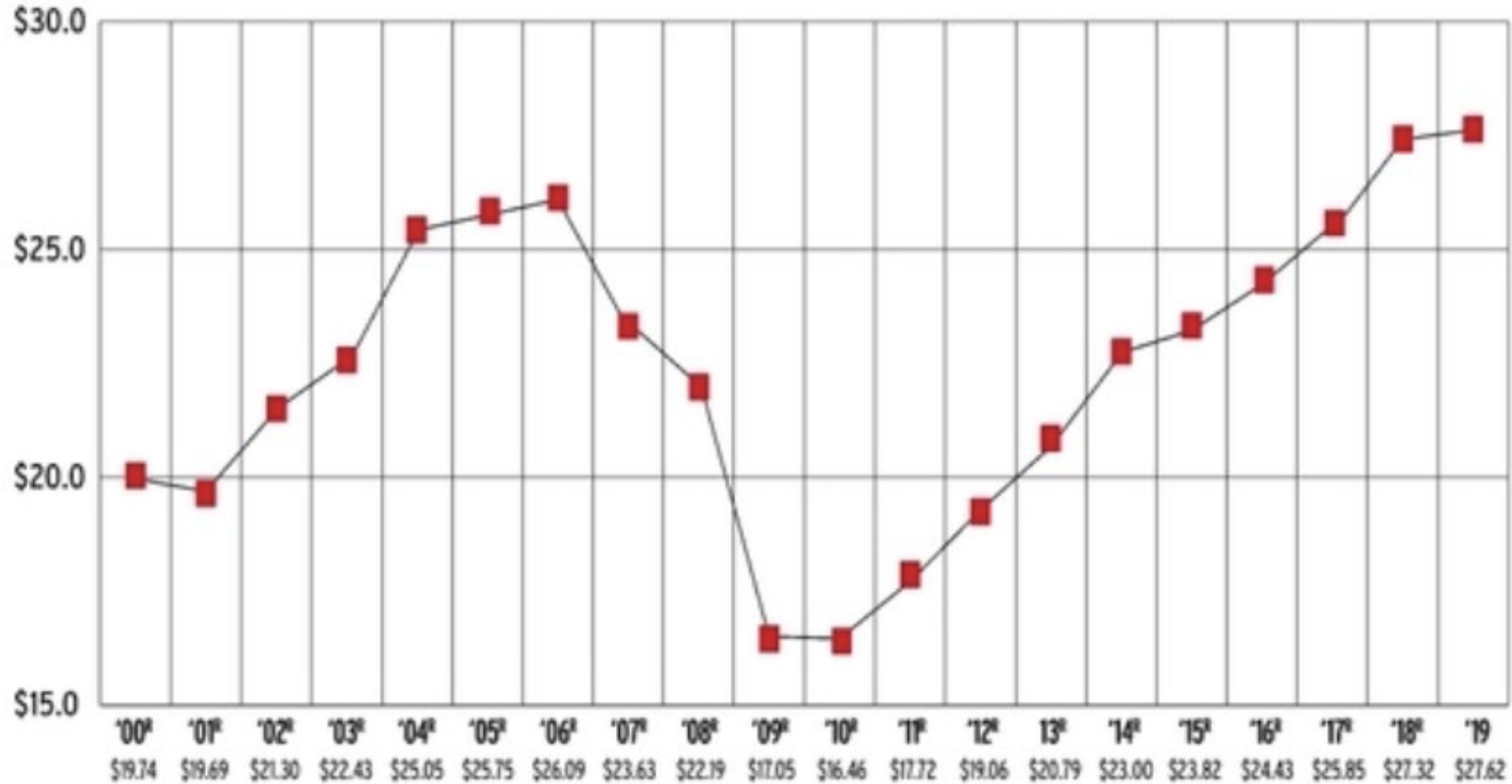


R|F|C|i

Resilient Floor Covering Institute

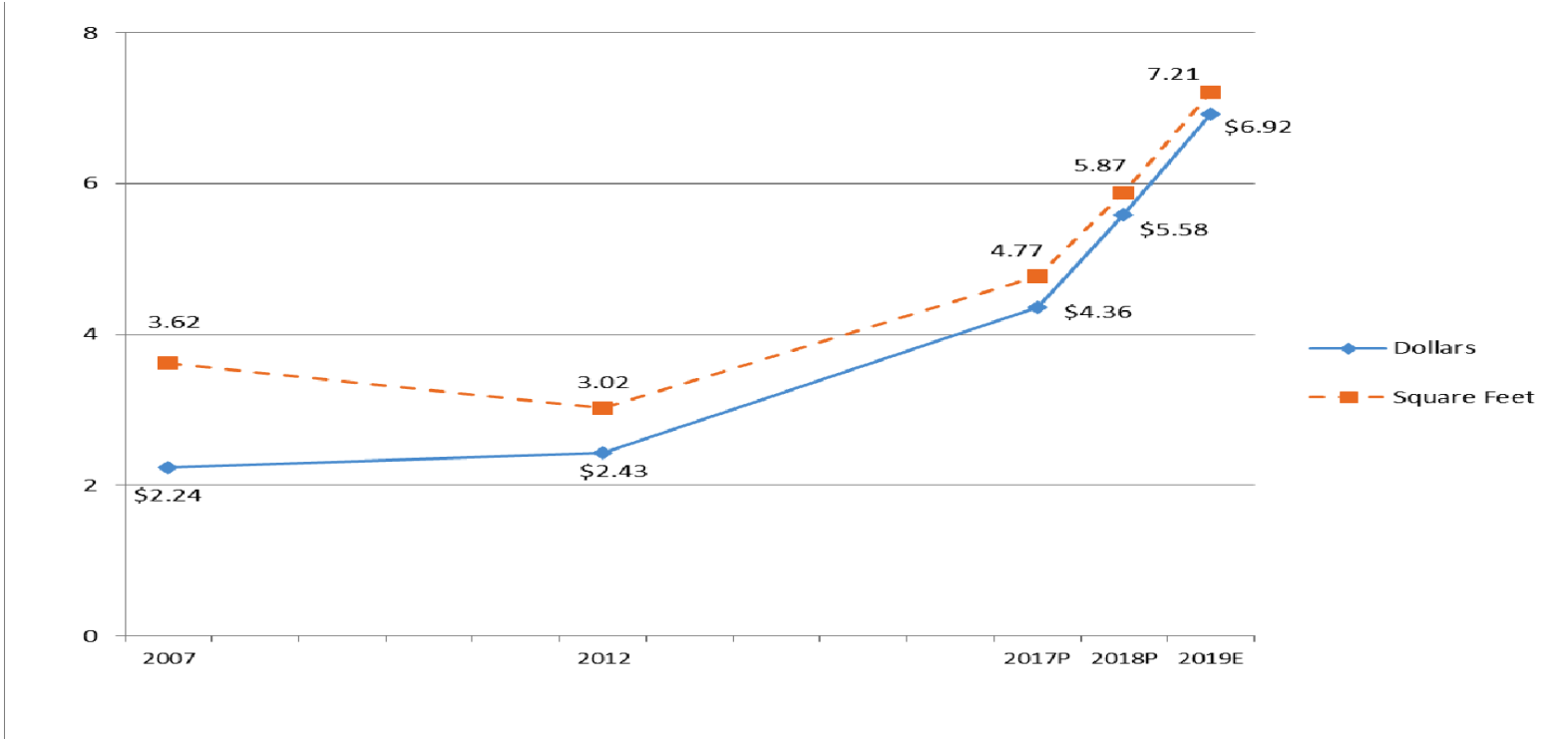
FLOOR COVERING INDUSTRY

20 years of floor covering sales value (IN BILLIONS)



R= Revised Source: marketWise

RESILIENT FLOORING MARKET GROWTH



(in billions of square feet and manufacturers' dollars)

Source: Catalina Research-U.S. Department of Commerce Data
E=Estimate P=Preliminary F=Forecast

