



# **Sustainability & Responsible Business Update**

Updated October 2024

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## About this Document

Floor & Decor references leading industry standards and best practices as we develop and refine our reporting of material sustainability topics. At this time, we intend to align our disclosures with guidance from the [Sustainability Accounting Standards Board](#) (SASB) Multiline and Specialty Retailers & Distributors Industry Standard. In addition, at the time of this publication, we are closely monitoring with our consulting partners the progress of the climate disclosure rule adopted by the Securities and Exchange Commission (SEC) in March 2024 and similar rules signed into law by the State of California in September 2024. The SEC rule is voluntarily stayed while challenges are under review by the United States Eighth Circuit Court of Appeals. In California, SB 253 and SB 261 were both amended by SB 219, which was signed into law in September 2024. These also face separate legal challenges. We plan to comply with any applicable regulations regarding climate disclosures and in the interim will continue to align our voluntary disclosures to the recommendations of the [Task Force on Climate-related Financial Disclosures](#) (TCFD) established by the [Financial Stability Board](#). For more information on climate disclosures, please refer to the **Climate Risk & Energy Management** section starting on page 22.

This document presents relevant information for our shareholders and stakeholders, and includes links to relevant policies where applicable. These disclosures should be read in conjunction with other disclosures made by Floor & Decor on [www.flooranddecor.com](http://www.flooranddecor.com) and [ir.flooranddecor.com](http://ir.flooranddecor.com), and with reports filed with the SEC.

### *Forward-Looking Statement Disclosure*

This report may contain forward-looking statements within the meaning of the federal securities laws. In some cases, you can identify these statements by forward-looking terms such as “may,” “might,” “will,” “should,” “could,” “would,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” “target,” “goal,” or “continue,” and the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to known and unknown risks, uncertainties, and assumptions about us, may include projections of our future financial performance based on our growth strategies, business plans and initiatives, and anticipated trends in our business. These forward-looking statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance, or achievements to differ materially from the results, level of activity, performance, or achievements expressed or implied by these forward-looking statements. These factors include, but are not limited to, those discussed in our Annual Report on Form 10-K under Item 1A “Risk Factors,” and also discussed from time to time in our reports on Forms 10-Q and 8-K. Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance, or achievements. Neither we nor any other person assumes responsibility for the accuracy or completeness of any of these forward-looking statements. You should not rely upon forward-looking statements as

predictions of future events. We are under no duty to update any of these forward-looking statements or any other statements in this report after the date of this report, or to conform our prior statements to actual results or revised expectations, and we do not intend to do so. Inclusion of information in this report is not an indication that we deem such information to be material or important to an understanding of our business or an investment decision with respect to our securities.

## Our Company

At Floor & Decor we seek to improve lives by improving spaces. We do this by helping people – customers, associates, suppliers, and other partners we interact with – achieve beyond their expectations. As a high-growth specialty retailer, we focus on hard surface flooring and accessories, delivering an unmatched assortment of trend-forward tile, wood, laminate, vinyl, and natural stone. Our large stores create immersive experiences, offering customers the inspiration and support they need to realize what’s possible – and more. And thanks to our direct sourcing model, we bring extraordinary value every day, empowering both homeowners and professional customers (Pros) to achieve more with their budgets.

### Sustainability at Floor & Decor

At Floor & Decor, our growth and disruption of the status quo gives us the opportunity to have a positive impact on society and the planet. By balancing today’s needs with tomorrow’s possibilities, we aim to benefit our stakeholders through our progress.

We pursue positive outcomes by working with customers to achieve their dreams, by fueling the careers of associates and our Pros, by respecting the limits of natural resources, by growing business with our vendors, and by striving to increase shareholder returns.

For nearly 25 years, Floor & Decor's associates have demonstrated an important core value: *There is no finish line*. This belief is essential to our ongoing sustainability work as we pursue continual improvement across three pillars of our operations:

**People** – We care for the safety and wellbeing of our associates, suppliers, and Pro and DIY-homeowner customers. Together, our goal is to foster a sense of belonging as we grow our careers, businesses, partnerships, and projects.

**Processes** – We seek to operate responsibly by conserving energy, reducing waste, recycling, and managing our carbon footprint. At the same time, we work with our global suppliers and partners to ensure they, too, operate responsibly and help drive more sustainable outcomes.

**Product** – We innovate with our vendors and supply chain partners to make better flooring options available at scale. We strive to protect workers and natural resources while making safe and inspiring products available at everyday low prices.

**Select Economic & Physical Data**

Financial results from 10-K (USD in 1,000s)	12 Months Ended				
	12/28/2023	12/29/2022	12/30/2021	12/31/2020	12/26/2019
Net sales	\$ 4,413,884	\$ 4,264,473	\$ 3,433,533	\$ 2,425,788	\$ 2,045,456
Cost of sales	2,555,536	2,536,757	2,011,267	1,390,896	1,182,442
Gross profit	1,858,348	1,727,716	1,422,266	1,034,892	863,014
Net income	245,980	298,195	283,230	194,981	150,631

Net Sales by Product Category (USD in 1,000s & % of Net Sales)	12/28/2023		12/29/2022		12/30/2021		12/31/2020		12/26/2019	
	\$	%	\$	%	\$	%	\$	%	\$	%
Laminate/luxury vinyl plank	1,153,476	26	1,184,636	28	876,714	26	555,963	23	442,171	22
Tile	1,033,830	23	963,999	23	801,101	23	605,357	25	523,076	26
Installation materials and tools	828,601	19	713,127	17	558,721	16	403,184	17	346,356	17
Decorative accessories/wall tile	743,571	17	744,888	17	642,697	19	464,589	19	386,657	19
Wood	258,359	6	274,528	6	259,637	8	211,307	9	202,888	10
Natural stone	208,286	5	212,167	5	199,140	6	152,665	6	127,975	6
Other <sup>1</sup>	104,236	2	101,308	2	41,041	1	12,236	—	9,082	—
Adjacent categories	83,525	2	69,820	2	54,482	1	20,487	1	7,251	—

**Select SASB Data and References**

SASB <sup>2</sup> Activity Metrics <sup>3</sup>	SASB Codes: CG-MR-000.A and CG-MR-000.B				
	12/29/2023	12/29/2022	12/30/2021	12/31/2020	12/26/2019
Retail locations					
Store Count <sup>4</sup>	221 + 5	191 + 6	160 + 2	133 + 2	120 + 1
Square feet	17,237,464	15,093,764	12,516,400	10,373,482	9,186,917
Square meters	1,601,369	1,402,256	1,162,812	963,728	853,493
Distribution centers					
DC Count <sup>5</sup>	4 + 1	4 + 1	4 + 1	4	4
Square feet	5,679,720	5,684,720	5,539,553	4,673,288	4,673,288
Square meters	527,689	528,127	514,641	434,163	434,163

(SASB data continues on next page)

<sup>1</sup> Other includes delivery, sample, and other product revenue and adjustments for deferred revenue, sales returns reserves, and other revenue related adjustments that are not allocated on a product-level basis, as detailed in [Floor & Decor 2023 10-K](#) Disaggregated Revenue table footnote.

<sup>2</sup> Sustainability Accounting Standards Board – Multiline and Specialty Retailers & Distributors – Sustainability Accounting Standard v. 2023-06

<sup>3</sup> Facility count and area are as of year-end.

<sup>4</sup> Store count indicates warehouse-format stores + small format design studios.

<sup>5</sup> DC count indicates our distribution centers + our transload facility near Los Angeles.

