# 2024 SUSTAINABILITY REPORT



Milliken.

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## A MESSAGE FROM OUR CEO



I extend my sincere gratitude to all of our dedicated team members, Milliken Board Directors, customers, partners, shareholders, and local communities for your unwavering support.

At Milliken, sustainability is at the core of our business strategy. Our 2024 Sustainability Report highlights our progress as well as our processes and key lessons learned. Our efforts in 2024 led to many achievements, including:

#### **PEOPLE**

By focusing on our back-to-basics priorities, we have reduced lost-time incidents, demonstrating our strong safety-first culture, and achieving our best safety record in over a decade. We also achieved our People Goal of 100,000 volunteer hours, a full year ahead of schedule, and exceeded our original 2025 volunteer goal by an additional 31,000 hours. These achievements reflect our commitment to our associates' well-being and active engagement in our communities.

#### **PRODUCT**

In 2024, we evaluated 100% of new products using our sustainability assessments, a substantial improvement from 22% in 2018, our baseline year. Milliken is the first textile manufacturer to offer non-PFAS materials for all three layers of firefighter turnout gear—outer shell, thermal liner, and moisture barrier—underscoring our progress in product safety and sustainability. Our N/XT Life™ program and partnership with The Recycling Partnership's Center for Sustainable Behavior and Impact exemplify our commitment to circular economy concepts.

#### **PLANET**

We surpassed our 2025 Renewable Energy Goal in 2022 and continue to explore solutions to expand our use of renewable energy to lower costs and carbon at the same time. Additionally, our focus on thermal drying biosolids from wastewater treatment and eliminating coal ash from steam generation have driven major waste reduction. In 2024, we further optimized our wastewater treatment processes and targeted various waste streams across our manufacturing locations, leading to a decrease in waste intensity compared to our 2018 baseline.

#### **NET-ZERO**

We are on track to meet our 2030 scope 1-2 reduction target, supported by more than \$35 million invested in coal elimination with cogeneration, energy efficiency, increased renewable electricity, and modernizing our manufacturing operations. These investments have produced financial returns of more than 20%. Our efforts to reduce scope 3 emissions continue through supplier engagement, improving product sustainability data, and sourcing lower-carbon materials.

#### **BUSINESS CONDUCT**

We reaffirm our commitment to the U.N. Global Compact, pledging to uphold the Ten Principles that focus on human rights, labor standards, environmental protection, and anti-corruption. We strive to integrate these principles into our daily operations and strategy, and we actively seek projects that advance these broader developmental goals.

Finally, I extend my sincere gratitude to all of our dedicated team members, Milliken Board Directors, customers, partners, shareholders, and local communities for your unwavering support. The progress we have made on our sustainability journey would not be possible without your contributions and commitment. We recognize that sustainability is a complex challenge and together, we are committed to continuous improvement in our practices.

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President and CEO



INTRODUCTION GENERAL PEOPLE PRODUCT PLANET

## AWARDS AND RECOGNITION



As an 18-time honoree, Milliken joined 136 companies recognized as one of the 2024 World's Most Ethical Companies® by Ethisphere.



Milliken was named to America's Most Innovative Companies list for the second time in 2024.



Milliken was named to Forbes' list of Best Employers for Diversity in 2024.



For a third consecutive year, Milliken was named to America's 100 Most Loved Workplaces list, compiled by Newsweek, and Milliken debuted at #57 on Newsweek's Top 100 Global Most Loved Workplaces in 2024.



**NET-ZERO** 

Our associates helped us become a six-time honoree as one of America's Best Midsize Employers, presented by Forbes in 2024.

**BUSINESS CONDUCT** 



Milliken, a participant in the United Nations Global Compact, signed the Call-to-Action from Business to Governments on the 20th Anniversary of the United Nations Convention against Corruption.





Milliken is one of the first 50 companies in the world to have net-zero targets verified by the Science Based Targets initiative (SBTi) and the first in South Carolina, where our global headquarters is located.



Milliken's 2024 EcoVadis Gold rating placed us in the top 2% of companies rated globally.



Milliken scored a B in climate change and a B in water security in 2024.

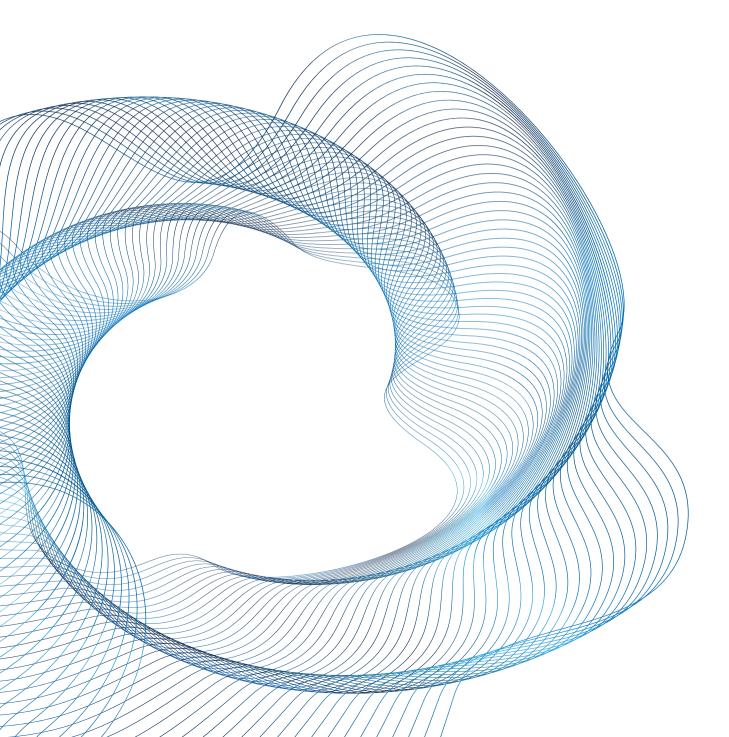


Twenty-two Milliken sites are VPP STAR certified under the U.S. Occupational Safety and Health Administration's Voluntary Protection Program in 2024.



Milliken's cybersecurity program is certified to ISO 27001, the internationally recognized "gold standard" for building, maintaining, and continuously improving cybersecurity protections.

Introduction | Awards and Recognition



## **GENERAL**

### **BASIS FOR PREPARATION OF REPORT**

We disclose how Milliken prepares our annual sustainability report, including the scope, time horizons, estimations, and changes in preparation.

### **GOVERNANCE**

We disclose information regarding Milliken's governance processes, controls, and procedures to monitor and manage sustainability matters.

### **STRATEGY**

We disclose information regarding our markets, industries, value chain, stakeholder engagement, impacts, risks, and opportunities that impact our sustainability strategy.

### **IMPACT, RISK, AND OPPORTUNITY MANAGEMENT**

We disclose our impacts, risk, and opportunity management. We prioritize impacts, conduct assessments, engage with stakeholders, and report annually on key impact areas.

#### **COMMITMENTS**

We highlight certain sustainability commitments that inform our sustainability strategy.

#### **METRICS AND TARGETS**

We share certain key performance indicators for 2025 goal progress, and our Science Based Targets initiative verified net-zero targets.



#### MORE GENERAL SUSTAINABILITY DISCLOSURES CAN BE FOUND AT OUR

**Global Reporting Initiative Index** 

**United Nations Global Compact Communication on Progress** 

Task Force on Climate-Related Financial Disclosures Index

**EcoVadis Rating Platform** 

## BASIS FOR PREPARATION OF REPORT

#### **SCOPE**

Milliken & Company ("Milliken" or the "Company"), a private company headquartered in South Carolina, U.S., prepared this sustainability report on a consolidated basis, including our global operating subsidiaries. The consolidated data comprises the parent company, Milliken, and subsidiaries controlled by Milliken.

#### REPORTING PERIOD

This report covers the 2024 calendar year unless otherwise noted. This report supersedes our previous 2023 Sustainability Report, released in April 2024.

#### **BASE YEAR**

Our base year is 2018, the year that historical reference data is available. Subsequent information is compared over time to this base year unless otherwise noted.

#### **REPORT DATA**

Data or data points in this report also refer to narrative data disclosures. Sustainability data does not always cover Milliken's upstream and downstream value chain. The extent to which policies, actions, metrics, and targets go beyond Milliken's own operations varies depending on the topic. Operations data is consolidated at the parent-company level, Milliken. No adjustments are made for minority interests.

We continue to align with existing regulatory requirements and to prepare for potential sustainability reporting regulatory requirements, including Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS). Where practices have changed or in the event errors have occurred since the prior reporting period, we aim to describe such changes.

#### **RESTATEMENTS**

Activity data is restated for mergers, acquisitions, and divestitures in the next annual disclosure following the one-year anniversary of the closing of each transaction. We aim to note restatements in the data disclosures. Historical data may have been updated in line with changes in internal or external reporting methodology, and data estimation and extrapolation may be used where necessary. If data is redefined or replaced, we aim to provide restated comparative figures, unless it is impracticable to do so.

#### **LINKING PAST, PRESENT, AND FUTURE**

Certain statements in this report, including but not limited to information regarding the operating activities of Milliken and its subsidiaries, the plans and objectives of management, assumptions regarding future performance and plans, expected growth, economic conditions, and all other information relating to matters that are not historical facts, are forward-looking statements. The words "believe," "may," "will," "estimate," "continues," "anticipate," "intend," "expect," "projected," and similar expressions identify these forwardlooking statements, although not all forward-looking statements contain such identifying words. Factors that could cause actual results to differ, or that could have a material adverse effect on the Company's profitability, business, financial position, results of operations, or cash flows include, among others: the Company's inability to successfully compete in the global marketplace, given the uncertainty of such markets; the significant level of global competition faced by the Company and the diverse industries in which the Company operates; risks related to U.S. or international government policies or changes in U.S. or international laws or regulations, such as trade regulations; the volatility of raw material and energy costs as well as any disruption in their supply; growth initiatives may not achieve desired business objectives and may require significant use of resources; potential exposure to litigation, claims, and other legal proceedings; government regulation of our products and processes; significant losses from unexpected events. Readers are cautioned not to place undue reliance on past performance or forward-looking statements. The information contained in this report is for informational purposes only.

#### **MEASUREMENT UNCERTAINTY**

In our data calculations, we document sources of estimation and outcome uncertainty, particularly for those data metrics that are subject to a high level of measurement uncertainty, such as a measurement technique or the availability and quality of carbon emissions data from Milliken's upstream or downstream value chain.

#### TRADEMARKS, TRADE NAMES, AND LOGOS

All trademarks, trade names, and logos mentioned or used in this report are the property of their respective owners.

General | Basis for Preparation of Report

## BASIS FOR PREPARATION OF REPORT

#### SHORT-, MEDIUM-, OR LONG-TERM FOR REPORTING PURPOSES

Milliken's short-, medium-, and long-term references in this report align with our climate risk assessment, which is currently informed by the company's Enterprise Risk Management (ERM) process. A short-term time horizon is defined as up to three years. A medium-term time horizon is defined as 3-10 years. A long-term time horizon is defined as greater than 10 years.

#### REPORT STRUCTURE

To support transparency and interoperability of reporting frameworks, we structured our report to be influenced by CSRD and ESRS issued by the European Financial Reporting Advisory Group (EFRAG), while maintaining connections to the structure used in our prior reporting years. This 2024 Report includes the following sections:

- 1. General Information
- 2. People (social disclosures; Milliken opts to present People/Social before Planet)
- 3. Product (relates to social and environmental disclosures specific to our products)
- 4. Planet (environmental disclosures)
- 5. Net-Zero (climate-specific disclosures)
- 6. Business Conduct

We include links to additional reporting framework disclosures at the beginning of each report section.

#### REPORT DISCLOSURES ALIGN WITH SEVERAL REPORTING STANDARDS

Sustainability reporting standards and frameworks help provide consistent and comparable reporting information. Like prior years, we disclose information in this year's report in alignment with several sustainability reporting standards and influenced by evolving reporting standards and regulatory requirements. Our reporting disclosures provide additional information about our strategies, policies, metrics, and performance data. Specific disclosure indices are located <a href="here">here</a>, and we also reference relevant reporting frameworks at the beginning of each section.

#### **GLOBAL REPORTING INITIATIVE STANDARDS 2021 (GRI)**

We report in accordance with the Global Reporting Initiative, an independent international organization that helps Milliken understand and communicate our sustainability impacts. View our GRI Disclosure Index **here**.

#### TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

We report to the Task Force on Climate-Related Financial Disclosures. TCFD provides a consistent disclosure framework for Milliken to provide climate-related risk disclosures to our stakeholders. View our TCFD Disclosure index **here**.

#### SUSTAINABILITY ACCOUNTING STANDARDS BOARD STANDARDS (SASB™) 2018

We report to the Sustainability Accounting Standards Board Standards™ industry-specific standards for Building Products and Furnishings; Apparel, Accessories and Footwear, Containers and Packaging; and Chemicals. View our SASB Disclosure Index **here**.

#### UNITED NATIONS GLOBAL COMPACT (UNGC) COMMUNICATION ON PROGRESS (COP)

We report to the United Nations Global Compact Communication on Progress. View our UNGC COP <a href="https://example.com/here">here</a>.

General | Basis for Preparation of Report

## BASIS FOR PREPARATION OF REPORT

#### INDEPENDENT REPORTING ASSURANCES AND VERIFICATIONS

Each year, we seek independent, third-party reporting assurances and verifications for users of our report, including with respect to our greenhouse gas emissions data and alignment with the GRI, the SASB, and the Task Force on Climate-Related Financial Disclosures (TCFD).

#### INDEPENDENT LIMITED ASSURANCE GHG EMISSIONS DATA: SCOPE 1, SCOPE 2, AND SCOPE 3

We engaged WAP Sustainability Consulting (WAP) to provide limited assurance over Milliken's scope 1, scope 2, and scope 3 emissions data for the calendar year 2024. The purpose of the verification is to assure Milliken's stakeholders of the accuracy, reliability, and objectivity of the GHG emissions data. The definitions for Milliken's GHG reporting are aligned with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. WAP performed its limited level of assurance in accordance with ISO 14064-3: 2019 Greenhouse Gases – Part 3: Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions. Based on the methodology and activities for the agreed scope of scope 1, scope 2, and scope 3 emissions for calendar year 2024, nothing came to the attention of WAP to indicate that the GHG emissions data as stated within this verification statement are not materially correct.

#### INDEPENDENT VERIFICATION OF GLOBAL REPORTING INITIATIVE ALIGNMENT

We contracted WAP to verify that our GRI Index within this 2024 Sustainability Report has been prepared in accordance with the GRI Standards 2021. The verification was conducted to ensure that the GRI content index meets the requirements of the Standards; the presentation and structure of essential disclosures are correct; references to GRI and the GRI Standards are accurate; and the content index meets the new requirements for reporting under the revised Universal Standards 2021. Based on a review of the GRI Index and the GRI Standards, and in the professional judgment of the verifier, nothing came to the attention of WAP that would cause WAP to believe that the GRI Index has not been prepared in accordance with the GRI Standards and does not comply with the principles and directives specified by the GRI.

#### INDEPENDENT VERIFICATION OF SUSTAINABILITY ACCOUNTING STANDARDS BOARD ALIGNMENT

We contracted WAP to verify that our SASB Index within this 2024 Sustainability Report has been prepared in alignment with the recommendations of the SASB Standards. The verification was conducted to ensure that the Disclosure Topics included in the SASB Index align with topics material to Milliken and that the information disclosed is in alignment with the relevant industry standard(s), including Building Products and Furnishings; Apparel, Accessories and Footwear; Containers and Packaging; and Chemicals. Based on a review of the SASB Index and the SASB Standards, and in the professional judgment of the verifier, nothing came to the attention of WAP that would cause WAP to believe that the SASB Index has not been prepared in alignment with the SASB Standards.

#### INDEPENDENT VERIFICATION OF TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

We contracted with WAP to verify that our TCFD Index linked within this 2024 Sustainability Report has been prepared in alignment with the recommendations of TCFD. The verification was conducted to ensure that the TCFD Index is complete in its disclosure within the four thematic areas: governance, strategy, risk management, and metrics and targets. The verification was conducted to ensure that the content meets the requirements for reporting under TCFD. Based on a review of the TCFD Index and the recommendations of the TCFD, and in the professional judgment of the verifier, nothing came to the attention of WAP that would cause WAP to believe that the TCFD Index has not been prepared in accordance with the recommendations of the TCFD.

General | Basis for Preparation of Report

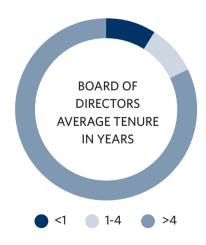
## **GOVERNANCE**

#### SUSTAINABILITY BOARD EXPERTISE

An independent board chair leads Milliken's Board of Directors, which includes 60% independent directors. Our board receives in-person training annually, which included net-zero in 2022, cyber security, ethics and compliance, family business governance in 2023, and artificial intelligence in 2024. All directors also have access to online director-level education resources and training, such as material provided through the National Association of Corporate Directors.

With respect to climate-related issues, we use the following criteria to assess board member competency on climate-related issues (competency assessed as having one or more of the following criteria):

- 1. Climate science knowledge
- 2. Broad scientific and environmental literacy
- 3. Experience with climate and enterprise risk management
- 4. Engagement with stakeholders on climate-related issues
- 5. Experience with strategic execution of climate-related issues



#### **ROLE OF MANAGEMENT**

Our Senior Leadership Team (SLT) manages our company's strategic direction, including assessing and managing impacts, risks, and opportunities. The SLT is led by our President and Chief Executive Officer (CEO) and includes our Chief Human Resources Officer, Chief Marketing Officer, Chief Financial Officer, presidents of our businesses, our Executive Vice President, Global Operations, and our Chief Legal Officer.

SENIOR LEADERSHIP TEAM

SUSTAINABILITY ENABLER TEAM

GLOBAL SUSTAINABILITY COUNCIL

BUSINESS TEAMS

Our CEO has overall management responsibility for the company and works closely with our Executive Vice President, Global Operations, and our Senior Vice President, Chief Legal Officer, on our sustainability strategy. Milliken has policies, procedures, data collection systems, and monthly SLT updates to monitor our sustainability strategy. Our CEO regularly reviews our sustainability metrics and targets.

The SLT reports to the board on sustainability several times a year and ensures organizational alignment and prioritization across the enterprise. The SLT receives monthly updates from the Sustainability Enabler team. The SLT members are responsible for sustainability efforts in their businesses and functions. The Global Sustainability Council meets quarterly and several councils and working teams drive sustainability efforts throughout the company.

