



2023 Sustainability Report

Building a Healthy Tomorrow



Armstrong[®]
World Industries

Steps to a Circular Future

As the impacts of climate change intensify and the global waste problem worsens, we believe companies have a critical responsibility to adopt more sustainable systems of production, reuse and recycling. We're working to close the loop by designing waste and pollution out of our processes and repurposing existing products to reduce our consumption of natural resources.

The centerpiece of our circular economy effort is our [Ceilings Recycling Program](#)—the nation's first recycling program that encourages customers to return their ceiling tiles at the end of life to be recycled into new products. Since 1999, the program has diverted over 216 million square feet of discarded ceiling materials from landfills.

Use our [diversion savings calculator](#) to learn more.

How We're Accelerating Our Circularity Efforts:

- Helping customers collect end-of-life ceiling tiles
- Identifying new products that can integrate more recycled materials
- Partnering with organizations, such as the Ellen MacArthur Foundation, to find new opportunities for recycling and reuse across our product lines, and with organizations such as ASTM International to standardize recovery rate formulas for end-of-life product measurement

For more on our circular economy efforts within our manufacturing process, see the [Healthy Planet section of this report](#).



Our Ceilings Recycling Program has saved

1.2 million+ tons

of virgin raw materials—enough to cover Central Park six times.

Sustainable headquarters and waste diversion for TSP

The Sheward Partnership (TSP), one of the country's leading architectural design and sustainability consulting firms, was committed to integrating sustainability into every aspect of the design of its new 9,150-square-foot Philadelphia, Pennsylvania, headquarters. An employee survey also revealed that acoustics had been an issue in the old space. TSP addressed both requirements with three high-performance, sustainable ceiling systems from the Armstrong® SUSTAIN® portfolio.

Diverting construction waste away from landfills was another goal. By recycling the old ceilings through the Armstrong Ceiling Recycling Program, the waste contributes to TSP's pursuit of the LEED v4 MR credit for Construction and Demolition Waste Management and the Living Building Challenge® Imperative credit for Net Positive Waste. The total diverted weight of old ceiling tiles to Armstrong was 1.68 tons, contributing toward the project's overall diversion rate of 83.7 percent.



Circular Systems

As the world increasingly recognizes the environmental and economic challenges of our linear “take-make-dispose” model, the need for a more sustainable and [circular approach to manufacturing](#) becomes increasingly urgent. At Armstrong, we’re working to design waste out of our value chain, help our customers and end users do the same, and unlock economic opportunity.

Reducing Waste, Maximizing Resources

According to the U.S. Environmental Protection Agency, construction and demolition account for nearly a quarter of the U.S. waste stream. By creating circular systems in manufacturing, we can move toward a more sustainable future, where waste is minimized, natural resources are conserved and products are designed to be reused, repaired and recycled.

How We’re Getting There:

- Offering high-quality products designed for long-term use
- Recycling waste generated during production back into the manufacturing process
- Using recycling streams such as pre-consumer fiberglass and mineral wool
- Enhancing our Ceilings Recycling Program to bring more used ceilings back to make new products
- Incorporating post-consumer recycling streams—such as newspapers, telephone books and water bottles—to reduce the use of virgin materials
- Pursuing innovative partnerships that enable more sustainable supply chains

Learn more about the steps we’re taking toward our goals on page 44 of our [2022 report](#).



\$4.5 trillion

in economic benefits could be unlocked by the circular economy by 2030, according to the World Economic Forum.

2022 COMPARISON OF HAZARDOUS AND NONHAZARDOUS WASTE GENERATION

NONHAZARDOUS WASTE INCINERATED
(metric tons)

120

TOTAL HAZARDOUS WASTE
(metric tons)

90

TOTAL WASTE
(metric tons)

20,970

NONHAZARDOUS
WASTE LANDFILLED
(metric tons)

20,770



Engaging With Our Communities

As a major employer in our local communities, we have the potential to make a profound contribution to the communities where we live and work. We're committed to ensuring that the impacts we make are positive and lead to meaningful, lasting change. In addition to corporate giving and the activities of the [Armstrong World Industries Foundation \(AWIF\)](#), we are also supporting what matters to our employees through sponsored engagement activities as well as providing avenues for employee giving and volunteering.