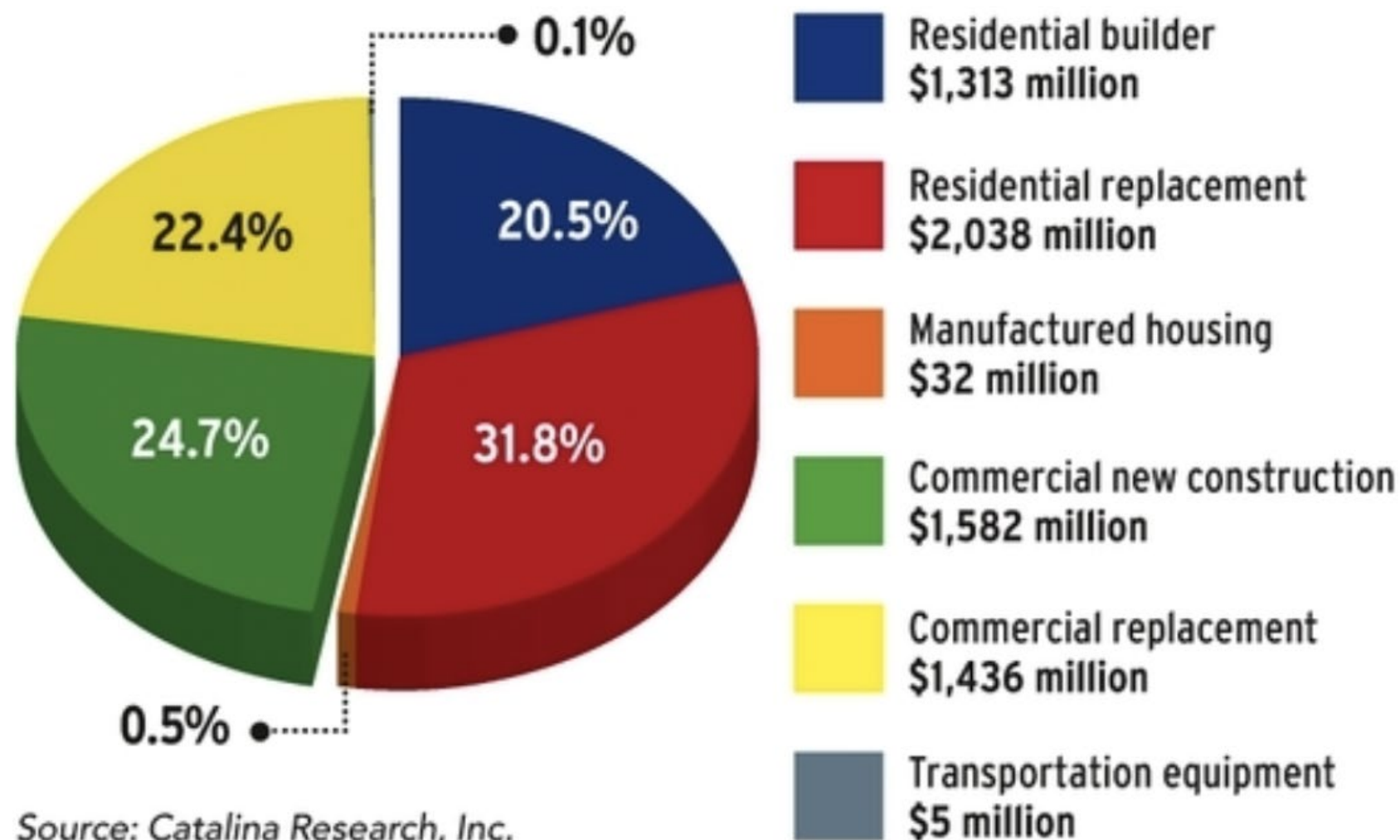
U.S. floor covering market sales value

(IN MILLIONS OF MANUFACTURERS' DOLLARS)

