our commitment to collective action toward its principles. The chart for our Communication on Progress is included below, with references to the content in our PDF report.

Global Compact Principle	Principle details	Sustainability Report reference
A statement by the chief executive expressing continued support for the Global Compact and renewing the participant's ongoing commitment to the initiative and its principles.		CEO letter
Principle 1 and Principle 2	Businesses should support and respect the protection of internationally proclaimed human rights. Businesses should make sure that they are not complicit in human rights abuses.	Human rights Building a sustainable supply chain
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Employee relations
Principle 4 and Principle 5	Businesses should uphold the elimination of all forms of forced and compulsory labor. Businesses should uphold the effective abolition of child labor.	Human rights Building a sustainable supply chain
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Goal: Diverse and inclusive workforce Ethical behavior
Principle 7	Businesses should support a precautionary approach to environmental challenges.	Healthy Planet
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	Healthy Planet
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Sustainably sourced products Circular products
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Ethical behavior

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Sustainable Accounting Standards Board Index

The Sustainable Accounting Standards Board (SASB) connects business and investors on the financial impacts of sustainability, and Armstrong World Industries reports against the Building Products & Furnishings standard. In the table below, an answer or reference is made to a specific report location for further detail. All figures in this chart are for the 2020 fiscal year.

Subject	Identifier	Indicator	Report reference or answer
Activity metrics	CG-BF-000.A	Annual production (number of units, weight, and/or square feet)	For fiscal year 2020, 707 million square feet of ceiling tile was produced, Our new facilities including Moz, TURF and Arktura, measure their production by number of items produced since they are not standardized, and are not included in this figure.
	CG-BF-000.B	Area of manufacturing facilities (square meters (m2))	Armstrong World Industries has 15 owned manufacturing facilities and 6 in the WAVE joint venture with Worthington Industries. The 15 owned manufacturing facilities have an approximate size of 408,200 square meters.
Energy Management in Manufacturing	CG-BF-130a.1	Total energy consumed (GJ)	Energy
	CG-BF-130a.1	Percentage grid electricity (%)	100%
	CG-BF-130a.1	Percentage renewable energy (%)	10%
Management of Chemicals in Products	CG-BF-250a.1	Description of processes to assess and manage risks and/or hazards associated with chemicals in products	Sustainably sourced products Designing and testing Eliminating chemicals of concern
	CG-BF-250a.2	Percentage of applicable products meeting volatile organic compound (VOC) emissions and content standards	Eliminating chemicals of concern
Product Lifecycle Environmental Impacts	CG-BF-410a.1	Discussion of efforts to manage product lifecycle impacts and meet demand for sustainable products	Product transparency Reduced carbon and water footprint
	CG-BF-410a.2	Weight of end-of-life material recovered, percentage of recovered materials that are recycled	Circular products
Wood Sourcing	CG-BF-430a.1	Total wood fiber purchased (metric tons)	Building a sustainable supply chain
	CG-BF-430a.1	Percentage from third-party-certified forestlands, by standard (% by weight)	Building a sustainable supply chain
	CG-BF-430a.1	Percentage meeting other fiber sourcing standards, by standard (% by weight)	Building a sustainable supply chain

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Task Force on Climate-related Financial Disclosures Index

The Task Force on Climate-related Financial Disclosures recommendations were created to help companies provide better information to support informed capital allocation, on the core elements of governance, strategy, risk management, and metrics and targets. A text answer or reference is made to a specific report location for further detail.

	Disclosure	Report reference	Additional information
Governance	Describe the board's oversight of climate-related risks and opportunities.	Sustainability governance	
	Describe management's role in assessing and managing climate-related risks and opportunities.	Sustainability governance	
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Reduced carbon footprint	We have identified risks and opportunities for climate change generally, but will be defining short-, medium- and long-term risks and opportunities in 2021/2022.
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Reduced carbon footprint	Climate change plays a part in the company's current Healthy Spaces strategy, however, we are preparing to disclose additional information in due course.
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Reduced carbon footprint	In setting the Company's Science-Based Target, we assessed the implications both from a 1.5°C and from a well-below 2°C scenario. However, we will need to map the implications of these scenarios.
Risk management	Describe the organization's processes for identifying and assessing climate-related risks.	Reduced carbon footprint—risks	We will formalize our processes for identifying and assessing climate-related risks in 2021/22.
	Describe the organization's processes for managing climate-related risks.	N/A	We have embedded climate-related risks in our operational manufacturing facilities related to natural disasters.
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	Corporate governance—Enterprise Risk Management	

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Task Force on Climate-related Financial Disclosures Index

Metrics and targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	N/A	We are still defining this component within our business.
	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks.	Reduced carbon foot-print — climate change performance data	We calculate our emissions (Scope 1 and 2), but are not yet calculating our supply chain (Scope 3) emissions. When Scope 3 emissions are calculated, we will also share related risks.
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Reduced carbon footprint	We have two climate change-related targets, including: 2030 target: 30% reduction in absolute Scope 1 and 2 greenhouse gas (GHG) emissions from a 2019 baseline, in accordance with the Science Based Targets initiative (SBTi), allowing us to meet a well below 2°C scenario.

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United Nations SDGs

The United Nations Sustainable Development Goals (U.N. SDGs) are a collection of 17 interlinked global goals that aim to achieve a better and more sustainable future for all by 2030. We have conducted an analysis to assess how our activities align with the U.N. SDGs.

