

Sustainability & Responsible Business Update

Updated November 2023

CEO Note

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A Note from CEO Tom Taylor

Last year, I was pleased to share with you the results of our first formal sustainability materiality assessment, which prioritized the topic areas of importance to our stakeholders and deepened our understanding of how we achieve positive impacts as a company. Not surprisingly, that exercise reinforced our belief that dedicated and trained people are Floor & Decor's most important asset, accounting for three of our top four assessment priorities.



This year, we continued to invest substantially in our associates. We believe it has contributed to the strong customer service scores we've seen across our stores and illustrates how doing the right thing can lead to the right business results. In 2022, Floor & Decor introduced volunteer time off and enhanced paid parental leave. In 2023, we introduced a new personal holiday, increased holiday pay, and expanded medical and savings plan options. Over the past twelve months, we have promoted over 1,500 associates.

As a company, we want to create new possibilities for people. For our associates, that means opportunities to grow with us toward career and organizational milestones, and you'll find additional information about our associates and how we compensate them in this year's disclosure. You'll also find important updates on safety procedures and training, supply chain responsibility, and climate risk. As I remarked last year, we're still a very young company, just 23 years old. As we continue to grow, we're committed to finding the responsible processes and products that help create new possibilities.

In 2023, we opened our 200th warehouse store and continued our progress towards our goal of 500. We believe this growth itself creates possibilities for all of our stakeholders. The possibilities for our vendors include increasing sales opportunities. For the growing number of communities we serve, the possibilities include partnering with local organizations that improve the lives of residents. For our customers, it's about providing more PROs and homeowners with the largest in-stock selection of hard surface flooring products at everyday low prices.

Every day, Floor & Decor customers get excited about products in our stores that they didn't know existed, offered at everyday low prices they didn't think were possible. As you read this report, I hope you'll get excited about the possibilities we continue to create on our sustainability journey.



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 <u>Sustainability Accounting Standards Board</u> (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 climate disclosure rules proposed by the Securities and Exchange Commission (SEC) in March 2022 and similar rules passed by the state of California in October 2023. We plan to be prepared to respond to any applicable regulations regarding climate disclosures and in the interim will continue to align our voluntary disclosures to the recommendations of the <u>Task Force on Climate-related Financial Disclosures</u> (TCFD) established by the <u>Financial Stability Board</u>. For more information on climate disclosures, please refer to the **Climate Risk & Energy Management** section on page 23.

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, irreftooranddecor.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, 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

Floor & Decor is a high-growth, multi-channel specialty retailer of hard surface flooring and accessories. Our large stores enable us to offer inspirational displays of the industry's broadest in-stock assortment of trend-right tile, wood, laminate, vinyl, and natural stone flooring along with decorative accessories and wall tile, installation materials and adjacent categories at everyday low prices. When customers walk into a Floor & Decor store for the first time, we believe they are amazed by our visual presentations, our store size, the breadth and depth of our merchandise and our dedicated customer service. Plus, our direct sourcing model allows us to provide extraordinary value through our everyday low prices.

Sustainability at Floor & Decor

As a fast-growing category leader, we believe Floor & Decor has the opportunity to build a better future, and we embrace our responsibility for making positive impacts on society and the planet. We aim to help all of our stakeholders thrive, and as we grow, we expand our ability to achieve these positive outcomes.

We work to deliver the choices customers want today, while innovating for tomorrow. We strive to pursue positive outcomes by working with customers to achieve their dreams, by fueling the careers of associates and PROs, by respecting the limits of natural resources, by growing business with our vendors, and by striving to increase shareholder returns.