| Product Sector | 2015 | 2016 | 2017 ^R | 2018 ^R | 2019 ^P | Percent Change |
|---------------------------------------|----------|--------------------|-------------------|-------------------|-------------------|----------------|
| Carpet & area rugs | \$11,291 | \$11,125 | \$11,579 | \$11,718 | \$11,315 | -3.4% |
| Hardwood flooring | 4,091 | 3,816 | 3,758 | 3,780 | 3,577 | -5.4% |
| Ceramic floor & wall tile | 3,066 | 3,399 | 3,638 | 3,867 | 3,893 | 0.7% |
| Laminate flooring | 950 | 958 | 988 | 941 | 898 | -4.6% |
| Luxury vinyl tile (LVT) ¹ | 1,405 | 1,969 ^R | 2,597 | 3,712 | 4,804 | 29.4% |
| Vinyl sheet & floor tile ² | 1,427 | 1,470 ^R | 1,527 | 1,464 | 1,320 | -9.8% |
| Other resilient flooring ³ | 275 | 290 | 304 | 306 | 282 | -7.8% |
| Stone flooring ⁴ | 1,310 | 1,398 | 1,462 | 1,527 | 1,528 | 0.1% |
| Total Sales | \$23,815 | \$24,425 | \$25,853 | \$27,315 | \$27,617 | 1.1% |

Resilient purchases by end-use market

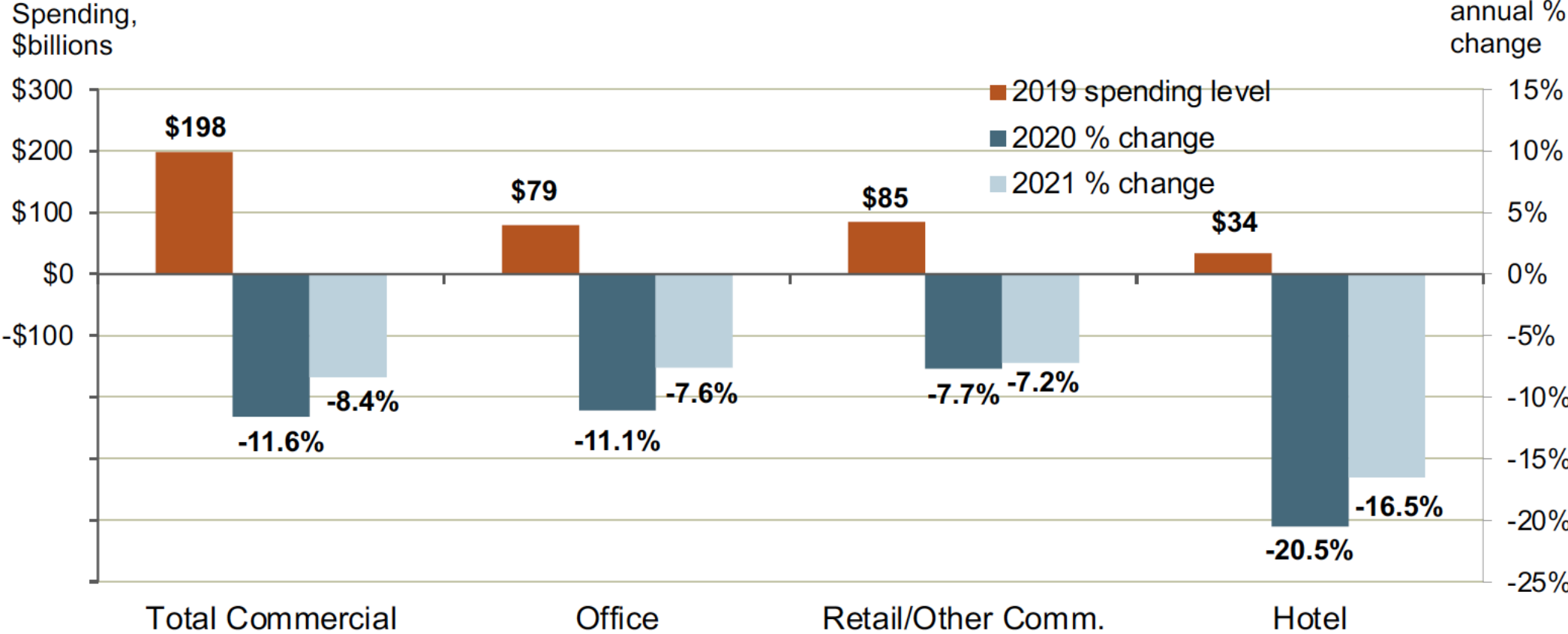
(TOTAL: \$6,406 MILLION)



Source: Catalina Research, Inc.