SASB Disclosure Topics and Accounting Metrics			
Topic	Disclosure or Metric	SASB Code	Data or location
Energy Management in Retail & Distribution	Total energy consumed, percentage grid electricity, percentage renewable	CG-MR-130a.1	This document, <a href="#">page 24</a>
Data Security	Description of approach to identifying and addressing data security risks	CG-MR-230a.1	This document, <a href="#">pages 19-21</a>
	(1) Number of data breaches (2) percentage involving personally identifiable information (PII) (3) number of customers affected	CG-MR-230a.2	For 2019 – 2023: (1) 0 (2) 0 (3) 0
Labor Practices	(1) Average hourly wage and (2) percentage of in-store and distribution center employees earning minimum wage	CG-MR-310a.1	For 2023: (1) \$19.76 (2) 0.0%
Workforce Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for: (1) management (2) all other employees	CG-MR-330a.1	This document, <a href="#">pages 14-15</a>
Product Sourcing, Packaging & Marketing	Revenue from products third-party certified to environmental and/or social sustainability standards	CG-MR-410a.1	~\$1,287,650,000 USD in 2023. Based on 100% of laminate and vinyl and 52% of wood products having GREENGUARD® Gold or FloorScore® certification

## Sustainability Topic Prioritization via Materiality Assessment

### Note regarding definition of Materiality

Materiality, as used in this document, differs from the definition used by the SEC. Topics identified as “material” for the sustainability purposes of this document may not be considered financially material for SEC reporting purposes.

To minimize confusion, we prefer to use the term “priority topics.” Yet, we include the term “materiality assessment” to aid readers, our stakeholders, and various automated tools that search for the term.

### Topic Prioritization

At Floor & Decor, our growth and disruption of the status quo gives us the opportunity to have a positive impact on society and the planet. The company also understands that only by operating a healthy and growing business can we support and expand our ability to achieve positive outcomes. To help understand our impacts, Floor & Decor conducted its first formal sustainability and responsible-business topic prioritization in 2022, focusing on business impacts, risks, and associated opportunities. The results of this assessment inform our path forward, but do not dictate it. For example, Floor & Decor will still prioritize certain topics identified in Tier 3, such as climate change and waste management and recycling.

### Results

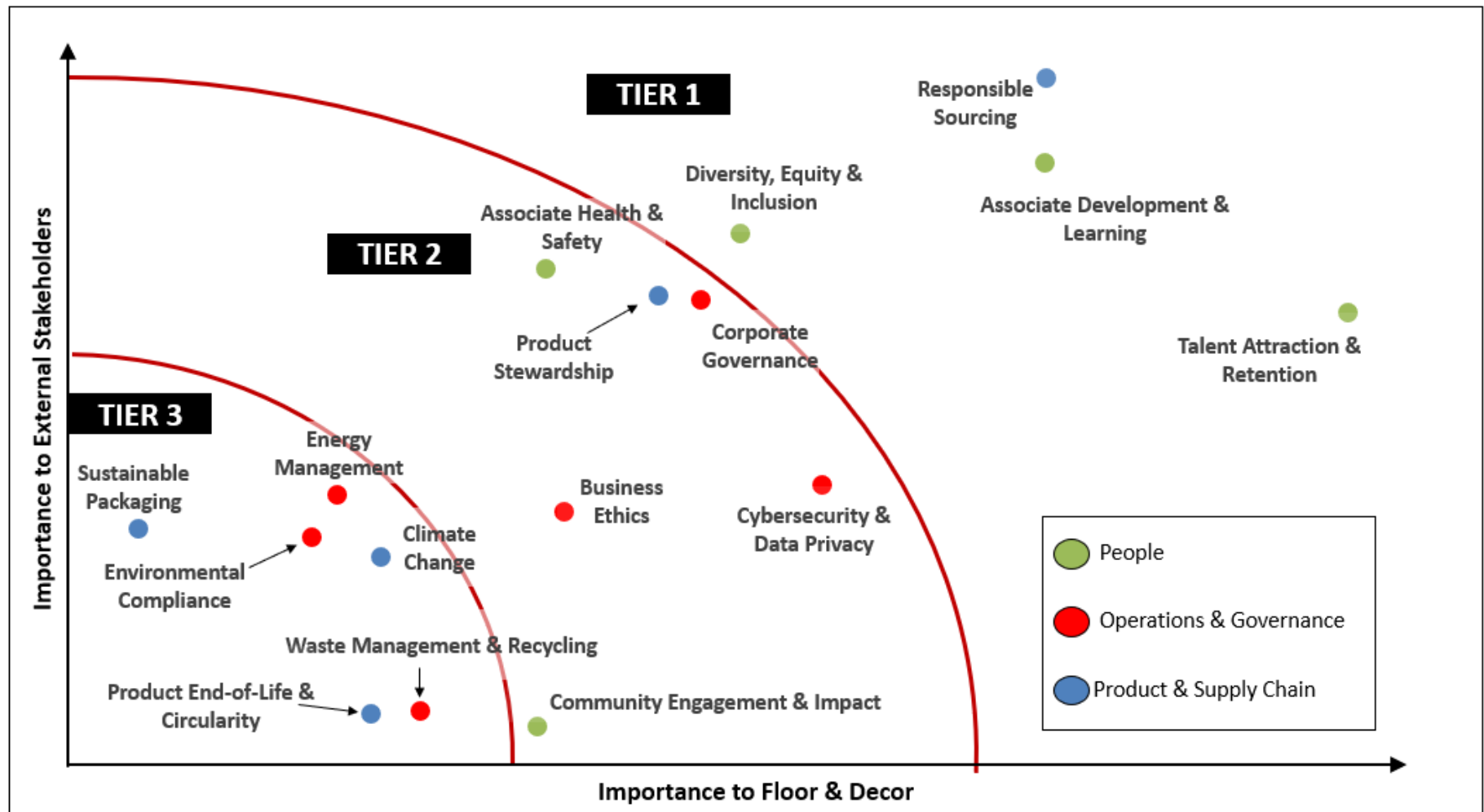
The results of our Topic Prioritization can be seen in the following chart.

Because people drive our business, human capital related topics are the top priorities for both our business success and for external stakeholders. We are investing, and will continue to invest, in talent attraction and retention, associate development and learning, and diversity, equity, and inclusion. In this and future updates, we will provide additional information on investments and programs in these areas.

Responsible sourcing is also a Tier 1 priority topic. As a retailer, Floor & Decor does not manufacture products. Nevertheless, our customers expect us to ensure the products we sell are manufactured and delivered with responsible standards in mind. We require all our associates to conduct business ethically and in accordance with all applicable laws, and we expect all vendors who provide goods and services to Floor & Decor to be committed to the same high standards. We are committed to responsible sourcing throughout our supply chain and invite readers to learn more in the relevant sections of this report and our website.



### Sustainability Topics: Priority/Materiality Results Matrix (2022)



### Looking Ahead

Although the results of our topic prioritization are not intended to convey financial materiality, we consider topics across all three tiers to be important and impactful to our business. Prioritizing the topics enables us to organize our sustainability program and reporting into the areas of greatest importance to our stakeholders. However, we will continue to monitor and reevaluate these, as well as emerging sustainability topics, and programmatically address business and stakeholder-relevant topics, such as energy, waste, and climate risk.

As part of our sustainability journey, we also plan to evolve our approach to stakeholder engagement. We already have an open and ongoing dialog with many of our shareholders, as well as industry associations. Also, we proactively reach out to additional shareholders at the end of each year to review progress and understand their priority topics and how they are thinking about the future. Moving ahead, we will explore ways to more deeply engage with other important stakeholder groups to understand their priorities. This will include further dialogue with our associates, customers, suppliers, and the communities we serve. As our stakeholder engagement practices and materiality assessments evolve, we intend to report these in future updates to this document.

## PEOPLE

*We care for the safety and wellbeing of our associates, suppliers, and Pro and DIY-homeowner customers. Together, our goal is to foster a sense of belonging as we grow our careers, businesses, partnerships, and projects.*

### Associate & Customer Safety

Floor & Decor is committed to the safety of our associates and customers. Our **Injury & Illness Prevention Program (IIPP)** educates store and distribution center associates on potential hazards in the workplace, with an emphasis on prevention. The program focuses on the proactive actions that can be taken to reduce workplace hazards, including proper training, instruction, and communication, as well as constantly assessing and correcting hazardous conditions. The program also addresses the responsibilities of associates and managers in the event they or a customer are injured, including the process of reporting workers' compensation and general liability claims and obtaining medical treatment when necessary.

