



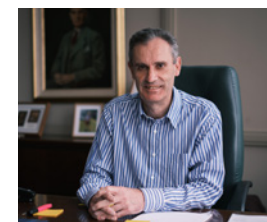
BY APPOINTMENT TO
HER MAJESTY THE QUEEN
CARPET MANUFACTURER
ULSTER CARPETS (HOLDINGS) LTD
COUNTY ARMAGH

*An Innovative Business...
a Sustainable Brand*

ulster[™]
www.ulstercarpets.com



We are investing and innovating.
We are supporting our people and
contributing to our communities.
We are building a sustainable brand.
We are driving industry leadership to
support a net zero carbon future for all.



Nick Coburn
Group Managing Director
& Deputy Chairman

As a third-generation company, our ethos is built on family and community values.

These have been our abiding principles since Ulster Carpets was first established back in 1938. Our Founder, George Walter Wilson, was a visionary who set about creating a business that invested in its employees and the community.

That same investment is vital in protecting our planet and providing a long term, sustainable future for the generations that follow.

In what is our first Sustainability Report, we acknowledge the urgency of the climate crisis. We also confirm our commitments to playing a full part in contributing to the UK target of Net Zero by 2050, supporting the UN Sustainable Development Goals and limiting global warming.

To achieve this, we continue to be inspired by our Founder who instilled a forward-thinking ethos into the company alongside

a strong commitment to supporting the community around us.

While this is our first Sustainability Report, we have a proven track record of developing solutions that make our processes more efficient. We remain focused on delivering innovative and responsible manufacturing solutions that not only underpin our credentials as a sustainable company but help to drive the change that our sector needs.

As outlined in this report, we have already taken major steps forward. However, these forward steps have now been coalesced into a set of ambitious targets for 2025 that we believe confirm our genuine commitment to protecting our planet.

Our History, Our Innovation.

When George Walter Wilson created Ulster Carpets in 1938 he could not have predicted how successful the company would become.

Still owned and run by his family and still operating from the same site in Portadown where he founded the company, Ulster Carpets is now the premier supplier of Axminster and Wilton carpets to the world market.

Working successfully within the residential

and hospitality sectors, our quality carpets can be found in homes, hotels, casinos and cruise ships across the world.

This level of global success is down to the forward-thinking and community-focused philosophy that began with George Walter Wilson and continues to this day.

Driven by our fantastic people, innovation is at the heart of what we do. From early

diversification to help the war effort in the early 1940s to the creation of patented weaving technology, we have been industry pioneers working in the heart of our community.

As we increase our efforts to protect our planet, this commitment to innovation will be vital.

ULSTER CARPETS GROUP

The Ulster Carpets Group is a diverse set of companies covering many facets of the industry.

Ulster Carpets

Manufacturers and designers of quality carpets to the residential and contract sectors across the world. In addition to the company headquarters in Portadown, we have presence in the UK, Europe, Middle East and the USA.

Ulster Yarns

Yorkshire-based wool processing mill that cleans, blends, cards, spins and dyes yarns for use in Ulster carpets.

Danfloor

Danish-based specialist manufacturers and suppliers of tufted loop commercial carpets for market sectors including healthcare, leisure and education.

Roger Oates Design

Designers and makers of unique stripe runners and rugs, based in Herefordshire and with a studio in London. Roger Oates is also the custodian of Solidwool which transforms wool into beautiful, soulful products.

Axfelt

Manufacturers of luxury, triple layer underlay, based in South Devon. Axfelt is made from 100% recycled materials.

GTM

Griffith Textile Machines (GTM) is a technical textile machinery manufacturer based in the North East of England.

Ulster North East

The most advanced Axminster facility in the world, Ulster North East manufactures quality Ulster carpets from its base in Washington, England.



Innovation Woven In

Innovation is woven into every carpet at Ulster.

As a company that is committed to providing a sustainable business for future generations we are pioneers of our industry and are leading by example.

That vision has seen us introduce innovative, market-leading technology that focuses on manufacturing the highest quality carpets in the most efficient way.

Our new generation of PSYLO™ looms are more energy efficient than their predecessors. As the final link in the production chain, this development enhances the efficiencies already created within the Dyehouse and Energy Centre.

