

## 2023 Annual Benefit Report

**In compliance with Tennessee Code Title 48 - Corporations and Associations For-Profit Business Corporations, Florim USA (FUSA) provides the following Annual Benefit Report for the fiscal year ending 12/31/23.**

FUSA established the goals listed below, to reflect benefits outlined in the FUSA charter, for 2023. The following provides what was achieved:

2023 Goals		
Environmental		Results / Accomplishments
2023 FUSA Goal for reduced emissions into the air, water and land.	<i>Reduce waste by 4.5 %, 508 metric tonnes, by eliminating spent production material, Sorbacal, from landfill disposal and reusing spent material in production.</i>	Testing results in 2023 proved it is not possible to reuse Sorbacal in new tile production. Research continues in 2024 to find alternative uses, to avoid landfill disposal.
2023 FUSA Goal for purchased recycled raw materials:	<i>In the face of recycled material market challenges, FUSA will maintain purchased recycled raw materials incorporated in production, at 45% of total materials used.</i>	FUSA achieved the goal of recycled raw materials incorporated in production at a minimum of 45% of total materials used.
2023 FUSA Goal for recycled production scrap and waste:	<i>Purchase and use new equipment to begin to recycle and reuse 2 cm scrap in production, a 100% increase vs. 2022.</i>	FUSA contracted equipment to recycle and reuse 2 cm scrap and the purchase of equipment is in progress for 2024
2023 FUSA Goal for improved energy efficiency:	<i>Increase the production energy efficiency rate by a minimum of 1% on a per square foot basis.</i>	FUSA did not increase the production energy efficiency rate in 2023.
Arts, Sciences and the Advancement of Knowledge		
2023 FUSA Goal	<i>Provide four \$1,500 scholarships to Austin Peay State University in the following disciplines: Chemistry, Computer Science, Marketing, Physics Engineering.</i>	FUSA did not provide scholarships to Austin Peay State University in 2023.
Non-Profit Organization Support		
2023 FUSA Goal:	<i>Florim USA will support nonprofit organizations via financial and product donations, including donations to Youth Villages, Habitat for Humanity and Mountain Resources.</i>	FUSA made financial donations to the following non-profit organizations: YAIPak, F.U.E.L. Program, Holiday Heroes, Partners in Education (P.I.E.) and APSU Externship Program. FUSA also made product donations to Habitat for Humanity .
Safe Guarding Human Health		
2023 FUSA Goal:	<i>Re-certify Well Health and Safety Rating for the FUSA factory, the MILE@stone Tile Outlet and the Florim Solution US showrooms in New York, NY and Los Angeles, CA. The WELL Health-Safety Seal, earned via third party verification of evidence-based measures, designates a space has adopted the best practices for health and safety.</i>	FUSA is scheduled to reapply for the Well Health and Safety certification in 2024.

FUSA established the 2024 goals set forth below, to be reviewed and reported on in the 2025 Annual Benefit Report.

The public benefit or public benefits stated in the FUSA charter and the 2024 goals are as follows:

- 1) FUSA limits the impact of its business and operations on the environment by (a.) reducing its emissions into the air, water and land, (b.) purchasing recycled raw materials, (c.) recycling its production scrap and waste, and (d.) improving its energy efficiency.
  - a. 2024 FUSA Goal for reduced emissions into the air, water and land: Reduce solid waste to landfill, by 1% vs. 2023 total disposed tonnage.
  - b. 2024 FUSA Goal for purchased recycled raw materials: FUSA will incorporate 25,000 tons purchased recycled raw materials into production.
  - c. 2024 FUSA Goal for recycled production scrap and waste: Purchase and use new equipment to begin to recycle and reuse 2 cm scrap in production.
  - d. 2024 FUSA Goal for improved energy efficiency: Increase the production energy efficiency rate by a minimum of 1% on a per square foot basis.
  
- 2) FUSA supports the arts, sciences, and/or advancement of knowledge by providing scholarships and donations to educational and other institutions in the local communities in which it operates.

2024 FUSA Goal: Provide scholarships to Austin Peay State University in the following disciplines: Chemistry, Computer Science, Marketing, Physics Engineering.
  
- 3) FUSA supports nonprofit organizations that provide low-income and underserved individuals with needed programs, products, and services.

2024 FUSA Goal: Florim USA will support nonprofit organizations via financial and product donations in the Clarksville, TN area.
  
- 4) FUSA safeguards human health by manufacturing and commercializing products certified as safe for human use while taking initiatives and supporting programs for the well-being of its customers and personnel.

2024 FUSA Goal: Re-certify the Declare Label, Red List Free certification, by International Futures Living Institute; Environmental Product Declaration, in accordance with ISO 14025; and GreenGuard, Gold, by Underwriters Laboratories.