For more than two decades, 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 BIY/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		12 Months Ended								
(USD in 1,000s)	12	/29/2022	12	2/30/2021	1	.2/31/2020	12	2/26/2019	12	2/27/2018
Net sales	\$	4,264,473	\$	3,433,533	\$	2,425,788	\$	2,045,456	\$	1,709,848
Cost of sales		2,536,757		2,011,267		1,390,896		1,182,442		1,007,580
Gross profit		1,727,716		1,422,266		1,034,892		863,014		702,268
Net income		298,195		283,230		194,981		150,631		116,187

Net Sales by Product Category	12/31/20	12/31/2022 12/31/2021		12/31/2020		12/26/2019		12/27/2018		
(USD in 1,000s & % of Net Sales)	\$	%	\$	%	\$	%	\$	%	\$	%
Laminate/luxury vinyl plank	1,184,636	28	876,714	26	555,963	23	442,171	22	316,109	18
Tile	963,999	23	801,101	23	605,357	25	523,076	26	476,337	27
Decorative accessories/wall tile	744,888	17	642,697	19	464,589	19	386,657	19	325,139	19
Installation materials and tools	713,127	17	558,721	16	403,184	17	346,356	17	272,994	16
Wood	274,528	6	259,637	8	211,307	9	202,888	10	192,087	12
Natural stone	212,167	5	199,140	6	152,665	6	127,975	6	113,565	7
Adjacent categories	69,820	2	54,482	1	20,487	1	7,251	_	NA	_
Other ¹	101,308	2	41,041	1	12,236	_	9,082	_	13,617	1

Select SASB Data and References

SASB ² Activity Metrics ³	SASB Codes: CG-MR-000.A and CG-MR-000.E						
	12/31/2022	12/31/2021	12/31/2020	12/26/2019	12/27/2018		
Retail locations							
Store Count ⁴	191 + 6	160 + 2	133	120	100		
Square feet	15,093,764	12,516,400	10,373,482	9,186,917	7,467,132		
Square meters	1,402,256	1,162,812	963,728	853,493	693,719		
Distribution centers							
DC Count ⁵	4+1	4 + 1	4	4	4		
Square feet	5,684,720	5,539,553	4,673,288	4,673,288	3,496,563		
Square meters	528,127	514,641	434,163	434,163	324,841		

(SASB data continue on next page)

⁵ DC count indicates our distribution centers + our transload facility near Los Angeles.



¹ 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. See <u>Floor & Decor 2022 10-k</u> Disaggregated Revenue financial table footnote for more information.

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

 $^{^{\}rm 3}$ Facility count and area are as of year-end.

⁴ Store count indicates warehouse-format stores + standalone design studios.

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, page 25				
	Description of approach to identifying and addressing data security risks	CG-MR-230a.1	This document, pages 20-22				
Data Security	(1) Number of data breaches(2) percentage involving personally identifiable information (PII)(3) number of customers affected	CG-MR-230a.2	For 2018 – 2022: (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, by region ⁶	CG-MR-310a.1	For 2022: (1) \$18.84 (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, pages 15-16				
Product Sourcing, Packaging & Marketing	Revenue from products third-party certified to environmental and/or social sustainability standards	CG-MR-410a.1	~\$1,395,750,000 USD in 2022. Based on 100% of laminate and vinyl and 77% of wood products having GREENGUARD® Gold or FloorScore® certification				

 $^{^{\}rm 6}$ The Company has one reportable segment.



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

Floor & Decor embraces our responsibility for making positive impacts on society and the planet. We also understand that only by operating a healthy and growing business can we support and expand our ability to achieve these positive outcomes. To help us understand these dynamics, Floor & Decor conducted our 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

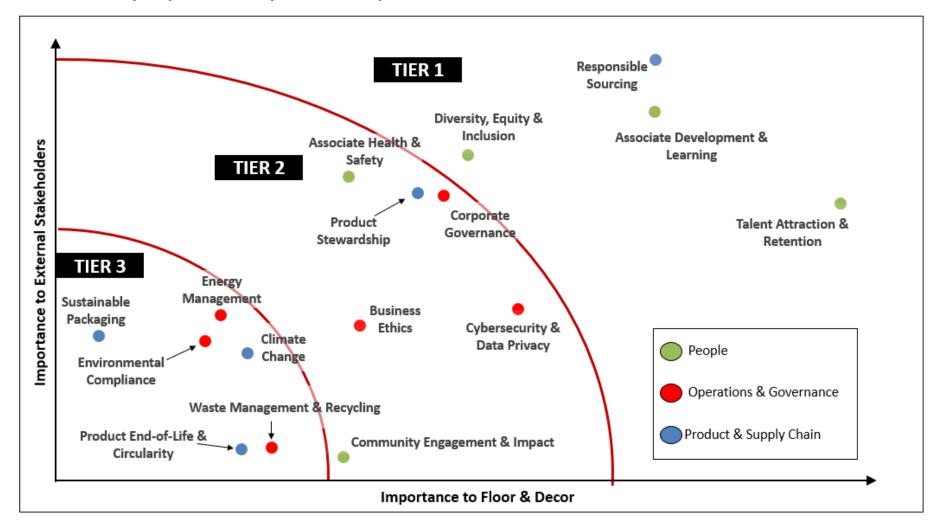
The results of our Topic Prioritization can be seen in the following chart.

