



2024 / 2025 CSR report

we **care** / we **act**

GRADUS

Editorial

Gradus is a market leader within the Commercial Flooring and Wall Protection Sectors, manufacturing a comprehensive portfolio of Accessories such as Stair Edgings, Skirting and Trims.

Our products combine safe transit for persons passing through any Contract Interior with aesthetics to enhance its appearance. This has encouraged us to develop additional complementary product categories such as Barrier Matting, Wall Protection and LED Lighting Systems. Since 2021 we have worked in partnership to support Gerflor in marketing their range of Resilient Floors.

We have almost 200 employees serving both the UK and International markets with offices and manufacturing facilities in the UK.

Central to our growth and development is our commitment to the management of social and environmental impact. The majority of our employees live close to our Macclesfield base where we have had our manufacturing and office facilities for over 50 years.

Our pledge is to conduct our business in a way that respects and protects the environment. Our goal is to fulfill our current business needs while ensuring the sustainability of our future. This document will demonstrate our achievements in the reduction of waste through recycling and repurposing so far.

Our current position is supported by a pledge to the reduction of our carbon footprint through realistic targets based upon our progress to date. We are supportive of new regulations and committed to comply with Part Z and the respective EPD's required.

This pledge encourages us to communicate our progress with this document representing the beginning of a formal journey towards our next milestone achieving our targets for 2025.

Steve Watt
Group Managing Director



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Find out more on gradus.com

Find us on social media:



About us

Over 50 years in business

Gradus was founded in 1966 and has evolved from a flooring accessories business, which still remains at the heart of our activities, into a fully-fledged contract interior solutions provider.

Our culture puts customers at the forefront of our business activity with brand values dedicated to service, quality, and expertise. This enables us to provide peace of mind to those that rely on us to deliver.

Our mission is to deliver the business vision through a personality that recognises its people as central to its success and therefore supports them through a culture of consistency, teamwork, shared knowledge and recognition of individual contribution.

Our vision is to deliver sustainable market growth by providing our customers with more products per project, coming from an organisation that is renowned in the market for reliable and trustworthy service and value.