Commercial Facilities Projected to see the Steepest Declines this Year and Next

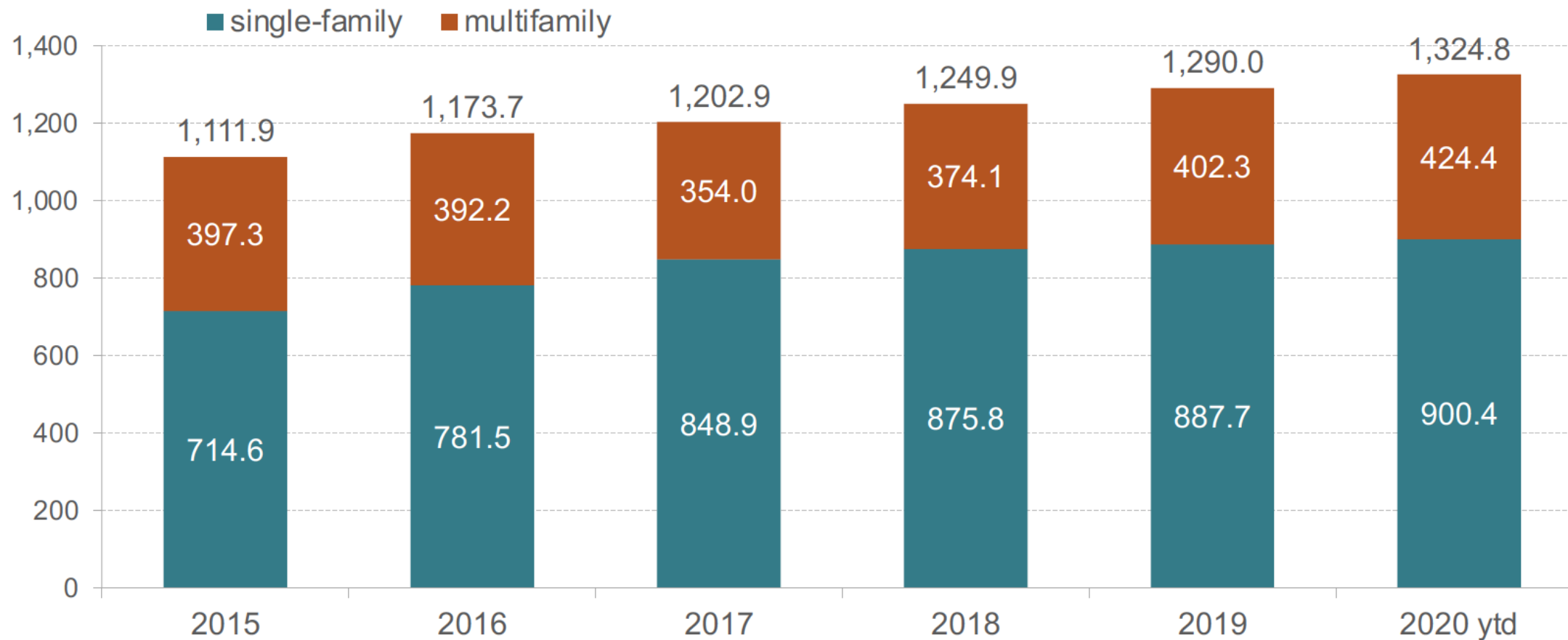
Billions \$ / % change - construction spending on nonresidential buildings