We also utilise IT solutions such as RFID technology that improves operational efficiency and reduces waste, emissions and energy.

Our focus on waste has resulted in 100% of post production waste being diverted away from landfill. Waste carpet and yarn is recycled into Axfelt Triple Layer Underlay while cropper dust is being used to develop innovative insulation solutions. We have also partnered with a recycling company to transform our plastic yarn bobbins into table and seat tops.

Our expert team is constantly reviewing and updating our processes to find even more sustainable ways to manufacture luxury carpets.





2025 Targets

We are committed to reducing our carbon footprint with the goal of attaining net zero business operations.

We have already carried out significant work towards meeting this goal and to further demonstrate this, we have used independently verified figures from 2019/20 as a baseline to set ourselves ambitious targets that we aim to achieve by 2025.



Reduce carbon emissions by

50%*



Reduce energy by

18.5%**



Reduce water consumption by

5%



Reduce waste by

20%



Reduce packaging by

5%

* Scope 1 and Scope 2. ** Per m².



Our Product, Our Planet.

From the use of natural wool in all of our carpets through to energy-efficient manufacturing processes, we have a strong sustainability strategy already in place.

In 2021 we conducted a robust review to assess our environmental and sustainability standards.

The findings showed that we have made a great start, with strong foundations in place which have been used as a springboard to grow our sustainability strategy.

What's more, we have the assets and resources in place throughout our business to bring our strategy to life, infusing confidence in the business.

Our ability to control our sustainability agenda is also enabling us to accelerate our plans. We are the only fully integrated manufacturer of woven carpets operating entirely in the UK. From sourcing the highest quality wool and spinning and dyeing the yarn, to the bespoke design and weaving of our luxury carpets, we have complete control over every step.

This level of control has helped us to retain wool – which is not only rapidly renewable but also natural – as the primary material in all of our carpets. We have also been able to create new pathways for the use of recycled materials, including transforming carpet waste into Axfelt Triple Layer Underlay.

This is also reflected throughout our manufacturing and operational processes, where our innovative philosophy excels.



100%

Waste Diversion

Strategic waste segregation processes have resulted in 328.79 tonnes of waste diverted from landfill in 2022.



46%

Water Reduction

Nearly 76,000 m3 of water have been removed from the manufacturing process from 2015 to 2021 with further improvements planned.



100%

Renewable Electricity

Switching to electricity from 100% renewable sources is forecasted to reduce our carbon footprint by 950 tonnes per year.

Our Product, Our Planet.

01/

We're innovating in manufacturing and product excellence and we are driving the change needed to support a sustainable industry and society.

What we have done and what we are doing.



Innovative Manufacturing

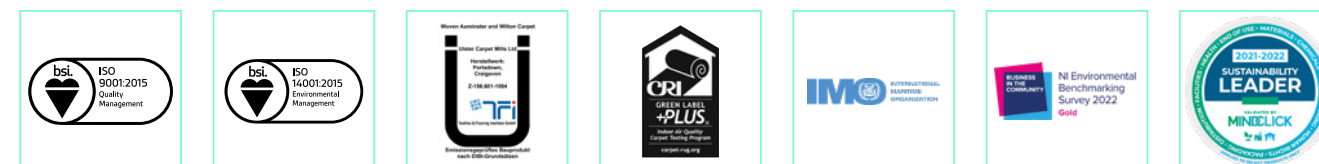
Our commitment to developing and implementing innovative and environmentally responsible manufacturing practices are demonstrated throughout our facilities. These include our state-of-the-art Dyehouse & Energy Centre, which was specifically designed to significantly improve energy and water efficiency, and Axfelt, which repurposes waste into a re-useable, luxury underlay made from 100% recycled materials.



Efficient Production

Efficiency is integral to both our sustainability and growth strategies. We are consistently looking at ways to increase productivity and developed PSYLO™, our patented weaving technology, to meet these targets. The next generation of high-speed PSYLO™ looms are even more efficient, using less energy and creating less waste to deliver a competitive technological edge.

Accreditations Gained



Quality Products

Using the highest quality of raw materials, an Ulster carpet is consciously manufactured to last. The luxurious, robust nature of wool is well known and when blended with a small amount of nylon to produce our Axminster carpets there is a longevity proven over decades. This durability is particularly essential in the hospitality sector, where our carpets are found in high traffic areas.