Because people drive our business, human capital related topics are the top priorities for both our business success and for the external stakeholders we engaged. 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





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. In addition, we proactively reach out to additional shareholders at the end of each year to review progress and listen to 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. We intend to report on changes to stakeholder engagement or materiality assessments in future updates.



PEOPLE

We care for the safety and wellbeing of our associates, suppliers, and PRO and BIY/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

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. Safety training and management is the responsibility of the Chief Executive Merchant (store manager) at each store, supported by Operations Managers, Department Managers, and Assistant Department Managers. In addition, stores are 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. Each Heads Up Team is asked to designate a safety captain who aids in the compliance and execution of Floor & Decor's public health emergency response plan.

Safety Training

New store and 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. Certain equipment including forklifts and aerial work platforms require 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 they may be exposed to in their workplaces. Additionally, this SOP addresses compliance with Environmental, Health & Safety 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 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 each store 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.



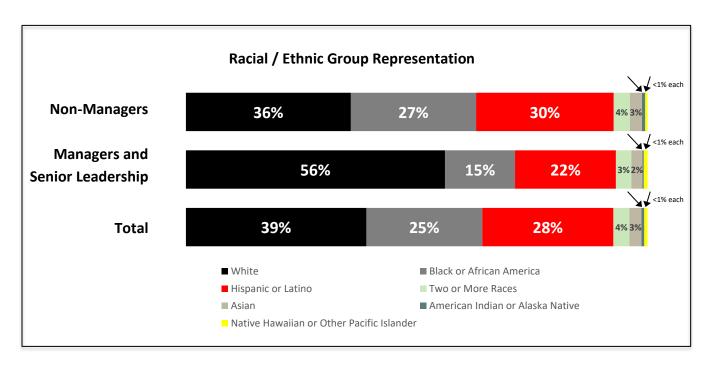
Diversity, Equity & Inclusion (DE&I)

Our commitment to an inclusive, diverse culture runs deep within the company. Floor & Decor believes when people from different backgrounds come together, amazing things 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 Diversity

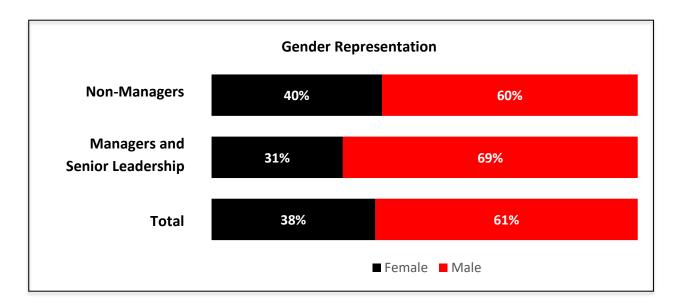
Floor & Decor is mindful of diversity throughout the employment cycle and believes that diversity is an important part of our culture and long-term success. Floor & Decor's recruiting strategy includes an emphasis on diversity. Below are current figures for our workforce diversity.

Summary 2022 year-end associate demographic data





SASB reference: CG-MR-330a.1



Women in Leadership

Floor & Decor's **Women in Leadership** program gives female store leaders the curriculum, mentorship, sponsorship, and visibility needed to help them advance in their careers. Over the past three years, 49 female leaders have participated in the program.

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 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.