Source: AIA Consensus Construction Forecast Panel, July 2020

Even with Pandemic, Housing Starts have Continued to See Improvement this Year

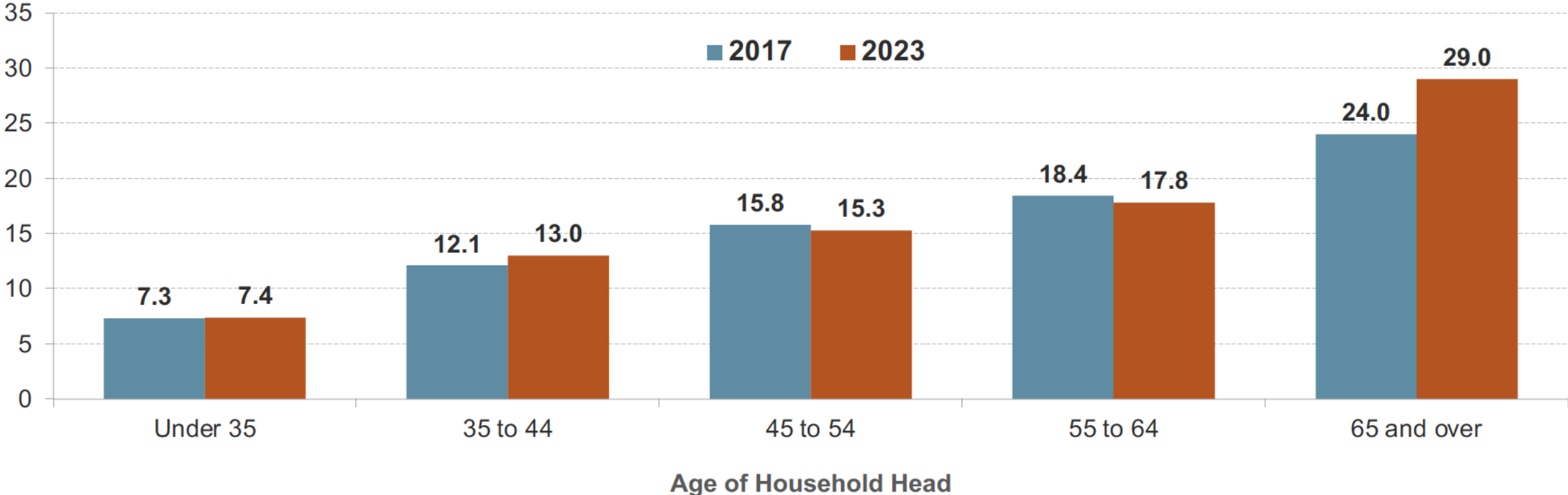
Annual housing starts (000's)



Source: U. S. Department of Commerce; annualized year-to-date figures through August 2020.

Number of Owner Households is Projected to Grow by Almost Five Million by 2023, Virtually All to Come From 65+ Group

Number of homeowners (millions)



Sources: JCHS tabulations of HUD, American Housing Surveys; Daniel McCue, *Updated Household Growth Projections: 2018-2028 and 2020-2038*, December 2018; and Jonathan Spader, *Tenure Projections of Homeowner and Renter Households for 2018-2038*, March 2019.

Potential Longer-Term Social/Economic/Housing Changes Resulting from Pandemic

I. Home design, and systems and products used in the home

- Different use of spaces in home and property
- Growing concern with healthy home environment
- Retrofits to facilitate independent living

II. Changing household demographics

- Multi-generational households
- Popularity of accessory dwelling units (ADUs)

III. Changing locational decisions

- De-urbanization of major cities
- Increase in telecommuting
- Avoidance of public transportation
- Declining rates of mobility