Gradus Head Office
Macclesfield Cheshire UK



Gradus Springbank - Manufacturing plant for Accessories
Macclesfield Cheshire UK

Manufacturing Sites

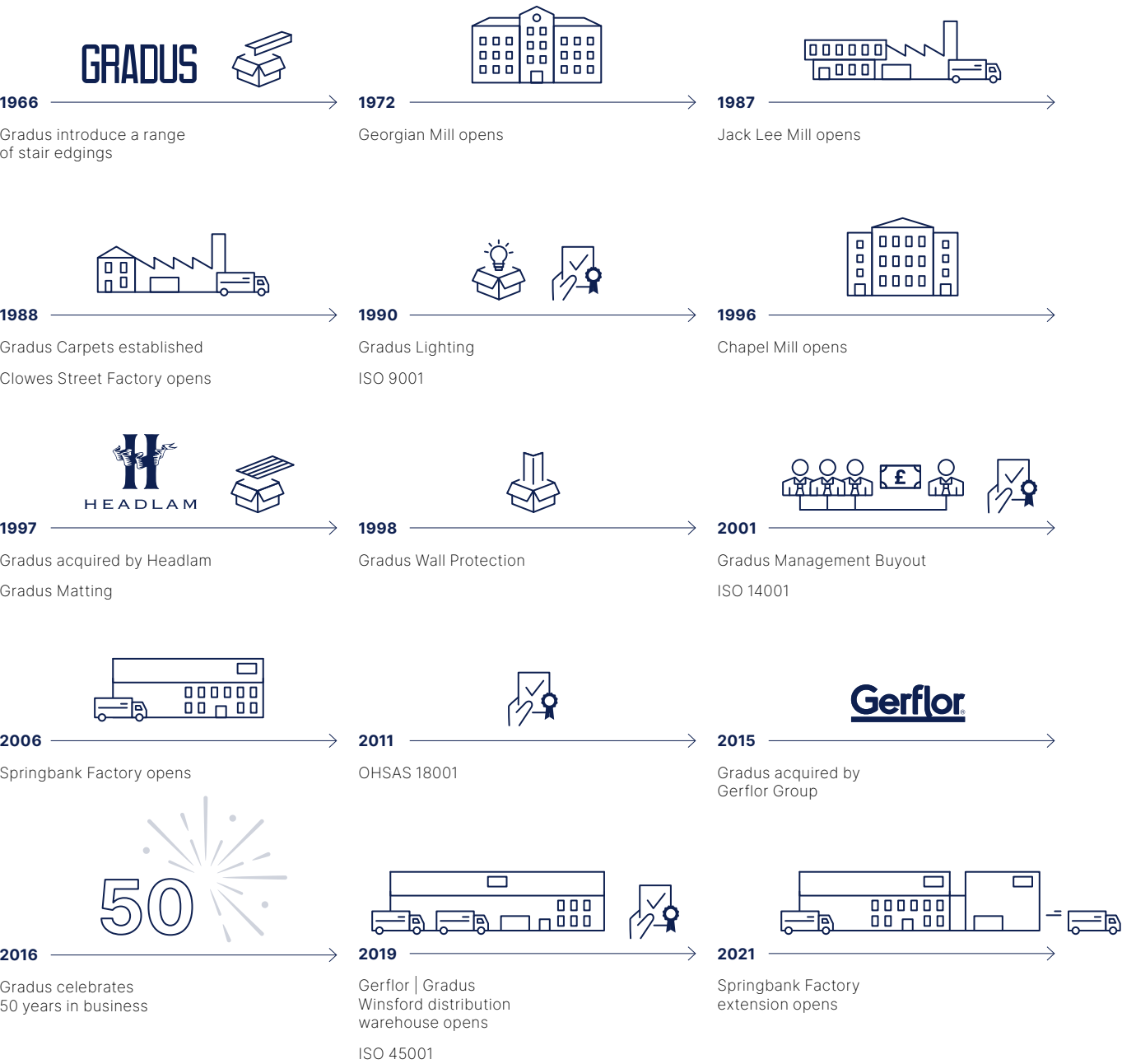
- Gradus Accessories Manufacturing: Springbank, Macclesfield, Cheshire
- Gradus Carpets Manufacturing: First Avenue, Poynton, Cheshire
- Gradus Contracts: Heston Industrial Mall, Heston, Middlesex



Our history

Founded in 1966

Gradus has helped shape the modern contract flooring industry.



Our products and markets

Experts in contract interior solutions

Products can be combined to provide a complete package that balances performance, aesthetics and cost alongside environmentally responsible manufacturing processes.



Stair Edgings



LED Stair Edgings & Architectural Lighting Systems



Floor Trims



Carpets



Barrier Matting



Wall Protection

10 Market Sectors

With customers ranging from designers & architects to contractors and building owners and with clients such as Marks & Spencer, Virgin and BMW you can trust Gradus to provide products that work.

| | | | | |
|-------------------|------------|------------------|-----------|----------|
| | | | | |
| Commercial Office | Healthcare | Hospitality | Education | Sports |
| | | | | |
| Retail | Housing | Public buildings | Transport | Industry |

Our commitment to the planet

Our values guide our actions

We are committed to conducting our business in a way that respects and protects the environment. Our goal is to fulfill our current business needs while ensuring the sustainability of our future.



Sustainability Pledge by 2025 Governance and CSR priorities

Our CSR approach continues to expand day by day. Today, our long-standing commitment is integrated into the action plans of all departments of the company.

| | | | |
|--|--|---|--|
| Sustainability Report Published - Where we are today - Carbon footprint calculation | The Pledge - Carbon reduction programme - Key improvements / measures | Fulfilling UK Building Regulations - Part Z and respective EPDs | Process Improvement Projects & New Products |
| External Partnerships - Recycling and best practice | Potential for Carbon Offsets | Communication Plan | |

