

# 2021 ESG Performance Summary

## Select Highlights

Since its inception in 1860, Armstrong has had a long-standing commitment to sustainable practices. We are proud to achieve the following:

### 2022 SUSTAINABILITY REPORT

For more details view our full ESG Report.



Since 1999, we have **taken back 212 million square feet of mineral fiber ceilings through the Armstrong Ceiling Recycling Program**. This saved the equivalent of 1.2 million tons of virgin raw material and 201 million gallons of water.



# 60%

of our product portfolio meets SUSTAIN criteria, representing verified transparency and elimination of chemicals of concern, with a goal to get to 100% by 2030.

# 100%

of salaried employees receive regular performance reviews.



# 8%

of our electricity comes from renewable energy, with a goal to get to 100% by 2030.



The **majority of our locations** have training and development programs for all employees.



**Initiated a program with Irving Consumer Products to purchase 3,500 tons of post-industrial fiber annually**, supporting circularity and waste diversion and increasing local sourcing.



# 30%

Scope 1 & 2 emissions reduction goal validated by the Science Based Targets Initiative (SBTi).



# 11










out of 15 locations are actively engaged in community outreach.

In 2021, we **increased our giving by over 50%** to local community causes vs. 2020.



## Our Sustainability Goals and Targets

We have established nine goals under our three sustainability pillars. They reflect our evolving materiality analysis and align with the UN SDGs and other reporting frameworks. Armstrong continues to work towards our 2030 targets.

GOALS			TARGETS	TARGET DATE	
<b>Healthy and Circular Products</b>	 <b>SUSTAINABLY SOURCED PRODUCTS</b>	We aim to create products and solutions from healthy, sustainably sourced materials, by eliminating chemicals of concern through sustainable supply chains.	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	
	 <b>CIRCULAR PRODUCTS</b>	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.	50% of our products recycled, reused or repurposed at end of use.	2030	
			 <b>REDUCED CARBON AND WATER FOOTPRINT</b>	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
<b>Healthy Planet</b>	 <b>REDUCED CARBON FOOTPRINT</b>	We aim to reduce our greenhouse gas emissions and increase our reliance on renewable energy using climate-science based 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.	2030	
			100% of our electricity needs sourced directly or indirectly from renewable energy.	2030	
	 <b>CIRCULAR SYSTEMS</b>	We aim to eliminate waste through innovative manufacturing processes and by creating circular systems from order to delivery.	50% reduction in absolute waste from our operations, from a 2019 baseline.	2030	
	 <b>OPTIMIZED WATER</b>	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.	100% of our water management practices include measures designed to minimize usage and environmental discharge.	2030	
<b>Thriving People and Communities</b>	 <b>COMMUNITY ENGAGEMENT</b>	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.	Locations formally engaged in local community outreach.	ongoing	
			Employees offered opportunities to actively engage in their communities on an ongoing basis.	ongoing	
			Increased community engagement scores year over year.	ongoing	
	 <b>DIVERSE &amp; INCLUSIVE WORKFORCE</b>	We aim to develop an inclusive culture and a diverse workforce at all locations.	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	
	 <b>SAFE &amp; HEALTHY EMPLOYEES</b>	We aim to cultivate a culture that leads to safe, healthy, fulfilled 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	