General | Governance

## **GOVERNANCE**

#### SUSTAINABILITY DUE DILIGENCE

Core elements of Milliken's sustainability due diligence include a focus on continuous improvement through:

- a. Increasingly embedding sustainability due diligence in governance, strategy, and our business models;
- b. Engaging with stakeholders to inform our sustainability due diligence;
- c. Identifying and assessing actual and potential positive and negative impacts to identify key impact areas;
- d. Taking actions to address any adverse impacts; and
- e. Tracking the effectiveness of our efforts.

Sustainability due diligence is an ongoing, iterative practice that responds to changes in our strategy, business models, activities, business relationships, operations, sourcing, and controls. It is informed by current and pending regulations and government actions, as well as by best practices such as the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Sustainability impacts are embedded in our governance roles and responsibilities. We recognize that we cannot address all impacts simultaneously, so we prioritize impacts based on severity and likelihood.

#### INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

Milliken integrates sustainability-related performance into its annual performance bonus plans. Certain management groups are eligible for a percentage of salary as a short-term incentive plan for performance on our sustainability strategy, among other factors.

In addition, all Milliken associates (individually or as teams) can be recognized for exceptional work as part of our annual Milliken Honors award program. Award categories include contributions to our People, Product, and Planet Goals, and in Ethics. These incentives contribute to Milliken's management working together to achieve the company's sustainability strategy because it aligns incentives with annual progress on our sustainability strategy.

#### SUSTAINABILITY MANAGEMENT EXPERTISE

Milliken associates have access to training resources on sustainability, including annual online and on-demand compliance training and recommended resources and training offered through the Center for Sustainability in Milliken University, our global training portal. Sustainability is integrated into our leadership training programs, which are organized around a common framework of shared competencies. Milliken routinely engages external sustainability subject matter experts for matters such as verification of report disclosures, assessing biodiversity, life cycle assessments, third-party product verifications, double materiality analysis, and insights on shifting sustainability requirements.

#### SUSTAINABILITY REPORTING CONTROLS AND RISK MANAGEMENT

We continue to expand and develop our internal control systems for sustainability data and the reporting process. We recognize that sustainability reporting control systems will increasingly follow an approach similar to financial reporting control systems. Each year, we continue to evaluate the risks related to data accuracy, certainty, and completeness. We partner with our internal data owners, our external assurance partner, and our digital transformation office.

For board oversight of sustainability data, a 2022 review revealed that no committee had been specifically tasked with reviewing the processes and procedures for collecting and analyzing our reported sustainability data. While multiple board committees have oversight of all other aspects of our program, the board tasked the Audit Committee with the annual responsibility for this review. In 2023, management presented risk management and our sustainability reporting process to the Audit Committee. This process continued in 2024, with the Audit Committee reviewing management processes and procedures for collecting and analyzing our sustainability reporting data. In addition, the Sustainability Enabler Team briefs our Senior Leadership Team on the processes and procedures for collecting and analyzing our sustainability reporting data.

In 2023, our internal audit teams also reviewed the reporting processes and controls for reporting on our twelve 2025 sustainability goals. The internal audit resulted in the publication of an internal policy for sustainability reporting and the implementation of a digital solution for an auditable process for collecting and storing our sustainability reporting data, as well as providing internal guidance notes for each disclosure. Our internal policy on sustainability reporting is updated annually.

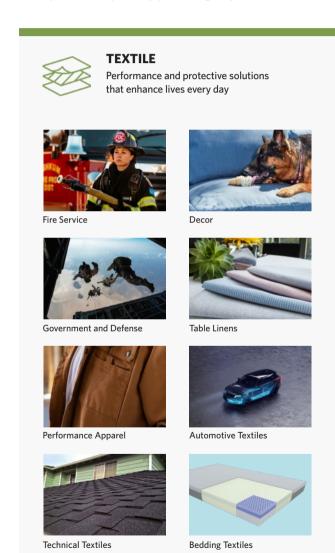
Our ongoing evaluation of risks related to sustainability data and the reporting process indicates that the main risks relate to value chain data, product-level data, and shifting uncertain regulatory requirements. In our value chain, for example, there are risks and control challenges with obtaining and ensuring accuracy and certainty over data we do not control. We continue working on procedures, collection, control systems, and cooperation among our internal teams.

General | Governance

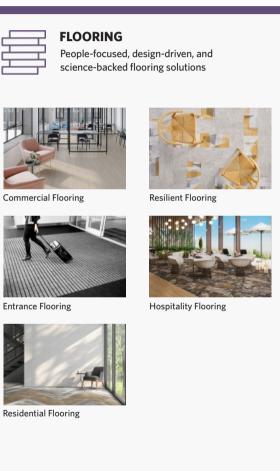
Colorants

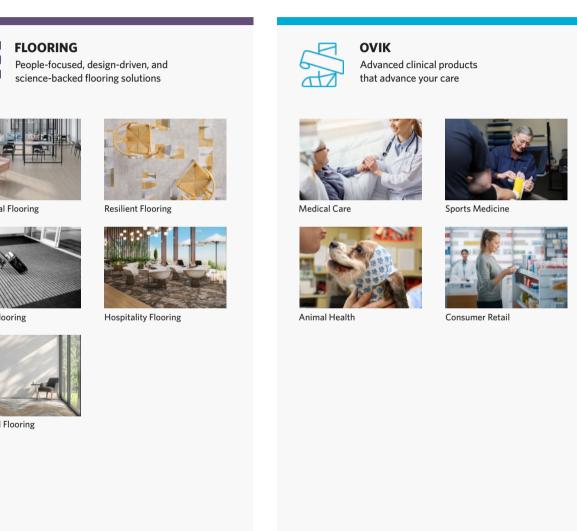
## **STRATEGY**

Milliken's product portfolio spans our textile, chemical, flooring, and healthcare businesses. Examples of our primary product groups within these businesses are described below.









General | Strategy 10

Surfactants and Intermediaries

## **STRATEGY**

### **INDUSTRIES**

Milliken products support significant, diverse industries, and market groups.



Agriculture



Apparel



Automotive and Transportation



**Building Construction** and Infrastructure



Coatings, Paints, and Inks



**Commercial Spaces** 



Consumer Goods



Education



**Energy and Utilities** 



Government and Defense



Healthcare and Life Sciences



Hospitality



Manufacturing



Packaging and Print



**Residential Spaces** 

### **BRANDS**

These are the Milliken brands that represent our products and services.















General | Strategy 11

## **STRATEGY**

Milliken's strategy is influenced by our associates and value chain. Our economic activities are influenced by our sustainability priorities and evolving regulations. We recently expanded our manufacturing footprint in Asia, and we continue to engage with policymakers on key environmental, social, and economic impacts.

#### **ASSOCIATES**

Milliken associates work across 70 locations on five continents and in 15 countries.

#### **HEADCOUNT OF ASSOCIATES BY COUNTRY\***

COUNTRY	HEADCOUNT
Belgium	188
China	343
France	92
Germany	67
United Kingdom	400
United States	5,536

<sup>\*</sup>Countries with at least 50 employees

#### **VALUE CHAIN**

Our value chain includes entities upstream and downstream of our business, and includes our business activities, resources, and relationships that we use and rely on to create our products and services from production to delivery, consumption, end-of-life, and the external and regulatory environment in which we operate. Downstream from Milliken includes those that receive products or services from Milliken (for example, distributors and customers). Upstream includes products or services used in the development of our own products or services (for example, suppliers). Annually, we review the key risks and opportunities in our value chain through our compliance risk workshops, climate risk assessment, and our enterprise risk management process. We annually disclose key climate-related risks and opportunities in our CDP disclosure.

#### SUSTAINABLE ECONOMIC ACTIVITIES

Milliken considers best practices for prioritizing alignment on capital expenditures with our sustainable economic activities. In 2023, we implemented a new capital expenditure process that requires consideration of greenhouse gas emission impacts. We continue to monitor both the percentage of and performance returns on our capital expenditures made to enable our sustainability strategy. In 2024, we began a process to align our sustainability capital expenditures with key categories of the EU Taxonomy.

#### **EVOLVING REGULATIONS**

Sustainability-related regulatory developments and government actions continue to evolve. Many of these developments impact systemic risks and opportunities for Milliken's businesses. We continuously improve our compliance mapping processes and compliance risk assessments to inform our strategy.

#### **EXPANDING MANUFACTURING IN ASIA**

In 2024, we expanded our local manufacturing in Asia by opening our Tembusu Plant in Singapore for our chemical business. This new manufacturing location allows Milliken to meet market demand, reduce risk, and supply customers locally. It incorporates solar panels sufficient to generate enough electricity to cover at least 5% of the plant's power consumption, and other options continue to be considered to reduce the plant's carbon footprint.

#### **ENGAGING WITH POLICYMAKERS**

We work with government officials on key environmental, social, and economic topics. Our Government Relations Team regularly collaborates with each of our businesses and provides briefings related to government proposals and legislative or policy actions to our Senior Leadership Team. As a company, we prioritize policy areas that align with the aim of the Paris Climate Agreement, support economic growth, and are aligned with the U.N. Sustainable Development Goals. We engage on a wide range of issues, including fair trade, competition policy, safety and security, workforce development, and energy and the environment, inclusive of climate change policy, and we actively lobby to influence the development of international, federal, state, and local public policies. For example, in 2024, we contributed to consultations on the proposed U.N. Global Plastics Treaty and worked to advance renewable energy availability at our sites.

General | Strategy

## IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

#### **IMPACTS INFORM OUR STRATEGY**

Engaging with our stakeholders to understand our key impacts, risks, and opportunities determines the priorities of our sustainability strategy and the matters on which we report.

#### STAKEHOLDER ENGAGEMENT

We consider our stakeholders and users of our Sustainability Report. Key stakeholders include internal and external groups who help us create value and for whom we create value.

Our engagement efforts include ongoing informal and formal channels integrated into Milliken's business practices, such as active involvement in trade associations and employee feedback channels. We formally engage our customers in a variety of channels, including, for example, an annual customer experience survey. Our customer engagement involves regular meetings throughout the project lifecycle and active participation in industry insight channels. We also engage internal subject-matter experts to understand impacts, risks, and opportunities. These subject matter experts include those with responsibilities and insights into specific parts of our businesses and operations. We also consider credible independent experts, such as non-governmental organizations representing local, affected communities, and scientific articles and reports for environmental matters. Data from scientific sources also provides insights on silent stakeholders, such as the impacts on nature.

Our stakeholders have different needs and perspectives, and their relationships with us can lead to both positive and negative impacts. We aim to stay informed and act on opportunities and risks identified in our engagements. It is an ongoing process to review stakeholder feedback. The Board of Directors is informed of the results of feedback loops such as HelpLine matters, associate feedback surveys, and customer experience metrics.

#### **CONSIDERATION OF THE VALUE CHAIN**

We increasingly aim to consider the impacts, risks, and opportunities in our value chain. Our value chain is the full range of activities, resources, and relationships related to our business and the external environment in which we operate. Our value chain encompasses the activities, resources, and relationships we use and rely on to create our products and services from conception to delivery, consumption, and end-of-life, both upstream and downstream from Milliken's operations. We understand that to be considered part of our value chain, business relationships are not limited to contractual relationships and include those with whom Milliken directly interacts, both upstream and downstream, including beyond our first tier. However, in 2024, the data available on our value chain is less reliable and less available than our operations data. We continue to consider metrics that would encompass our full value chain, similar to our near-term net-zero targets, which include not only scope 1 and 2 targets but also a scope 3 (inclusive of all categories) target.

#### **CONSIDERATION OF THE LIFE CYCLE**

We continue to better understand the primary, secondary, and modeled data to assess material impacts, dependencies, risks, and opportunities on the environmental performance of products across our value chain, including impacts from life cycle assessments and product carbon footprint methodologies.

#### REFERENCES TO IMPACTS

In this report and our sustainability-related communications, when we use the terms material, materiality, impact areas, and similar terms, we are referring to topics that reflect Milliken's potentially significant economic, environmental, and social impacts or to topics that substantially influence the assessments and decisions of stakeholders, in what the GRI Sustainability Reporting Standards define as material topics and/or impact areas. We are not using these terms as they have been defined by or construed in accordance with the securities laws or any other laws of the United States or any other jurisdiction, or as these terms are used in the context of financial statements and financial reporting, and nothing in this communication or other sustainability reports and statements should be construed to indicate otherwise.

#### PREPARING FOR DOUBLE MATERIALITY

In 2023, Milliken began to better understand the requirements and best practices for a double materiality impact assessment. We understand that, in the future, a sustainability matter may be material from an impact perspective, from a financial perspective, or both. We continue to work on approaches for analyzing financial risks and opportunities for financially material topics. Previously, we primarily focused on impact analysis. In 2024, we conducted an initial double materiality analysis informed by the guidance of a third party and by the double materiality principle established by the Non-Financial Reporting Directive and the Corporate Sustainability Reporting Directive. These standards define materiality in relation to two different dimensions: financial materiality (the impact of sustainability issues on the development, position, or financial performance of a company) and impact materiality (the impact of a company on people or the environment). Milliken supports the cooperation among standards and increasing consolidation of sustainability reporting requirements, such as the joint statement on the high level of interoperability between the Global Reporting Initiative and the European Financial Reporting Advisory Group to create clarity on reporting obligations.

General | Impact, Risk, and Opportunity Management

## IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

To understand our impacts, risks, and opportunities, we prioritize impacts, conduct assessments, engage continuously with stakeholders, and report annually on our key focus areas.



#### **IMPACT ASSESSMENT PROCESS**

In 2023, we began processes to implement a double materiality assessment into our stakeholder engagement channels. Our methodology for assessing impacts, risks, and opportunities (IROs) continues to evolve to comply with external reporting requirements and best practices. We continue to integrate the results of our impact assessments into our enterprise risk management system and sustainability due diligence process. Generally, our financial risks and opportunities are assessed and scored using the metrics in our existing enterprise risk management framework.

In 2024, we piloted ways to apply our assessment process across key business units. We continue to use the insights gained from our previous impact assessments. We revisit our work from prior years to ensure consistency and applicability. We continue to understand best practices for incorporating dependencies into our analysis.

In 2024, we implemented a structured survey and scoring system with thresholds to continue to improve and strengthen our methodology and ensure greater consistency. We focused on collecting specific data from 15 internal subject matter experts and conducted internal interviews and external interviews and reviews of industry benchmarks and regulations. We internally reviewed the results with senior leaders and used the assessment to influence our key impacts and sustainability strategy as we move beyond the framework of our 2025 Sustainability Goals.



#### **SCORING SYSTEMS AND THRESHOLDS**

In 2024, we continued moving toward a scoring system that aligns with our enterprise risk management system. We consider when the impact is expected to occur in the short-, medium-, and long-term (as such terms are defined in our enterprise risk management system). We aim to collect information that evaluates the scale, scope, severity (of negative and positive impacts), and likelihood of potential impacts materializing. For financial impacts, we aim to score the likelihood and potential magnitude of financial effects caused by the matter. We increasingly aim to capture where in the value chain the impact occurs and review nature impacts and dependencies. We consider the topics prescribed in the ESRS regulations (especially product-related existing or probable regulations), and other relevant topics (including our existing goal framework) when assessing our IROs.

In 2024, we engaged a business school class to model different data collection tools and systems, including the use of artificial intelligence, to improve our data gathering and assessment processes for our impact assessments.

Thresholds are applied for both the financial and impact assessments. Financial thresholds assess financial risks and opportunities to ensure alignment with how risks are generally evaluated in relation to financial performance. For impacts, internally developed thresholds are applied based on subject matter expert advice.

We review our formal assessment process annually and continue to improve and align it with emerging regulations and best practices, as well as monitoring methods to improve data collection systems.



#### **ASSESSMENT RESULTS**

This is our last report using a framework outlined aligned with our 2025 Sustainability Goals. This report is informed by insights from upcoming potential reporting requirements.

Our identified IROs to date indicate prioritizing the management of our operations while increasing data in our value chain so that we can increase the accuracy of our assessment analysis outside of our operations. In 2024, we focused on direct actions that we can take related to business conduct, our own workforce, and some important risk opportunities related to climate change and resource use. Market trends continue to suggest an increasing need to focus on climate change, highlighting the importance of Milliken working to operationalize our net-zero transition plan. In addition, we remain focused on innovation and product impacts. Future impacts that may become more significant include increased waste management challenges, sustainable procurement practices, and biodiversity loss. However, the significance of topics may increase or decrease over time, so our assessment requires regular review and adaptation, as well as ongoing monitoring of internal and external changes to our strategy, markets, and stakeholders.

As disclosed in 2023, our assessment results supported a separate section for business conduct and a need for additional reporting on general information related to our sustainability approach. In 2024, our report includes additional information on our workforce management and resource use.

## IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

We identify our reporting priorities by focusing on our impacts, risks, and opportunities— on the economy, the planet, and people, including human rights. In a quickly shifting global landscape, we realize the importance of assessing both the positive and negative potential impacts of Milliken's activities and our business relationships. Each of the People, Product, Planet, Net-Zero and Business Conduct sections of our report include disclosures on policies, our management approach, and key metrics and actions taken in 2024.

REPORT	LOCATION	IMPACT AREAS			
ŶŶŶ	PEOPLE	Health and Safety	Workforce	Data Protection and Privacy	Community Engagement
	PRODUCT	Product Sustainability Impacts	End-of-Life Solutions	Product Data	Third-Party Product Certifications
	PLANET	Energy Management	Resource Use	Water Risk	Environmental Management
	NET-ZERO	Direct Carbon Emissions	Indirect Carbon Emissions	Value Chain Carbon Emissions	Climate Risk
<b>O</b> JO	BUSINESS CONDUCT	Training	Corporate Culture	Supply Chain	Human Rights

General | Impact, Risk, and Opportunity Management

## COMMITMENTS

### **UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS**

Milliken supports the United Nations Sustainable Development Goals (U.N. SDGs) and the 2030 Agenda for Sustainable Development.

The U.N. SDGs inform our strategy to address social, environmental, and economic challenges. We aim to minimize our negative impact and maximize our positive contribution across the areas covered by the SDGs, with a focus on our highest impact areas, which include nine of the 17 U.N. SDGs.