Floor & Decor works to maintain a culture of safety throughout our organization. At our stores, safety training and management is the responsibility of the Chief Executive Merchant (store manager), supported by Operations Managers, Department Managers, and Assistant Department Managers. At our distribution centers, safety training and management is the responsibility of the General Manager, supported by operations and HR supervisors and the loss prevention supervisor. In addition, every store or distribution center is trained to have a Heads Up Team made up of both management and non-management associates. The Heads Up Team has a defined set of standard operating procedures (SOPs) and aims for continuous improvement by conducting safety walks, raising awareness, and training their peers.

### Safety Training

New store or distribution center associates are not allowed to work in their departments until they have successfully completed all relevant safety courses, and associates are regularly urged to report any unsafe actions or conditions immediately to management.

Mandatory safety trainings for new associates include safe work practices and assisting a forklift operator, fire safety, back-injury prevention, personal protective equipment, and hazard communication. Store and distribution center associates refresh these mandatory trainings regularly. Other safety-related trainings include public health emergency, robbery and theft protocols, hand and power tools use, and active shooter protocols.

Floor & Decor also maintains a comprehensive set of policies and safety procedures for operating lift equipment. Associates who operate certain equipment, including forklifts and aerial work platforms, must undergo special training, a certification test, and drug testing.

## Safety Resources

Floor & Decor regularly updates and publishes SOPs and quick reference guides that explain safety policies and procedures. All associates have access to the documents via the company intranet and are made aware of these resources during onboarding and safety trainings. They include:

**Safety Reference Guide** – Provides managers and associates important safety policies and procedures on the use of safety aisle barricades, forklifts, overhead storage and ladders, trash compactors, eye wash stations, safety-data sheets, personal protection equipment, pallets, stretch wrapping, and more. It also includes information on racking standards, dock safety, and fire prevention and control.

**Emergency Response SOP & Reference Guide** – Outlines preparation for and response procedures to emergencies such as fires, bomb threats, floods, tornadoes, hurricanes, and civil unrest. Includes guidelines for facility restoration following an event.

**Hazard Communication SOP** – Aids in the awareness of the dangers associated with hazardous substances, harmful physical agents, or infectious agents associates may be exposed to in their workplaces. Additionally, this SOP addresses compliance with environmental, health, and safety (EHS) regulations and supply chain obligations through the entire lifecycle of chemicals and products.

**Hazardous Waste SOP** – Addresses the safe collection, storage, and disposal of hazardous waste in compliance with federal regulations.

## Hazardous Materials

Spills and breakages of certain products can result in the presence of hazardous materials and waste. We regularly evaluate and update our Hazard Communication and Hazardous Waste SOPs in alignment with relevant federal and state regulations, as well as industry best practices.

Areas addressed in these SOPs include:

- Hazardous waste accumulation
- Biohazard and chemical spills cleanup
- Hazardous waste containers and labeling
- Hazardous waste inspections and pickup
- Record keeping and reporting

Floor & Decor contracts with a leading third-party vendor to remove hazardous waste from stores and distribution centers in accordance with federal and state regulations. In addition, associates are required to complete training on the identification of hazardous materials and the proper handling and disposal of hazardous waste.

### **Safety Compliance**

To address compliance with the IIPP, the management and Heads Up Teams at all stores and distribution centers conduct daily, monthly, and quarterly hazard inspections and perform any corrective actions. In addition, internal loss-prevention auditors conduct Store Execution Review audits regularly, and stores have a racking inspection completed by a third-party vendor on an annual basis. Distribution centers also complete racking inspections regularly.

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### Culture & Inclusion

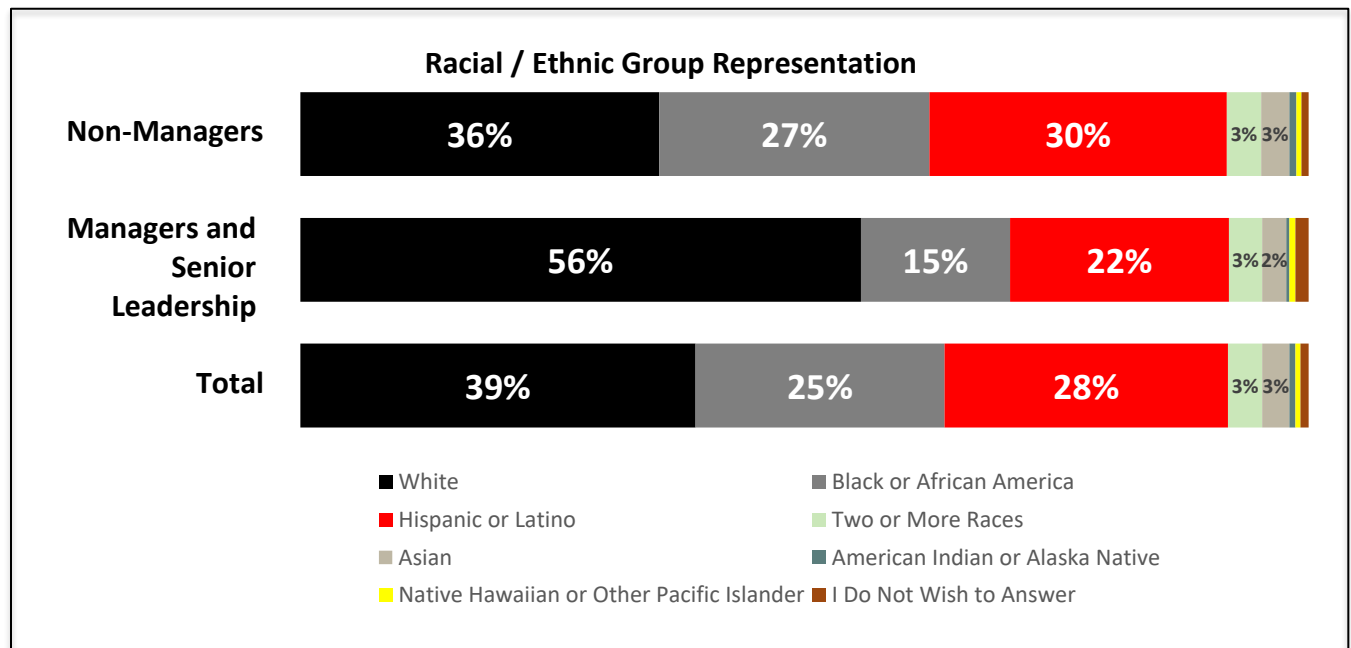
Our attention to creating an inclusive culture is an important part of our associate-engagement efforts. Floor & Decor believes when people from different backgrounds come together, amazing things can happen. We believe differences in experiences and backgrounds create unique perspectives, and we can embrace those perspectives to generate fresh ideas, solve problems, and create better outcomes and professional opportunities that add to the rapid growth of our company.