floor
score



SMART
DURABLE
RESPONSIBLE

floor
score. **EDGE**

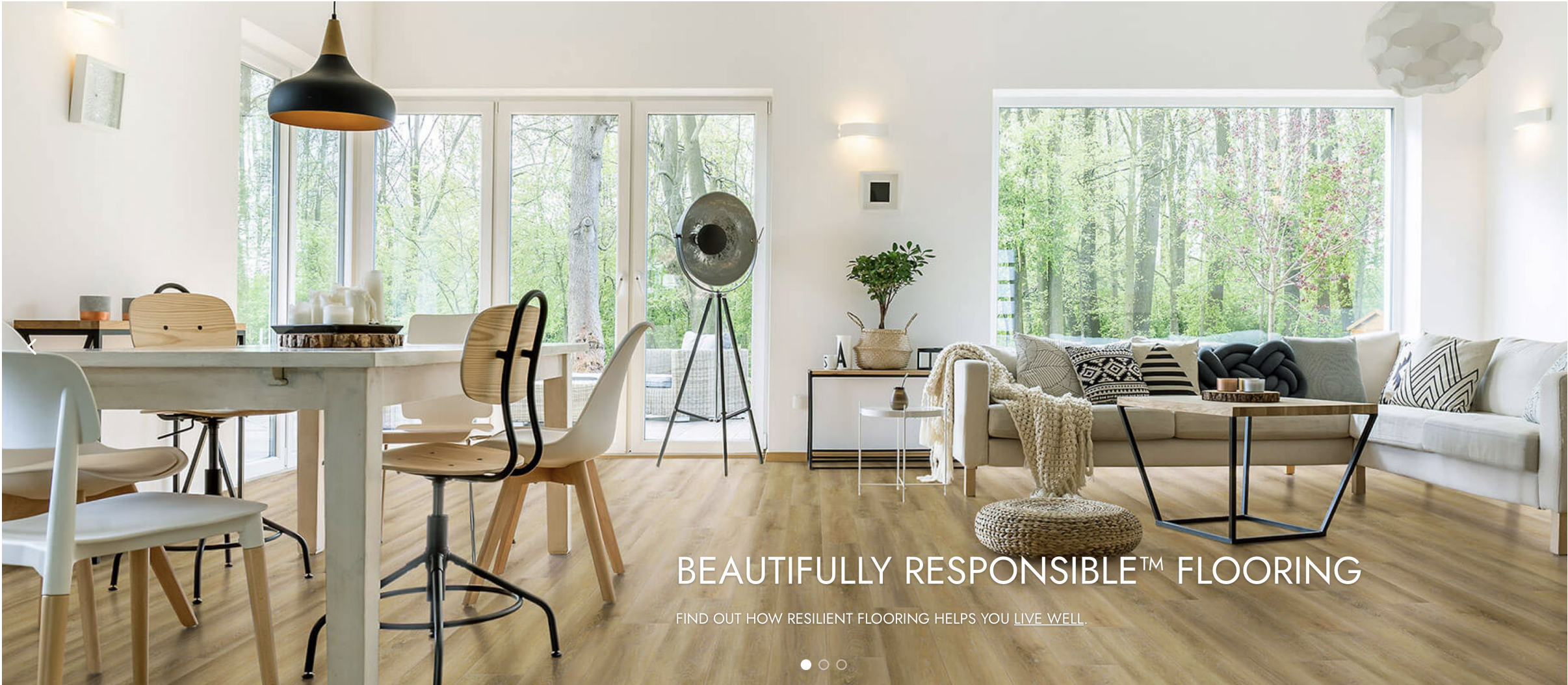


Continuing
Education
Program

Resilient Flooring & Materiality

Transparency, Product Service Life & Performance





BEAUTIFULLY RESPONSIBLE™ FLOORING

FIND OUT HOW RESILIENT FLOORING HELPS YOU LIVE WELL.