UNSDG	MILLIKEN MATERIAL TOPIC	UNSDG RELEVANT TARGETS	MILLIKEN SUSTAINABILITY GOAL ALIGNMENT
3 GOOD HEATTH AND WELL-BEING	Health and safety Product sustainability impacts Resource use	<ul><li>3.5 Strengthen the prevention and treatment of substance abuse</li><li>3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination</li></ul>	
5 CENSOR COUNTRY	Ethics Human rights Workforce	<ul><li>5.1 End all forms of discrimination against all women and girls everywhere</li><li>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life</li></ul>	
6 CLEAN WATER AND SANITATION	Product sustainability impacts Resource use Water risks	<b>6.3</b> Improve water quality by reducing pollution, eliminating dumping, and minimizing release of hazardous chemicals and materials	₩ (%) (%)
7 AFFORMARIC AND OLEAN DURBOY	Climate risk Indirect carbon emissions Value chain carbon emissions	7.2 Increase substantially the share of renewable energy in the global energy mix	
9 INDUSTRY, INDOCATION AND INFRASTRUCTURE	Data protection and privacy training End-of-life solutions Product data Third-party product certifications	<ul><li>9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries</li><li>9.c Significantly increase access to information and communications technology</li></ul>	in i

General | Commitments

## COMMITMENTS

### **UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS**

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UNSDG	MILLIKEN MATERIAL TOPIC	UNSDG RELEVANT TARGETS	MILLIKEN	SUSTAINAB	LITY GOAL A	LIGNMENT
10 REDUCED REQUIRES	Ethics Human rights Workforce	<b>10.2</b> Empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	0			
11 SUSTAINABLE CITIES AND COMMUNITIES	Community engagement Ethics Human rights	11.7 Provide universal access to safe, inclusive, and accessible, green, and public spaces				
12 RESPONSIBLE ODDESSAMPTON AND PRODUCTION	End-of-life solutions Product data Product sustainability impacts Resource use Third-party product certifications Water risks	<ul> <li>12.2 Achieve the sustainable management and efficient use of natural resources</li> <li>12.4 Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle</li> <li>12.5 Substantially reduce waste generation through prevention, reduction, recycling, and reuse</li> </ul>	₽°			
13 CLIMATE ACTION	Climate risk Direct carbon emissions Indirect carbon emissions Resource use Value chain carbon emissions	13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Î		€®	

General | Commitments

## **COMMITMENTS**



Milliken reports annually to CDP, a nonprofit organization that encourages companies to publish their environmental data and assesses their performance and transparency. You can request to see our CDP disclosures and scores here.



Milliken was awarded a Gold rating by EcoVadis, performing in the top 2% of companies assessed by this leading non-financial rating agency. This assessment, which is based on international standards, evaluates the extent to which corporate social responsibility principles have been integrated into a company's actions and practices. Milliken was recognized for its non-financial performance in four major areas and reflects our commitment to these areas: Ethics, Environment, Labor and Human Rights, and Sustainable Procurement. You can request more information <a href="https://example.com/here">here</a>.



Milliken commits to the Ten Principles of the United Nations Global Compact, including our annual Communication on Progress, which you can access **here**.



In 2024, Milliken was recognized for the 18th time as one of the World's Most Ethical Companies®, one of only six companies to do so, reflecting our commitment to ethics and compliance. Ethisphere Institute, a world leader in the definition and promotion of ethical standards, recognizes companies that have demonstrated their commitment to ethical business practices through programs that have a positive impact on employees, communities and, more broadly, on stakeholders, contributing to sustainable and profitable long-term commercial performance.



All of our modular carpet tiles manufactured in the Americas, Asia-Pacific, Australia, and some manufactured in Europe are Cradle to Cradle Certified Silver, reflecting our commitment to circularity principles.





Milliken's science-based net-zero targets have been approved by the United Nations-backed Science Based Targets initiative, reflecting our net-zero commitment.



As a member of the American Chemistry Council (ACC), we are committed to the ACC's sustainability principles to promote the safe use of chemicals, address the environmental impacts of our operations and products, go beyond regulatory requirements, and collaborate with others to fulfill our commitments to sustainability.



We are a proud member of the American Chemistry Council's Responsible Care initiative, which reflects our commitment to environmental, health, and safety performance, and have received honors from the organization, including the Responsible Care Leadership Award.



Several of our major textile product lines have Oeko-Tex 100 certifications, reflecting our commitment to third-party product certifications.



Several of our Milliken sites are certified to various ISO standards, including, for example, ISO 14001, 45001, 50001, and 9001. Milliken's cybersecurity program is also certified to ISO 27001.

General | Commitments

## **METRICS AND TARGETS**

Milliken's near-term key performance metrics to manage our sustainability impacts from our 2018 base year until 2025 for our People, Product, and Planet impacts and until 2030 for our Net-Zero impacts, include:

### **BY 2025**



### **PEOPLE**

Zero lost-time safety incidents

Inclusive associate community

Zero data privacy breaches

100,000 volunteer hours



### **PRODUCT**

 $\label{lem:constraint} \textbf{Analyze new products with sustainability assessments}$ 

Convening on plastics end-of-life solutions

### **BY 2025**



### **PLANET**

Reduce indexed greenhouse gas emissions by 25%

Reduce indexed solid waste by 25%

Zero waste to landfill

Reduce indexed water usage by 25%

Increase renewable energy use to 100,000 mwh/yr

Zero environmental violations

### **BY 2030**



### **NET-ZERO**

Reduce absolute scope 1 and 2 greenhouse gas emissions by 50.4%

Reduce absolute scope 3 greenhouse gas emissions by 30%

General | Metrics and Targets

**PRODUCT** INTRODUCTION **GENERAL PEOPLE PLANET NET-ZERO BUSINESS CONDUCT** 

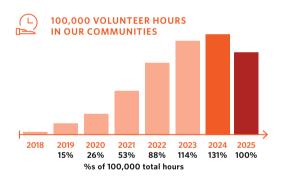
## **METRICS AND TARGETS**

#### **2025 PEOPLE GOALS**





- Merit-Based Hiring
- Development and Advancement
- Engagement and Retention
- Community Engagement
- Culture
- Compliance





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Absolute reportable breaches

**ZERO DATA PRIVACY BREACHES** 

#### **2025 PRODUCT GOALS**



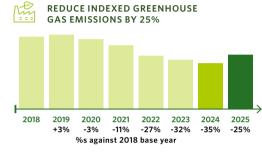
CONVENE SCIENTISTS AND THOUGHT
LEADERS TO ADVANCE THE GOAL OF SC LEADERS TO ADVANCE THE GOAL OF SOLVING THE PLASTICS END-OF-LIFE CHALLENGE

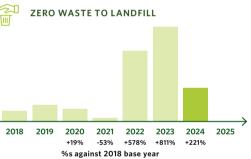


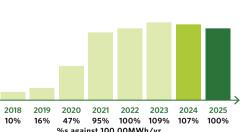
- Co-founder of the Center for Sustainable Behavior and Impact
- Alliance to End Plastic Waste
- Orak
- Circ

Milliken's summary of the performance of key near-term metrics is detailed on the following pages. Additional reporting and disclosures are available in this report.

#### **2025 PLANET GOALS**

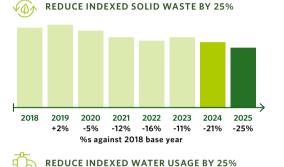


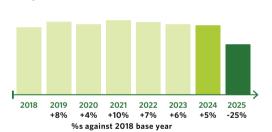




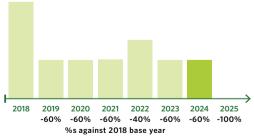
**INCREASE RENEWABLE ENERGY** 

**USE TO 100,000 MWH** 





ZERO ENVIRONMENTAL VIOLATIONS







## METRICS AND TARGETS

### **NEAR-TERM TARGETS**

Milliken commits to reduce absolute scope 1 and scope 2 GHG emissions 50.4% by 2030 from a 2018 base year\*. We commit to reduce absolute scope 3 GHG emissions 30% by 2030 from a 2018 base year.

### **LONG-TERM TARGETS**

Milliken commits to reduce absolute scope 1 and scope 2 GHG emissions 90% by 2050 from a 2018 base year\*. We also commit to reduce absolute scope 3 GHG emissions 90% by 2050 from a 2018 base year.

\*The target boundary includes biogenic emissions and removals from bioenergy feedstocks.



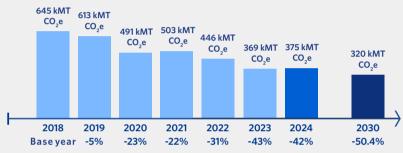






### **SCOPE 1 AND 2 ABSOLUTE**

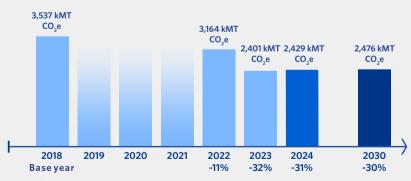
**REDUCE 50.4% BY 2030** 



%s against 2018 base year

### **SCOPE 3 ABSOLUTE**

**REDUCE 30% BY 2030** 



%s against 2018 base vear

Years 2018 and 2022 have been recalculated with improved methodologies. Years 2019, 2020, and 2021 were previously reported on spend based methodologies.

General | Metrics and Targets





### **PEOPLE PROGRESS**



### **SAFETY**

We reduced lost-time incidents 8% since 2018 by focusing on our back-to-basics priorities and supporting a safety-first culture.



### WORKFORCE

We are committed to fostering an environment that ensures all voices are valued.



### **DATA PRIVACY**

We regularly engage our associates in privacy awareness through online and in-person events, which contribute to our record of zero reportable data privacy breaches.



### **VOLUNTEERING**

We reached our goal of 100,000 volunteer hours in 2023, one year ahead of target. We surpassed our goal by 31,000 hours in 2024.



MORE PEOPLE OR SOCIAL-RELATED SUSTAINABILITY DISCLOSURES CAN BE FOUND AT OUR

**Global Reporting Initiative Index** 

**United Nations Global Compact Communication on Progress** 

**EcoVadis Rating Platform** 



#### PEOPLE GOAL PERFORMANCE

GOAL	2018	2019	2020	2021	2022	2023	2024	2025 GOAL
Lost-Time Safety Incidents (%)	Base Year	-21%	-4%	+17%	+4%	-4%	-8%	0
Lost-Time Safety Incidents (Absolute)	24	19	23	28	25	23	22	0

At Milliken, we follow the U.S. Department of Labor Occupational Safety and Health Administration standards of recording criteria for occupational injuries and illness. Our Safety Goal tracks the number of lost-time incidents for associates and temporary associates per calendar year as compared to the 2018 base year. Records of contractor safety metrics are maintained by the contractor's direct employer.

#### **LOST-TIME INCIDENT RATES**

When an injury or illness involves one or more days away from work, we record the incident as well as the days an associate is away from work due to the incident.

INCIDENT RATES	2018	2019	2020	2021	2022	2023	2024
Lost-Time Incident Rate*	0.28	0.21	0.30	0.34	0.29	0.29	0.29
Lost-Time Incidents (Absolute)	24	19	23	28	25	23	22

At Milliken, we follow the U.S. Department of Labor Occupational Safety and Health Administration standards for occupational injuries and illness reporting criteria. \*Lost-Time Incident Rates calculated by # of Lost-Time Incidents X 200,000 / Total Associate Exposure Hours\*\*

<sup>\*\*</sup> Exposure Hours = Work Hours

LOST-TIME	DAYS
Number of days lost to work-related injuries, fatalities from work-related accidents, work-related ill health, and fatalities from ill health in 2024	1008

At Milliken, employees are defined as Management (Exempt); Administrative/Technical (Salaried Non-Exempt); and Production (Hourly, Non-Exempt) who are paid on Milliken's payroll and eligible for benefits, and non-employees are defined as short- and long-term third-party agency hires who are not paid on Milliken's payroll or eligible for benefits. For the purposes of safety training and policy acknowledgment requirements, all employees and non-employees, including third-party contractors, are included in new hire training, standard safety incident overviews, and other standard safety processes to ensure all parties on-site are aware of and abide by Milliken's safety protocols.

#### **INJURY SEVERITY RATE**

We monitor days lost to injuries by our injury severity rate indicators, which decreased in 2024 as compared to 2023.

GOAL	2018	2019	2020	2021	2022	2023	2024
Injury Severity Rate*	77.2	41.1	85.6	133.4	66.3	86.0	66.7
U.S. Dept. of Labor Severity Rate**	15.4	8.2	17.1	26.6	13.2	17.2	13.3

\*Injury Severity Rates calculated by Days Lost Due to Injuries X 1,000,000 / Total Hours Worked

#### FATALITIES AS A RESULT OF WORK-RELATED INJURIES AND WORK-RELATED ILL HEALTH

GOAL	EMPLOYEES	NON-EMPLOYEES
Fatalities as a Result of Work-Related Injuries	0	0
Fatalities as a Result of Work-Related III Health	0	0

#### NUMBER AND RATE OF RECORDABLE WORK-RELATED ACCIDENTS

Incidents requiring medical care beyond first aid decreased by nearly 5% in 2024 from 2023 and nearly 25% since 2018.

2018	2019	2020	2021	2022	2023	2024
0.86	0.83	0.82	0.90	0.77	0.87	0.73

Recordable Incident Rates calculated by # of Recordable Incidents X 200,000 / Total Associate Exposure Hours\*\*

\*\* Exposure Hours = Work Hours

**Note:** U.S. OSHA refers to incidents historically and E.U. CSRD states that an incident is something that results in injury/ill health and is often referred to as an "accident." For purposes of Milliken's safety data in this report, "accident" and "incident" are used interchangeably.

	EMPLOYEES (2024)		NON-EMPLOYEES (20	24)
	Total Number	Rate	Total Number	Rate
Recordable work-related accidents	55	0.73	3	2.06

Recordable Incident Rates calculated by (# of Recordable Incidents) X (200,000) / (Total Associate Exposure Hours\*\*)

#### NUMBER OF RECORDABLE WORK-RELATED ILL HEALTH CASES

	EMPLOYEES RECORDABLE CASES (2023)	EMPLOYEES RECORDABLE CASES (2024)
Recordable work-related ill health, subject to legal restrictions on data collection in 2024.	14	8

This figure represents our interpretation of "work-related ill health" as outlined in the draft European Sustainability Reporting Standards and ILO List of Occupational Diseases.

People | Safety

<sup>\*\*</sup>Days Lost Due to Injury X 200,000 / Total Hours Worked

<sup>\*\*</sup> Exposure Hours = Work Hours

## SAFETY MANAGEMENT

#### **IMPACTS**

Our approach to determining our impacts, risks, and opportunities is described in our General Disclosures. Our assessment indicated that the safety of our associates and workers in our supply chain, as well as the safety of our products, are key impacts for Milliken.

#### **HEALTH AND SAFETY MANAGEMENT SYSTEM**

Approximately 26 (or 57%) of our manufacturing sites and corporate headquarters hold third-party certifications for their health and safety management systems.

Four of our sites maintain **ISO 45001** certification, which specifies requirements for an occupational health and safety management system. ISO 45001 certification, formally known as "Occupational Health and Safety Management System—Requirements with Guidance for Use," is a standard used to improve overall workplace safety and reduce the number of occupational risks. ISO 45001 is intended to apply to an organization of any size, regardless of the industry in which it operates.

We have 22 U.S. sites that are Occupational Safety and Health Administration (OSHA) Voluntary Protection Program (VPP) STAR-certified for demonstrating exemplary achievement in preventing and controlling occupational health and safety hazards and developing, implementing, and continuously improving safety and health management systems. VPP recognizes employers and workers in the private industry and federal agencies who have implemented effective safety and health management systems and maintain injury and illness rates below U.S. Bureau of Labor Statistics averages for their respective industries. Company management, associates, and OSHA work cooperatively and proactively to prevent fatalities, injuries, and illnesses through a system focused on hazard prevention and control, worksite analysis, training, management commitment, and worker involvement.



Associates at our Limestone Textile Plant in South Carolina (U.S.) celebrated their OSHA VPP certification. "Limestone is the first Milliken acquisition site to apply for and achieve this prestigious and rigorous safety certification, and the first new VPP site in South Carolina in over seven years," said Charlie Young, Director, Corporate Safety (U.S.).

To participate, employers must apply to OSHA and undergo a rigorous onsite evaluation by a team of safety and health professionals. VPP participants are re-evaluated every three to five years to remain in the program. VPP participants are exempt from OSHA-programmed inspections while they maintain their VPP status. In 2024, seven Milliken sites—New Holland, Johnston, Pine Mountain, Kingsley, Allen, Valway, and global headquarters—received recertifications for the safety standards outlined in the OSHA VPP Star Certification. In 2024, our Limestone Plant became our first acquisition site to become certified in VPP.

#### MILLIKEN WORKFORCE COVERED BY HEALTH AND SAFETY MANAGEMENT SYSTEM

	EMPLOYEES (2024)	NON-EMPLOYEES (2024)
Workforce Percentage Covered by a Health and Safety Management System	100%	100%

Employees are defined as Management (Exempt); Administrative/Technical (Salaried Non-Exempt); and Production (Hourly, Non-Exempt) who are paid on Milliken's payroll and eligible for benefits, and non-employees are defined as short- and long-term third-party agency hires who are not paid on Milliken's payroll or eligible for benefits. Milliken's Health and Safety Management System(s) are based on legal requirements and/or recognized standards or guidelines.

#### JOINT MANAGEMENT AND ASSOCIATE HEALTH AND SAFETY TEAMS

In 2023, we instituted the Standard Site Safety Structure requiring all locations to have a Safety Steering Team with the mission to "provide oversight and direction of all site safety sub-teams and processes to ensure we provide a safe and healthy work environment for all."

In 2024, we continued the Standard Site Safety Structure. All employees and non-employees are covered by our safety management system with consistent standards across all of our sites. All sites designate leaders or coaches for sub-teams that manage key safety reporting processes to ensure employee engagement in our health and safety structure and management. These sub-teams manage the following: emergency preparedness, lockout tagout/guarding, new hire training, safety engagement and morale, safety audits, process hazards, risk management, and powered industrial vehicle. Smaller locations may combine sub-teams as needed. Each team must incorporate all the goals and objectives included in the Standard Site Safety Structure toolkit and guide.

## MILLIKEN WORKFORCE REPRESENTED BY JOINT MANAGEMENT AND ASSOCIATE HEALTH AND SAFETY TEAM

	EMPLOYEES (2024)
Total Workforce Represented in Joint Management and Associate Health and Safety Teams/Committees*	89%

<sup>\*</sup>Figure represents the percent of total employees across all global manufacturing sites that achieved required safety engagement metrics which include safety meeting attendance, on-site audit and/or involvement in a safety project.