DE&I programs

Floor & Decor celebrates an extensive DE&I calendar to heighten awareness among our associates regarding culturally significant dates. Additionally, our associates are showcased in "DE&I Associate Spotlight" articles, sharing personal stories about their cultural backgrounds, and DE&I training is part of Floor & Decor's training curriculum.

Our "Belonging Series" consists of ongoing discussions led by associates to increase and promote a sense of inclusion and belonging within Floor & Decor. In the past year, several of the sessions reached over 300 participants, and topics have included:

- Black History
- Women's History
- Asian American and Pacific Islander Heritage



- LGBTQ+ Pride
- Hispanic Heritage
- Native American Heritage
- Veterans Appreciation
- Building Community Inside and Out

Floor & Decor intends to continue to prioritize and invest in diversity, equity, and inclusion initiatives in the future.

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 location. In 2022, our average hourly wage across all retail stores and distribution centers was \$18.83. In addition, more than 1,900 associates received promotions in 2022.

In 2022 and 2023, Floor & Decor also offered 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. For 2023, each store or distribution center received an F&D Cares budget to contribute to local causes as it saw fit. Here are a few other ways our associates supported the organizations they care about:

- Floor & Decor distribution centers donated more than \$3.6 million in products in the second quarter of 2023 to their local communities through partnerships with Good360, Community Housing Services Agency, Texas A&M BUILD, and Habitat for Humanity.
- In honor of Martin Luther King, Jr. Day of Service in 2023, associates were encouraged to volunteer with local causes and nominate eligible nonprofits for a one-time \$5,000 grant, which was awarded to Junior Achievement of Arizona.
- In 2023, 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 \$10,000 grant to support the organization's mission.

Floor & Decor also gives directly to select charitable organizations each year. Recent gifts include a five-year commitment of \$100,000 to support Children's Healthcare of Atlanta and a \$75,000 gift to Rebuilding Together National to support building repairs for veteran community centers in Miami and the Silicon Valley area.

Cause Marketing

Floor & Decor ran two separate cause-marketing programs in the last year. In December 2022, our **Charity Checkout** program collected more than \$82,000 in donations for Marine Toys for Tots. Active since 1947, the organization distributes toys during the holidays to children in poverty. The store that raised the most funds held a party in February 2023 to celebrate the achievement.

Floor & Decor is also in the third year of a program through which we give the proceeds from the sale of limited-edition branded buckets to charitable partners. The first year, proceeds went to United Way's United Mission program for veterans. The past two 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. To date, the funds have supported the construction of a Fisher House in South Carolina and one in Florida.

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 Floor & Decor PROs 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 <u>RestoringVision</u>, a global nonprofit that works to address the unmet need for glasses in low-income communities, <u>ME to WE</u>, which has provided more than one million people with clean water and sanitation, and Fisher House, mentioned above. To date, nearly 1,000 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 \$1,300,000 from our associates for distribution to other associates in need.



PROCESSES

We seek to operate responsibly by conserving energy, reducing waste and 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

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. We employ a combination of policies, controls, risk management techniques, and industry frameworks to address data privacy and protection.

Policy & Approach

Our <u>Information Security Policy</u> (initially published July 2017, revised and updated November 2022) 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's) 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).



SASB reference: CG-MR-230a.1

Governance

Floor & Decor's Chief Information Security Officer (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 EVP and General Counsel.
- The CIO reports to the President who reports to the Chief Executive Officer (CEO).
- The EVP and General Counsel reports to the CEO.
- The CIO reports at least annually to the Board of Directors on cybersecurity matters.
- 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.

<u>People</u>

Internal Measures & Training

Floor & Decor has an **Incident Response Plan**, which is aligned with the NIST Cybersecurity Framework and associated policies. The Incident Response Plan and other key cybersecurity policies are reviewed annually. In addition:

- Floor & Decor associates are provided cybersecurity training at the time of hire.
- Training is designed to ensure associates know how to handle personal data appropriately, including the leakage, loss of or damage to personal data.
- Floor & Decor commissions third-party penetration tests annually and conducts multiple internally led tests each year.