Beyond charitable giving, our team members are actively engaging in the communities where we operate.

Giving Back With AWIF

For nearly four decades, The AWIF has been committed to improving the quality of life in communities where we operate, supporting community organizations through financial and in-kind donations.

AWIF is focused on supporting organizations that meet at least two of the following criteria:

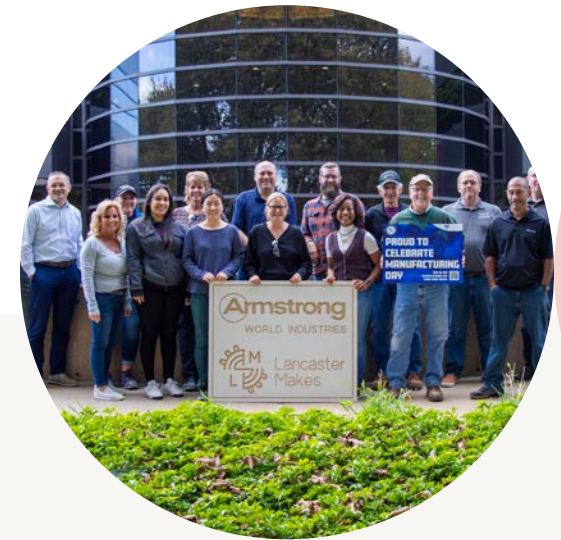
- Operate in communities where AWI employees live and work
- Renovate the building where they operate to improve their spaces and therefore the quality of service they provide for the people they benefit
- Commit to elevating the importance of design and buildings in people's lives
- Focus on serving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



CHARITABLE GIVING SNAPSHOT



- AWIF Grants
- Other AWIF Giving
- Direct Corporate Giving



AWI Inspire: Bringing Employees Together for Action

We're always looking for new ways to reach our employees and channel their momentum. In October 2022, we launched AWI Inspire, a fully accessible platform to support inclusive culture and sustainability. Employees take action on important issues that align with their interests and passions, such as environmental sustainability, diversity and inclusion, and mental health. Almost immediately, our employees were eager to get involved, join initiatives, track their progress and earn rewards for their efforts.

As part of our AWI Inspire campaigns, and with support from our affinity group AWARE, Armstrong DEI and Innovation teams hosted students as part of LancasterMakes Manufacturing Day.

Engaging With Our Communities (Continued)

Doubling Our Impact


The AWIF awarded its 2022 Better Building Grants to four nonprofit organizations to support capital campaign projects. Two of these community grants focus on major facility renovations, and two provide maintenance funding to past Better Building Grants recipients to keep their facility in good working order. These renovation grants also included product donations from AWI.

Renovation Grants:

Lancaster Public Library grant will help fund the library's capital campaign to raise more than \$10 million to complete its move to a new location in downtown Lancaster, Pennsylvania. Armstrong ceilings and acoustical wall panels will be incorporated into the new design to allow for better acoustics in common areas of the library, including the staircase, children's library, young adult library and common reading space.

Schreiber Center for Pediatric Development is adding 14,000 additional square feet to its West Lancaster, Pennsylvania campus. The expansion includes 20 rooms—eight for physical therapy and six for behavioral health treatment—that will reduce the current waiting list for treatment.

Schreiber Pediatric, which has been in operation for 86 years and serves over 4,000 children annually, offers therapy services to children with physical, learning and behavioral disabilities. No family is ever turned away because of an inability to pay.

 **2X the impact**
2022 Employee Choice Match program giving totals more than doubled from 2021 levels.

Maintenance Grants:

In July 2021, the Lancaster Cleft Palate Clinic completed the renovation of its 61-year-old building and welcomed patients to brighter, quieter and healthier interior spaces made possible in part with AWI product donations. The 2022 AWIF grant was used for general building maintenance and upgrades.