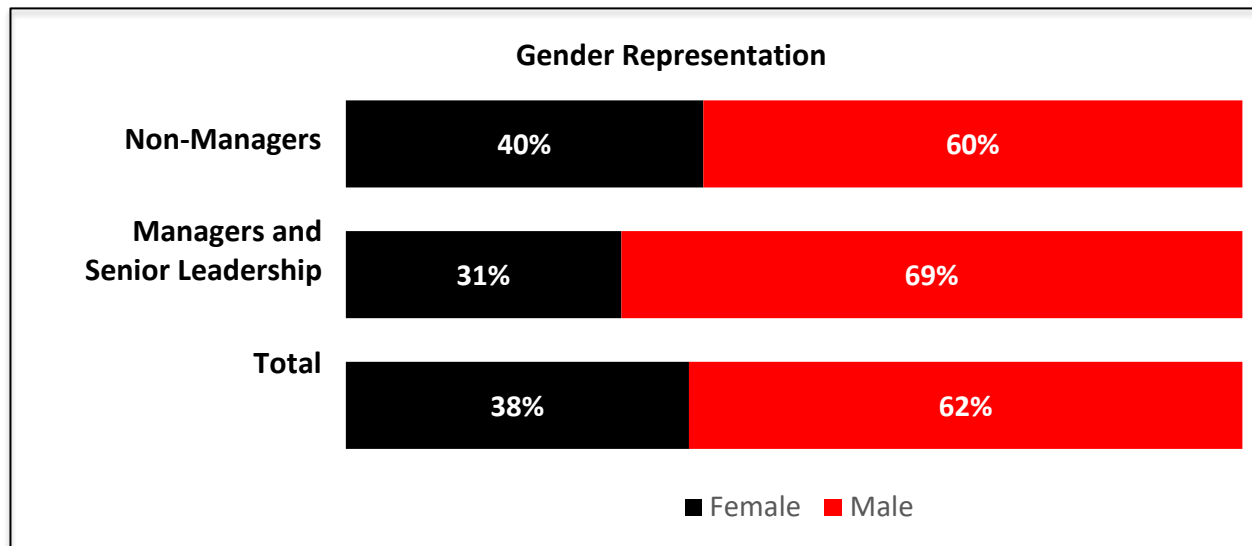
#### Associate Demographic Data

Floor & Decor is mindful of diversity throughout the employment cycle and believes that it is an important part of our culture and long-term success. Below are current figures for our workforce diversity.

#### Summary 2023 year-end associate demographic data

SASB reference: CG-MR-330a.1





### Women in Leadership

Floor & Decor’s **Women in Leadership program** was created to address the business need for more female store leaders. It provides female store leaders with the curriculum, mentorship, sponsorship, and visibility needed to help them advance in their careers. Over the past four years, 57 female leaders have participated in the program, many of whom have been promoted to more senior roles.

### Board Diversity

Given the complex nature of Floor & Decor’s business, the Board believes it is important to consider diversity of race, ethnicity, gender, age, education, cultural background, and professional experiences in evaluating candidates. The Nominating and Corporate Governance Committee is responsible for ensuring that new sets of candidates reflect these factors. Currently, our 11-person board includes three racially/ethnically diverse directors and two women. The Nominating and Corporate Governance Committee is mindful of the fact that the percentage of women on our Board is below 30% and is committed to increasing the percentage through our Board-refreshment process. As part of that process, in late 2024, we announced that Nada Aried will join our board effective January 1, 2025, and Peter Starrett will retire from the board effective February 28, 2025.

### Associate Resource Groups

Floor & Decor introduced **Associate Resource Groups (ARGs)** in 2024 as part of our ongoing efforts to improve associate engagement. These ARGs are designed to foster a sense of community within the company, offering support for networking, mentorship, and professional development that is specifically tailored to the unique experiences and needs of Floor & Decor’s associates. Through various events, discussions, and initiatives, these groups work to further promote a culture of inclusivity and belonging at Floor & Decor.

### **Benefits & Performance-based Pay**

Reflecting our focus on people, Floor & Decor offers competitive compensation, benefits, and promotional opportunities to attract and retain great associates at all levels. We offer numerous benefit plans for associates and their eligible dependents, including resources for mental health and general well-being. All full- and part-time associates are eligible for the company's **Employee Assistance Program (EAP)**, the **Employee Stock Purchase Program (ESPP)**, the 401(k) plan with a company match, and dental and vision insurance, among other benefits. Eligible full-time associates may also participate in health insurance programs and receive up to six weeks of paid parental leave for the care of newborn or newly adopted children.

As part of our comprehensive and competitive rewards packages, no Floor & Decor associate is paid less than \$15 an hour, and all associates are paid above the federal, state, and local minimum wages for their locations. In 2023, our average hourly wage across all retail stores and distribution centers was \$19.76. In addition, more than 1,500 associates received promotions in 2023.

Floor & Decor also offers a variable, performance-based pay component to all full-time and part-time associates at all levels.



## Community Engagement

Floor & Decor contributes to the well-being of people in our communities through the following.

### F&D Cares

Floor & Decor creates and supports community-engagement opportunities that are meaningful and purposeful to those in need. Available to teams company-wide, the **F&D Cares** program supports local engagement through store-led philanthropic giving and paid volunteer time off for causes that are important to our associates. Since 2022, Floor & Decor has supported more than 200 charitable organizations in our local communities. Here are a few other ways our associates supported the organizations they care about:

- Our second annual **Caring Through Service** program kicked off on January 15, 2024, in honor of Martin Luther King, Jr. Day of Service. From January 15 until Earth Day on April 22, 2024, Floor & Decor associates volunteered with dozens of charitable organizations across the country.
- In 2024, various teams across the company were given the opportunity to vote on charitable donations options. Store Support Center associates voted for Boys & Girls Club of Metro Atlanta to receive a grant to support the organization's mission.
- Floor & Decor donated more than \$3.6 million in flooring products in 2023 to local communities through partnerships with organizations like Habitat for Humanity.

### Cause Marketing

Floor & Decor ran two separate cause-marketing programs in the last year. In December 2023, our **Charity Checkout program** collected more than \$160,000 in donations for Marine Toys for Tots. Active since 1947, the organization distributes toys during the holidays to children in poverty and has collected more than 28,000 toys at our locations.

Floor & Decor is also in the fourth year of a program through which we give the proceeds from the sale of limited-edition branded buckets to charitable partners. The past three years, proceeds supported the Fisher House Foundation, which builds comfort homes where military and veterans families can stay free of charge while loved ones are in the hospital. In 2024, Floor & Decor supported the construction of the 100th Fisher House, which is in North Chicago.

### PRO Premier Rewards

Floor & Decor creates opportunities for our Pro customers to contribute to causes they care about. As part of our Pro customer loyalty program ([PRO Premier Rewards](#)) in addition to redeeming points for merchandise, events, or travel, members can redeem their points to contribute to social causes they care about. For example, generous contributions from our Pro customers go to the nonprofit, [EarthEnable](#), which is on a mission to eliminate dirt floors in developing countries. To achieve this, EarthEnable provides rural families with sanitary,

affordable, and eco-friendly earthen floors. The floors are made from locally sourced and sustainable earthen materials, along with a special plant oil-based varnish that makes the floors durable and waterproof. The floors are built by micro-franchisees, who are trained construction workers running their own businesses installing earthen floors in their communities.

Other organizations receiving support include:

- [RestoringVision](#), a global nonprofit that works to address the unmet need for glasses in low-income communities
- [ME to WE](#), a global nonprofit that provides communities with health and education resources, and has provided more than one million people with clean water and sanitation
- Fisher House, a U.S.-based nonprofit that builds comfort homes where military and veterans families can stay free of charge while loved ones are in the hospital

To date, more than 1,300 Pro customers have redeemed their points in contribution to social causes since the launch of the program in 2021.

### **West Fund**

Named after our founder, Vincent West, the West Fund was established to provide financial relief to team members during unexpected and unavoidable emergencies. Since 2015, the fund has raised more than \$1,400,000 from our associates for distribution to other associates in need.

## PROCESSES

*We seek to operate responsibly by conserving energy, reducing waste, recycling, and managing our carbon footprint. At the same time, we work with our global suppliers and partners to ensure they, too, operate responsibly and help drive more sustainable outcomes.*

### Cybersecurity, Privacy & Data Protection

SASB reference: CG-MR-230a.1

At Floor & Decor, we consider data security and privacy protection to be of the utmost importance. This includes the data of our customers, our associates, and others with whom we interact in the course of business, such as vendors, contractors, and members of industry associations or affinity groups. Floor & Decor uses a combination of policies, controls, risk-management techniques, and industry frameworks to address data security and privacy protection. We regularly evaluate new and emerging risks and ever-changing legal and compliance requirements, and we make strategic investments in resources, technology, and processes to address these risks and compliance requirements.