Carbon emissions from operations

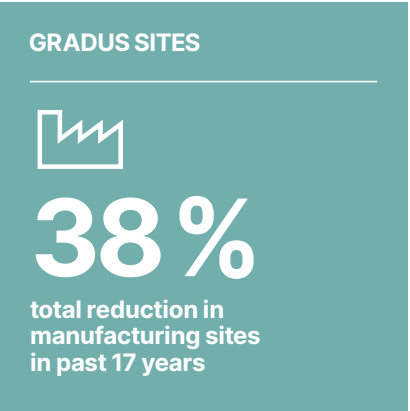
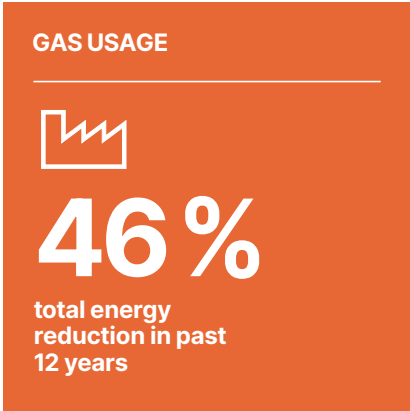
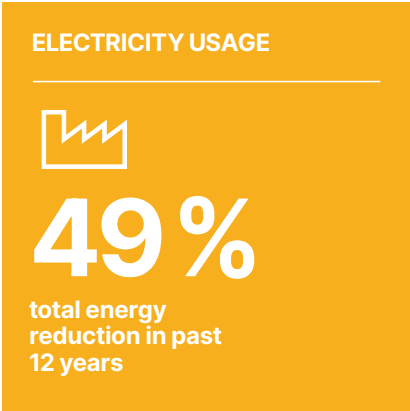
Our environmental performance

We have invested in multiple initiatives to improve equipment and processes, which have contributed to our continued commitment to the reduction of energy consumption.



Condensed number of sites

- Since 2005 we have consolidated the total number of sites in the UK from **8** to **5** gaining efficiencies by delivering more functions at the same location

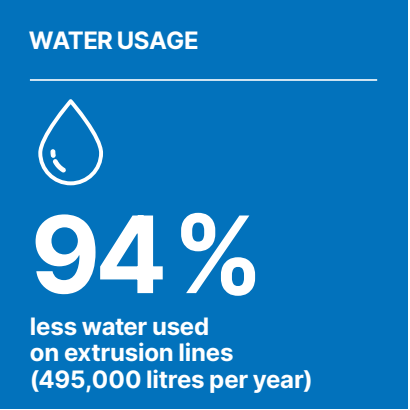


Key facts and information

- Invested **£169k** in energy efficient equipment to reduce energy wastage
 - Water Chillers £83k
 - Compressors £67K
 - Lighting (extension) £19k
- **15%** electricity (kWh) reduction since 2020
- **100%** of the electricity we use comes from renewable sources

Key facts and information

- Invested **£52k** in new energy efficient heating systems for manufacturing sites
- Implemented regular energy audits and team training to embed good working habits towards energy efficiency
- **28%** gas (kWh) reduction since 2020



Limit our water consumption

- In the interests of resource management, we set up actions to reduce our water consumption. This includes the setting of efficient closed-circuit cooling systems.
- Our closed loop water system installed on all our extrusion production lines saves approximately **495,000 litres** of water per year.

Recycling: Part of our DNA

Reduction in general waste / waste management

All the Gradus waste streams are removed by Registered Waste Carriers. Dry Mixed Recycling (paper, cardboard, polythene, cans etc) collection points have been set up across all sites. This cleaner waste material is diverted from landfill. Since 2020, we have reduced our general waste by 50%.

Wooden pallet usage has been reduced from 15,215 in 2017 to 9,500 in 2023 which equals a 37% reduction. A simple but effective initiative of reusing unwanted supplier pallets from our carpet manufacturing facility for customer orders in our matting department has massively impacted this reduction.

All our non-recyclable waste is diverted from landfill by Biffa Ltd, Alwin Ltd and Elsa Waste Ltd and sent for incineration. Overall Gradus has reduced skip removal by 36% since 2020 with a focus on recycling rather than landfill.



Recycled granules, Gradus Springbank factory.