Climate Risk & Energy Management

Floor & Decor is committed to operating efficiently, minimizing our energy intensity, and, over a reasonable time frame, to understanding 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 rules that were proposed by SEC in March 2022 and similar rules passed by the state of California in October 2023. We will continue to monitor these and any applicable regulations regarding climate disclosure 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 corporation'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 & General Counsel 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 the Senior Director of Sustainability, the Senior Director of Risk Management, the Senior Director of Internal Audit, and the Chief Accounting Officer. The group works under the guidance of the Chief Financial Officer and the Executive Vice President & General Counsel.

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.



CEO Note

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 our responsibility for making 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. These regulations could also 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 all relevant 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 around strategies for reducing scope 3 emissions beginning in 2024.

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 an annual risk management workshop is conducted to ensure appropriate risks are discussed and mitigation plans are in place. A discussion of these risk areas is addressed at meetings of the Board at least annually. In 2022, climate related risks were added 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

F&D measures and reports our scope 1 and scope 2 greenhouse gas (GHG) footprint (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 2023 scope 3 emissions in 2024. Watershed is a leading platform that assists companies in measuring, reporting, and reducing their carbon footprints. Following the initial measurement, we will define a methodology for setting and measuring scope 3 reduction targets.

Floor & Decor is committed to operating its stores and distribution centers as efficiently as possible. 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. As such we have not yet set quantitative emissions targets. Given Watershed's experience advising organizations on emissions target-setting and planning reduction initiatives, we believe they are the right partner to help us on this journey. Our sustainability roadmap includes establishing scope 1 and scope 2 baselines and reduction targets in the future, and determining how to approach scope 3 reductions over time.

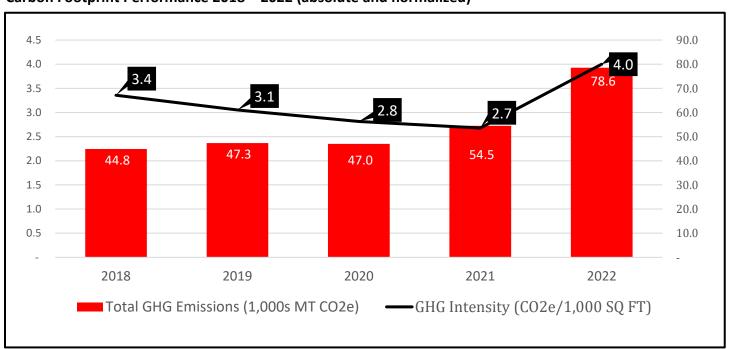


The below metrics are calculated based on the GHG Protocol Initiative's guidance.

Energy & GHG Data 2018 - 2022

Energy & GHG Data 2018 – 2022 SASB reference: CG-MR-13							
GHG Emissions	Unit	2022	2021	2020	2019	2018	
Scope 1	tCO2e	25,984	12,216	8,697	7,506	5,593	
Scope 2 (market-based)	tCO2e	52,575	42,248	38,305	39,824	39,254	
Scope 2 (location-based)	tCO2e	52,347	NA	NA	NA	NA	
Scope 1 + 2 (absolute, market-based)	tCO2e	78,558	54,464	47,002	47,330	44,848	
Scope 1 + 2 (intensity by area)	tCO2e/1,000 SQ FT	4.0	2.7	2.8	3.1	3.4	
Scope 1 + 2 (intensity by revenue)	tCO2e/\$1,000 USD Sales	18.4	15.9	19.4	23.1	26.2	
_			2024				
Energy	Unit	2022	2021	2020	2019	2018	
Total energy use (absolute)	MWh	262,233	196,540	157,014	2019 144,173	2018 124,503	
		-	-				
Total energy use (absolute)	MWh	262,233	196,540	157,014	144,173	124,503	
Total energy use (absolute) Total energy use (intensity)	MWh MWh/1,000 SQ FT	262,233	196,540 10.9	157,014 10.4	144,173 10.4	124,503 11.4	
Total energy use (absolute) Total energy use (intensity) Total electrical use (absolute)	MWh MWh/1,000 SQ FT MWh	262,233 13.4 140,595	196,540 10.9 119,352	157,014 10.4 106,386	144,173 10.4 101,959 7.4	124,503 11.4 93,572	
Total energy use (absolute) Total energy use (intensity) Total electrical use (absolute) Total electricity use (intensity)	MWh MWh/1,000 SQ FT MWh MWh/1,000 SQ FT	262,233 13.4 140,595 7.2	196,540 10.9 119,352 6.6	157,014 10.4 106,386 7.1	144,173 10.4 101,959 7.4	124,503 11.4 93,572 8.5	

Carbon Footprint Performance 2018 – 2022 (absolute and normalized)



⁷ Retail portfolio excludes distribution centers, corporate office, and other supporting properties.



