

Building Better Together



Armstrong[®]
World Industries



Our Sustainability 2023 Highlights



“The enthusiasm surrounding our sustainability efforts is palpable. We’re not just setting targets anymore; we’re weaving sustainability into the fabric of our operations and securing buy-in across all levels. It’s about getting to genuine, long-lasting sustainability progress, not just quick fixes. I’m thrilled about the path we’re on and excited to see the transformative impact of our commitment to our future.”

—KELSEY HERRING, Director of Sustainability

Healthy and Circular Products

PRODUCT SALES FREE OF CHEMICALS OF CONCERN



In 2023, **80%** of our Mineral Fiber product sales were free of chemicals of concern, bringing us closer to reaching our 2030 goal of 100%.

In 2023, **\$776 million** in revenue was generated from products that met SUSTAIN® criteria, representing verified transparency and the elimination of chemicals of concern.



Healthy Planet

SCOPE 1 AND 2 EMISSIONS REDUCTION



In 2023, we decreased our market-based Scope 2 GHG emissions by **21%** compared with a 2019 baseline.

17% of our electricity comes from renewable sources and it's our goal to reach 100% by 2030.

Thriving People and Communities

75 organizations were impacted through employee choice giving and foundation matching.

100% of AWI employees receive access to company platforms that provide an opportunity to express views on topics that matter to them.

2023 Performance Summary

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 toward our 2030 targets.

GOALS			TARGETS	TARGET DATE		
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.	100% of our products are free of chemicals of concern.	2030		
			100% of our products have verified transparency.	2030		
			100% of our material sourcing activities are evaluated for social, ethical and environmental performance.	2030		
Healthy Planet	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.	50% of our products have a viable path to be recycled, reused or repurposed at end of use.	2030		
			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.	50% reduction in the carbon footprint of our products, compared with a 2019 baseline.	2030
				20% reduction in the water intensity of our products, compared with a 2019 baseline.	2030	
Healthy Planet	Reduced carbon footprint	We aim to reduce our greenhouse gas emissions and increase our reliance on renewable electricity using climate-science-based targets.	30% reduction in absolute Scope 1 and 2 GHG emissions compared with a 2019 baseline, in accordance with the SBTi, allowing us to meet a well below 2°C scenario.	2030		
			100% of our electricity needs are sourced directly or indirectly from renewable electricity.	2030		
			Circular systems	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, compared with a 2019 baseline.	2030
Thriving People and Communities	Protecting Water and Biodiversity	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		
			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.	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					
Thriving People and Communities	Diverse & inclusive workforce	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		
Thriving People and Communities	Safe & healthy employees	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		

2023 Performance Summary (Continued)

Key Sustainability Data

HEALTHY AND CIRCULAR PRODUCTS		2019	2020	2021	2022	2023
Percentage of product sales free of chemicals of concern		55%	58%	57%	58%	61%
Percentage of product sales with verified transparency		55%	58%	57%	58%	68%
Product carbon footprint (Mt CO ₂ e)		1,291,000	1,116,000	1,146,000	1,129,000	1,173,000
HEALTHY PLANET		2019	2020	2021	2022	2023
Carbon¹ in metric tons CO ₂ e:	Scope 1 emissions	214,000	199,000	206,000	196,000	198,000
	Market-based Scope 2 emissions	108,000	93,000	91,000	88,000	86,000
	Total market-based Scope 1 & 2 market-based emissions	322,000	292,000	297,000	284,000	284,000
	GHG intensity for Scope 1, 2 & 3: Mineral Fiber only (metric tons CO ₂ e/million ft ²)	1,190	1,180	1,130	1,100	1,130
	Location-based Scope 2 emissions				103,000	97,000
Energy¹ in megawatt hours	Percentage of renewable electricity	0%	0%	10%	13%	17%
	Direct energy consumption	1,179,000	1,096,000	1,137,000	1,085,000	1,094,000
	Indirect energy consumption	260,000	246,000	258,000	257,000	250,000
	Energy intensity for Scope 1 & 2: Mineral Fiber only (MWh/million ft ²)	1,530	1,590	1,600	1,570	1,610
Waste² in metric tons	Total waste	21,180	20,960	23,110	20,970	20,243
	Nonhazardous waste landfill	20,860	20,550	22,820	20,770	19,433
	Nonhazardous waste incinerated	270	320	190	120	752
	Hazardous waste	50	90	100	90	58
Water³ Mgal	Water used	733	687	713	733	699
Air Quality⁴ in metric tons	Nitrous oxides (NOx)		150	130	129	147
	Volatile organic compounds (VOCs)		550	530	503	501
	Particulate matter (PM)		240	240	230	232
	Hazardous air pollutants (HAPs)		90	80	79	86
	Carbon monoxide (CO)		2,410	2,170	2,026	2,034
	Sulfur oxides (SOx)		40	60	62	49
	Ammonia (NH ₃)		70	60	57	54