People | Safety Management

## SAFETY MANAGEMENT

#### SAFETY MANAGEMENT APPROACH

Each month, our Executive Vice President of Global Operations offers senior management a companywide safety report with a breakdown of our priorities. This review highlights safety performance data, including recordable, lost-time, and life-altering events. Milliken's senior leadership team also receives the Safety Incident Newsletter from the Corporate Safety Team each time an event occurs. This offers insight into our safety performance and the opportunity to engage with leaders on the remediation plan, as needed.

#### SAFETY REPORTS TO BOARD OF DIRECTORS

We share safety incident data with our Board of Directors at every scheduled board meeting which are five times per year. The board reviews the companywide operations report dashboard, which includes safety metrics such as recordable, lost-time, and life-altering events.

#### SAFETY INCIDENT MANAGEMENT AND INVESTIGATIONS

Our associates are responsible for reporting safety incidents, including near misses or injuries. These reports then trigger an investigation by a designated site team. The investigation team determines the causes of each incident and develops action plans to address each cause. All incidents are entered into our company Environmental, Health, and Safety reporting system and require a cause analysis and action plan to be tracked to completion.

#### REPORTING SAFETY CONCERNS

Management associates are committed to creating a healthy and safe working environment, ensuring associates understand the importance of safety on the worksite and receive proper training to perform their jobs safely. Management actively supports and encourages all associates to engage in the safety process. All associates are responsible for complying with safety rules, policies, and procedures at their respective sites, including regulatory safety requirements that may vary by location.

We require prompt reporting in order to correct hazards and share lessons learned throughout our organization. Associates may also report safety concerns to the Corporate Safety Team, which has a dedicated email, or to Milliken's Ethics Helpline, which is available 24/7 for confidential reporting through a third-party managed channel. Anonymous reporting is available through the Helpline unless otherwise prohibited by local law. In 2024, we received a total of 1,187 reports through the Environmental, Health, and Safety reporting system and 16 environmental, health, and safety matters through our Ethics Helpline.

#### MONTHLY CORPORATE SAFETY MEETING

All incidents are reported, analyzed, and monitored with the necessary corrective and preventative actions. The Corporate Safety Team holds a monthly meeting to review company safety performance, incidents, education, and compliance, along with a call to action. This monthly meeting includes more than 50 leaders from across our organization, including senior leaders. Each incident review shares an overview of the incident with a detailed description, investigation results, and corrective action to enable companywide learning and improvement. Additionally, there is a safety working group comprised of global safety leaders from across the company. These individuals review all incidents in detail to prepare safety learnings for the monthly corporate safety meeting. These safety metrics and learnings are also shared with our senior leadership team.

#### **SHARING SAFETY INSIGHTS**

The Corporate Safety Team keeps an incident review log by business and plant location on the Milliken Connect Safety Hub, which is available to all associates globally. The incident log covers the incident type, date, cause, body part harmed (if applicable), whether the incident was life threatening, and generally how the incident was reviewed. In addition to the incident review log, the safety team sends all senior management, corporate safety, and plant leadership an eNewsletter summarizing a safety incident that involves recordable, lost-time, or life-altering events. Each newsletter includes a "Leader Action" statement or tip to ensure management is aware of additional steps or actions they can take to keep associates safe in the workplace.

## MILLIKEN OPERATIONAL SITES THAT CONDUCTED AN EMPLOYEE HEALTH AND SAFETY RISK ASSESSMENT

	EMPLOYEES (2024)
Operational Sites that Conducted an Employee Health and Safety Risk Assessment	100%

#### LAB SAFETY MANAGEMENT

#### Lab Community Safety Council (U.S.)

Our Lab Community Safety Council holds a monthly safety meeting to review safety performance, incidents, audit results, education, and compliance.

The council has seven working groups focusing on audits, communications, incident investigation, industrial hygiene, mechanical and electrical management, process hazards, and team training.

During the monthly meeting, the council reviews each incident from the prior month, including a detailed incident description, investigation results, and the corrective action plan. The incident review aims to enable other safety leaders to gain insights that help them make necessary adjustments to avoid similar incidents at their locations. In 2024, a total of five lab-related safety incidents were reported, with no recordable events.

### Lab Safety Audits and Inspections Committee (U.S.)

The Lab Safety Audit and Inspections Committee facilitates conditions and behavior-based safety audits. The committee compiles audit data monthly to present at the Lab Community Safety Council meetings. Their goal is to audit lab safety processes to prevent injuries. This committee is also responsible for corrective action plan management from recent audit results, reviewing lab auditing processes and updating guidance as needed, and arranging periodic training for lab safety auditors to increase audit quality and maintain best practices. Associates are encouraged to report issues directly to the Lab Safety Audits and Inspections Committee email provided on the Milliken Connect Lab Community Safety Council website.

## SAFETY MANAGEMENT

#### PERSONAL AND MENTAL HEALTH

We provide associates with benefits and resources, as well as education, to support mental health in the workplace and protect our culture of safety. These programs promote both physical and mental health. Offerings vary based on location and country specifications and availability. Many locations have an on-site nurse available for physical wellness checks, and all locations globally offer mental health assistance through our Employee Assistance Program (EAP). We prioritize reducing risks by building a safe physical and psychological work environment and preventing incidents.

#### **Employee Assistance Program (EAP)**

Our global EAP provides confidential support for personal and work-life issues. EAP benefits include counseling services at no charge to associates and their family members. In addition to unlimited telephone support, associates can receive face-to-face, video, or text-based counseling sessions with a licensed professional counselor. This service is available in multiple languages.

#### Healthadvocate™ (U.S.)

We provide access to non-occupational medical and healthcare services through partnerships with third-party providers, including Health Advocate, Inc. Health Advocate provides associates with a range of benefits to support their physical, mental, and social well-being. The program includes a wellness incentive program that rewards associates for taking healthy actions, such as completing a personal health profile, joining a health challenge, or beginning a wellness workshop with a health coach. Participants receive a medical premium reduction equal to \$400 USD to improve associate engagement.

#### **HEALTHCARE AND EMPLOYEE BENEFITS**

We provide associates with health services, life insurance, retirement or pension plans, parental leave, vacation, and disability coverage. Our Benefits Policy guides our benefits schemes, provisions, and governance. The types and value of benefits provided vary between geographies, depending on market practices, cost, and tax legislation. The table below shows the current share of permanent full-time associates eligible for health and employee benefits. Part-time and temporary workers are not eligible for the benefits outlined below unless otherwise required by law.

#### LIFE INSURANCE

Life insurance refers to a risk insurance providing any form of compensation in the case of the death of an employee, in an accident, or otherwise. The benefit is only valid while the associates are working and usually below the retirement age. It will not carry over if they leave the company, retire, etc. It can be provided by insurance coverage, social security, or may be included in a pension plan in some jurisdictions, but it is a different benefit than the coverage provided by the pension plan itself. The payout might be a one-time lump sum, an annuity, or monthly installments.

#### **ASSOCIATES COVERED BY BENEFITS**

COVERAGE	PERMANENT FULL-TIME ASSOCIATES
Disability	99.8%
Healthcare	99.8%
Life Insurance	100%
Retirement/Pension	100%

#### **DISABILITY COVERAGE**

Disability coverage refers to risk insurance of any form of income protection that associates are eligible for in case they become temporarily or permanently unable to work. The benefit is only valid while associates are working and usually below the retirement age. It will not carry over if they leave the company, retire, etc. It can be provided by insurance coverage, social security, or a pension plan paid by the company and/or the employee. The payout might be a one-time lump sum, an annuity, or monthly installments.

#### **RETIREMENT OR PENSION PLANS**

Retirement or pension plans are benefits for employees to use upon retirement and can be in the form of either a salary, a lump-sum payment, or a fund that the employee can access after certain retirement criteria are met. This is usually not insurance and will last through the employee's life, even after they leave the company.

#### **PARENTAL LEAVE**

Associates are eligible for family-related leave. Milliken's global standard of parental leave for associates consists of six weeks of paid leave for primary caregivers and two weeks of paid leave for secondary caregivers. In 2024, 100% of our associates eligible for parental leave were covered by this global standard. Milliken's parental leave standard sets a minimum standard. We adhere to higher standards across jurisdictions as required by law and accommodate any applicable benefits from national social security schemes, personal insurance schemes, or equivalent.

#### **VACATION**

We provide vacation as a benefit to eligible associates, allowing them to use earned time off from work without loss of compensation or benefits.

Vacation accrual is based on years of continuous service and may differ by region or geographical location depending on market practices or local legal requirements.

People | Safety Management

## SAFETY POLICIES AND COMMITMENTS

#### **WORKFORCE HEALTH AND SAFETY COMMITMENT**

Our **Code of Conduct** states that our goal is to provide an injury-free workplace by following strict safety and health rules and practices, including requiring every company location to have an active, associate-led safety program that is strongly supported by its management team. As detailed in our **Safety Policy Statement**, we devote resources to training our associates and on-site third parties so they can perform their jobs, operate equipment safely, eliminate workplace hazards, and comply with health and safety laws. We believe that all injuries are preventable, all health risks are controllable, and management is accountable.

#### MANAGEMENT HEALTH AND SAFETY COMMITMENTS

All management associates affirm and acknowledge their commitment to take reasonable care of their own health and safety, as well as that of others on their team. Management associates must be familiar with and adhere to Milliken safety requirements and local regulatory health and safety requirements. We rely on our management associates to ensure all associates within the scope of their authority are properly trained to perform their jobs safely. Moreover, they must actively influence, support, and encourage all associates to engage in our safety management processes. We expect management associates to role model our safety policies and actively consult associates to mitigate safety concerns in the workplace. One hundred percent of management associates review, acknowledge, and affirm this safety commitment annually, in addition to the Code of Conduct affirmation.

#### **CUSTOMER HEALTH AND SAFETY COMMITMENT**

As detailed in our **Product Safety Policy Statement**, we are committed to the highest standards of product safety—not only in how we design our products but in how we make them as well. We consider this a requirement for conducting business responsibly and essential to building and maintaining trust in our products. We carefully evaluate the safety of all products based on their intended use, and we use well-established risk assessment methods to understand both hazards and potential exposures. These evaluations begin during the early stages of a product's design to ensure that all products within our portfolio are developed in accordance with applicable laws and guidelines.

Responsible Care® is the global chemistry industry's voluntary initiative to drive continuous improvement in safe chemicals management and achieve excellence in environmental, health, safety, and security performance. As stated in our **Responsible Care Policy**, we strive for continuous improvement in each of these elements: Environmental Health and Safety Excellence, Implementation of the Environmental and Safety Policies, Commitment to the Guiding Principles of Responsible Care®, Commitment to our Stakeholders, Involvement in the Community, Stewardship of our Products, and Security of our Operations.

#### THIRD-PARTY HEALTH AND SAFETY COMMITMENT

Our health and safety commitments extend to the third parties we work with, including onsite contractors and suppliers. Our **Supplier Code of Conduct** requires third parties to comply with our commitments to health and safety, occupational health and safety, process safety, product safety, and emergency preparedness.

#### **SUPPLIER SAFETY COMMITMENT**

Milliken voluntarily committed to the Customs Trade Partnership Against Terrorism (CTPAT®) program, a government-business initiative to build cooperative relationships that strengthen and improve overall international supply chain and U.S. border security. Through this initiative, Milliken ensures the integrity of our security practices—and verifies the security guidelines of our business partners within our supply chain. Milliken is certified CTPAT compliant by the U.S. Customs and Border Protection. This certification recognizes our commitment to maintaining the highest level of security for our facilities and for the United States

#### **NON-RETALIATION POLICY**

We are committed to an environment that encourages open communication and reporting by eliminating the fear of retaliation. We will take all reasonable steps to keep the identity of anyone raising a concern confidential, consistent with conducting a thorough and fair investigation in compliance with applicable laws. We are committed to ensuring that an individual is not disadvantaged by validly raising

concerns about suspected reportable behavior. We prohibit retaliation against anyone who, in good faith, reports or seeks guidance on ethical or compliance issues or who participates in an investigation. This includes a suspected violation of our code, a company policy, or law. View our Global web-based Helpline and non-retaliation commitment **here**.



LEARN MORE ABOUT OUR SAFETY COMMITMENTS IN OUR:

Code of Conduct
Safety Policy Statement
Supplier Code of Conduct
Product Safety Policy Statement
Responsible Care Policy

People | Safety Policies and Commitments

## SAFETY ACTIONS

#### **WORKFORCE RECEIVING SAFETY SKILLS-RELATED TRAINING**

All associates are trained in safety-related courses every year.

	EMPLOYEES (2024)
Workforce Receiving Safety-Skills Related Training*	100%

<sup>\*</sup> Inclusive of all Milliken locations.

For the purposes of safety training and policy acknowledgment requirements, all employees and nonemployees, including third-party contractors, are included in new hire training and standard safety incident overviews, as well as required to acknowledge our safety policies and code, and any other standard safety processes to ensure all parties on site are aware of and abide by Milliken's safety protocols.

#### **ONBOARDING SAFETY TRAINING**

Safety training begins during the onboarding process. Informed by role-based job risks, all associates undergo an initial 90-day training program and receive ongoing training on hazards that apply to their work. Onboarding may include training on lockout/tagout (control of hazardous energy), powered industrial vehicles, overhead work/fall protection, confined spaces, machine guarding, and site-specific hazard awareness training, depending on the individual's role.

#### MANAGER SAFETY TRAINING

New managers are enrolled in our safety leadership course, "LEAD in Safety." The course introduces newly hired managers to the value and expectations we place on occupational safety for associates. Topics covered include leadership commitment, associate engagement, hazard identification, leadership responsibilities, and our commitment to the U.S. Occupational Safety and Health Voluntary Protection Program.

	EMPLOYEES (2024)
Number of Managers Completing Safety Leadership Training	55

#### **ANNUAL SAFETY TRAINING**

All management and administrative associates must complete mandatory, annual safety compliance training through the Awareness in Compliance and Ethics program. Our 2024 safety compliance curriculum included a course on environment, health, and safety, which highlighted the importance of protecting yourself and others by leading with safety. In 2024, we had a 100% completion rate of our online safety compliance training courses. The annual production associate training curriculum is offered online or in person based on the facility, division risk areas, and local legal requirements.

As part of our ongoing training and weekly safety meetings, we incorporated additional training requirements to train on our new Glove Wear Policy companywide. We leveraged our workforce and management safety processes, including Leader Standard Safety Work, to engage associates in mitigating this key safety risk across all sites. By establishing this policy and effectively implementing training and communications, we reduced hand injuries by 32% in 2024.



Fire Extinguisher Safety	Bloodborne Pathogens	
and Awareness	Basic Respiratory Protection	
Personal Protective Equipment	Process Safety Management	
Fall Protection Awareness	of Highly Hazardous	
Lockout/Tagout Training	and Explosive Chemicals	
Machine Guarding	Confined Space Hazards	
Introduction to Industrial Hygiene	Egress and Emergency Action Plans	
Hearing Conservation	Glove Safety	
Walking and Working Surfaces	Giore Suicty	



#### **OCCUPATIONAL HEALTH TRAINING**

We use a variety of occupational health services at our sites, including annual health exams, to monitor the success of mitigation efforts related to potential hazardous exposures that may pose long-term health risks for our associates.

Our nurses and certain associates train to become Certified Occupational Hearing Conservationist (COHC) Spirometry specialists. The Council for Accreditation in Occupational Hearing Conservation (CAOHC®) requires a 20-hour certification course and a passing score on the exam given at the end of the course. Certified specialists conduct hearing tests for our associates at our manufacturing sites. The National Institute for Occupational Safety and Health (NIOSH)-approved Spirometry Certification is an in-person course for healthcare professionals who conduct spirometric pulmonary function tests at our manufacturing sites. In 2024, eight associates, including three nurses, completed the CAOHC® certification and NIOSH-approved Spirometry Certification. Certain associates also completed the OSHA 10-Hour General Industry Safety and Health Certification. The OSHA 10-Hour General Industry Safety and Health Certification is a voluntary training program that trains workers to identify, avoid, and prevent workplace hazards.

People | Safety Actions

## SAFETY ACTIONS

#### **SAFETY TAILGATES**

Engaging all associates regularly in safety improves outcomes. As part of our Safety Standardization Initiative ("Back to Basics" campaign), our Corporate Safety Team designates a relevant safety topic every month and provides a toolkit that includes a weekly subtopic based on the monthly theme to be featured at the weekly safety tailgate. Each shift begins with a daily safety meeting based on the weekly safety topic.

Safety training toolkits (PowerPoint® slides, videos, and talking points) are available in six languages. Location leaders may adjust topics based on risk assessments, reported near misses, or observations at the specific location, as long as the monthly and weekly topics are covered as well. In 2024, monthly topics included ergonomics, manual handling, electrical safety, lock out/tag out, fire safety, hand safety, machine guarding, walking and working surfaces, and heat stress.

We have boosted employee morale with clear communication and transparent feedback regarding safety. It has been more than three years since our last recordable safety incident at our Polartec Hudson Textile Plant (U.S.). We achieve these positive outcomes by having daily, weekly, and monthly meetings with all our associates on relevant safety issues, topics, data insights, investigation results, and education on safe practices.

#### **CELEBRATING SAFETY MONTH**

In June, we celebrated Safety Month with the theme "See Something – Say Something" promoting a speak-up culture for hazard prevention, safety awareness, and incident reporting. Teams celebrated globally with leadership messaging, themed t-shirts, safety-themed games and activities with prizes, and shared learnings and discussion.

#### **MENTAL HEALTH TRAINING**

We have continued to expand our mental health offerings, which currently include a mandatory course for all management and administrative associates globally. This online learning course was part of our annual Awareness in Compliance and Ethics training campaign in 2023 and 2024. The course explored why mental health issues are often stigmatized in the workplace and how a more open and tolerant culture around mental health can help everyone feel free to ask for help when they need it. We recognize that mental health is essential to personal and workplace wellness and crucial to ensuring positive workplace interactions, healthy work-life balance, and more.

In addition to this mandatory mental health course and our optional EAP offerings, we engaged the National Council for Mental Wellbeing to conduct Mental Health First Aid certifications on-site at our global headquarters (U.S.) for our nurse team and human resources professionals. This Mental Health First Aid certification, which is good for three years, is an in-person course offering skills-based training that teaches personnel how to identify, understand, and respond to signs and symptoms of mental health crisis or substance abuse. We expect our human resources managers and administrators to then train their teams globally to ensure others know how to get help for associates experiencing a mental health crisis. In 2024, more than 90% of our U.S. human resources leaders were certified.