Lancaster Early Education Center's building is more than 100 years old. Its exterior steps leading to the playground were brought up to code and adapted to the mobility of very young children. The AWIF maintenance grant funded the renovation of the steps.

In addition to funding Better Building Grants, AWIF also donates to our various production sites to support the organizations making a difference in their local communities. Organizations supported in 2022 include the following:

- Broadway Youth Center in Chicago, a Howard Brown Health clinic providing LGBTQ+ health and social services
- Mid-Ohio Food Collective
- Together We Grow Community Gardens in Licking County, Ohio
- Ozarks Food Harvest in southwest Missouri
- Community Foundation of Jackson County in West Virginia
- Family Promise of Escambia County, a northern Florida organization supporting families experiencing homelessness

Along with AWIF, we help enable economic empowerment through our continued partnerships with organizations like United Way that strive to make a positive difference in the lives of those in our communities. Five of our larger locations hold annual United Way campaigns, and for the 2021–2022 giving season, our employees contributed more than \$150,000.

Supporting Employee Giving

We support our employees' efforts in their local communities through our Employee Choice Match program, our donation-matching initiative that enables employees to direct funds to qualifying non-profit organizations they are passionate about. In 2022, we made several enhancements to this program, including introducing an easy-to-use portal for accessing matching funds. Through the new and more accessible platform, employees donated more money overall and supported more organizations.

Through our Dollars for Doing program, Armstrong also offers financial matches for volunteer time. This is in addition to the annual funds provided to each of our locations from the Company and the AWIF to support a community cause of its choosing.



Lancaster Public Library

Shaping a Diverse and Inclusive Workforce

At Armstrong, we strive to create spaces where all are welcome. We aim to lead by example, firmly grounded in the knowledge that diversity is our strength, inclusion is our responsibility, and the impact of our work extends far beyond the physical structures our products can create.

When we prioritize diversity, equity and inclusion (DEI), we create an environment where every individual can bring their whole self to work—where they can feel valued, respected and empowered. We unlock a world of creativity, innovation and collaboration that leads to better decision-making, stronger teams and increased success. By continually seeking to improve our performance and recruit diverse talent, we are creating a workplace that reflects the communities we serve.

How We Build Our Inclusive Culture:

- Embed DEI into our overall strategy with policies that prioritize equal opportunities and a dedicated Vice President of Talent Sustainability, Diversity and Inclusion to guide AWI's programs and identify areas of opportunity
- Build early-career talent pipelines by offering summer college internships and specialized professional development programs for early-career employees
- Collect employee opinions through surveys, site assessments and our employee resource groups
- Invest in our employees through development opportunities, training programs, surveys, performance management, succession planning and access to on-demand learning
- Support affinity groups such as AWARE, an employee resource group aimed at advancing women at Armstrong
- Offer comprehensive benefits that support holistic physical, financial and mental health, with access to programs that enhance overall well-being. Learn more on page 52 of our 2022 report.



Salaried and production employees at

100%

of AWI locations completed inclusion training by the end of 2022.



15 out of 15

production facilities offered unique training and development opportunities in 2022.



WHO WE ARE TODAY

Tracking key metrics around representation and hiring helps us continually improve overall performance on our DEI initiatives. Here's a snapshot of our demographics as of December 31, 2022, compared to our 2021 breakdown.

LEADERSHIP

Gender (% Female)



Diversity (% People of Color)



MID-LEVEL MANAGERS AND STAFF

Gender (% Female)



Diversity (% People of Color)



PRODUCTION

Gender (% Female)



Diversity (% People of Color)



TOTAL COMPANY

Gender (% Female)



Diversity (% People of Color)



BOARD OF DIRECTORS

Gender (% Female)



Diversity (% People of Color)



Note: All data reflects U.S. employees only. Leadership refers to Director level and above. Mid-level managers and staff represent senior managers, early career and remaining salaried and hourly non-production staff. Production workers represent hourly production plant employees.