Responsible Manufacturing

Responsible manufacturing is crucial to the reputation and trust that we have built up over the last 85 years. We operate an efficient, safe and secure manufacturing process that pairs IT solutions with industry expertise.

Our accreditations include the internationally recognised environmental management and quality standards of ISO14001 and ISO9001, which we have held for over two decades, and IMO (International Maritime Organization) and Green Label Plus accreditations. Our sustainability standards have also been independently verified. In 2022 we were awarded Gold in the Business in the Community NI Environmental Benchmarking Survey and we also achieved Leader Status in the MindClick Sustainability Assessment Programme.



Our Product, Our Planet.

We are reducing waste and we're preserving and restoring resources.

What we have done and what we are doing.



Sustainable Heat and Energy initiatives

We have introduced a range of heat and energy efficiency initiatives including

- a heat exchange system which reuses heat generated during the dyeing process;
- the replacement of an industrial sized steam boiler with direct gas-fired thermostatically controlled boilers;
- energy efficient low carbon LED lighting controls throughout the business;
- reduced pipe runs and improved insulation which has decreased heat generation by 25%.



Packaging

Our packaging priority is to find comparable alternatives to outer plastic film. Minimal packaging is used to protect our products and maintain the integrity of our carpets during storage and transportation.



Carbon Emissions

We were the first company in Northern Ireland and the first textile manufacturer in the UK to be awarded the Carbon Trust Standard cutting our carbon emissions by over 50%. We continue to develop manufacturing innovations to reduce water, heat and chemical usage.



UK Climate Change

We are fully committed to reducing our energy consumption and emissions and voluntarily participate in the UK Government Climate Change Agreement.



Bio-diversity

Our Portadown headquarters is located within a biodiverse area adjacent to the River Bann and with the Corcrain River running through our site. We work hard to maintain and protect our surrounding green areas.



Transportation and Vehicles

Over half our fleet of LPG forklift trucks have been replaced by electric models. The remainder currently use Bio LPG fuel in the short term with a targeted timeline for a 100% electric fleet in place for 2023.

We are also driving a sustainable transportation strategy across our sales team. We have transitioned to electric or hybrid vehicles and charging points have been installed at our Sales Executives' homes. All employees transporting goods on behalf of the business have undergone fuel efficiency training.



03/

Our Product, Our Planet.

Throughout our business and across our supply chain we are supporting a fair and just society.



What we have done and what we are doing.



Animal Welfare Certification

All wool is purchased in line with the Five Freedoms of Animal Welfare and The International Wool Textile Organisation (IWTO) guidelines to ensure that wool is supplied from sheep who are:

1. Free from hunger and thirst
2. Free from discomfort
3. Free from fear and distress
4. Free of pain and injury
5. Free to behave normally.



Wool Sustainability

Wool is a rapidly, renewable material regrown in 12 months, providing us with a sustainable supply of high-quality raw material. It is also bio-degradable and can be turned into other products without harming the planet. Every carpet contains at least 80% wool and we also manufacture 100% wool carpets.



Quality of Product

Our carpets are consciously manufactured to last and are synonymous with quality. The luxurious, robust nature of wool is well known, but when this raw material is blended with a small amount of nylon it creates a carpet with proven longevity and quality.



Ethical and Employment Standards

Ulster's employment policies ensure our people are treated fairly and equitably, with policies in line with the expectations set out in the Ethical Trade Initiative Base Code. We are also committed to holding our supply chain to the same high standards.



Farm Traceability

The wool in our Open Spaces Laneve™ range is traceable back to individual farmers in New Zealand who operate using the highest standards of animal welfare and environmental management.





Our People, Our Community.

Our people remain our greatest asset and we cherish our long standing and vibrant culture of igniting and nurturing our team's talent, supporting their health and well-being, and championing diversity and inclusion.

This philosophy permeates through the company and is evident in one key indicator – our long service record. The ability to enable our people to thrive as they play their part in manufacturing the highest quality carpet in the most efficient way, is apparent within our average length of service of almost 20 years.

Our training programmes provide consistent and regular opportunities and ensure we retain the very best talent, which has a rich gender, age and ethnic mix.