In reference to the table and graphic above, our 2022 reported carbon intensity metric is higher than 2021. This observed uptick is not indicative of an actual increase in our carbon intensity. Instead, it is a reflection of enhanced carbon footprint measurement methodologies and rigor, enabled by our partnership with Watershed. 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 of which were not captured in our previous measurements.

We chose not to restate prior years footprints and carbon intensity as we believe that is not prudent use of our resources nor would it offer meaningful, decision-useful insights for our stakeholders. However, had we applied this updated methodology retroactively, we believe the revised graph would show a downward trend across the entire timeframe, including 2022. 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 reduce 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**: >97% of stores and distribution centers have LED lighting, which is up to 50% more efficient than typical fluorescent lighting systems.
- **HVAC**: >75% 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: 99% of our stores are controlled by an Energy Management System to
 ensure that lighting and HVAC schedules can be managed centrally and operate 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), and the National Wood Flooring Association (NWFA). Roles that Floor & Decor supply chain leaders hold or have held include:

- President, IWPA
- Board member, IWPA



- Committee member, Responsible Sourcing committee, RILA
- Committee member, International Trade & Customs Committee, RILA

Supplier Social Accountability Compliance Program

Floor & Decor's <u>Vendor Code of Conduct</u> 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 <u>Worldwide Governance Indicators</u> 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

		Compliance Score						
Most Severe Non-Conformance	<89%	89%-95%	>95%					
Zero Tolerance	- 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							
Critical	- 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					
Major	- 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					
Minor	- 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					
None	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 nine years ago. Over that period of time, more than 1,850 factory audits, all performed by independent, third-party auditors, have been completed. In only thirteen instances, or less than 0.7%, did audits result in confirmed or suspected items included in our zero-tolerance policy. In two of these instances, we chose not to onboard the supplier and never purchased any products from them. The other eleven instances were attempted bribes by a local representative of the supplier, or health and safety issues. For all eleven, 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 checklists 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 36.

EPA & CARB Compliance Program

Floor & Decor is committed to selling 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 F&D's EPA & CARB Compliance Program. When making purchases of product containing composite wood, all responsible persons shall additionally:

- work with suppliers to request only EPA TSCA Title VI and CARB ATCM compliant products
- collect the required documentation to ensure compliance checklists 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 is committed to responsibly reducing 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 EPA's SmartWay 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 this, 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 Overweight Corridors

As Floor & Decor has grown, we have strategically located our distribution centers within overweight 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 40% 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

In 2022, we continued a direct-to-store transport program with a carrier and one of our large flooring vendors. Delivering product directly from the manufacturer to stores reduces the need for loading and unloading at our distribution centers. Since launching the program in 2021, we believe it has 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. We intend to add domestic vendors to the program over time.

Autonomous Driving Pilot

CEO Note

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 products' journey along the 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 costs and carbon. Where feasible, we look to rail partners, which are working to reduce the impact of rail shipments. Our strategic rail partners have goals to reduce their GHG emissions by over 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 has 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)

The management at Floor & Decor is committed to upholding 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 <u>Global Responsibility</u> page.

Waste Management & Recycling

Floor & Decor is committed to reducing 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 2023 and 2024.



Political Contributions & Engagement

Floor & Decor is committed to being a responsible corporate citizen in every community 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. In accordance with U.S. law, the policy restricts Floor & Decor from contributing to state or local races, candidates, or parties. It also blocks contributions to political action committees, ballot initiatives, or any organization classified under the Internal Revenue Code as section 527 entities.

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 <u>available here</u>.



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 Eco 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.