#### Policy & Approach

Our [Information Security Policy](#) (initially published July 2017, revised November 2022, and last reviewed November 2023) outlines the details of our policies and approaches to:

- Enterprise-information security
- information-asset destruction
- technology-asset management
- network security and access
- password standards
- acceptable use of company technology-related resources
- email policy
- personally-identifiable information of customers or associates
- monitoring of associate use of company systems

We review our processes, controls, and policies regularly to ensure our efforts are consistent with industry practices and compliant with regulatory requirements, including privacy-related regulations across relevant jurisdictions. To align our efforts with industry practices and to be compliant with regulatory requirements, we periodically engage a third party to conduct maturity assessments aligned with the National Institute of Standards and Technology's (NIST) Cybersecurity Framework. We then use these assessments to create annual roadmaps to ensure we mature our program in each of the NIST pillars – Identify, Protect, Detect, Respond, and Recover.

#### Governance

Cybersecurity is the responsibility of our information security team, overseen by our Chief Information Security Officer (CISO). The CISO is ultimately responsible for developing and

implementing policies and procedures, as well as making sure associates have sufficient cybersecurity and data-privacy training. As of the date of this report:

- The CISO reports directly to the Chief Information Officer (CIO) and indirectly to Floor & Decor's Chief Administrative Officer.
- The CIO reports to the Chief Administrative Officer (CAO) who reports to the Chief Executive Officer (CEO).
- The CISO and CIO regularly meet with the CAO to evaluate cybersecurity risks, identify potential mitigations, and assess the impact of those mitigations on residual risk.
- A summary of our cybersecurity efforts is reported to the Audit Committee, which has responsibility for regular oversight of guidelines and policies for risk assessment and management.
- The CIO also reports at least annually to the Board of Directors on information security and cybersecurity risks.
- A data council consists of leaders from across the company who are responsible for the review, assessment, and mitigation of Floor & Decor's private-data risks. Private data is considered any customer's or associate's personally-identifiable information (PII), associate's protected health information (PHI), or sales data that is not publicly available.
- The cybersecurity team consists of multiple pillars that focus on different aspects of cybersecurity, each with dedicated resources. These include security operations, application security, threat and vulnerability management, security engineering, governance risk and compliance, identify and access management, and data protection and security.

### External Protection Measures

Floor & Decor has 24/7 cybersecurity monitoring and response services to address the security of our systems and our associates' and customers' data. Floor & Decor employs external measures as the first line of defense to monitor infrastructure and endpoints against cyberattacks and malicious traffic from the internet or on internal networks. As part of our approach, we use a variety of tools, including:

- web filtering
- cloud security
- endpoint-protection systems
- hardware data-port control
- loss and/or theft alerting
- mobile device security
- data-loss prevention systems
- a security-awareness platform to conduct regular simulations and training

As part of our external protection measures, we have a process for onboarding and managing vendors that will have access to our systems and data. We conduct vendor risk assessments

based on their systems and data-access rights as well as the security practices of the vendor. This may include requesting a SOC 2 (System and Organization Controls) or ISO/IEC 27001:2013 (International Organization of Standardization/International Electrotechnical Commission) assessment from each new vendor. Contracts include appropriate cybersecurity and data-privacy language for all new vendors. Depending on the vendor risk-assessment results, additional measures and controls may be instituted and managed.

### **Internal Measures & Training**

Floor & Decor worked with external advisors to develop an Incident Response Plan that is aligned with the NIST Cybersecurity Framework and associated policies. The incident response plan facilitates coordination across multiple parts of the company, including a procedure for notifying the CISO and CIO of any incident and a procedure for reporting any material incidents to the Audit Committee and Board as appropriate. The Incident Response Plan and other key cybersecurity policies are reviewed annually. In addition:

- Floor & Decor associates are provided cybersecurity awareness training at the time of hire and annually after the associate's anniversary.
- Training is designed to ensure associates know how to handle personal data appropriately, including the leakage of, loss of, or damage to personal data.
- Floor & Decor commissions third-party penetration tests annually and conducts multiple internally led tests each year, including regular simulated phishing campaigns.
- We also run tabletop simulations of cybersecurity incidents and responses. We collaborate in these exercises with external advisors to help improve our practices, procedures, and technologies.

## Climate Risk & Energy Management

Floor & Decor aims to operate efficiently, minimize our energy intensity, and, over a reasonable time frame, to understand material financial risks to our business associated with climate change. With our consulting partners, we are closely monitoring the progress of the climate-related disclosure rule adopted by SEC in March 2024 and similar rules signed into law by the State of California in September 2024. We will continue to monitor these throughout their legal challenges and intend to comply and respond on the appropriate timelines. In the interim, we will continue to align our approach and disclosures with the four pillars of the TCFD framework, as we outline below.

### TCFD Disclosures Table

Floor & Decor intends to follow guidance from the TCFD as we seek to understand and mitigate climate-related financial risks and opportunities over the next several years. The following discusses our evolving approaches across the four thematic areas that ground the TCFD framework: governance, strategy, risk management, and metrics and targets.

#### Governance

Board-level oversight of sustainability and responsible business, including climate-related issues, rests with the Nominating and Corporate Governance Committee (NCGC) of the Board of Directors, as indicated in the [committee charter](#). The NCGC receives, at a minimum, annual updates on the company's sustainability strategy, initiatives, and policies. The full Board receives an update and provides guidance on sustainability once each year at a minimum. The Audit Committee has responsibility to discuss and review guidelines and policies with respect to risk, including the company's major financial-risk exposures, which may include climate risk and the steps management has taken to monitor and control such exposures.

Floor & Decor's Executive Vice President, Chief Administrative Officer & Chief Legal Officer is the most senior executive with responsibility for sustainability. This individual oversees sustainability strategy and execution, including climate risk, and reports directly to the Chief Executive Officer. The Senior Director of Sustainability has full-time, dedicated focus on sustainability and responsible business, including climate risk. The Sustainability Executive Committee includes the CEO and the executive leadership team and is chaired by the Senior Director of Sustainability. The committee receives sustainability updates quarterly at a minimum and advises on strategy.

To prepare for potential SEC climate disclosure rules, Floor & Decor formed a climate-risk working group that consists of senior leaders from sustainability, risk management, internal audit, accounting, and financial reporting. The group works under the guidance of the Chief Financial Officer and the Chief Administrative Officer & Chief Legal Officer.

#### Strategy

As a specialty home-improvement retailer, Floor & Decor is aware that climate-related risks and opportunities have the potential to impact our products, supply chains, adaptation and mitigation activities, and operations. For instance, extreme and unpredictable weather may increase operating costs, disrupt supply chains, change buying patterns, or limit access to our stores.

Our reputation among customers and the people in the communities we serve is very important to Floor & Decor, and we consider reputation in existing risk and materiality assessments. As a fast-growing category leader, we embrace the opportunity to make positive impacts on society and the planet. This leadership will enhance our reputation as we continue developing policies and goals. Emerging environmental or climate regulations could increase our operating costs and the prices for the products we sell, which could result in lower demand for our products. Changing regulations, shifts in consumer demand, or significant growth in our commercial surfaces business also could create opportunities for increased sales of more sustainable products.

We consider legal risks related to environmental issues and have taken steps to mitigate these risks, including the development of environmental compliance programs to ensure compliance with applicable laws and regulations.

In 2022, we conducted our first materiality assessment to identify and prioritize the sustainability-relevant topics most important to our business and our stakeholders. In addition, we will begin engaging suppliers regarding potential lower-carbon product opportunities and carbon footprint measurement and management beginning in 2025.