As one of the largest employers in the area, we are an integral part of our community. We are proud of the contribution we make to the Northern Ireland economy and the positive impact we have in overseas markets.

We are also passionate contributors to charity, providing funding and giving of our time to organisations that make a real and tangible difference in the lives of many people. All of this is driven and lead by our exceptional team who are passionate about playing an active role in making community better.



650

Employment

We employ almost 300 people in Portadown and support hundreds of indirect jobs through our rich local supply chains and across the wider economy. We have a considerable national and international workforce which brings our total employment to almost 650 people which includes our divisions in the UK, Europe, Middle East and the USA.



95%

Success Overseas

Exporting 95% of our product outside of Northern Ireland, our overseas clients include some of the most luxurious hotels, casinos and iconic cruise ships in the world.



1%

Donation of Profits

goes to the John Wilson Memorial Trust which in turns supports a wide range of local businesses, charities and research projects.

01/

Our People, Our Community.

We are a passionate employer who cares about the well-being and development of our team. Championing diversity and inclusion across our business and our partners.

What we have done and what we are doing.



Team Investment

1000 hours

invested in management development training.

30 people

promoted into various upskilled, technical or management positions over the past two years.



Recognition for Length of Service

25 years

Every year we make presentations to staff to mark 25 years' service. A number of staff have even celebrated 50 years' service.

100 employees

To date, over 100 employees have achieved 25 years' service with Ulster Carpets.



Equality

We champion diversity and inclusion in the workplace, supporting a rich gender and ethnic mix, ensuring equal opportunities across all aspects of our business model. Women represent 40% of the current management team, 76% of the design and 54% of sales, IT, HR and marketing with our Board of Directors a 50-50 gender split.



Equal and Fair Policies

We have robust processes and governance in place which ensures all employment procedures are fair and equitable. We require our supply chain partners to commit to the same high standards, core values and modern approaches that we hold.



Dedicated Environmental Team

At Ulster we have a dedicated environmental team that is passionate and focused on delivering our sustainability goals, and delivering change across our business.



Employee Benefits

As our most important stakeholders, we work closely with our employees to provide a working environment that is based on fairness, trust and respect. As working conditions continue to evolve, we have introduced private medical insurance, and flexible working policies with generous maternity and paternity leave provisions in place.



Health and Safety

We have a safety culture built on shared values, beliefs, and behavioural standards, with well-designed policy, equipment, operations, systems and working conditions in place.



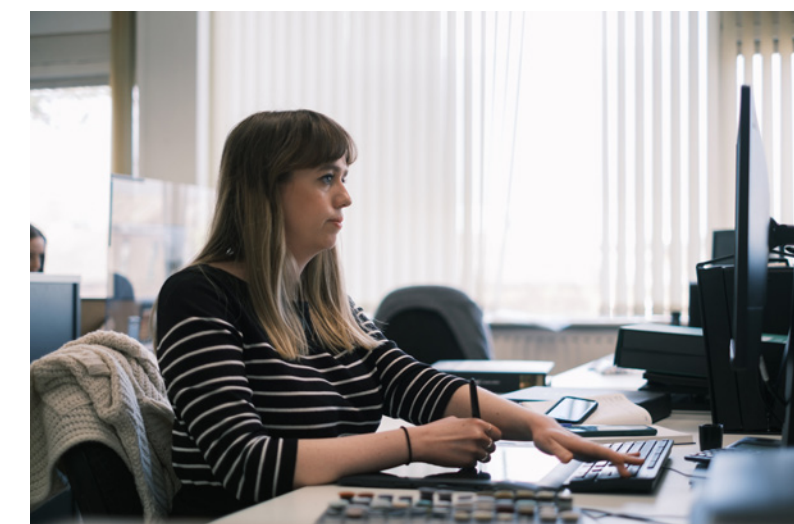
The Wellbeing Programme

We invest time and resources into a range of health plans and benefits, to ensure our employees can take positive steps to improve their wellbeing.

Our People, Our Community.

02/

We are investing for the future and we are sharing our knowledge and expertise.



What we have done and what we are doing.



Staff Development

We remain committed to nurturing the talent of our employees and providing opportunities to develop and succeed within the company.

This has allowed those who show drive and commitment to move into new positions and we have numerous examples of people starting on the factory floor and moving into management positions.



