



PRESS RELEASE

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Even in challenging times, Beaulieu International Group is fully committed to sustainable solutions that add value

With its annual report titled '**Connecting the dots**', Beaulieu International Group continues on its chosen path of evolving from a producer of basic products to a provider of sustainable value-added solutions for every customer.

Even in these times of turbulent markets and economic challenges, and perhaps we should say especially in these turbulent times, we are convinced that our future must be absolutely sustainable. Although sustainability is often talked about in terms of challenge, for B.I.G., sustainability represents one of the biggest business opportunities of our time. The concept of sustainability presents us with inspiration to develop new business models and new innovative products, and to improve our talent recruitment. The benefits just keep on adding up. That is why we chose '**Shaping sustainable living, together**' as our raison d'être.

"Fortune favours the bold. So instead of shying away from sustainability when the going gets tough, we actively pursue it. Time will prove that we are right," says Pol Deturck, CEO.

Going all out for sustainability

In our sustainability report '**Destination: zero environmental footprint**', we offer customers, partners and other stakeholders a clear and transparent insight into the sustainable path that we are following and the progress we are making towards it. So, where exactly do we stand? What goals have we set and what did we achieve last year (in some figures):

- **Our global footprint:** in our baseline year 2021, we emitted 2.7 million tonnes of CO₂e. By 2022, our emissions dropped to 2.4 million tonnes of CO₂e. This figure takes into account scope 1, 2 and 3, i.e. our own emissions and those from our value chain.
- **Renewable energy:** by 2022, the total share of renewable energy for electricity and heat at B.I.G.'s sites was 12%. This is an increase of 4% compared to 2021.
- **Circularity:** in 2022, our solutions included 8.4% renewable and recycled materials (recycled means both post-industrial and post-consumer).
- **Responsible operations:** A new policy has been drafted and rolled out within the Group in compliance with the UN Guiding Principles on Business and Human Rights and the ten principles of the United Nations Global Compact.

Investing in people

In 2022, the Group invested in several projects including the acquisition of US-based Act Global, an artificial turf manufacturer operating in the world of sports turf and with certifications for football (FIFA), hockey (FIH), rugby (WR) and tennis (ITF). Investments were also made in additional production capacity, including in Norway, where the existing infrastructure for the production of High Pressure Laminate was roughly doubled in order to meet increasing market demand.

However, the real focus in 2022 was on the 4,907 employees of B.I.G.

In terms of training and development, the Group shifted up a few gears. This meant an expansion of the courses offered by the B.I.G. University to include Boosting Internal Growth – a customised 10-



month programme offered in collaboration with Vlerick Management School. In terms of safety and wellbeing, no expense was spared in order to create a better working environment for all employees worldwide.

The two sides to the financial year

Despite the focus on sustainability and investment, this did not come at the expense of a solid EBITDA performance. In the first half, we coasted on the success of an exceptional 2021, with double-digit EBITDA margins and exceptional cash flow generation. Our polymer business in particular continued to navigate in a favourable macroeconomic environment. Our other activities also performed well and delivered good returns.

In the second half of the year, we faced a new reality: historic spikes in the inflation of raw material costs as well as higher labour, transport and energy costs, all of which put enormous pressure on our operating margins. Some of our businesses saw their results depressed by the ongoing cost inflation and declining household purchasing power, which reverberated in most of our markets, leading to a general decline in demand and thus sales. This resulted in consolidated annual sales of EUR 2.4 billion and an EBITDA performance of EUR 250 million for 2022.

Pieter-Jan Sonck, CFO: *"Inflation, energy prices, customer confidence ... we either complain or cope. We prefer the positive approach and see recent challenges as the opportunity to rethink our value proposition. The key ingredients are sustainability, innovation, digitalisation and, of course, the people who make it possible. All of these priorities demand our time and resources."*

Continuing on our path to internal & external growth

Today, we see that the economy has not yet fully recovered and we are still facing headwinds from macroeconomic and geopolitical uncertainties. As a result, 2023 remains a challenging year. However, as a Group, we can handle those headwinds. We can draw on the strong cash flow generation of the past and our current solid financial position. Our strong market position, healthy balance sheet and an investment budget of around EUR 100 million are the ideal backbone to realise our sustainable growth ambitions. That means that alongside organic growth, we remain committed to growth through M&A. Only recently, we announced the acquisition of Signature Floors, an Australian B2B flooring wholesaler, with the aim of strengthening our position in the Australian and New Zealand markets.

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[Click here for the annual report](#)

[Click here for the sustainability report](#)

Contact

Sara Geris, Corporate Communications Director – 0496 70 58 79 or sara.geris@bintg.com

About Beaulieu International Group

As an international family business, we develop and co-create – in an innovative, entrepreneurial and sustainable way – flooring and material solutions to improve the quality of living and working for every generation. B.I.G. is headquartered in Belgium, employs more than 4,900 people worldwide in 19 countries in Eurasia, the Americas and Oceania, and serves customers in 150 countries. In 2022, B.I.G. recorded sales of €2.4 billion. At B.I.G., we work purposefully towards a sustainable future. Our entrepreneurial spirit combined with our ambition ensures that we continue to grow together with our employees, customers, suppliers, shareholders and the society in which we operate.