### **Risk Management**

Floor & Decor has begun integrating climate and sustainability-related risks into the company's overall enterprise risk management process.

Our risk management process identifies risks most material to the business on an annual basis. Senior management across the company provides input into which risks and opportunities could have a substantive financial or strategic impact to the business, and we conduct an annual risk management workshop to ensure appropriate risks are discussed and mitigation plans are in place. A discussion of these risk areas is held at meetings of the Board at least annually. In 2022, we added climate-related risks to our enterprise-risk universe, addressing certain physical risks as well as transition risks, as defined in TCFD guidance. The climate-risk working group provides guidance in these areas.

### **Metrics & Targets**

Floor & Decor measures and reports scope 1 and scope 2 greenhouse gas (GHG) emissions (see table below) as well as emissions intensity relative to sales and facilities portfolios. In 2023, Floor & Decor began partnering with Watershed to advance our methodology in scope 1 and scope 2 measurement and to prepare for an initial measurement of our 2024 scope 3 emissions in 2025. Watershed is a leading platform that assists companies in measuring, reporting, and reducing their carbon footprints.

Floor & Decor aims to operate its stores and distribution centers in an energy-efficient manner. We have invested in systems and internal capabilities that reduce energy consumption per square foot across our portfolio (see information below) and position us for future commitments on carbon emissions.

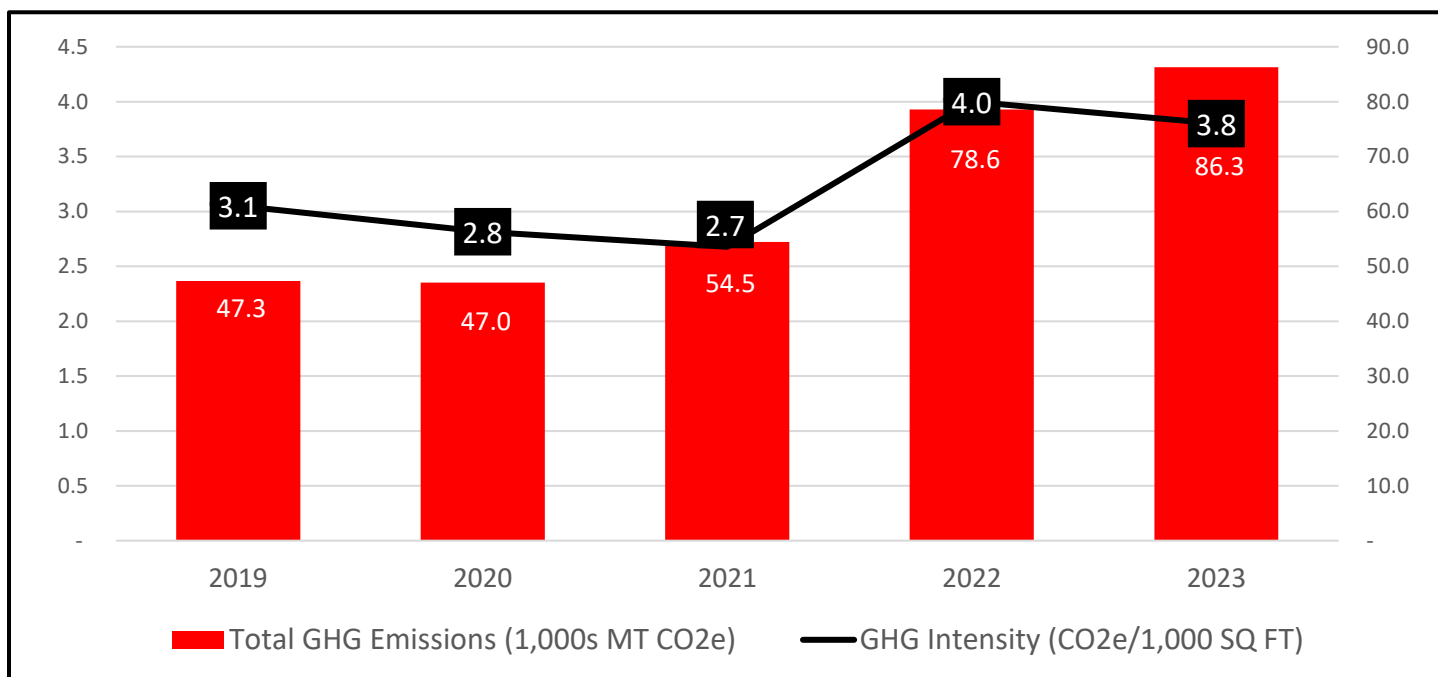
We are still in the initial phases of our carbon and climate-risk evaluation and disclosures. Given Watershed's experience advising organizations, we believe they are the right partner to help us on this journey. Our sustainability roadmap includes establishing scope 1, 2, and 3 baselines and determining how to approach reductions over time.

The metrics below are calculated based on the GHG Protocol Initiative’s guidance.

**Energy & GHG Data 2019 – 2023**

GHG Emissions	Unit	2023	2022	2021	2020	2019
Scope 1	tCO2e	22,660	25,984	12,216	8,697	7,506
Scope 2 (market-based)	tCO2e	63,594	52,575	42,248	38,305	39,824
Scope 2 (location-based)	tCO2e	59,455	52,347	NA	NA	NA
Scope 1 + 2 (absolute, market-based)	tCO2e	86,254	78,558	54,464	47,002	47,330
Scope 1 + 2 (intensity by area)	tCO2e/1,000 SQ FT	3.7	4.0	2.7	2.8	3.1
Scope 1 + 2 (intensity by revenue)	tCO2e/\$1,000 USD Sales	19.5	18.4	15.9	19.4	23.1
Energy	Unit	2023	2022	2021	2020	2019
Total electrical use (absolute)	MWh	164,660	140,595	119,352	106,386	101,959
Total electricity use (intensity)	MWh/1,000 SQ FT	7.3	7.2	6.6	7.1	7.4
Percentage of electricity from grid	Percent	100%	100%	100%	100%	100%
Percentage of electricity from renewable sources	Percent	0%	0%	0%	0%	0%

**Carbon Footprint Performance 2019 – 2023 (absolute and normalized)**





In reference to the table and graphic above, our 2022 reported carbon-intensity metric is higher than 2021. The uptick reflects improved carbon footprint measurement methodologies enabled by our partnership with Watershed, discussed in “Metrics & Targets” above. For example, our 2022 measurement estimates fugitive emissions from our rooftop HVAC units and electricity usage at leased locations where the account is maintained by the landlord. Both were previously excluded in 2021. We have continued to improve the accuracy of our data collection methodology in 2023.

We chose not to restate prior years’ footprints and carbon intensities as we believe doing so would not be a prudent use of resources or provide meaningful insights for stakeholders. However, applying the updated methodology retroactively would likely show a consistent downward trend in carbon intensity. That trend is reflective of our investment in systems, assets, and internal capabilities focused on energy management. It also reflects the impact of the growing portion of our portfolio consisting of newer and more energy-efficient stores.

### **Energy Management Programs & Progress**

Floor & Decor has invested in systems and internal capabilities that reduce energy consumption across our portfolio. Building-management systems include automated lighting controls that reduce energy usage on the sales floor during non-business hours, limit back-of-house warehouse and office lighting to areas of activity, and minimize exterior lighting during off hours. HVAC units function on time-of-day scheduling that reduces energy consumption during associate-only hours and times when facilities are unoccupied. Floor & Decor’s facilities team monitors and analyzes data from both lighting and HVAC systems across all stores to ensure optimal performance and manage exceptions.