#### **MENTAL HEALTH ROUNDTABLE EVENT**

In honor of Mental Health Awareness Month, we hosted a roundtable discussion featuring local experts on the significance of workplace wellness. The panel included Simone Mack-Orr, owner of SMACK Fitness, and Robyn Ellison, Ambassador for the National Council of Mental Wellbeing. David Smart, Milliken's Chief Financial Officer and Chief Information Officer, shared his mindfulness practices, emphasizing the importance of mental health. Additionally, our Benefits Compliance Manager presented important healthcare resources available to associates.

We also organized a global learning session on music therapy titled "Tuning In to Chill Out." This session taught participants how to create playlists to regulate emotions and enhance daily relaxation, leveraging music's power to improve mental well-being.

People | Safety Actions

## SAFETY ACTIONS

#### **COLLABORATIONS TO REDUCE SAFETY RISKS**



## OSHA SPECIAL GOVERNMENT EMPLOYEE PROGRAM

In 2024, three Milliken associates completed the Special Government Employee (SGE) Program for a total of 17 Milliken associates who are certified to work alongside the Occupational Safety and Health Administration (OSHA), particularly during Voluntary Protection Programs (VPP) on-site evaluations. These volunteers must work at a VPP site, complete the required training, be funded by their companies, and be approved by OSHA to participate. Not only does this program benefit OSHA by supplementing its on-site evaluation teams, but it also gives industry employees and government officials an opportunity to work together.



## SOUTH CAROLINA MANUFACTURERS ALLIANCE

As a manufacturer headquartered in South Carolina, U.S., Milliken supports the South Carolina Manufactures Alliance (SCMA). SCMA aims to preserve and advance the economic success of manufacturers by advocating for public policies that drive our industry forward, offer educational and informational forums, and provide opportunities to share best practices and build connections.

Our Senior Vice President of Global Operations, serves as the Vice Chair on the SCMA Executive Committee. Our Director of Safety collaborates with the SCMA team and other SC manufacturers to develop an agenda for the annual SCMA Safety Summit. In addition to holding leadership roles within SCMA, our associates provide thought leadership, insights, and training to SCMA members. In 2024, five associates from our Magnolia Textile Plant (U.S.) presented at an SCMA Conference on the success and challenges of our new hire training process, which was revamped to tackle hiring challenges in production. The presentation included the importance of incorporating safety training for new hires. Additionally, 13 sites received SCMA Safety Awards for achieving an incident rate below the average for their respective North American Industry Classification System (NAICS) code.



## PERFORMANCE SOLUTIONS SAFETY BOOTCAMP

Performance Solutions by Milliken®, our safety, operational and supply chain excellence consultancy. offers an external comprehensive workshop on The Milliken Safety Way—our award-winning approach to safety systems and processes for incident elimination, risk reduction, and employee engagement. The interactive Safety Bootcamp provides education, practical tactics to advance health and safety systems, and proven techniques that build employee ownership for health and safety. Performance Solutions Practitioners cover topics such as senior leadership coaching, safety subcommittee structures, sacred space and time for safety improvement, effective auditing as a coaching moment, a safety education plan for every employee, the importance of continuous safety awareness, and how to rapidly reduce health and safety risks.



Associates from Milliken U.S. South Carolina Plants (Allen, Cushman, Dewey, Enterprise, Gerrish, Gilliland, Gillespie, Hillcrest, Johnston, Pendleton, Redwood, global headquarters and Sycamore) accepted the 2024 SCMA Safety Award.



## GEORGIA ASSOCIATION OF MANUFACTURERS

As a manufacturer with sites in Georgia, U.S., Milliken proudly supports the Georgia Association of Manufactures (GAM). GAM is a trade association that advocates for Georgia's manufacturing industry and works to make Georgia a good place for manufacturers to invest and prosper.

Our Corporate Safety Director, is an active member of the association and volunteered to participate on the newly established Artificial Intelligence (AI) Council for GAM. This Council convenes on a quarterly basis and is focused on developing comprehensive informational materials to aid Georgia manufacturers in gaining a better understanding of the multifaceted capabilities of AI in manufacturing. Our Safety Director's participation highlights Milliken's dedication to enhancing industry knowledge and safety through the adoption of innovative technological solutions.



## LIBERTY MUTUAL RISK CONTROL ADVISORY COUNCIL

The Liberty Mutual Risk Control Advisory Council is a key forum for safety and risk management experts. Its mission is to foster collaboration, share insights, and advance safety practices. Annually, members discuss trends, technologies, and best practices to improve workplace safety and reduce risks.

At a recent Liberty Mutual Risk Control Advisory Council meeting, our Senior Safety Systems Engineer shared an overview of Milliken's test and learn with innovative Al-driven safety technology at two of our manufacturing locations. This technology allows us to monitor personal protection equipment use and compliance, track forklift/pedestrian interaction monitoring with an alert system, and offers an "unattended object" use case to drive improvements in workplace organization.

People | Safety Actions



### **WORKFORCE MANAGEMENT**

#### **PEOPLE GOAL PERFORMANCE**

#### **INCLUSIVE ASSOCIATE COMMUNITY**

We are committed to fostering an environment that ensures all voices are valued with a focus on:

- Merit-Based Hiring
- Development and Advancement
- Engagement and Retention
- (1) MERIT-BASED HIRING

We hire by selecting the most qualified candidates whose experience and skills align with job expectations. All hiring decisions are made based solely on qualifications, without regard to demographic characteristics, in accordance with our Equal Employment Opportunity Policy.



We offer an annual executive sponsorship program with approximately 35 associates in each cohort. High-potential associates are designated by our Senior Leadership Team. In addition to being paired with a mentor, each cohort member participates in training sessions, webinars, a professional development-focused book club, and receives biannual business updates directly from our CEO.

### **ENGAGEMENT AND RETENTION**

In 2024, we offered 55 engagement, networking, and education events open to all associates. We regularly survey our associates to identify key topics and interest areas to deepen their awareness. Our affinity networks are inclusive and accessible to all associates globally.

- Community Engagement
- Culture
- Compliance

#### 4 ) COMMUNITY ENGAGEMENT

We commit to at least 15 community engagement events per year, and we prioritize impacting local communities. In 2024, we hosted 31 community engagement events.

### 5 CULTURE

We offer monthly inclusion roundtables and annual training sessions. We also offer Milliken LEAD programs, a suite of specialized programs designed to foster effective leadership.

### 6 COMPLIANCE

We comply with the U.S. Equal Employment Opportunity laws and any applicableglobal laws and regulations in the countries we operate.



#### **U.K. GENDER PAY GAP REPORT**

In compliance with the U.K. Equality Act 2010, Milliken discloses an annual **Gender Pay Report**. We include information regarding actions taken to rectify any issues identified. We continue to encourage the development, empowerment, and advancement of all our associates.

	2018	2019	2020	2021	2022	2023	2024
Mean (average) gender pay gap	-13.5%	-7.1%	-6.1%	-5.7%	-12.77%	1%	-4%
Median gender pay gap	-8.9%	-8.8%	-11.1%	-10.7%	-20.26%	-12.8%	-20.7%

<sup>\*</sup>The figures shown were arrived at by using the standards as set out by the U.K. Government Equalities Office. As of April 2024 (tax year basis), women represented 24% of our UK workforce and men represented 76% of our UK workforce.

People | Workforce Management

## **WORKFORCE MANAGEMENT**

#### MANAGEMENT APPROACH FOR OUR WORKFORCE

Our Chief Human Resources Officer leads our workforce and talent strategies globally. Each month, our Chief Human Resources Officer reports to senior management on the status of these talent strategies. Our Chief Human Resources Officer and Vice President of Human Resources Operations provide updates on our workforce strategy to our Board of Directors at least three times a year, including training statistics and ongoing strategic progress.

Our approach includes councils to support our workforce strategy, including an Inclusion Council and a Learning Council that meet monthly and includes human resources and business leaders. In 2024, our workforce-related councils expanded to include regional groups to represent Europe and Asia in fostering our commitments.

#### **WORKFORCE INCIDENT MANAGEMENT AND INVESTIGATIONS**

We encourage our associates and third parties to report any concerns or suspicions of discrimination or other prohibited misconduct in violation of our workforce commitment. Matters submitted to management, human resources, legal, or through our Helpline are thoroughly investigated. All incidents or allegations of harassment or discrimination are logged in our Helpline system to track the investigation, root cause, actions taken, and other remediation steps, such as training or policy reviews. In 2024, we received a total of 10 allegations of discrimination through the Helpline.

#### REPORTING WORKFORCE CONCERNS

We expressly prohibit any form of discrimination or harassment based on actual or perceived race, color, creed, religion, sex or gender (including pregnancy), sexual orientation, gender identity or gender expression (including transgender status), ancestry, national origin, citizenship, age, physical or mental disability, genetic information, marital status, veteran or military status, or any other characteristic protected by applicable law. Associates or third parties who believe they or others have experienced discrimination in violation of our commitments must immediately inform a supervisor or human resources representative, in accordance with our Global Whistleblower Policy. Associates have the option to report incidents to our Helpline, which is available 24/7 for confidential reporting through a third-party managed channel. Anonymous reporting is available through the Helpline unless prohibited by local law.

#### **AFFINITY NETWORKS**

Affinity networks are associate groups designed to provide our associates avenues to learn from, engage with, and support each other and the community. Activities include social gatherings, networking, peer coaching, and community engagement. Each affinity network has a steering committee that sets strategic initiatives and events based on shared interests and training needs. The steering committees designate working groups or subcommittees composed of associates who volunteer to engage and drive network priorities. Affinity networks are voluntary and open to all associates.

### **Affinity networks include:**

- Multicultural Engagement Resource Group
- New Kids on the Block
- Pride

- Wellness
- Women's Alliance
- Veterans' Group

#### **TALENT DEVELOPMENT**

Our talent development and training programming is managed by our Senior Director of Talent Development, who reports to the Chief Human Resources Officer. Our Learning Council meets monthly and brings together stakeholders across nearly all functions and regions in the organization. Led by the Talent Development Team, the Council aims to create a global community for best practice sharing, innovation, and collaboration among those involved in training and development.

#### **COLLECTIVE BARGAINING MANAGEMENT**

Approximately 34 associates in the United States are covered by one collective bargaining agreement at our Hickory Textile Plant (U.S.). In international markets, a significant percentage of associates in Australia, France, Belgium, and Germany are covered by trade-sponsored or governmental bargaining arrangements. Approximately 5% of Milliken's global workforce is covered by collective bargaining or work council agreements. These agreements specify working conditions and rights related to wages, working hours, safety requirements, health coverage, sick leave, retirement benefits, and career training and development, among other terms. Milliken aims to provide competitive market wages and favorable working conditions to promote a positive work environment to all associates, regardless of bargained-for terms. We respect our associates' rights to form and join work unions or councils and to bargain collectively in accordance with applicable laws.

COLLECTIVE AGREEMENT COVERAGE METRIC	#
Percentage of employees covered by collective bargaining agreements	5%
Overall percentage of associates covered by collective bargaining agreements in Belgium, where the undertaking has at least 50 employees	100%
Overall percentage of associates covered by collective bargaining agreements in France, where the undertaking has at least 50 employees	58%

People | Workforce Management

## WORKFORCE POLICIES AND COMMITMENTS

We apply the same principles of continuous improvement that have shaped Milliken's legacy and reputation in manufacturing excellence to our workforce. Building and empowering teams requires policies and commitments that support our workforce.

#### MANAGEMENT WORKFORCE COMMITMENT

We are committed to providing an environment where all voices are valued and a workforce culture that seeks to foster respect, inclusion, and continuous learning. Our **Code of Conduct** makes it clear that we prohibit discrimination on the basis of age, disability, ethnicity, national origin, class/caste, race, color, religion, gender, gender identity, military or veteran status, genetic information, sexual orientation, or any other characteristic protected by law. In addition to complying with U.S. Equal Employment Opportunity (EEO) laws, we comply with all other civil rights, human rights, and labor laws around the world where applicable. We strive to go above and beyond regulatory requirements. We require and expect all associates treat one another with respect and dignity. Each associate has a unique role in making Milliken a better and more rewarding place to work. Our values are embedded in this commitment and are backed by our code. We offer training to help associates understand their responsibilities in creating Milliken's workforce culture.

#### **NON-RETALIATION**

We are committed to an environment that encourages open communication and reporting by eliminating the fear of retaliation. We take all reasonable steps to keep the identity of anyone raising a concern confidential, consistent with conducting a thorough and fair investigation in compliance with applicable laws. We are committed to ensuring that an individual is not penalized in any way by validly raising concerns about suspected reportable behavior. We prohibit retaliation against anyone who, in good faith, reports or seeks guidance on ethical or compliance issues or who participates in an investigation. This includes a suspected violation of our code, a company policy, or an applicable law. View our global, web-based Helpline and non-retaliation commitment **here**.

#### THIRD-PARTY WORKFORCE COMMITMENT

We expect third parties, including suppliers and business partners, to treat all employees with respect while fostering a culture of integrity, fairness, and personal accountability. Our **Supplier Code of Conduct** outlines our expectations for partners to abide by the same or equivalent principles for employment decisions without regard to any characteristic protected by local, state, or federal/national laws, rules, or regulations.



Associates from our Duncan Stewart Flooring plant (U.S.).



LEARN MORE ABOUT OUR WORKFORCE COMMITMENTS IN OUR:

Code of Conduct
Supplier Code of Conduct

People | Workforce Policies and Commitments

## **WORKFORCE ACTIONS**

#### **MILLIKEN LEADERSHIP MODEL**

A common framework aligns our leaders on shared competencies. The Milliken Leadership Model serves as a foundation for building associate leadership skills. The model focuses on management foundations, including career coach, team ignitor, performance, and values champion. In addition, the model fosters growth leadership, including analytic risk-taking, futuristic innovation, growth catalysts, and strategic thinking.

#### MILLIKEN LEAD PROGRAM

Milliken LEAD is a suite of specialized programs designed to foster effective leadership across various levels and departments in our organization. Setting the standard for associate excellence at Milliken, these programs aim to empower leaders to perform to their full potential. In 2024, we hosted our LEAD program in Europe and Asia. We also offered two new courses, LEAD Your Career and Speak Now, in addition to the standard LEAD curriculum.

#### **LEAD TRAINING**

COURSE	LEAD BY INFLUENCE	LEAD IN MANUFACTURING	LEAD IN ORGANIZATIONS	LEAD TOGETHER	LEAD IN SAFETY
Delivery method	In-person	In-person	In-person	In-person	In-person
Duration	8 hours	24 hours	40 hours	16 hours	8 hours
Classroom training participants	191	84	45	94	55
Computer-based training participants	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Frequency	12 offerings per year	8 offerings per year	Annual	7 offerings per year	Annual
How often training is required	Optional	Optional	Optional	Optional	Once for new managers
Topics covered include	Milliken Leadership Model, Emotional Intelligence, Self- Leadership using Situational Leadership, and Project Management	Equip Manufacturing Supervisors and Managers to Engage and Employ their Teams	Collaborative Partnership with Darden Executive Education for Associates who Lead Businesses, Functions, and Drive 2025 Strategy	Management Foundations Milliken Leadership Model; Driving High Performance; Providing Effective Feedback; Situational Leadership	Milliken Leadership Model; Safety Engagement; Hazard Identification; Leadership Responsibilities; Our OSHA VPP Commitments

#### **LEAD YOUR CAREER**

The LEAD Your Career training empowers participants to take control of their career growth. During this day-long workshop, participants will visualize their career paths, translate their strengths into business assets, and create actionable plans for continuous development.

#### **SPEAK NOW**

The Speak Now course is a one-and-a-half-day, hands-on instructor-led program designed to alleviate the fear of public speaking. Participants develop and deliver a three-minute presentation multiple times, incorporating new skills and receiving feedback each time. The course covers key aspects such as developing a presentation, delivering it effectively, and integrating visuals.

#### **EXECUTIVE SPONSORSHIP PROGRAM**

Our Executive Sponsorship Program offers associates one-on-one mentorship, training, and professional development opportunities designed to foster leadership and career growth. This program includes quarterly learning sessions covering topics such as the Milliken Leadership Model, Career Development, and Career Advice. High-potential associates are selected as participants by our Senior Leadership Team. Participants benefit from biannual open CEO forums, providing direct access and dialogue with top leadership.

A unique feature of our mentorship program is its book club, which convenes four times annually to discuss the influential book "What Got You Here Won't Get You There." Mentors and mentees meet at least six times throughout the year, ensuring meaningful and sustained engagement.

People | Workforce Actions

## **WORKFORCE ACTIONS**

#### MILLIKEN ASSOCIATE ENGAGEMENT

In 2024, we launched a comprehensive associate engagement survey covering seven key categories, including experience working at Milliken, working on their specific team, growth and development opportunities, compensation and benefits, management, and ethics and compliance. While our results were positive, we continued to hear and act on associates' feedback. We evaluated and enhanced our manager and career development programs, global benefits and recognition plans, and career pathing and development offerings, as well as revamped our communications plan to prioritize transparency.

#### **MILLIKEN TALENT DEVELOPMENT PILLARS**

- Manager
  Development
- Career
  Development
- **3** Onboarding

4

Recognition

- 5
- Communication
- 6

Culture and Engagement

#### **CULTURE AND ENGAGEMENT**

As part of our Standard Site Safety Structure (see Safety Management), all locations must have a safety steering team, including a Morale Team subcommittee focused on associate engagement and morale.

## The Morale Team's mission is to achieve 100% associate engagement in the safety process by:

- Conducting education to raise awareness of safety hazards on the job and the need to look out for fellow associates;
- Improving morale and building trust; and
- Engaging associates to enhance overall safety performance.

The Morale Team activities may vary by location and include team building and engagement, safety awareness, new hire activities, community involvement and volunteering, training, and appreciation efforts. Milliken Human Resources associates and local Morale Teams host Cooldown events each summer and invite company leaders to visit plants for special employee gratitude and recognition activities. These fun and engaging events also provide cold treats, awards, and gifts to emphasize our appreciation for our manufacturing teams.

#### **CAREER DEVELOPMENT**

We heard our associate feedback and have worked to improve the career development education offered through Milliken University. We added dedicated programming to target gaps cited by associates, including additional manager development offerings, covering topics like respectful workplace, authentic leadership, documentation, ethics reporting, investigations, and effective communication. We also have new programs, including Career Navigators and the DeX Development Program.