Recycling

At Gradus we make every effort to conserve the use of materials. To do this we minimise the quantity of waste generated and maximise the recycling ability of all waste materials that we generate. We also take into consideration the environmental impacts of new products and they are developed with recyclability as a key factor.

Carpet waste reduction

- Over **50 tons** of carpet waste (yarn & primary backing) have been diverted from landfill in the last 10 years. The carpet waste is reprocessed at a specialist manufacturer into products such as underlay and car interiors



PVC waste reduction

- 34%** reduction in overall waste created from production of PVC components or products since 2020
- 1,487 tons** of process waste reused since 2012
- 446,044 Kgs** of PVC waste recycled into reusable pellets for 3rd party products such as traffic cones



Aluminium waste reduction

- 677 tons** of aluminium recycled since 2012
- 40%** increase in aluminium recycled between 2020 and 2023
- 44%** reduction in contaminated aluminium since 2012 making recycling easier
- 70%** is the average amount of recycled material that the aluminium we purchase contains



CARPET RECYCLING UK
Repurposing textile flooring

End of life Carpet Tiles

Gradus are a core funder of Carpet Recycling UK, a not-for-profit membership association working to reduce the amount of carpet waste being sent to landfill.

Their mission is to promote the diversion from landfill of textile flooring in the UK to resource for sustainable use.

Gradus's association with Carpet Recycling UK shows the commitment towards working with other likeminded businesses in the industry supply chain, government, and academia to constantly improve carpet design, reuse, and recycling.

Healthy products

We follow the highest standards in product formulation, air quality and hygiene

Mindful of the health and well-being of users, Gradus commits to designing and manufacturing healthy products and maximising the comfort of users.

2025 GOALS



100%

to retain 100% REACH compliance across all our suppliers



REACH Compliance

EU REACH Regulation was brought into UK law on 1 January 2021 and is known as UK REACH. The regulation concerns the Registration, Evaluation, Authorisation & Restriction of Chemicals. No harmful substances belonging to the candidate list (SVHC) are added to our products, such as formaldehyde; asbestos and heavy metals. Gradus stair edgings, floor trims, skirting, barrier matting, wall protection, floorcoverings and LED lighting are REACH compliant. Our products do not have any formaldehyde-containing materials added during production or post-production processing.



Anti-microbial coatings

Working in the healthcare, pharmaceutical and clean environments for decades Gradus has and continues to develop products that ensure maximum hygiene and bacteria control.

Our Carezone carpet contains BI-OME Medical anti-microbial treatment, which reduces cross contamination between surfaces while remaining non-harmful to humans. BI-OME also has odour control features which guarantees an optimal freshness and hygiene to textiles treated with it. Gradus Carezone carpet is widely used in care homes, care facilities and residential living.

Our SureProtect Pure wall cladding is tested according to ISO 22196:2011 which specifies a method of evaluating the antibacterial activity of antibacterial-treated plastics, and other non-porous surfaces of products, ensuring suitability in hygienic applications.



Safety

All our products are developed with safety at the forefront of design and are designed to meet the latest UK building regulations. Accessibility to buildings, as well as the provision of an inclusive environment for all, is now a requirement of The Building Regulations (ADM & ADK), BS 8300-2:2018, BS 9266:2013 & BS 5395-1:2010.

We actively seek the advice of RNIB Access Consultancy Services and The Centre For Accessible Environments, and we have consulted directly with Communities & Local Government. We are confident that all our barrier matting, carpets, stair edgings, PVC skirtings and transition strips meet the necessary standards.

Commitment to our customers

Sustainable product development and design

Our products are at the heart of millions of people’s daily lives, in hospitals, schools, offices or public places. We always keep in mind our responsibility towards our users.



2025 GOALS



100%

obtain EPD certification for: Accessories, Floorcovering, Matting and Wall Protection

Increasing recycled content in our products

Our commitment to reducing the carbon impact of our products starts with our new product development process where our NPD team incorporate eco-design into the initial stages of product development. Recent product developments and alterations have included:

Testing and replacing an aluminium retainer with PVC in the WGS200 Gradus wall guard.

