

## Interface

Embedding net zero into  
operations and supply  
chains



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*Quotes attributable to Nigel Stansfield, President, Interface Europe, Africa, Asia, Australia.*

### Cutting the ‘umbilical cord’ to fossil fuels

Under its ‘Climate Take Back’ programme, launched in 2016, the commercial floor manufacturer Interface is seeking to become a carbon negative enterprise by 2040. Critical to its ambitions is the engagement of its material suppliers (Scope 3), which account for the majority of the company’s carbon footprint. Interface’s current strategy replaces its ‘Mission Zero’ strategy, which it launched in 1996 with the goal of having no negative impacts by 2020. The company announced the success of this programme in 2019. With the help of its supply base, Interface was able to reduce the carbon footprint of its carpet tile and flooring products by more than two-thirds (69 per cent) during this period.

*“Our supply base now is very different to what it was when we started in the mid-1990s.”*

### Mission Zero

As part of its ‘Mission Zero’ goal of radically reducing its environmental impacts by 2020, Interface conducted an extensive assessment of its carbon footprint in the mid-1990s. The analysis revealed that around 70 per cent of its carbon emissions occurred in its supply chain (with nylon emerging as a particularly problematic material). Finding ways to encourage its suppliers to reduce their emissions emerged as a central plank of Interface’s decarbonisation efforts.

### Supplier engagement

Interface began by identifying, and then engaging with, its critical suppliers: namely, those that comprised the bulk of its procurement spend and those with the largest carbon footprint. Its ‘Supplier to Zero’ strategy focused on helping suppliers identify alternatives to materials based on fossil fuels. It also worked to encourage them to take steps to reduce the carbon impacts of their own direct operations. As part of its supplier outreach efforts, it organised a couple of bespoke, in-person workshops for its suppliers in conjunction with the University of Cambridge Institute for Sustainability Leadership (CISL). The majority of participating suppliers developed metrics-based transformation plans as a result, with some moving towards Interface’s goal of 100 per cent recycled raw materials.

*“We went to our suppliers and basically requested them to disconnect themselves from fossil fuels, which, for a petrochemical-rich sector like ours, was a pretty bold ask.”*

*“We worked with our main raw material suppliers in particular to replace materials derived from virgin fossil fuels with more sustainable substitutes – what I call ‘cutting the umbilical cord to the oil well’.”*

## Challenge: gaining buy-in

From the outset, Interface sought to strike a positive and collaborative tone with its suppliers. Vital in this respect was the initial involvement of the company’s founder and chairman Ray Anderson, who, together with his leadership team, personally visited the senior management of Interface’s main suppliers to explain his rationale for climate action and his vision for a zero carbon future. The company then also invited its suppliers to its facilities to see examples of what was possible and also discuss the challenges faced. Furthermore, Interface made it clear that it would work closely with its suppliers to achieve carbon reductions, offering to share resources, know-how and intellectual property. As a further incentive, suppliers that exhibited a strong commitment to reduce their carbon footprint were given the assurance of long-term contracts with Interface. In those instances where suppliers proved unresponsive, Interface reduced its procurement volumes and in some cases discontinued its supply contracts altogether.

*“The doggedness with which we pursued this really helped, as did the way it was driven from the very top of our organisation.”*

*“We were explicit in saying that we would favour suppliers who had a lower carbon footprint, who were removing chemicals of concern, who were increasing their use of recycled and bio-based materials, and so on.”*

*“Cancelling contracts is a last resort, but we have had examples where we’ve walked away from some supplier relationships because we were not comfortable with the solutions that they were providing. This was more in the early days, however, as now our zero-carbon message is really gaining traction in the marketplace.”*

## Solution: progress through collaboration

To accelerate the uptake of low carbon materials in its supply chain, Interface has regularly co-invested in tailored research projects with its tier two suppliers. In this way, it has supported the development of a range of new, zero carbon chemistries, which it has then requested its primary suppliers to integrate into their production processes.

Other collaborations are focused on helping suppliers create viable markets for low carbon solutions. In The Netherlands, for example, Interface supported a novel approach to producing natural gas through anaerobic digestion by bio-gas provider Eneco. The tile flooring company assisted Eneco in connecting its facility to the national grid and subsequently procured the bio-gas to power one of its nearby factories. Similarly, in its US facility in Troup County, Georgia, the company worked with the local authority back in 2005 to procure renewable biogas direct from landfill.

Over time, many of Interface’s most long-standing supply partners have taken steps of their own accord to decarbonise their operations. Back in 2011, for example, the company’s long-term yarn provider Aquafil invested in a state-of-the-art depolymerisation plant in Ljubljana, Slovenia. The facility enables the Italian company to produce an environmentally friendly alternative to nylon (‘Econyl’) from recycled materials. A

proportion of these materials comprise discarded fishing nets from the Philippines and Cameroon that, through an integrated recycling system supported by Interface (called Net-Works), are collected by local entrepreneurs and sold on to Aquafil.

*“Aquafil really embraced our vision early on and could see the competitive advantage that it would give them in the marketplace. To this day, it’s a very close friend of our business.”*

*“With supply partners like Aquafil, the conversation is never just about price and availability. It’s about innovation, sustainability, and more. This way, we get a package of solutions that help us grow as individual companies respectively while also moving forward towards a zero-carbon economy.”*

## **Future: multi-partner supplier collaborations**

More than 20 years after launching its net zero goal, Interface is now requesting its supply base to help it achieve its new goal of becoming net carbon positive. Recently Interface was able to share best practices and collaborate with other manufacturers as part of the Manufacturing 2030 platform. This partnership sees Interface connect with peer manufacturers and expert partners via the Manufacture 2030 community. The company hopes its Climate Take Back programme will give impetus to a wider systems shift within the flooring industry. Success here will depend on expanding traditional bilateral buyer–supplier collaboration to a new generation of cross-sector cooperation between ‘unexpected partners’. An illustrative case in point is ‘Next Wave’, an ambitious collaboration between ten companies, including Interface, Dell, HP and IKEA, to recycle and reuse plastic harvested from the oceans.

*“These kinds of industry collaborations, potentially with some innovative start-up R&D and maybe some philanthropic or governmental support, are going to be really interesting in the coming years.”*

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