U.N. Sustainable Development Goal (SDG)	How we are supporting this SDG	Report reference
3 Good Health and Well-Being	We are committed to a strong health and safety program for our employees and a product portfolio that enables healthy spaces and well-being across areas such as indoor air quality and acoustics.	Sustainably sourced products Safe and healthy employees
5 Gender Equality	We are committed to ensuring a representative, diverse workforce at all locations, and we are training our employees annually on diversity and inclusion.	Diverse and inclusive workforce
6 Clean Water and Sanitation	We offer products that can make our customers' infrastructure more resilient, such as our seismic offerings, integration solutions and renovation solutions. We have also invested in technology in innovation, green chemistry, recycling and efficiency. Lastly, our SUSTAIN® products have eliminated harmful ingredients from our products.	Sustainably sourced products Product transparency
10 Reduced Inequalities	We are focused on reducing inequalities in several ways, including paying our employees a fair wage across the business, supporting our employees through our affinity groups, and strengthening our communities through partnerships like the Boys & Girls Club of Lancaster.	Diverse and inclusive workforce Community engagement
11 Sustainable Cities and Communities	As a company, we create many products for sustainable construction and energy efficiency, and we continue to expand our new product portfolio to support this mission, such as steel, radiant and high light-reflectant ceiling products. Additionally, we partner with different associations, such as the U.S. Green Building Council and Canada Green Building Council, to promote environmentally sound building practices.	Sustainably sourced products Memberships and collaborations
12 Responsible Consumption and Production	We create high-quality products and encourage long-term use where appropriate, to reduce unnecessary waste. We also offer a ceiling tile recycling program that converts used products into new inventory.	Circular products Sustainably sourced products
13 Climate Action	We have set ambitious greenhouse gas reduction goals for our operations and aim to reduce the level of embodied carbon in our products.	Reduced carbon footprint Circular products

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United Nations SDGs

U.N. Sustainable Development Goal (SDG)	How we are supporting this SDG	Report reference
15 Life on Land	We demonstrate our commitment to protecting, restoring and promoting the sustainable use of forests through our TECTUM ceiling and tile products, which are certified as Living Products. We also use Forest Stewardship Council certification for wood-based products. Additionally, we contribute to the National Forest Foundation for the preservation of aspen forests and have created a number of pollinator-friendly habitats around our facilities.	Biodiversity Sustainably sourced products
16 Peace, Justice and Strong Institutions	We reinforce the need for effective, accountable and inclusive institutions by demonstrating our values in our Code of Business Conduct, our Supplier Code of Conduct and our Corporate Governance Principles.	Ethical behavior Building a sustainable supply chain
17 Partnership for the Goals	We collaborate with several associations, nonprofit partners and multistakeholder groups in order to reach our sustainability goals.	Memberships and collaborations

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Future-Fit Break-Even Goals

In building out our 2030 targets, we aligned them to the Future-Fit Business Benchmark, which helps companies to manage and improve their social and environmental performance.

Healthy and Circular Products

Target	Target date	Related Future-Fit Break-Even Goal
100% of our products free of chemicals of concern.	2030	BE05: Operational Emissions BE17: Product Harm
100% of our products have verified transparency.	2030	BE04: Procurement BE15: Product Communications BE16: Product Concerns BE17: Product Harm
100% of our material sourcing activities evaluated for social, ethical and environmental performance.	2030	BE03: Natural Resources BE04: Procurement
50% of our products recycled, reused or repurposed at end of use.	2030	BE19: Products Repurposed
50% reduction in the carbon footprint of our products, compared to a 2019 baseline.	2030	BE18: Product GHGs
20% reduction in the water intensity of our products, compared to a 2019 baseline.	2030	BE02: Water Use BE05: Operational Emissions

Healthy Planet

Target	Target date	Related Future-Fit Break-Even Goal
30% reduction in absolute Scope 1 and 2 greenhouse gas (GHG) emissions from a 2019 baseline, in accordance with the Science Based Targets initiative (SBTi), allowing us to meet a well below 2°C scenario.	2030	BE01: Renewable Energy BE05: Operational Emissions BE06: Operational GHGs
100% of our electricity needs sourced directly or indirectly from renewable energy.	2030	BE01: Renewable Energy BE05: Operational Emissions BE06: Operational GHGs
50% reduction in absolute waste from our operations, from a 2019 baseline.	2030	BE05: Operational Emissions BE07: Operational Waste
100% of our water management practices include measures designed to minimize usage and environmental discharge.	2030	BE02: Water Use BE05: Operational Emissions

Thriving People and Communities

Target	Target date	Related Future-Fit Break-Even Goal
Locations formally engaged in local community outreach.	Ongoing	BE09: Community Health
Employees offered opportunities to actively engage in their communities.	Ongoing	BE09: Community Health
Increased community engagement scores year over year.	Ongoing	BE09: Community Health
Employees receive training or engagement on diversity and inclusion topics on a regular basis.	Ongoing	BE13: Discrimination
Locations have a representative diverse workforce.	Ongoing	BE13: Discrimination
Employees have a meaningful and safe opportunity to share their views on topics that matter to them.	Ongoing	BE14: Employee Concerns
Employees offered tools and resources to improve their financial, physical and mental health and well-being.	Ongoing	BE10: Employee Health
Employees offered learning and development opportunities annually.	Ongoing	BE14: Employee Concerns
Improved workplace safety scores year over year, while we strive to have zero workplace injuries.	Ongoing	BE10: Employee Health
Employees offered at least a fair wage, to be defined as competitive total rewards based on position and location.	Ongoing	BE11: Living Wage

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