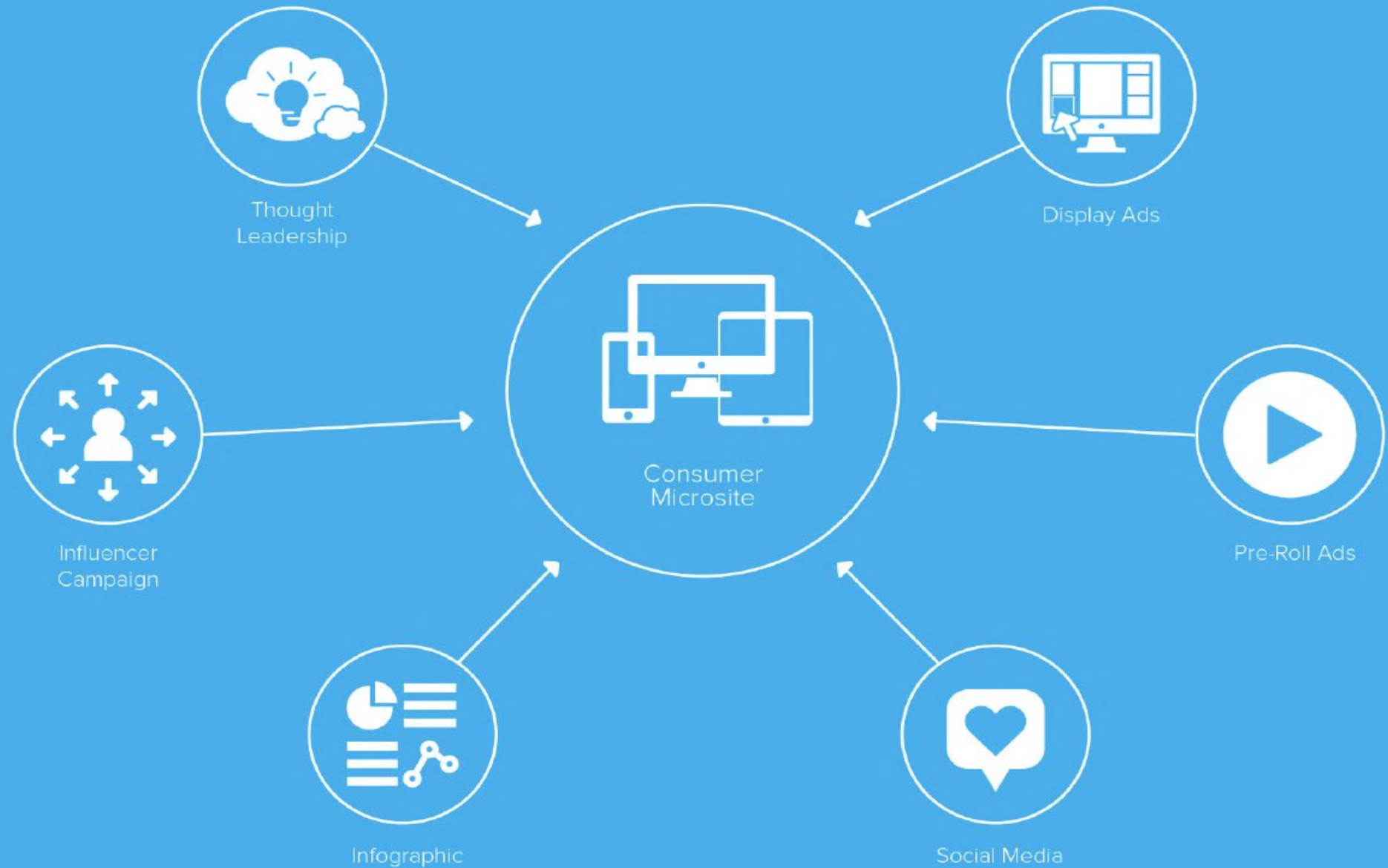


THE RESPONSIBLE LIFE OF RESILIENT FLOORING

From the manufacturing process to everyday use, resilient flooring brings together environmental sustainability, well-being, and durable performance. Explore the connected benefits:



Driving Awareness and Engagement



Key Benefits of the Plan

Industry Benefits

- Positions resilient flooring as a sustainable choice for consumers searching for flooring, and specifically eco-friendly flooring.
- Increases legitimate information and content available online, raising the positive profile of resilient flooring.
- Activates Beautifully Responsible™ messaging to speak for the entire category of resilient flooring.

Member Benefits

- Activates Beautifully Responsible™ messaging which echoes member messaging.
- Drives traffic from consumer microsite to member company websites for purchase.
- Establishes third-party endorsement of and social media reach for member company products.
- Provides a variety of content for member companies to use in their own channels.

R|F|C|i

Resilient Floor Covering Institute