## Key Sustainability Data

Healthy and Circular Products				Thriving People and Communities						
	2019	2020	2021		2019	2020	2021			
Percentage of products free of chemicals of concern	57%	62%	60%	<b>HEALTH AND SAFETY<sup>5</sup></b>	OSHA recordable injuries	37	38	51		
Percentage of mineral fiber products free of chemicals of concern	70%	78%	80%		OSHA total recordable incident rate	1.62	1.55	1.76		
Percentage of products with verified transparency	57%	62%	60%		Fatalities	0	0	0		
Product carbon footprint (Mt CO <sub>2</sub> e)	1,282,000	1,153,000	1,186,000	<b>CHARITABLE GIVING</b> U.S. dollars in thousands			\$544	\$834		
Healthy Planet				<b>EMPLOYEE DATA BY GENDER (GLOBAL)</b> Percent (%)	Total employees	Male	75%	73%		
<b>CARBON<sup>1</sup></b> in Metric tons CO <sub>2</sub> e	2019	2020	2021			Female	25%	27%		
	Scope 1 emissions	244,000	226,000		234,000	New hires	Male	71%	69%	
	Scope 2 emissions	108,000	97,000	102,000		Female	29%	31%		
	Total Scope 1 & 2 emissions	352,000	323,000	336,000	Employee turnover	Male	9%	12%		
	GHG intensity for Scope 1, 2 & 3 Mineral fiber only (Mt/Mft <sup>2</sup> )	1,175	1,215	1,173		Female	7%	12%		
<b>ENERGY<sup>1</sup></b> in MWh	Percentage of renewable electricity	7%	8%	8%	<b>EMPLOYEE DATA BY AGE (GLOBAL)</b> Percent (%)	Total employees	<30	15%	15%	
	Direct energy consumption	1,206,000	1,118,000	1,159,000			30-50	43%	43%	
	Indirect energy consumption	254,000	246,000	258,000			50+	41%	41%	
	Energy intensity for Scope 1 & 2 (MWh/ft <sup>2</sup> )	1,550	1,620	1,630		New hires	<30	33%	37%	
<b>WASTE<sup>2</sup></b> Metric tons	Total waste	21,100	20,900	23,000			30-50	45%	44%	
	Nonhazardous waste landfill	20,900	20,600	22,800			50+	22%	19%	
	Nonhazardous waste incinerator	270	320	190	Employee turnover	<30	13%	22%		
	Hazardous waste	52	92	99		30-50	5%	10%		
<b>WATER<sup>3</sup></b> Mgal	Water used	723	701	701	<b>EMPLOYEE DATA BY MINORITY STATUS (U.S. ONLY)</b> Percent (%)	Total U.S. employees		23%	25%	
	<b>AIR QUALITY<sup>4</sup></b> Metric tons	Nitrous Oxides (NO <sub>x</sub> )		151		129		New employee hires		20%
Volatile Organic Compounds (VOCs)			552	530			Employee turnover		7%	13%
Particulate Matter (PM)			242	236	<b>BOARD OF DIRECTORS</b> Percent (%)	Gender	Male	78%	78%	
Hazardous Air Pollutants (HAPs)			88	82			Female	22%	22%	
Carbon Monoxide (CO)			2,406	2,165		Minority status		22%	22%	
Sulfur Oxides (SO <sub>x</sub> )			35	59		Independent status		88%	88%	
Ammonia (NH <sub>3</sub> )			66	62	<b>SENIOR LEADERSHIP</b> Percent (%)	Gender	Male		57%	
						Female		43%		
					Minority status			14%		



Armstrong World Industries' Living Lab, Ideation Area, Featuring Armstrong VidaShield UV24™ Air Purification System, Calla® Shapes for DesignFlex®, Infusions® Lay-in Panels and Vode® ZipTwo® integrated lighting.

## 2022 SUSTAINABILITY REPORT

For more details view our full ESG Report.



### NOTES ABOUT DATA

- Certain 2019 and 2020 figures have been updated from previously reported data.
  - Data covers all of the entities under Armstrong World Industries including acquisitions of TECTUM® (Jan. 2017), Plasterform, Inc. (May 2018), Steel Ceilings, Inc. (Aug. 2018), Architectural Components Group, Inc. (Mar. 2019), MRK Industries, Inc. (Nov. 2019), TURF Design Inc. (Jul. 2020), Moz Designs, Inc. (Aug. 2020), and Arktura LLC (Dec. 2020).
  - Data does not include 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 Sept. 2019) or the WAVE joint venture.
  - Unless otherwise noted, data related to acquired entities is included in the figures disclosed only for the time periods after acquisition.
  - We have not obtained any third-party assurance for the data presented in this document.
  - Data within this report 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.
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- 1 • 2020 carbon and energy figures exclude data from TURF, Moz and Arktura. 2021 figures exclude data from TURF for the first six months of 2021.
    - CO<sub>2</sub>e refers to carbon dioxide equivalents.
    - Scope 1 emissions include on-site fossil fuel consumption, primarily natural gas consumption with a small proportion from other on-site fuel usage.
    - Scope 2 emissions include purchased electricity.
    - Climate change performance data is currently under review as part of developing our final SBTi targets. These values may change in the future.
    - Direct energy consumption refers primarily to natural gas consumed in our facilities with a small proportion from other on-site fuel usage.
    - 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.
  - 2 • 2019 and 2020 waste figures exclude data from our Montreal facility and our Campus headquarters. 2020 figures exclude data from TURF, Moz and Arktura.
    - The increase from 2020 to 2021 in hazardous waste was due to disposal of a large amount of chemicals that became unusable due to acquisitions and consolidation of operations.
  - 3 • 2019, 2020 and 2021 water figures exclude data from our Montreal facility and our Campus headquarters. 2021 figures exclude data from TURF, Moz and Arktura. 2021 figures exclude data from ACGI and Steel Ceilings, Inc.
  - 4 • Air quality data for 2020 and 2021 includes all facilities except Arktura.
  - 5 • 2021 injury increase is attributed to missing the OSHA allowable re-test window of employee hearing tests (Standard Threshold Shift (STS) testing) due to staffing changes. Typically, this re-test would rectify the majority of these recordables.
    - 2019 total OSHA recordable injuries increased by 1 compared to last year's reported figure due to determination timing.
    - 2020 total OSHA recordable injuries increased by 1 due to the conversion of one incident into an OSHA recordable injury.
    - All injuries and recordable injury rates for U.S. and Canada use OSHA definitions.