60% of our secondary barrier carpet ranges and four of our carpet ranges are manufactured using Econyl regenerated nylon yarn, which is produced using nylon waste recovered from oceans and landfill. Waste such as fishing nets, carpet and industrial plastic is recovered, sorted, and cleaned. These ranges include Boulevard 5000/6000, Predator, Stratus and SqMile.

| Gradus Carpet Tile Ranges | Recycled Content |
|---------------------------|------------------|
| Cityscene & Brickworks | 62% |
| Latour2 | 66% |
| Lunar | 62% |
| Predator | 78% |
| Stratus | 78% |
| Streetwise Design | 64% |
| SqMile Exec | 80% |
| Urban Myth | 62% |
| Times Square | 71% |

Cityscene, Brickworks and Urban Myth carpets have also been developed with reduced weight in the backing by an average of 10%. All new carpet ranges such as Lunar carpet tiles are being developed with lighter weight backing. Reducing the weight of the backing helps to reduce the overall shipment weight whilst making the products easier to handle.

Working closely with raw material suppliers

Gradus works closely with a supply chain whose sustainability values match our own, this ensures that we can meet our targets.

- 70% is the average amount of recycled material that the aluminium we purchase contains
- Aluminium is 100% renewable. Recycling it requires only 5% of the energy needed to produce the metal the first time around.
- Our main PVC provider is aiming to reduce emissions by a further 10% by 2025 with new Styrenics and Polyolefin products launched containing 50% or more recycled material.

EPDs

Environmental assessments help specifiers make informed product choices based on reliable and consistent information. Gradus have committed to investing in Environmental Product Declarations (EPD) assessments to allow the specification and construction industry to understand the environmental impact for our key product ranges.

There are 7 critical environmental indicators:

- GWP – Global Warming Potential
- ODP – Ozone Depletion Potential
- AP – Acidification Potential
- EP – Eutrophication Potential
- POCP – Formation of Potential of Tropospheric Ozone
- ADP – Abiotic Depletion Potential of non-fossil fuels
- ADP – Abiotic Depletion Potential of fossil fuels

Using EN 15804 EPD Verification Scheme Gradus have completed the following EPD assessments:

| Gradus Carpet Product | Certification Number |
|------------------------|--------------------------|
| Adventurer | BREG EN EPD 000417 |
| Bodega | BREG EN EPD 000418 |
| Emphasis | BREG EN EPD 000420 |
| Genus & Volnay | BREG EN EPD 000421 |
| Lafite Connect | BREG EN EPD 000422 |
| SqMile Exec | BREG EN EPD 000422 |
| Stratus/Stratus Stripe | BREG EN EPD 000422 |
| Latour2 | BREG EN EPD 000422 |
| Predator | BREG EN EPD 000422 |
| Times Square | EPD-MIL-20210299-CBC1-EN |
| Cityscene & Brickworks | EPD-SHA-20230476-CBA2-EN |
| Lunar | EPD-SHA-20230476-CBA2-EN |
| Urban Myth | EPD-SHA-20230476-CBA2-EN |

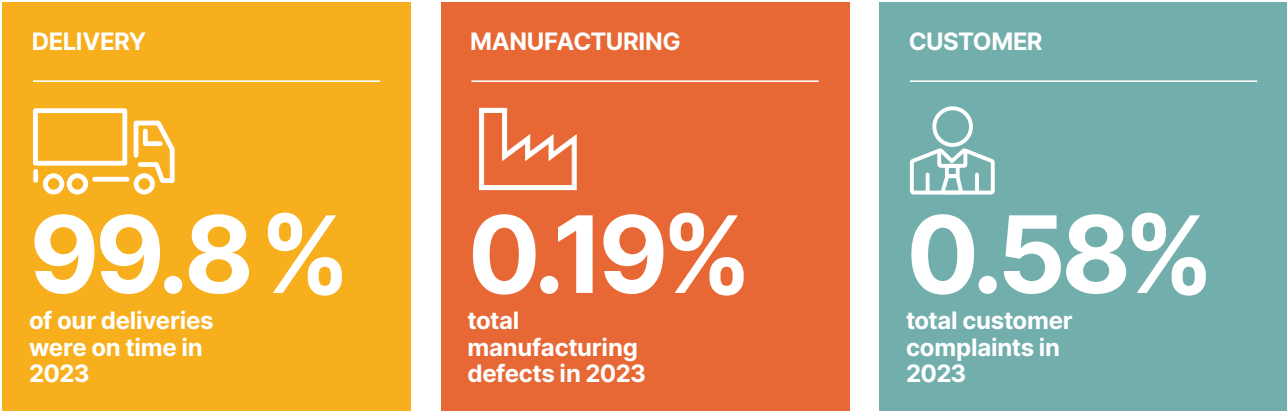
| Gradus Matting Product | Certification Number |
|------------------------|----------------------|
| Boulevard 6000 | BREG EN EPD 000419 |