2023 Performance Summary (Continued)

THRIVING PEOPLE AND COMMUNITIES			2019	2020	2021	2022	2023
Health and safety⁵	OSHA recordable injuries		37	38	51	39	31
	OSHA total recordable incident rate		1.62	1.55	1.76	1.30	1.03
	Fatalities		0	0	0	0	0
Charitable giving U.S. dollars in thousands				\$544	\$834	\$623	\$600
Employee data by gender (global) Percent (%)	Total employees	Male	75%	73%	73%	73%	
		Female	25%	27%	27%	27%	
	New hires	Male	71%	69%	72%	74%	
		Female	29%	31%	28%	26%	
	Employee turnover	Male	9%	12%	16%	9%	
		Female	7%	12%	16%	10%	
	Leadership	Female		23%	24%	24%	
	Mid-level managers and staff	Female		38%	38%	36%	
	Production	Female		15%	16%	17%	
Employee data by age (global) Percent (%)	Total employees	<30	15%	15%	15%	15%	
		30-50	43%	43%	43%	44%	
		50+	41%	41%	42%	42%	
	New hires	<30	33%	37%	35%	36%	
		30-50	45%	44%	45%	46%	
		50+	22%	19%	20%	18%	
	Employee turnover	<30	13%	22%	29%	16%	
		30-50	5%	10%	15%	9%	
		50+	10%	10%	11%	8%	
Employee data by minority status (U.S. only) Percent (%)	Total U.S. employees		23%	25%	28%	31%	
	New employee hires		20%	34%	37%	42%	
	Employee turnover		7%	13%	15%	9%	
	Leadership			12%	12%	11%	
	Mid-level managers and staff			15%	18%	19%	
	Production			15%	16%	44%	
Board of Directors Percent (%)	Gender	Male	78%	78%	78%	75%	
		Female	22%	22%	22%	25%	
	Minority status		22%	22%	33%	38%	
	Independent status		88%	88%	88%	88%	
Senior leadership Percent (%)	Gender	Male		57%	57%	67%	
		Female		43%	43%	33%	
	Minority status			14%	29%	33%	

2023 Performance Summary (Continued)

Notes About Data

- Certain 2019, 2020, 2021 and 2022 figures have been updated from previously reported data.
- Our operating segments are as follows: Mineral Fiber, Architectural Specialties and Unallocated Corporate. Our Mineral Fiber segment produces suspended Mineral Fiber and soft fiber ceiling systems. Our Mineral Fiber products offer various performance attributes such as acoustical control, rated fire protection, aesthetic appeal and health and sustainability features. Our Architectural Specialties segment produces, designs and sources ceilings and walls for use in commercial settings. Products are available in numerous materials, such as metal, felt and wood, in addition to various colors, shapes and designs. Products offer various performance attributes such as acoustical control, rated fire protection and aesthetic appeal. We sell standard, premium and customized products, a portion of which are derived from sourced products. Our Unallocated Corporate segment includes certain assets, liabilities, income and expenses that have not been allocated to our other business segments.
- Data covers all the entities under Armstrong World Industries, including acquisitions of Tectum, Inc. (Jan. 2017), Plasterform, Inc. (May 2018), Steel Ceilings, Inc. (Aug. 2018), Architectural Components Group, Inc. (ACGI) (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 recent acquisitions of BÖK Modern or Insolcorp, 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 limited external assurance of 2019, 2022 and 2023 Scope 1 and 2 GHG emissions. We have not obtained any third-party assurance for the other 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 figures in future reports.
- All data reflects U.S. employees only. Leadership refers to director level and above. Mid-level managers and staff represent senior managers, early career and remaining salaried and hourly non-production staff. Production workers represent hourly production plant employees.



See our full SCS Global Services Footprint Verification Report online.

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.
- CO₂e 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.
- 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.

2

- 2019 and 2020 waste figures exclude data from our Montreal facility. 2020 figures exclude data from TURF, MOZ and Arktura.
- 2019, 2020, 2021 and 2022 waste figures exclude our campus headquarters.
- 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, 2021 and 2022 water figures exclude data from our Montreal facility and our campus headquarters. 2022 figures also exclude Steel Ceilings, Inc. and TURF data. 2023 water figures exclude GC Products.

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.
- All injuries and recordable injury rates for U.S. and Canada use OSHA definitions.



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