Our investments in energy management resulted in accomplishments in the areas of energy-data capture, lighting, HVAC, and building controls, including:

- **Data:** Implemented a portfolio-wide energy-information system in 2017 that captures energy- and water-usage data for all stores. This allows Floor & Decor to track usage monthly and flag any facilities that are substantial outliers for investigation and correction.
- **Lighting:** 100% of stores and distribution centers have LED lighting, which is up to 50% more efficient than typical fluorescent lighting systems.
- **HVAC:** More than 80% of stores are equipped with high-efficiency HVAC units, delivering cooling and heating at efficiency levels 20% better than required by local building codes.
- **Building Controls:** All of our stores are controlled by an Energy Management System to ensure that lighting and HVAC schedules can be managed centrally and operated only when necessary.

We are proud of our successes and look forward to continuing our focus on energy efficiency and responsible management of our carbon footprint.

## Supply Chain Responsibility

### Scope

Floor & Decor's core programs for supply chain responsibility include our **Supplier Social Accountability Program**, our **Lacey Act Compliance Program** for sourcing wood products, and our **EPA & CARB Compliance Program** governing emissions from composite wood products. The governance and training of these programs is coordinated by the Global Sourcing and Compliance teams as described below.

### Governance and Training

Individuals in the following roles are responsible for implementing Floor & Decor's supply chain responsibility programs. These individuals ensure that all applicable personnel receive a copy of the compliance policy in their respective departments and that designated individuals with procurement responsibilities participate in required training.

- Senior Director, Global Trade and Supplier Compliance
- Senior Vice President, Supply Chain

New hires with procurement responsibilities receive training in the policies and procedures of the programs before they are cleared to independently sign off on purchases. In addition, individuals responsible for governance of these programs and associates with procurement or other relevant vendor-facing responsibilities attend annual trainings to receive updates on the law, industry standards, and any changes to policies and procedures.

### Continuous Improvement

Floor & Decor's commitment to supply chain responsibility extends beyond compliance to proactive planning. Responsible supply chain management requires continuous improvement and vigilance in addressing new and emerging risks. To remain resilient and adaptable, we regularly assess potential vulnerabilities in our supply chain and develop mitigation strategies. This proactive approach has allowed us to avoid or reduce disruptions in the past and better prepares us for future uncertainties.

To further strengthen our commitment, we actively engage with industry associations such as the Retail Industry Leaders Association (RILA), the National Retail Federation (NRF), the International Wood Products Association (IWPA), the National Wood Flooring Association (NWFA), the North American Laminate Flooring Association (NALFA), and the Tile Council of North America (TCNA). Roles that Floor & Decor supply chain leaders hold or have held include:

- President, IWPA
- Board member, IWPA
- Committee co-chair, IWPA
- Committee member, Responsible Sourcing committee, RILA
- Committee member, International Trade & Customs Committee, RILA

### Supplier Social Accountability Compliance Program

Floor & Decor's [Vendor Code of Conduct](#) sets forth the basic requirements for all vendors. We confirm compliance through a variety of methods, including on-site visits by Floor & Decor personnel and by independent third-party visits. As part of this process, Floor & Decor monitors and manages compliance to standards and best practices. Such standards include the UN Universal Declaration of Human Rights, the UN Convention on the Rights of the Child, SAI's SA8000® Standard, ISO 26000, ILO guidelines, and California Transparency in Supply Chains Act of 2010.

Floor & Decor has a **zero-tolerance policy** for confirmed instances of the following:

- child labor
- involuntary, indentured, or prison labor
- workers subjected to physical abuse
- workers subjected to sexual abuse
- workers subjected to coercion and harassment
- severe health and/or safety violations
- denial of auditor access
- intentionally falsified documentation
- identified or attempted audit bribery

In addition, Floor & Decor monitors compliance related to the following issues:

- wage and benefits
- hours of work
- health and safety
- nondiscrimination
- women's rights
- freedom of association and collective bargaining
- environmental compliance
- anti-corruption
- whistleblower protections

In addition, Floor & Decor regularly evaluates and develops other initiatives to maintain internal accountability and mitigate the risk of human trafficking within the supply chain of our products.

Floor & Decor's **Supplier Social Accountability Compliance Program**:

- requires all new and existing suppliers to sign a commitment to operate ethically and responsibly in accordance with relevant laws and standards
- requires a Supplier Social Accountability Audit of any supplier located in a high-risk country (as determined by the [Worldwide Governance Indicators](#) from World Bank or that is otherwise considered a high risk for social compliance)

The matrix below shows how Floor & Decor responds to audit findings:

**Supplier Social Accountability Audit Results Guidelines**

Most Severe Non-Conformance	Compliance Score		
	<89%	89%-95%	>95%
<b>Zero Tolerance</b>	- No New POs and No PO Shipments - Corrective Action ("C/A") Plan Due < 48 hrs - Corrective Action ("C/A") Validation Audit < 30 days - F&D Executive review & approval required to do business with this supplier		
<b>Critical</b>	- No New POs - C/A Plan Due < 14 days - C/A Validation Audit < 60-90 days	- C/A Plan Due < 14 days - C/A Validation* < 60-90 days - If C/A is Inadequate: No New POs	- C/A Plan Due < 14 days - C/A Validation* < 60-90 days - If C/A is Inadequate: No New POs
<b>Major</b>	- No New POs - C/A Plan Due < 14 days - C/A Validation Audit < 60-90 days	- C/A Plan Due < 14 days - C/A Validation* < 90 days - If C/A is Inadequate: No New POs	- C/A Plan Due < 14 days - C/A Validation* < 90 days - If C/A is Inadequate: No New POs
<b>Minor</b>	- No New POs - C/A Plan Due < 14 days - C/A Validation Audit < 60-90 days	- C/A Plan Due < 14 days - C/A Validation* < 90 days - Full Re-Audit < 12 months	- C/A Plan Due < 14 days - C/A Validation* < 90 days - Full Re-Audit < 24 months
<b>None</b>	N/A	N/A	- Full Re-Audit in 24 months

\*Validation may be 3rd party onsite, F&D onsite or desktop review per F&D discretion

**Enforcement actions and results**

We developed formal tracking on this program ten years ago. Over that period of time, more than 2,050 factory audits, all performed by independent, third-party auditors, have been completed. In only 14 instances, or less than 0.7%, did audits result in confirmed or suspected items included in our zero-tolerance policy. In three of these instances, we chose not to onboard the supplier and never purchased any products from them. The other 11 instances were attempted bribes by a local representative of the supplier, or health and safety issues. For all 11, we immediately stopped placing purchase orders and canceled shipment of any current purchase orders.

**Lacey Act Compliance Program (Wood Sourcing)**

Floor & Decor is fully committed to compliance with the Lacey Act, which prohibits importing, purchasing, or acquiring products made from illegally logged wood.

**Floor & Decor's Lacey Act Compliance Program:**

- reviews program alignment of every supplier during onboarding and upon any relevant changes in the supplier relationship, including changes in wood-sourcing practices
- requires each supplier to comply to all Lacey Act requirements
- uses a heightened standard of care and conducts further diligence when dealing with regions at a heightened risk for illegal sourcing activities or when dealing with a threatened or high-risk wood species as determined by the International Union for the

Conservation of Nature (IUCN) Red List of Threatened Plants and Convention on International Trade in Endangered Species (CITES). This includes working with suppliers of wood products to identify the full supply chain of the material back to the source and ensure compliance approval steps are completed.

Floor & Decor's audit team conducts an annual audit to ensure the Lacey Act Compliance Program is properly administered. For further information regarding wood sourcing, please refer to **Wood Flooring** in the Products section on page 34.

### **EPA & CARB Compliance Program**

Floor & Decor intends to sell only products that comply with regulations enforced by the U.S. EPA and California Air Resources Board (CARB). Therefore, we employ a system of reasonable, prudent precautions when purchasing products containing composite wood.