Gradus are now focusing on building on this foundation of EPDs, providing further investment and resource to ensure we have EPDs for our key wall protection, matting and accessories products. Our commitment is to invest £20,000 per year to obtain further EPDs (total £80,000 by 2025).

Customer success

Our customers are our priority

Customer satisfaction is one of five core business goals central to the vision of the business. This ensures that customers remain at the centre of decision-making processes and are embedded in our culture.



Maintaining high standards

- Delivery on time percentage score 99.8% in 2023
- Manufacturing defects 0.19% in 2023
- Customer complaints 0.58% in 2023

Gradus records each complaint and investigates them to provide a solution and ensure wherever possible the problem does not reoccur.

Literature and samples are a key aspect of our customers product selection process. Through our dedicated samples department an average of 1000-1300 sample requests are dispatched per month. In 2023, 99.8% of sample requests were processed and dispatched on time.

Understanding our customers

Through the “Voice of the Customer” an independent customer satisfaction survey we assess the level of customer satisfaction with our products and service amongst out customers.

A representative sample of Architects, Flooring Contractors and Distributors were asked to rate Gradus in several areas on a scale of 1-5, 1 being poor and 5 being excellent. The results of the survey helps to operate a process of continuous improvement as well as allowing our customers to offer their feedback which helps us shape our future.

Key headlines:

- On average, 98% of our customers rated the quality of our products a 4 or 5
- On average, 94% of our customers rated our knowledge & expertise a 4 or 5

Customer Support

We support our customers throughout the product selection, purchasing and installation process.

- The technical support team provides information, advice, specification help, guidance, and sampling/ literature for all our products.
- The field sales team has over 50 people in the UK and selected international markets offering advice and support to our customers. We have surveyors who visit sites across the UK providing a stair edging measuring & templating service as well as supporting contractors on-site where needed.
- The customer service team process orders, working with the manufacturing and dispatch department to ensure all orders are sent out as quickly as possible.
- Gradus contracts offers a complete supply and fit package for wall protection, barrier matting and LED Lighting, ensuring a convenient and reliable service throughout the specification, survey, and installation process.

Commitment to our society

Our business is deeply committed to making a positive impact on local communities

We are proud to support local communities and initiatives through donation of material, gifts and fund raising activities. Our employees are passionate about our culture of helping those in need.



Supporting local families through the Silk 106.9 Christmas Toy Appeal

The Silk 106.9 Christmas Toy Appeal is dedicated to bringing joy to children in need across Cheshire. Listeners and local businesses are invited to donate new, unwrapped toys, ensuring every child can experience the magic of Christmas. This initiative is vital for supporting families who might otherwise struggle to provide gifts for their children. For the past three years, Gradus has proudly supported the appeal, with employees generously purchasing and donating toys to this heartwarming cause.



The 10 year 'Ich'!!

We proudly backed a key supplier participating in a 330km bike ride, marking the 10th anniversary of this event. This ride supports the Dougie Mac and Donna Louise Children's Hospice. The epic journey began in Zurich, Switzerland, and took cyclists through the scenic Alps and lakes of Austria, culminating in the vibrant Bavarian capital of Munich three days later. The team of 60 cyclists, representing diverse backgrounds from the UK and Irish transport industries, who managed to surpass the original £50,000 target.

Sustainability success - Gradus donate flooring to The Salvation Army to help tackle furniture poverty

We have donated over 720m² of Gradus carpet products to The Salvation Army to help support social projects and to put surplus stock to good uses in a sustainable way.