### **Career Navigators**

Career Navigators is an internal platform designed to share inspiring career stories and diverse career trajectories within various job functions across our organization. Its goal is to empower associates to chart their own professional journeys, fostering informed career decisions and growth.

### **DeX Development Program**

DeX, a new addition to Milliken University, is a virtual bulletin board providing short-term development opportunities for associates globally. This tool enables project managers to involve associates in existing or upcoming projects, thereby enhancing project efficiency and introducing leaders to talent across the organization. By participating in DeX projects, associates have the chance to expand their skillsets and contribute to initiatives outside of their traditional teams.

People | Workforce Actions

### **WORKFORCE ACTIONS**



#### **ON-THE-JOB TRAINER CERTIFICATION**

This certification course, offered in five languages, prepares experienced manufacturing associates for the role of On-the-Job Trainer (OJT) at our sites. New plant associates must be trained by a certified OJT to work independently with certain machinery. An OJT is a coveted leadership role at our manufacturing sites and is critical to the success of our new associates.



#### **ASPIRE TO MANAGEMENT PROGRAM**

In 2022, we launched the Aspire to Management Program (AMP) to equip production associates with essential management skills and prepare them for career advancement. AMP is a one-year leadership development opportunity for production associates who aspire to move into manufacturing management roles. The AMP program covers leadership, communication, problem-solving, and project management skills. Completing this program replaces undergraduate degree requirements for most managerial manufacturing job postings at Milliken. AMP gives participating associates the tools and knowledge to lead and inspire their teams toward success. In 2024, we celebrated the third graduating class of AMP. In total, 19 associates have completed AMP since launching the program in 2022.

#### PRODUCTION LEADERSHIP SKILLS DEVELOPMENT

Our instructor-led interactive Leadership Essentials course is designed to equip plant supervisors with critical leadership skills. Hosted in-person at our manufacturing sites throughout the year, this training covers key areas such as respectful workplace practices, authentic leadership, ethics reporting and investigations, and effective communication across generations and organizational levels. Participants engage in six in-person classes and e-courses over several months, ensuring comprehensive development and engagement.

#### **CAREER LADDERS**

We believe in fostering growth and development across our organization. Our career ladders offer structured and attainable pathways for advancement, providing clear routes for progression in various roles, including production. We provide information about currently available roles while also giving associates real examples of tenured associates who have worked their way into leadership roles. In 2024, we profiled associates to showcase their career progression in production and communicated advancement opportunities through the company, including at our manufacturing sites.

People | Workforce Actions



#### **PEOPLE GOAL PERFORMANCE**

PEOPLE GOAL	2018	2019	2020	2021	2022	2023	2024	2025 GOAL
Data Privacy Breaches	0	0	0	0	0	0	0	0

Calculated based on absolute reportable privacy breaches.

#### SUBSTANTIATED COMPLAINTS CONCERNING BREACHES OF CUSTOMER PRIVACY AND LOSSES OF CUSTOMER DATA

COMPLAINTS	2021	2022	2023	2024
Total Number of Complaints Concerning Breaches of Customer Privacy Received from Outside Parties and Substantiated	0	0	0	0
Total Number of Complaints Concerning Breaches of Customer Privacy Received from Regulatory Bodies	0	0	0	0
Total Number of Identified Leaks, Thefts, or Losses of Customer Data	0	0	0	0

#### **GLOBAL PRIVACY AND DATA PROTECTION COMMITMENT**

We value the privacy rights of our associates, customers, suppliers, and other third parties. We are committed to complying with all applicable privacy laws and regulations, including the EU General Data Protection Regulation (GDPR). As part of our Global Data Protection Policy, we follow the GDPR principles that govern how we collect, use, store, and share personal data. The documents on Milliken's privacy website disclose our commitment to use personal data with integrity and transparency, upholding the rights of individuals in accordance with our values and legal requirements.

Milliken's **privacy website** sets out how we handle personal data, including:

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Milliken GDPR
Privacy Notice

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Milliken Global Internal
Privacy Notice



Milliken PIPL Privacy Notice



Milliken CCPA Privacy Notice







Milliken CCTV Notice



Milliken CCPA Employee
Applicant Notice

# PRIVACY MANAGEMENT

#### **IMPACTS**

Our approach to determining our impacts, risks, and opportunities is described in our General Disclosures. Our assessment has highlighted data privacy and protection as impact topics for Milliken.

#### PRIVACY MANAGEMENT APPROACH

Milliken adopts a Privacy by Design approach, which means we seek to embed privacy into everything we do and, where applicable, document it in a privacy risk assessment. We recognize that Privacy by Design requires a variety of stakeholders working together to ensure a robust approach to privacy management. Our cybersecurity, human resources, and marketing departments regularly support the privacy program at Milliken.

#### **OVERSIGHT OF PRIVACY RISK MITIGATION PROCESS**

The Audit Committee of our Board of Directors oversees Milliken's cybersecurity and privacy risk mitigation process, as well as our information technology system's security and operations. The Audit Committee receives regular updates regarding our information security and privacy program capabilities, maturity, tools, and vulnerabilities including our expanding business use cases for artificial intelligence.

#### PRIVACY MANAGEMENT RESPONSIBILITIES

Our privacy program is overseen by Milliken's Global Privacy Director, who works with our Global Privacy Steering Committee, which includes the Chief Legal Officer, Chief Financial Officer, Chief Marketing Officer, and Chief Human Resources Officer. The Privacy Steering Committee meets quarterly to review key performance indicators, such as potential or realized privacy breaches, the exercise of individual privacy rights, and privacy risk assessments. This committee also reviews compliance with applicable global privacy laws and strategic initiatives to expand internal privacy compliance awareness, to embed Privacy by Design principles throughout business processes and key projects, and to institute global privacy policies and procedures. In addition to the steering committee, the Global Privacy Director manages the privacy working group, a group of stakeholders from across Milliken's global locations that implements the steering committee's objectives and priorities.

People | Data Privacy

### PRIVACY MANAGEMENT

#### PRIVACY ASSESSMENTS AND TECHNOLOGICAL ENHANCEMENTS

We routinely assess the maturity of our privacy program using internal and external tools to ensure continuous improvement. In addition, we carry out a benchmarking exercise once per year. We continue to use technology-based solutions to support our privacy program—for example, through automating privacy assessments. Our data inventory is managed through an industry-leading platform, making collecting and maintaining privacy assessments more efficient and accurate. We also use automated dataloss prevention tools to flag suspicious transfers of personal data, both internally and externally.

#### **ARTIFICIAL INTELLIGENCE COUNCIL**

Our Global Privacy Director is a key participant in Milliken's Artificial Intelligence (AI) Council to ensure that privacy considerations are raised and reviewed, as necessary. The AI Council is responsible for providing governance, recommendations, and guidelines for developing, deploying, and using AI systems within our organization. This includes both the technical aspects of AI systems, as well as the broader ethical, legal, and social implications of AI. We are mindful of the impact AI systems can have on cybersecurity and privacy. In addition, the AI council works with Milliken's leadership to shape our long-term vision and strategy for AI systems. The AI Council includes representation from information technology, cybersecurity, legal, human resources, research and innovation, and sustainability.

The AI Council established the AI Center of Excellence (AI COE) which is overseen by our Digital Transformation Office. This team is responsible for implementing the governance structure provided by the AI Council, including coordinating training and awareness, prioritizing projects, and steering AI project workflows and implementations throughout the organization.

#### SUPPLIER AND THIRD-PARTY PRIVACY MANAGEMENT

We work with hundreds of third-party suppliers, vendors, and partners to provide our products and services to customers. Managing our vendors appropriately is a key part of a successful privacy program. We use an industry-leading privacy management platform to automate and streamline our third-party privacy management processes. This supports our continuous improvement of our privacy governance and maintenance processes.

#### REPORTING PRIVACY CONCERNS

We require prompt reporting of any suspected or confirmed personal data breach incidents so we can properly investigate and take appropriate action. If associates or other parties have concerns around Milliken's handling of personal data, they have the option to report incidents to the Global Data Privacy Director through company reporting channels such as human resources or to Milliken's Ethics Helpline, which is available 24/7 for confidential reporting through a third-party managed channel. Anonymous reporting is available through the Helpline unless otherwise prohibited by local law. In 2024, we received a total of three allegations implicating data protection through the Helpline.

#### TRUSTED INFORMATION SECURITY ASSESSMENT EXCHANGE

We participate in the Trusted Information Security Assessment Exchange (TISAX) and have been awarded the prestigious TISAX labels of Very High Availability and Strictly Confidential. These TISAX labels demonstrate that we are capable of processing highly sensitive information with strict availability requirements.



#### ISO 27001 CERTIFIED INFORMATION SECURITY

Certified to ISO 27001:2022, Milliken's cybersecurity program satisfies the internationally recognized "gold standard" for building, maintaining, and continuously improving cybersecurity protections. We implement layers of protection against unauthorized access, perform 24/7 monitoring and incident response, and promote cybersecurity awareness throughout the organization.





Associates engaged with ISO 27001 management with our President and CEO at the global headquarters (U.S.).

### APPROACH TO ENGAGING OTHERS IN INFORMATION SECURITY CERTIFICATIONS

As a manufacturer, we proudly support the Manufacturers Alliance®, an executive development and business insights organization serving the needs of manufacturing leaders. Their purpose is to empower manufacturing leaders in their careers, offer educational and informational forums, and provide opportunities to share best practices and build connections.



Our Director of IT, Cyber Security, and Governance is an active participant of the Manufacturers Alliance® Information and Cybersecurity Council and spoke at the Cybersecurity Council meeting to give other cybersecurity leaders insights into our ISO 27001 Certification process and share best practices.

People | Privacy Management

# PRIVACY POLICIES AND COMMITMENTS

#### WORKFORCE PRIVACY COMMITMENT

We recognize that everyone has rights regarding the way their personal information is handled. Complying with data privacy requirements forms an important part of **Milliken's Code of Conduct.** The code reiterates Milliken's commitment to collecting, processing, and protecting personal information responsibly and in compliance with Milliken policies and applicable privacy and information security laws. Every year, all associates must review and agree to comply with our code. Where applicable, Milliken associates also review, acknowledge, and comply with our Global Data Protection Policy and associated privacy policies and procedures.

#### CONFIDENTIAL INFORMATION

In 2024, we continued to underline the importance of ensuring associates comply with Milliken's Global Confidential Information Policy to protect Milliken's confidential information. This policy emphasizes the importance of protecting the company's intellectual property and personal data and complying with privacy laws and contractual obligations. It applies to all individuals accessing Milliken's information, including associates, interns, and third-party contractors. The policy outlines requirements for classifying, using, handling, and storing company information to maintain its competitive advantage and ensure appropriate information security. Our associates are prohibited from sharing any sensitive or confidential information with external or third-party systems without explicit review and consent.

Our Global Confidential Information Policy emphasizes the importance of complying with our Clear Desk Requirement, which was a training focus this year and is supported by regular audits. This requirement mandates that confidential documents be removed from workstations and secured in a locked area when not in use or when the workstation is unattended. Additionally, computer screens and other devices must be turned off or locked when not in use, and confidential documents must be securely disposed of or removed from common areas immediately after use.

In support of our privacy commitments, our robust cyber-security policies outline additional layers of protection against data breaches, including asset management, acceptable use, and information transfer protocols.

#### GLOBAL DATA PROTECTION POLICY

Our Global Data Protection Policy, based on the European Union's General Data Protection Regulation (GDPR), sets out the principles that guide how Milliken handles personal data, including personal data of our associates, customers, suppliers, and other third parties. This policy further details our data protection principles, which state that personal data must be processed by Milliken in a transparent manner and on a fair and lawful basis.

#### **CORPORATE INFORMATION SECURITY PROGRAM POLICY**

We are committed to continuously improving information security to address current and future cyber threats. Our Corporate Information Security Program Policy establishes high-level requirements for the Information Security Management System (ISMS) and emphasizes the importance of protecting information entrusted to Milliken by customers, suppliers, associates, and other business partners. The policy also requires personal compliance with all information security policies and prompt reporting of violations and security-related incidents.

#### **ACCEPTABLE USE POLICY**

Our Information Security Acceptable Use Policy outlines expectations for the appropriate use of company technology resources, including information systems, software, the Internet, and social media. It emphasizes that Milliken's systems should primarily be used for business purposes, with incidental personal use allowed as long as it complies with company policies, consumes minimal resources, and does not interfere with productivity. Additionally, users are responsible for protecting proprietary information from unauthorized disclosure and promptly reporting any theft, loss, or unauthorized disclosure of Milliken information, including personally identifiable information.

#### ARTIFICIAL INTELLIGENCE USE POLICY

Our internal Artificial Intelligence (AI) Use Policy establishes guidelines for the responsible and ethical use of AI technologies. It emphasizes compliance with legal and ethical standards, prioritizes data privacy and security, and mandates that proprietary, confidential, or personally identifiable information should never be shared with third-party platforms. The policy also highlights the importance of addressing biases within AI systems to promote fairness and prevent discrimination. We require associates to prioritize data privacy and secure sensitive information when using any artificial intelligence, including generative AI. We ensure that all data collected or processed by AI systems internally is handled securely and in accordance with applicable laws and Milliken privacy policies and procedures.

#### **POLICY MANAGEMENT**

We routinely update these policies to ensure compliance with privacy, cybersecurity, and data protection laws.

#### SUPPLIER PRIVACY COMMITMENT AND ACTION

Our <u>Supplier Code of Conduct</u> requires all suppliers to respect and process personal data in accordance with applicable laws and regulations. Suppliers must also comply with reporting requirements, including breach notification within certain deadlines.

Milliken conducts privacy assessments on certain suppliers using a comprehensive privacy management tool. This process is meant to ensure that our suppliers handling Personally Identifiable Information (PII) take appropriate measures to protect data in alignment with our Supplier Code of Conduct and applicable regulations.

People | Privacy Policies and Commitments

### PRIVACY ACTIONS

#### **PRIVACY TRAINING**

We recognize that training is key to increasing privacy awareness, which reduces risk and protects associate, customer, supplier, and other business partner information. Depending on their role and access to Milliken's information, certain associates must complete annual privacy training during the Awareness in Compliance and Ethics (ACE) program. The level of training offered to associates is based on their individual roles and responsibilities, and how their role implicates data privacy. Enhanced data privacy courses are offered to associates in roles that pose greater risk to the company.

In 2024, we had a near 100% completion rate of our online data privacy and protection compliance training courses. To increase privacy awareness, we also hosted in-person training globally on key privacy and cybersecurity risk topics such as phishing, anti-tampering, data classification, password protection, and ensuring a secure workspace. In addition to web-based learning, we offer instructor-led, gamified training to help associates retain information through interactive learning.

#### PRIVACY TRAINING METRICS

COURSE	DATA PRIVACY (ENHANCED)	DATA PROTECTION AND PRIVACY (GENERAL)	PHISHING	GAMIFIED IT TRAINING
Total Associates Trained	281	2,615	2,592	289
Delivery Method	Online	Online	Online	In-person
Duration	35 minutes	5 minutes	10 minutes	60 minutes
Classroom Training	Not applicable	Not applicable	Not applicable	289
Computer-Based Training	281	2,615	2,591	Not applicable
Frequency	Once a year	Once a year	Once a year	Twice a year
How Often Required	Annually	Annually	Annually	Optional
Topics Covered	Privacy Defined; Consequences of Data Breach; Processes for Protecting Data	Personally Identifiable Information Awareness and Safeguards	How to Recognize, Respond and Report Phishing Attempts	Data Privacy Risk Trends; Password; Phishing; Data Protection; Social Engineering; Acceptable Use

#### **COLLABORATION BETWEEN INFORMATION SECURITY AND PRIVACY**

The collaboration between our global information security and privacy teams is instrumental in ensuring continuous learning and growth across our company. The cybersecurity team held events in 2024 to share best practices on protecting systems and data, including personal data.

#### **GAMIFIED TRAINING**

In addition to web-based learning, the information security and cybersecurity team developed instructor-led, gamified training sessions designed to help associates retain information through interactive learning. Nearly 300 associates participated during in-person and virtual sessions, using tools like Mentimeter's Menti® interactive survey tool to solve questions and engage in discussions in real time. Over three months, these sessions featured game formats in the style of popular shows such as "Who Wants to Be a Millionaire," "Jeopardy," "Family Feud," and a third-party privacy card game known as "Databoss," ensuring a captivating and effective learning experience.

#### **CONFIDENTIAL INFORMATION TRAINING**

We introduced Confidential Information Training to further enhance our associates' understanding and handling of sensitive information. This training reiterated the importance of confidentiality, highlighted the various types of confidential information, emphasized our clear desk requirements, and shared best practices for protecting information in the workplace. By reinforcing these principles, we aim to mitigate risks associated with data breaches and ensure that all associates are well-equipped to maintain the highest standards of information security.

#### **ADVANCED DESIGN FORUM**

Milliken co-sponsored the 2024 Peter O. Stahl Advanced Design Forum held at the University of Minnesota, which aims to enhance collaboration by bringing together industry leaders, government stakeholders, and academic researchers. This forum shares best practices in data science, artificial intelligence, and machine learning to transform chemical and materials design, development, and production. David Smart, Milliken's CFO and Chief Information Officer, participated on a panel discussion titled "Breaking Boundaries through AI: Envisioning the Next 10 Years."

People | Privacy Actions



### 2025 GOAL: 100,000 VOLUNTEER HOURS IN OUR COMMUNITIES

#### **PEOPLE GOAL PERFORMANCE**

PEOPLE GOAL	2018	2019	2020	2021	2022	2023	2024	2025 GOAL
Logged Volunteer Hours	3,000	15,000	26,000	53,000	88,000	114,000	131,000	100,000

Hours reported reflect total hours reported in each calendar year cumulatively since 2018.

In 2023, we reached our 2025 People Goal of 100,000 volunteer hours one year ahead of schedule. Associates continued to log hours in 2024 and we surpassed our 2025 People Goal by 31,000 hours. Our associates self-report volunteer hours from individual, team, and community events, allowing associates to choose where they serve and make a difference.

Since 2018, we've learned that our associates around the world most often engage in:



Cleaning Up Communities



Raising Needed Funds



Giving Supplies and Time to People in Our Communities



Inspiring the Next Generation



Milliken team members collecting and donating supplies for local communities affected by Hurricane Helene (U.S.).