All responsible persons are trained to follow Floor & Decor's EPA & CARB Compliance Program. When making purchases of product containing composite wood, all responsible persons must additionally:

- work with suppliers to request only EPA TSCA Title VI and CARB ATCM compliant products
- collect the required documentation to ensure compliance-approval steps are complete
- ensure new and existing supplier assessments have been completed
- maintain records to support annual audits and any regulatory authority requirements or requests
- encourage escalation of issues and concerns, including use of Floor & Decor's anonymous ethics hotline, as warranted

### **Freight Transportation**

Freight transportation is a large source of air pollution contributing to smog, poor air quality, and GHG emissions. Floor & Decor aims to responsibly reduce the negative impacts from transportation throughout our supply chain. Floor & Decor and our carrier partners are currently registered transport partners with the U.S. Environmental Protection Agency's SmartWay program. The program helps companies advance supply chain sustainability by measuring, benchmarking, and improving freight-transportation efficiency. Below are descriptions of several other efficiency initiatives.

#### **Lightweighting with Dedicated Carriers**

Lightweighting focuses on strategically reducing weight from transportation equipment without compromising performance or safety, so that more of the total allowable weight is available for the products destined for stores and customers. Two of our strategic carrier partners have invested in lightweight equipment, allowing Floor & Decor to increase the amount of product in a truckload by up to 16%, thereby reducing the total number of truckloads, fuel consumption, and the associated carbon emissions.

### **Locating within Heavyweight Corridors**

As Floor & Decor has grown, we have strategically located our distribution centers within heavyweight corridors. These corridors are permitted by local authorities for the drayage of heavier international containers arriving at ports of entry. As a result, the international containers we receive can hold up to 33% more product than would be allowed to travel the roads outside these corridors. This greatly reduces the number of containers crossing the ocean and the number of trucks needed to carry them away from port, which also cuts fuel consumption, emissions, and cost.

### **Intermodal Transport**

Floor & Decor prioritizes shipping by rail for long-distance freight moves. Rail has several advantages over long-haul trucking, including cost savings, lower fuel use, and lower GHG emissions. According to research, trains are three to four times more fuel efficient than trucks, on average.

### **Direct-to-Store Transport**

Delivering product directly from a supplier site to Floor & Decor stores reduces the need for loading and unloading at our distribution centers. In 2021, we piloted a direct-to-store transport program with a carrier and one of our large flooring vendors and found that it avoided more than 2,000 extra stops at our distribution centers, eliminating approximately 340,000 miles of driving and reducing CO2 emissions by approximately 530 metric tons. Since then, we have added numerous additional vendors to the program. In the past year alone, the program has resulted in more than 1,300 direct-to-store shipments.

### **Autonomous Driving Pilot**

Since 2022, Floor & Decor has been one of numerous participants in a program testing trucks with autonomous driving capabilities. These trucks, which all include at least one onboard human monitor, run weekly routes for one of our carrier partners. The program aims to develop a safe and reliable innovation for the industry that also provides environmental benefits. Autonomous trucks have the potential to improve fuel efficiency through reduced idling, optimized acceleration and breaking, and speed limitation.

### **Scope 3 Transport Emissions**

Floor & Decor seeks to work with carriers that are committed to reducing the environmental impact of transportation. Currently, three of our four trucking partners track their emissions, and one of the carriers (responsible for more than a third of our truckload spend) has set 2025 and 2035 goals for reducing per-mile CO2 emissions.

In addition, throughout our supply chain, we seek to maximize how much product we can fit on each leg of the journey, thereby saving fuel and cost. It is also important to note that our approach to direct sourcing and inventory management has allowed us to avoid

using air freight, saving both cost and carbon. Where feasible, we look to work with rail partners that are working to reduce the impact of rail shipments. Our strategic rail partners have goals to reduce their GHG emissions by more than 25% by 2030. One was the first U.S. Class I railroad to have its emissions target approved by the Science Based Targets initiative (SBTi), and one is investing in the largest battery-electric locomotive fleet and is testing the use of renewable fuels.

We intend to provide updates regarding our work to address scope 3 emissions from domestic freight and rail transport as part of our overall carbon and climate strategy.

### **Additional Programs**

#### **Custom Trade Partnership Against Terrorism (CTPAT)**

Floor & Decor aims to uphold the security requirements of the CTPAT program. Through this voluntary program, Customs and Border Protection works with the trade community to strengthen international supply chains and improve United States border security. As a program partner, we have regular oversight to ensure that our supply chain remains secure.



#### **California Transparency in Supply Chains Act Disclosure**

The California Transparency in Supply Chains Act of 2010 requires companies to disclose their efforts to ensure that their supply chains are free from slavery and human trafficking. In addition to the information above, please see our [Global Responsibility](#) page.

#### **Waste Management & Recycling**

Floor & Decor aims to reduce the amount of waste we send to landfills from our stores and distribution centers. We intend to continue to explore innovative solutions with numerous partners in 2024 and 2025.

## Environmental Policy

Floor & Decor acknowledges its direct and indirect impacts on the environment through normal business operations. The company has an environmental policy in place that lays out principles, approaches, and governance addressing various areas of environmental compliance and responsibility. The policy is [available here](#).

## Political Contributions & Engagement

Floor & Decor aims to be a responsible corporate citizen in the communities we serve, and to do so with integrity and in accordance with the law. To provide guidance to our associates and transparency to stakeholders, we have adopted a policy on political contributions and engagement. Consistent with federal law, Floor & Decor does not contribute to U.S. federal political committees or candidates. As a matter of policy, the company does not make political contributions in state or local races, candidates, or parties. We also do not make any contributions from corporate funds to organizations classified under the Internal Revenue Code as section 527 entities or to any Super PACs or ballot initiatives. The company does not maintain a political action committee (PAC).

The policy provides guidance to Floor & Decor associates who may have questions about their own political activities and contributions. Floor & Decor encourages associates to be civically engaged on their own time and without the use of any corporate resources or expenditures. It also clearly states that the company's charitable contribution matching program may not be used to benefit political organizations, candidates, gatherings, or activities.

The policy also clarifies Floor & Decor's participation in industry groups. While we are members of industry and trade associations, we are not always in agreement with all the positions of the organizations, or those of other members. The policy is [available here](#).



## PRODUCTS

*We innovate with our vendors and supply chain partners to make better flooring options available at scale. We strive to protect workers and natural resources while making safe and inspiring products available at everyday low prices.*

### Wood Flooring

Although wood is a renewable resource, knowing the origin of wood products is important for the protection of old-growth forests and diverse ecosystems. Floor & Decor consults numerous resources in assessing the level of risk associated with sourcing wood from different countries.

These sources including:

- amfori BSCI Country Risk Classification
- Transparency International Corruption Perceptions Index
- NGO activity
- Global Forest Watch

Similarly, we assess the risk associated with different types of wood by consulting:

- CITES (Convention on International Trade in Endangered Species)
- Forest type (i.e., natural forest, plantation, or reclaimed material)
- Tropical species (i.e., species which naturally occur between the 28° North and 28° South latitude lines)
- Red List of Threatened Plants, IUCN (International Union for the Conservation of Nature)

For suppliers of products that are deemed higher-risk, Floor & Decor requires suppliers to complete Supply Chain Outlines (SCO) that trace back to harvest origins for wood coming into the factory. We do an annual review of SCOs and any new source of wood must be approved before use. In addition, Floor & Decor uses a third party to conduct periodic audits at higher risk factories to confirm they are maintaining expected chain-of-custody documentation.

### Laminate & Vinyl Flooring Products

Floor & Decor does not permit the use of ortho-phthalates as added plasticizers in vinyl flooring sold at our stores. In addition, our Optimax line of Hybrid Resilient Flooring is 100% PVC free.

All of Floor & Decor's laminate and vinyl flooring products are GREENGUARD Gold certified or FloorScore certified for low VOC emissions. Both GREENGUARD Gold and FloorScore certification programs comply with the State of California's Department of Public Health (CDPH) standard method for the stringent testing and evaluation of VOC emissions, known as California Section 01350.