Sponsorships

We cherish and support the people and organisations within our community that enrich the lives of others and are proud to support causes put forward by our employees.



Graduate and Apprenticeship Programmes

As part of our commitment to developing the very best talent, we have created partnerships with local universities and colleges to provide employment opportunities.



Charity and Community

Since our formation over 85 years ago, we have been fully committed to supporting the wider community and the most vulnerable in our society.



Industry Trade and Policy Leadership

Ulster is interwoven in the fabric of our community and our industry.

We participate in a range of initiatives, programmes and partnerships that support economic prosperity by bringing forward our wealth of experience and industry insight.

This includes involvement with the Department of International Trade Strategic Advisory Group, Fellowship Advisory Board of the Centre for Democracy and Peace Building, Commercial Interiors UK, Network of Executive Women in Hospitality, Campaign for Wool and The Carpet Foundation.

We are also Patrons of the Northern Ireland Chamber of Commerce, joining a select group of leading businesses who lend their support to the development of both the local and wider business economy.



03/

Our People, Our Community.

We invest in our local communities and we have a significant and growing economic footprint.

What we have done and what we are doing.



John Wilson Memorial Trust

Established in 2009 the John Wilson Memorial Trust was set up in memory of the late John Wilson, son of founder George Walter Wilson. He had an enduring passion both for the craft of manufacturing, and the wider role Ulster Carpets played in the community.

The Trust, funded by the Ulster Group and run by trustees, honours this memory and is committed to giving back to the local community through a number of broad reaching industry and charitable initiatives.



Business

The Trust has played an active role in mentoring and financially supporting a broad range of businesses, including a food company, a film production company, a health and fitness centre and a social media enterprise supporting children.



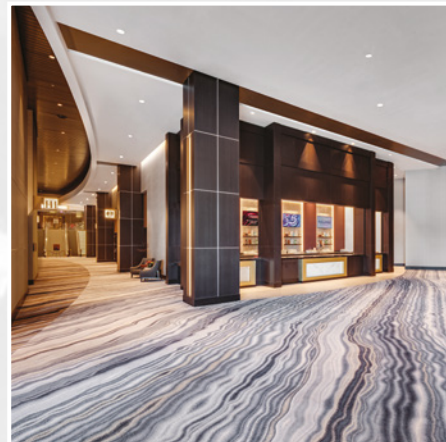
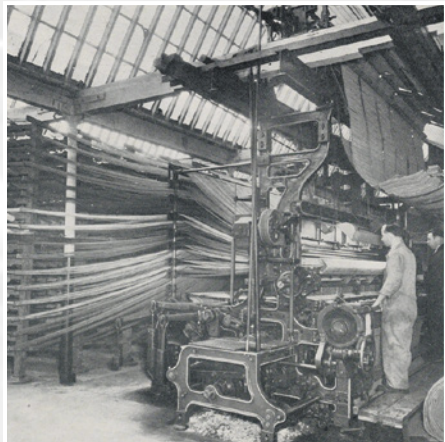
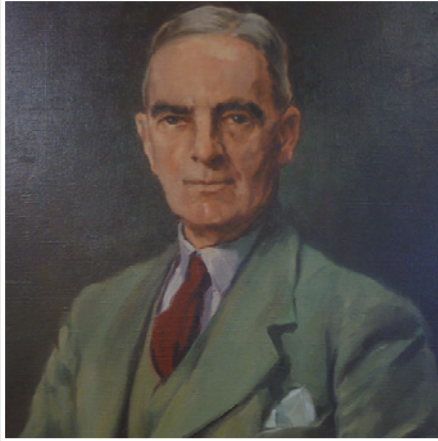
Charity

The Trust predominantly provides financial support to assist local charities to fulfill their purpose. Among those supported are charities which work across education, health, relief of poverty and advancement of community benefits. During COVID this aid went directly towards helping key frontline workers, hospice services and foodbanks.



Research

An important part of the work carried out by the Trust is supporting healthcare research. This has been achieved through a number of initiatives, including support for MS Research and PhD Research. This support has also extended to Queen's University where the Trust sponsors the Learning Conversation Suite in the KN Cheung SK Chin InterSim Centre in Belfast. This donation enables students to train in cutting edge facilities.



1938
2023
85 **ulster**TM
Celebrating 85 Years

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