#### SCALING VOLUNTEERING AT BEECH HILL (U.K.)

Our efforts grow stronger when local teams work together to create significant local impact. For example, our team at the Beech Hill Flooring Plant (U.K.) held their fourth consecutive Community Week in 2024, with more volunteers, departments, and organizations than ever before. The team worked with eight community organizations, including the Beech Hill Community Primary School, FoodCycle, Makants Greyhound Rescue Northwest, Meadows – Appley Bridge, One Vision Studio, Autism Beaudon Understanding Kindness, Autumn Lodge Care Home, and Springfield, Beech Hill, and Gidlow Community Hub.



I love that I'm able to work for a company that has such great values and strives to make a difference within our community. The small acts of kindness we deliver to these charities go a huge way in making them a success, and in the long run, they are changing lives. To be able to be even a small part of that is amazing!

#### **Jodie Tickle**

Supply Chain Administrator Beech Hill Plant, Flooring (U.K.)

People | Volunteering

# COMMUNITY ENGAGEMENT MANAGEMENT

#### **IMPACTS**

Our approach to determining our impacts, risks, and opportunities is described in our General Disclosures. Our assessment indicated that impacts on local communities is a key impact topic for Milliken.

#### **VOLUNTEERING MANAGEMENT**

We encourage our associates to invest their time and talents into the communities where we live and work. Our volunteer program makes a meaningful difference each year. It is managed by our marketing department through the Milliken Gives portal on our internal website. Associates can enter new volunteer hours, view past hours, and review current global community service activities.

#### **MILLIKEN & COMPANY CHARITABLE FOUNDATION**

The Milliken & Company Charitable Foundation serves the communities where we operate around the globe. With local reach and high impact, the foundation provides financial support for nonprofits that align with our purpose and values. Our core programs include community grants, an associate gift match initiative, impact gifts to support long-term projects, scholarships for dependents of full-time associates, and disaster relief funds. The foundation aims to make a positive impact in our communities that will last for generations.

The Milliken & Company Charitable Foundation prioritizes actions across four giving pillars that ties programming back to our company values:





Integrity and Excellence prioritizes actions in the arts and economic development



People prioritizes actions in community engagement and economic inclusion



Sustainability prioritizes actions in sustainability, health, and wellness



Innovation prioritizes actions in education, including education that combines science, technology, engineering, the arts and math (STEAM)

#### THE FOUNDATION OVERSEES SEVERAL PROGRAMS:

#### **Community Gifts Program:**

In 2024, the foundation awarded community grants to 45 organizations totaling more than \$800,000. The foundation's board reviews applications annually. Applications must be submitted online between November 1 and January 31. More information about the application process, including the online application, can be found **here**.

#### **Disaster Relief / Emergency Funds:**

Every year, we budget funds to support disaster relief or other unplanned events that occur near the places where our associates live and work. For example, 2024 funds were used to support housing assistance for communities impacted by Hurricane Helene in the United States.

#### **Impact Gifts:**

Through our Impact Gifts program, the Milliken Foundation supports larger, multi-year gifts that make a big impact to an organization in the areas where our people live and work or that help accelerate the strategic work of Milliken. In 2024, we continued to provide support for the organizations we've partnered with through strategic philanthropic contributions of more than \$1 million.

#### **Associate Gift Match:**

In 2024, the foundation expanded the program to include more 501(c)(3) organizations eligible for donations. Historically, the Associate Gift Match Program only contributed to public and private universities, and private elementary, middle, and high schools. The program's expansion now provides an opportunity for associates to support a broader range of organizations they care about.

#### **Dependent Scholarships:**

In 2024, we awarded 12 scholarships and 20 renewable scholarship awards for Milliken dependents across the U.S., Europe, and Asia.

People | Community Engagement Management

# COMMUNITY ENGAGEMENT POLICES AND COMMITMENTS

#### **WORKFORCE VOLUNTEERING COMMITMENT**

Milliken's **Code of Conduct** includes a section on "Political Activity, Community Involvement, and Charitable Giving," which encourages associates to be engaged members of their communities and positively impact those around us. Milliken commits to giving time and funding to nonprofit causes globally. Our associates have given more than 130,000 hours of their time since 2018.

Our commitment is outlined in Milliken's Volunteer Program Policy. We define volunteering as any positive work that benefits the communities we serve without any compensation in return. Associates who serve as volunteers for a 501(c)(3) nonprofit community program that are either of personal interest or are part of corporate-sponsored initiatives are encouraged to log their hours.

We expect associates to comply with our code, including non-discrimination, anti-harassment, safety standards, and conflict of interest policies in connection with any volunteering activities. We encourage associates to practice all health and safety precautions during any volunteering activity.

#### **FUNDING AND GRANT COMMITMENT**

We are committed to funding nonprofit causes globally. The Milliken & Company Charitable Foundation allocates grants to qualified nonprofit organizations that align with the foundation's values. Foundation giving is governed by the rules and conditions outlined in the Milliken & Company Charitable Foundation Charter.

# **COMMUNITY ACTIONS**

### **RAISING NEEDED FUNDS**

#### **ASSOCIATE GIFT MATCH PROGRAM (U.S.)**

In 2024, we launched our Associate Gift Match Program, designed to support charitable contributions made by our workforce. All current full-time U.S. associates were eligible to participate. Milliken made a 1:1 match for every dollar donated by an associate. For donations to schools, the company matched up to \$2,500 per associate for the year. For other charitable gifts, Milliken matched \$500 per associate for the year. Per our Volunteering Policy, all donations had to be directed to a nonprofit organization recognized by the IRS as a tax-exempt public charity under 501(c)(3) and verified by Grants Connect/GuideStar. We plan to continue this program in the future and expand to associates in other countries.

#### **UNITED WAY (U.S.)**

CEO Halsey Cook continued his annual tradition of playing associates in ping pong and donating money based on every point scored against him. Associates who donated \$50 to the United Way of the Piedmont earned \$5 for every point they scored, while others scored \$1 for every point. Cumulatively, we raised nearly \$1,500 for the United Way of the Piedmont.



#### **PULLING FOR HONOR (U.S.)**

For the third year in a row, associates from our Encapsys Chemical office in Wisconsin pulled a jet twelve feet without engine assistance to raise money in honor of local veterans. The money raised supported Old Glory Honor Flight, Inc., a charity that gives veterans a chance to visit Washington D.C. memorials dedicated to their service. "It's something that we really enjoy," said Terri Marquardt, a lab technician with Team Encapsys. "We're a bunch of scientists, but we all enjoy this. We have a great time at it. It's a great cause, and we're happy to support it." This event also gives veterans a chance to reconnect with their local community.



#### **DRINKS FOR DOGS (U.S.)**

The Encapsys Chemical team came together with their furry friends at a local Appleton, Wisconsin, brewery to raise funds and collect pet-related items to donate to their local animal shelter. For those who couldn't attend, a separate fundraiser and item drive was held for a week onsite and donated alongside the brewery items.

# **COMMUNITY ACTIONS**

### **CLEANING UP COMMUNITIES**



#### **WATERSHED CLEANUP (U.S.)**

The Encapsys Chemical team hosted their annual watershed cleanup where they visit local waterways and clean up litter and other debris. This year, they had the most associates ever in attendance and encouraged their families to come and join the effort.

### **RAISING NEEDED FUNDS**



#### **WEEKLY CLEANUP EFFORTS (U.S.)**

Every Wednesday, the Encapsys Chemical team conducts a litter pick-up sprint during lunch. Participating associates clean up the local area and have fun socializing with coworkers while making the area surrounding the Encapsys campus a beautiful place to work.

#### **ONE VISION STUDIOS (U.K.)**

Our relationship with One Vision Studios began during our first Community Week in 2021. They are a nonprofit organization providing support for people with a range of learning disabilities. This year, our team worked to improve the appearance of the grounds, helping the organization provide an enriching environment for their members. The team removed old metalwork from doors and windows, and gave a number of picnic benches a glow-up, to the delight of the members.



#### **BEECH HILL COMMUNITY WEEK LITTER PICKUP (U.K.)**

Each year, during Community Week, we have a dedicated team to help clean the streets of our local community. These litter clean-up activities positively impact the lives of people in our community.

# **COMMUNITY ACTIONS**

### **GIVING SUPPLIES AND TIME TO PEOPLE IN OUR COMMUNITIES**

#### **TOKYO OFFICE GREEN ADAPT ACTIVITIES (JAPAN)**

The Tokyo office participated in the Green Adapt Activities in Chuo Ward. This volunteer initiative focused on greening and cleaning nearby parks and streets, and nearly all our associates in Tokyo took part in cleaning the tree planters and removing weeds around the office.



#### **SUMMER CLOTHING DRIVE (U.S.)**

The Borchers Westlake Chemical team organized a clothing drive to support the Lutheran Men's Home in Cleveland, Ohio. The drive successfully provided the Men's Home with hoodies, shorts, undergarments, shirts, and other essentials.

#### COMBATING FOOD POVERTY (U.K.)

Our London Sales team volunteered at FoodCycle, whose vision is to make food poverty, loneliness, and food waste a thing of the past. With community dining, FoodCycle feeds the hungry and gives company to the lonely while providing delicious meals and great conversation, using food that would otherwise go to waste. The sales team pledged to keep volunteering in the coming months.



#### **HURRICANE HELENE RELIEF EFFORTS (U.S.)**

Hurricane Helene hit the Southeastern U.S. and had a devastating impact. Milliken associates showed their dedication to their communities and each other, stepping up in big ways to help. Associates logged hundreds of volunteer hours as they banded together to provide hurricane relief.

Grace Baptist Church in Somerset, Kentucky, wanted to make blankets for hurricane victims in Western North Carolina. They reached out to the Polartec® Textile plant to see how much it would cost to purchase polar fleece. In response, Polartec® donated 1,000 yards of the Polartec® 200 Fleece Series to their effort, and the church made blankets out of the donated material.

Our Corporate Sourcing Team, based in Spartanburg, South Carolina, partnered with a woman-owned small business, Signatures Apparel, to manufacture blankets using scrap Polartec® fleece for distribution to those affected. The Milliken & Company Charitable Foundation made a disaster relief gift to the United Way of the Piedmont to provide temporary housing to residents of Upstate South Carolina, who had been impacted by the storm. These efforts assisted more than 700 individuals in our local communities. Additionally, Textile and Healthcare plants came together to donate urgently needed supplies. The Valway Textile Plant in LaGrange, Georgia, donated propane, water, food, toiletries, pet food, cleaning supplies, and more. Associates at the Two Rivers Textile Plant in Mayodan, North Carolina, collected food, water, cleaning supplies, and hygiene items, and took them to their local fire department to be transported to Western North Carolina. Finally, the Hatch Healthcare plant in Polk County, North Carolina, hosted a cookout for and donated supplies to associates who had been hard-hit by the storm.

# **COMMUNITY ACTIONS**

### **GIVING SUPPLIES AND TIME TO PEOPLE IN OUR COMMUNITIES**

#### UNITED WAY OF PIEDMONT SNACK PACKING EVENT (U.S.)

During Discover Milliken, our new hire orientation program hosted at our global headquarters in Spartanburg, South Carolina, participants engaged in a meaningful volunteer effort organized in collaboration with the United Way of the Piedmont. Associates prepared snack packs for children in Spartanburg, Union, and Cherokee counties in South Carolina who may not have sufficient food at home. This initiative provided an opportunity for associates to contribute to the well-being of local students while fostering a sense of teamwork and compassion.



#### **SUPPORTING YOUNG GIRLS AND WOMEN (U.S.)**

The Women's Alliance hosted a successful Period Packing Party that collected and distributed feminine hygiene products, including more than 1,000 cosmetic bags filled with tampons, pantiliners, wipes, and feminine hygiene pads, to local schools and community organizations.

#### **COMMUNITY HUB (U.K.)**

Springfield, Beech Hill, and Gidlow Community is a dedicated association that serves the West Wigan area, striving to foster a cohesive and vibrant community. Recognizing the need for some tender loving care at their communal center, which accommodates various local groups, our team devoted four days to rejuvenating the space. By removing the old carpet and installing new Milliken flooring, we succeeded in creating a warm and welcoming environment for all members to enjoy, further supporting the association's mission to make the community a great place to live, work, and play.

#### **RONALD MCDONALD HOUSE (NETHERLANDS)**

The Polartec® Maastricht Textile team came together to volunteer at The Ronald McDonald House, a house in front of their local hospital where parents and siblings can stay overnight to remain close to their sick child staying at the hospital. This dedicated team cooked meals for the families staying there, providing much-needed nourishment and comfort as they recharged while their loved ones received medical support.

#### **FOOD DRIVE (U.S.)**

The Borchers Westlake Chemical team held a holiday food and supplies drive for Community Resource Services in Avalon Lake, Ohio. The team donated canned food, grab-n-go snack items, toiletries, and cleaning supplies. The team also created and shared an Amazon wish list for associates outside of the Westlake office to participate.

#### **PILLARS MEAL PREPARATION (U.S.)**

Encapsys Chemical team members came together to volunteer for Pillars, an organization that offers different services to help combat homelessness. Our team prepared meals for the Adult and Family Shelter in Appleton, Wisconsin.

#### **BACK TO SCHOOL DRIVE (U.S.)**

The Encapsys Chemical team organized their annual back-to-school drive, demonstrating a strong commitment to community support. Associates generously donated school supplies, which were packed into backpacks sponsored by Encapsys. These backpacks were then distributed in the local area, aiming to enhance youth learning and ensure that students have the essential tools they need for a successful academic year.

# **COMMUNITY ACTIONS**

### INSPIRING THE NEXT GENERATION

### MILLIKEN FOUNDATION DEPENDANT SCHOLARSHIP PROGRAM (ASIA, EUROPE, U.S.)

The Milliken & Company Charitable Foundation awarded 12 academic scholarships supporting students who are dependents of current Milliken associates—seven from the United States, two from Europe, and two from Asia.

Among these students is Nathan Lomax, currently studying at Manchester Metropolitan University. "It will certainly alleviate the financial burden on myself and my family and will allow me to enjoy and fully concentrate on my future studies," says Nathan.

In addition to awarding 12 scholarships this year, the program currently supports 20 renewable scholarships from its inaugural year. The goal is to award \$200,000 in annual school scholarships by 2025.



It is with great honor and excitement that I accept this generous award.

Jamya Crawford 2024 Scholarship Recipient (U.S.)

#### **INSPIRING LEARNING THROUGH ENGAGING SCIENCE (U.S.)**

Milliken's school outreach program celebrated its most successful year to date, positively impacting more than 4,000 students. Our dedicated team visited 15 schools, conducted captivating science demonstrations, and hosted four schools at our global headquarters. Additionally, we participated in five festivals, where we engaged young minds with experiments on cryogenics, states of matter, electricity, and more. It was an exhilarating and educational year, fostering a love for science among students.

#### YOUNG PEOPLE CAREER FAIR (U.K.)

For the third year, Beech Hill Primary school welcomed back the team from Milliken's Beech Hill Community Week. Nineteen associates from 11 departments came together to put on a Career Fair for students aged nine to eleven years old. Students spent the week designing carpet tiles, which they presented to a panel of judges. The winner had their design manufactured, and they, plus a group of highly commendable runners up, were invited to tour the Beech Hill Flooring Plant and collect their winning designed tile.

#### **SMART GIRLS ROCK (U.S.)**

The Smart Girls Rock! event, which is designed to inspire interest in STEM careers, provided 150 high school girls from 18 schools the opportunity to interact with 14 different area businesses with careers focusing on science, technology, engineering, and math. This year's event occurred at Miller Electric in Appleton, Wisconsin. Several women from the Encapsys Chemical team hosted a booth at the event, where the girls learned about microencapsulation and some of the analytical tools used in capsule assessment, including chromatography and scanning electron microscopy.

#### MILLIKEN SPONSORED ENGINEERING WAVES LAB (U.S.)

The Milliken & Company Charitable Foundation awarded a grant to the Roper Mountain Science Center, located in Greenville, South Carolina, for an Engineering Waves lab. In this lab, students identified and modeled key properties of light and mechanical waves, differentiated between wave types, and analyzed wave behavior at boundaries. They also got to apply their understanding to design and evaluate sound and light features in exhibits.

#### YUANGYANG VOCATIONAL SCHOOL PARTNERSHIP (CHINA)

In 2023, Milliken invested 200,000 RMB (\$28,000 USD) to support scholarships for the underprivileged students at the Yuangyang County Ethnic Vocational Senior High School, as well as teacher awards and practical training resources. In 2024, we continued our partnership and held several online and virtual courses for approximately 160 students on topics such as time management and artificial intelligence. Our associates continue to provide career mentoring and internship opportunities to equip students with real-world experience. Twelve students and three teachers also visited Milliken's Shanghai office and the MTZ Flooring Plant in Zhangjiagang, China, to learn about our diverse product lines.





### **PRODUCT PROGRESS**



**BUSINESS CONDUCT** 

#### ANALYZE NEW PRODUCTS LAUNCHED USING SUSTAINABILITY ASSESSMENTS

We evaluated 100% of new products using our sustainability assessments in 2024 as compared to 22% in our base year of 2018.



#### CONVENE TO ADVANCE THE GOAL OF SOLVING THE PLASTICS END-OF-LIFE CHALLENGE

We disclose impacts from our multi-year commitment to advancing solutions for the plastics end-of-life challenge.



MORE PRODUCT-RELATED SUSTAINABILITY DISCLOSURES CAN BE FOUND AT OUR

Global Reporting Initiative Index

Sustainability Accounting Standards Board (SASB) Index

**EcoVadis Rating Platform** 

We report to SASB's industry-specific standards for Building Products and Furnishings; Apparel, Accessories and Footwear; Containers and Packaging; and Chemicals.



#### **PRODUCT GOALS PERFORMANCE**

PRODUCT GOAL	2018	2019	2020	2021	2022	2023	2024	2025 GOAL
New Products Sustainability Assessment	22%	22%	45%	39%	71%	100%	100%	100%

We monitor the progress of incorporating sustainability assessments into our new product development process. Our evaluations use a combination of qualitative and quantitative factors to access our products' sustainability impacts. Considering sustainability in new product development informs our innovation decisions and standardizes considerations across our research and development teams.

### PURPOSE OF NEW PRODUCT SUSTAINABILITY ASSESSMENT METHODOLOGY

Beyond aligning with our purpose, values, and 2025 Product Goals, the sustainability assessment methodology enhances awareness of sustainability within our new product portfolio. It also guides product development towards achieving better long-term outcomes that reduce negative impacts and amplify positive effects.

### ENTERPRISE VALUE OF SUSTAINABILITY ASSESSMENT METHODOLOGY

Our common methodology is informed by best practices, which increases the strength and credibility of our efforts as we use a shared approach across the enterprise. Our sustainability assessment methodology was modeled on a methodology described by the World Business Council for Sustainable Development and informed by benchmarking several industry sustainability leaders.