Salvation Army Trading Company Ltd (SATCoL) is the trading arm of The Salvation Army and, along with Gerflor and Gradus, are an active member of Carpet Recycling UK (CRUK) network

The donated carpets were distributed to several Salvation Army charity shops and Hubs with the profits received from the resale of these carpets given to our parent charity to help support the exceptional work they do across the UK.



Gradus donates SureProtect Artworx to Macclesfield District General Hospital for new mural

As a leading provider of wall protection and long standing business within the Macclesfield community we recently supported Macclesfield District General Hospital (MDGH) by donating SureProtect Artworx a bespoke wall cladding solution. This donation was specifically aimed at enhancing the children's waiting area in the Emergency Department (ED).

The donated SureProtect Artworx was used to create a stunning mural on a 5.5m by 2.4m wall, inclusive with printed trims to create a seamless finish. The mural features a modern geometric nature-inspired theme, incorporating stylized representations of trees, hills, and animals in a range of green, brown, and blue tones. This design not only adds aesthetic value but also creates a calming and engaging environment for young patients and their families during their hospital visits.



Trafford Veterans enjoy donated products from Gradus and Gerflor to develop a new mobile hub

Trafford Veterans is a group of armed forces veterans, emergency service personnel and local volunteers, who all live in Trafford, Greater Manchester. Their most recent initiative was to develop a mobile hub which could be used to travel into areas they have not worked in before and support hard to reach communities.

As a local charity Gradus was keen to help by donating products that would support the charity in completing and launching the mobile hub. This donation of SureProtect Pure Wall Cladding was also backed up by collaboration with Gerflor products to donate Tarasafe Impression safety vinyl flooring.

Commitment to our staff

Our employees are our biggest asset

We are committed to offering them the best working conditions and ensuring a good balance between their work and personal lives.

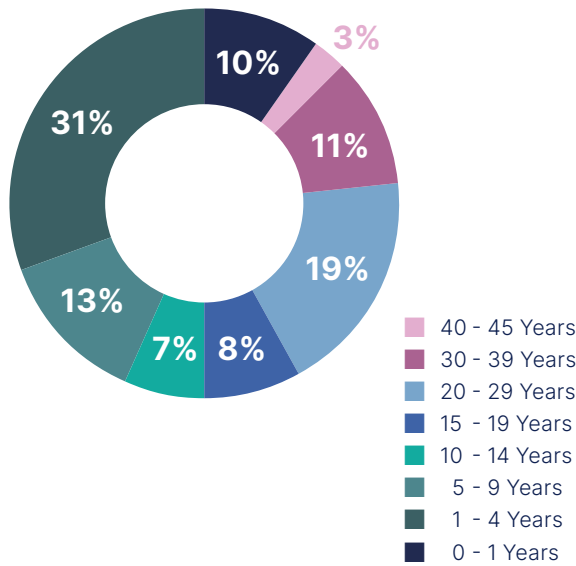


Percentage of local employees

65% of our workforce are employed from the local Macclesfield area and its surrounding villages.

Average service length

Over 50% of our work force has worked for the company for over 5 years and 25% of those have worked for the company for over 20 years.



Listen & Learn

Gradus operates a listen & learn approach which captures regular input from employees to understand how we can continue to improve the organisation for the benefit of our employees. Feedback is reviewed which helps to finalise any action plans required.

Employee benefits & staff wellbeing

- Employee Assistance Program
- Pension scheme for every employee after 3 months
- Annual Christmas event & gift for children of employees
- Birthday vouchers for children of employees
- Annual social events for employees
- Discounted gym membership

Training & development

Our employees are given individual personal development plans and opportunities to grow and develop within the company.

On average each of our employees is receiving 2 days of training per year to support their development. Gradus are also part of the apprenticeship levy scheme which has provided 4 apprenticeships between 2012 and 2023.

Our commitment to Human Rights

We are committed to respecting and promoting Human Rights, specifically those rights laid out in the Human Rights Act 1998, and the Ethical Trading Initiative Code. As a company, we do not use or endorse the use of forced labour. We do not recruit or use child labour. Wages and benefits meet or exceed National Minimum Wage standards. Working hours comply with national laws, and overtime is voluntary and paid at a premium rate. We are committed to ensuring that there is no modern slavery or human trafficking in any part of our business. We operate a number of internal policies to ensure that we are conducting business in an ethical manner.

Health & safety

Gradus is committed to providing working conditions that are safe and secure. Employees will be issued with all necessary protective equipment and informed of the relevant safety procedures for their role. Everyone is expected to follow Company Health & Safety instructions and to report accidents, incidents or unsafe working conditions to the Health & Safety Manager, or their Line Manager.

Gradus have accreditation to the following health & safety and environmental standards:

- Achilles
- British Safety Council
- CHAS
- Constructionline Gold
- Safe Contractor
- ISO 9001
- ISO 14001
- ISO 45001

Internal & external training is provided to all employees. We have health & safety councils at each site, in addition to regular health & safety audits. We also provide a wide range of training including:

- Fire Marshall
- First Aid
- Risk Assessment
- Display Screen Equipment

Results and 2025 goals

Summary

For each of the priorities identified (shown opposite) we are setting goals for 2025.



| 2025 Goals | Action Plan | 2020 Results | 2023 Results |
|--|---|--|--|
| 20% (588 Teq CO ₂) reduction in carbon emissions (Scope 1&2) | <ul style="list-style-type: none">Introduce energy efficient equipment – chillers, compressors, lighting.Process improvement teams – waste reduction, output improvement.Work with supply chain to define Teq CO₂ Scope 3 improvements.Feasibility projects – solar panels.Feasibility of renewable energy sources at sites and sourcing renewable energy. | 2,940 Teq CO ₂ (Scope 1&2) | 2,786 Teq CO ₂ (Scope 1&2) |
| 20% increased use of recycled PVC | <ul style="list-style-type: none">Introduce new products, eg Wall Protection uPVC retainer.Segregation of waste materials.Outsourcing of recycled material | 115,895 kgs used | 102,512 kgs used |
| 30% reduction in landfill waste | <ul style="list-style-type: none">Segregation of waste material.Eliminate waste generation through process improvement.In 2022 skip usage reduced to 60 | 74 skips per year | 48 skips per year |
| Obtain EPD certification <ul style="list-style-type: none">FloorcoveringWall ProtectionAccessoriesMatting | <ul style="list-style-type: none">Working with suppliers and third-party certification body. | Zero EPD's, Currently 8 Carpet EPD's | 3 additional carpet EPD's obtained Wall Protection EPD's awaiting validation |
| To retain 100% REACH compliance across all our suppliers | <ul style="list-style-type: none">Maintain compliance through suppliers audits and certification.No harmful substances belonging to SVHC. | All suppliers are REACH compliant | 100% of suppliers are REACH compliant |
| Introduce Carpet take back scheme. Feasibility of other materials | <ul style="list-style-type: none">Identify re-processors capable of recycling/ reusing end of life carpet.Define logistics and sales process (including costs) to deal with take back opportunities. | No take back scheme. Currently two companies can offer take back. | Carpet take back scheme established and launched |
| 35% of stair nosings (XT) supplied without adhesive bonding | <ul style="list-style-type: none">Expand XT programme.Education of sales team – specification. | 30% | 26% |
| Reduce the weight of bitumen backing in new carpet tiles by 10% | <ul style="list-style-type: none">NPD checklist. Specification with backing suppliers. | Cityscene 21, Brickworks 22 and Urban Myth reduced on average by 10% | Lunar |
| 30% of company cars to be Hybrid / Electric. | <ul style="list-style-type: none">Company education/policy, limit petrol/diesel offer, government legislation. | Currently 20% | Currently 69% |
| All trucks will achieve Euro6 emissions standard | <ul style="list-style-type: none">Maintain compliance with third party logistics provider. | Currently 80% | 100% |

we care / we act

Our Commitments for a Sustainable future



GalerieArt Matt is an FSC® certified paper that has been harvested in a responsible manner.

GRADUS

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