### LIFE CYCLE ASSESSMENTS AND PRODUCT CARBON FOOTPRINT

We realize the increasing importance of data to inform new product sustainability assessments. Although we have consistently used life cycle assessments (LCAs) for products in our flooring business for years, LCAs have been less prevalent for the launch of our chemical, textile, and healthcare products due to the intensive effort and cost involved in conducting them. In 2024, we invested in LCA digital solutions to decrease the cost and efforts to generate LCA outputs. We will continue to test and learn cost and time effective solutions to generate LCA models, including product carbon footprints (PCFs) to inform new product sustainability assessments.

#### **NEW PRODUCT SUSTAINABILITY ASSESSMENT PROCESS OVERVIEW**

Our internal, three-step assessment process categorizes new products launched to the market based on the significance of their sustainability contribution.

- We consider a variety of inputs, including environmental and social impacts, market perception, and regulatory and legislative developments to analyze our new products.
- Our assessment considers impacts on our 2025 Planet, Product and People Goals, the United Nations Sustainable Development Goals, and economic performance.
- Our approach fosters a shared internal understanding of what is considered sustainable within our product portfolio.
- Our process continues to be influenced by impacts that can be third-party verified for sustainability claims with respect to attributes and performance.

Minimizing negative impacts and expanding the positive impacts of our products across the value chain are considered, including, for example:



Environmental impacts, which can include water usage, energy usage, air emissions, waste discharge, recycle content, and end-of-life.



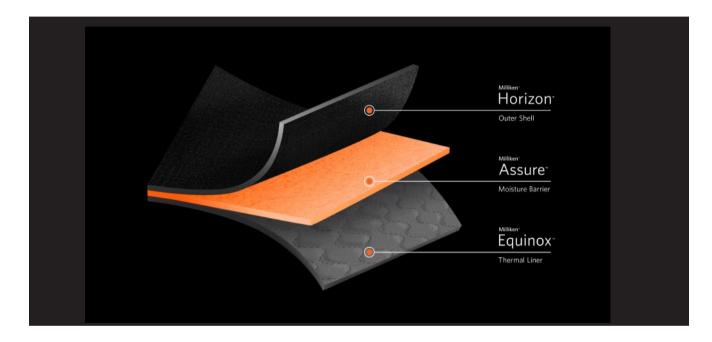
Product impacts, which can include raw materials, recycled content, and end-of-life.



**LEARN MORE AT** 

**Environmental Product Declarations (EPDs)** of our flooring products.

# **NEW PRODUCT HIGHLIGHTS**



# NON-PFAS MATERIALS FOR EVERY LAYER OF TURNOUT GEAR

In 2024, we announced our ability to offer non-PFAS materials for all three layers of firefighter turnout gear, including outer shell, thermal liner, and moisture barrier. Access to all three layers from a single U.S.-based supplier allows garment manufacturers to test the fabrics as a system while ensuring a complete chain of custody for the material—helping minimize delays and get gear into the hands of firefighters faster.

### Our three layers of non-PFAS composites include:

**Milliken Horizon™**: a non-PFAS, lightweight outer shell that provides industry-leading retention of strength and appearance year after year.

Milliken Assure™: a non-PFAS, non-halogenated, flameresistant moisture barrier that exceeds NFPA 1971-2018 requirements.

Milliken Equinox™: a non-PFAS, slick thermal liner that offers superior wicking and moisture management, resulting in quick dry times and high levels of comfort and protection.



### MESA PVC-FREE ACOUSTIC RESILIENT TILE (AMERICAS)

Our newest resilient collection Mesa is both PVC-free and Red List Free. Mesa also offers enhanced durability and improved acoustics while still providing a look inspired by the unique coastal deserts of Chile.



### POST-CONSUMER RECYCLED CONTENT IN AUTOMOTIVE NONWOVEN PRODUCTS

The GM platforms C1YB-2 Enclave, C1YC-2 Traverse, C1YG-2 Acadia Load Floor, seat backs, and trim offer the first application of post-consumer recycled (PCR) content in final products within Milliken's Automotive Nonwoven segment. By integrating PCR materials, we reduce reliance on virgin resources and support the circular economy—all while maintaining performance and durability.

Product | New Product Highlights

## NEW PRODUCT HIGHLIGHTS









#### LIQUITINT® SURECHOICE PORTFOLIO

Our new Liquitint® SureChoice Colorants are listed in the CleanGredients database and pre-qualify for use in EPA Safer-Choice Certified products. Primarily used in the formation of residential institutional, industrial, and janitorial cleaning products, the EPA Safer Choice label helps consumers, workers, and commerical buyers identify products that are safer without compromising quality or performance.

#### **BIO-BASED WATER-PROOF BREATHABLE PRODUCT**

Polartec® Power Shield™ Pro uses Biolon™, a plant-based nylon membrane and fiber mirroring characteristics of Nylon-6,6. The product offers breathability and waterproof performance with a reduced raw materials carbon footprint when compared to other fabrics made with Nylon-6,6.

### 100% RECYCLED FIBER WATERPROOF, BREATHABLE PRODUCT

Polartec® Power Shield™ RPM is a waterproof, breathable technology featuring a 100% recycled polyester membrane and component fabrics that can enable future circular processes. This technology focuses on light, packable, and movable stretch for active pursuits, down and around the mountain.

#### **TRACING LANDSCAPES (EMEIA)**

Tracing Landscapes is manufactured with PVC-free WellBAC® comfort cushion backing and is Red List Free. This collection, made from ECONYL®—a solution-dyed recycled nylon trademarked by Aquafil Spa—is designed for reuse and reclamation at the end of its life through Milliken's N/XT Life™ Circularity Program.

#### A SURFACE CLEANER WITH RESOURCE REDUCTION

We developed a surface cleaner with resource reduction in mind. This low-VOC alkoxylate was designed not only to reduce the level of residual solvents in the final product, but it also uses a raw material that is sourced from a waste product in a separate process. This approach achieves resource reduction benefits without sacrificing performance.

Product | New Product Highlights



# 2025 GOAL: CONVENING TO ADVANCE THE GOAL OF SOLVING THE PLASTICS END-OF-LIFE CHALLENGE

#### PRODUCT GOAL PERFORMANCE



Plastics play a vital role in our everyday lives. However, we face challenges with how we produce, discard, and reuse them. Since 2019, we have reported qualitative progress on our goal to collaborate on finding solutions for the plastics end-of-life challenge.



We work with more than 30 organizations to develop the infrastructure, behaviors, and technologies that contribute to a circular plastics economy.



To enhance circular solutions across our textile, chemical, flooring, and healthcare products, we focus on waste collection, sorting, processing, conversion, end-market development, and education.



#### **HIGHLIGHTS OF GOAL PERFORMANCE**

2025

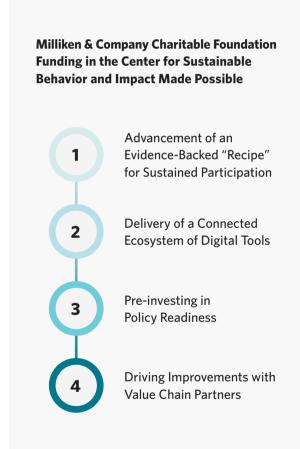
2019	2020	2021	2022	2023	2024
Committed to sponsor National	2020 National Geographic Circularity	National Geographic's	Alliance to End Plastic Waste Member	Alliance to End Plastic Waste Member	Alliance to End Plastic Waste Member
Geographic 2020 Circular Economy Forum	Forum Sponsor	"Better Path to Plastic" Sponsor	PureCycle Collaboration	PureCycle Collaboration	PureCycle Collaboration
Joined the Alliance to End Plastic Waste	Alliance to End Plastic Waste Member	Alliance to End Plastic Waste Member	HolyGrail 2.0 Member	HolyGrail 2.0 Member	Polypropylene Coalition Member
PureCycle Collaboration	PureCycle Collaboration	PureCycle Collaboration	Polypropylene Coalition Member	Polypropylene Coalition Member	Recycling Partnership Member
Assembled first South Carolina	HolyGrail 2.0 Member	HolyGrail 2.0 Member	Recycling Partnership Member	Recycling Partnership Member	Co-Founder of the Center
Department of Commerce Regional Recycling Matchmaker Event	Co-authored "Needs for Plastics	Polypropylene Coalition Member	Accelerating Circularity Member	Co-Founder of the Center	for Sustainable Behavior & Impact
Recycling Matchinaker Event	Packaging Circularity" (ACS Macro Lett. 2020, 9, 9, 1376-1390)	Recycling Partnership Member	Co-Founder of the Center	for Sustainable Behavior & Impact	Orak Investment and Partnership
	Polypropylene Coalition Member	·-	for Sustainable Behavior & Impact	Circ Investment	
	Recycling Partnership Member		Circ Investment	Orak Investment and Partnership	

# IMPROVING U.S. RESIDENTIAL RECYCLING

### LEVERAGING SOCIAL SCIENCES, DATA, AND EVIDENCE TO DELIVER RECYCLING SOLUTIONS

The Milliken & Company Charitable Foundation co-founded The Recycling Partnership's Center for Sustainable Behavior and Impact to create people-focused solutions to drive measurable improvement in residential recycling behaviors and boost confidence in U.S. recycling. The Center celebrated two years of impact in 2024.

In the U.S., 37 million tons of recyclable material are lost annually due to improper sorting at the household level. A state-by-state analysis of residential recyclable material lost in tons per year is available **here**. To enable a more effective recycling system, we know that we need to improve resident engagement. The **data** shows that in the U.S., 77% believe recycling makes a difference and has a positive impact. Yet, 76% of U.S. residential recyclables are lost to trash in homes, and only 43% of U.S. households actively participate in a local recycling program. Research by the Center confirms that awareness and education alone do not alter recycling behaviors. Evidence-backed, innovative solutions are required.



### EVIDENCE-BACKED APPROACH TO SUSTAINED RECYCLING PARTICIPATION

The Center incorporated behavioral insights into a Chat-GPT type interaction to engage consumers. It will test in-home usage of new digital and non-digital solutions in the U.S. Gulf Coast, aiming to rapidly validate on-the-ground, scalable strategies to reach and sustain 80% participation and 85% capture rates.

#### **CONNECTED ECOSYSTEM OF DIGITAL TOOLS**

The Center launched the Recycling Program Solutions Hub, an open-access, free tool for recycling program leaders to access, track, and verify critical recycling program data. The Hub focuses on connectivity and actionable suggestions, offering resources and support for U.S. recycling program leaders. Key features include an interactive map, custom recommendations, learning resources, and peer-to-peer networking. The Center has onboarded more than 630 users, representing more than 24 million U.S. households.

#### **PRE-INVESTING IN POLICY READINESS**

Extended Producer Responsibility laws for packaging have passed or are currently being implemented across the U.S. in California, Colorado, Maine, Minnesota, and Oregon. Based on the Center's work, The Recycling Partnership was selected by the Circular Action Alliance to provide strategic advice on public engagement in Oregon. The goals of the Oregon education and outreach plan include raising recycling awareness for single-family and multi-family homes, commercial businesses, institutions, and NGO; increasing public participation and capture rates; reducing contamination; and meeting requirements to effectively engage diverse audiences. The Center continues to develop campaign concepts for national development.

### DRIVING IMPROVEMENTS WITH VALUE CHAIN PARTNERS

The Center co-developed course curriculum for increasing material acceptance in local recycling programs, including templates for enhancing relationships with material recovery facilities. The Center led a workshop that engaged with more than 150 participants from across the recycling value chain, resulting in the launch of a council focused on behavior-based strategies.

Product | Improving U.S. Residential Recycling

# **END-OF-LIFE HIGHLIGHTS**



#### CONTINUING OUR FLOORING CIRCULARITY PROGRAM

We are taking actionable steps to advance the circular economy and mitigate climate change through our N/XT Life™ Program, where longevity, transparency, and circularity are key to success. As part of our D/LUX series, Grain+ Bias products utilize less material while incorporating aesthetics and design appeal. We also collaborate with local partners to design reuse solutions, giving new life to used carpet products. Our carpets are 100% recyclable, with our Declare labels being third-party verified Red List Free, providing 100% transparency.



#### **INVESTING IN REUSE SOLUTIONS**

In 2023, we invested in flooring reuse solutions, believing that extending product life and reusing products are critical for advancing circularity. We partnered with Orak, a Paris-based carpet maintenance and flooring reuse company offering clients a practical route to sourcing premium grade re-used carpet tile. Orak's Optimal Karpet line of upcycled premium carpet tiles has quickly become a leading solution for customers seeking to reduce the carbon footprint of their construction and renovation projects.

With Milliken's support, Orak will improve and expand its product offerings by managing all stages in the life of clients' carpets to guarantee excellent quality reuse. Milliken's customers will receive access to Orak's inventory of upcycled carpet tile, all of which aligns with our N/XT Life<sup>TM</sup> circularity program.





#### SUPPORTING LOCAL RECYCLING SOLUTIONS

We continue to partner locally to advance carpet recycling solutions. Since flooring has a long lifespan, minimizing its environmental impact and promoting well-being and productivity through material health, improved acoustics, and comfort are important.

Using materials free of harmful chemicals is critical to end-of-life product recycling. Our Declare labels for all WellBAC® carpet are third-party verified Red List Free, providing increased transparency.

We collaborate with local partners to recycle our carpet tiles, recapture materials, and place them into existing recycling streams.

We have implemented recycling efforts globally to reduce the transportation impact of carpet take-back programs. Our collaboration with third-party organizations like Carpet America Recovery Effort (CARE) and Carpet Recycling U.K. has led to the creation of more recycling outlets, allowing us to divert more material from landfills.

In situations where we cannot reuse or recycle a carpet product, we recover the material as a secondary fuel thereby replacing virgin fossil fuels.

#### IMPROVING POLYPROPYLENE RECYCLING THROUGH GRANTS

The Recycling Partnership's Polypropylene Recycling Coalition, a U.S. cross-industry effort that we have supported since its launch, marked four years of impact in 2024. In 2024, 41 materials recovery facilities in the U.S. have received nearly \$10.3 million in grants to acquire upgraded sorting technology and expand community recycling education. Through the end of 2024, these grants have brought polypropylene recycling to 600+communities, reaching more than 34 million people since 2020 and resulting in an estimated 42 million new pounds of polypropylene recovered annually.

#### PRIORITIZING PARTNERSHIPS THAT DRIVE CIRCULARITY (U.S.)

Deidre Sandrock, Director of Sustainability and Innovation, teamed up with Louise Bruce, Managing Director of the Center for Sustainable Behavior and Impact at The Recycling Partnership, to host a fireside chat about the intersection of behavior change and digital tools at the plastics industry tradeshow NPE2024: The Plastics Show. This engagement focused on The Recycling Partnership's digital ecosystem and how their solutions work together to improve trust, confidence, and participation in the recycling system when supported by companies like Milliken.



Product | End-of-Life Highlights

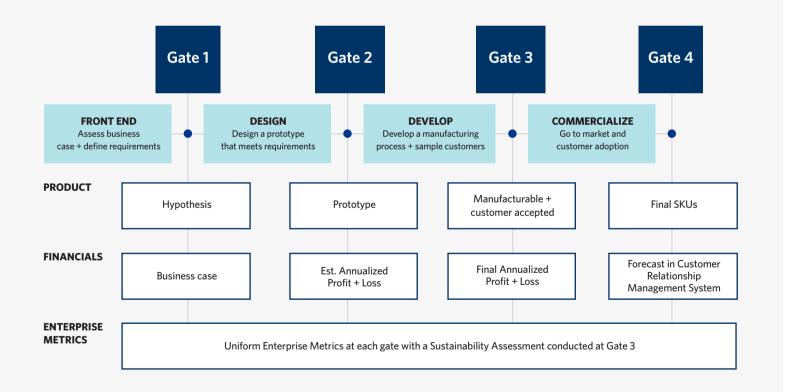
# PRODUCT MANAGEMENT

#### **IMPACTS**

Our approach to determining our impacts, risks, and opportunities is described in our General Disclosures. Our assessment indicated that sustainability impacts of products along the value chain is an impact area for Milliken. We continue to report on our efforts to assess all new products for sustainability and to convene stakeholders on plastics end-of-life solutions.

## NEW PRODUCT STAGE GATE PROCESS

Milliken's four-gate system for new product development begins with the front-end business case and continues to commercialization with sustainability assessments performed at certain gates. Our new product development process aims to provide a collaborative and empowering environment to share ideas and drive new product advancements.



#### THIRD-PARTY MANAGEMENT SYSTEMS

We maintain certifications according to third-party management systems to ensure we manage the risks and opportunities associated with the quality management of our products, healthcare quality where we manufacture healthcare products, and the Responsible Care® certifications at our chemical manufacturing sites.

#### ISO 9001 FOR OUALITY MANAGEMENT

Several Milliken sites are certified to <u>ISO 9001</u> for quality management, which focuses on strong customer service and continual improvement, efficient resolution of customer complaints, and timely and satisfactory problem-solving.

### ISO 13485 FOR HEALTHCARE QUALITY MANAGEMENT SYSTEM

Our healthcare business's quality management systems are certified to **ISO 13485** at all sites where we design or manufacture our healthcare products. Under ISO 13485, all associates dealing with quality processes and specialized tasks must have the necessary skills and competency to execute their roles.

### RC 14001® FOR RESPONSIBLE CARE MANAGEMENT SYSTEM

As a member of the American Chemistry Council, we participate in Responsible Care® and obtained the third-party certification of the Responsible Care® Management System. We also follow their Guiding Principles on Process Safety, Security, and Product Safety. Milliken sites with **RC 14001**® certifications include our global headquarters (U.S.) and four chemical manufacturing plants.

Product | Product Management

# PRODUCT POLICIES AND COMMITMENTS

#### PRODUCT SAFETY COMMITMENT

We state our dedication to the highest standards of product safety in our **Product Safety Statement**, which covers both how we design our products and how we manufacture them. We consider this to be a requirement for conducting responsible business and an essential element of building and maintaining trust in our products. We carefully evaluate the safety of all products based on their intended use, employing well-established risk assessment methods to understand both hazards and potential exposures. These evaluations begin during the early stages of a product's design, ensuring that every product in our portfolio is developed in compliance with applicable laws, regulations, and guidelines.

#### ANNUAL PRODUCT ASSOCIATE TRAINING

We train our associates on topics related to our products annually. In 2024, more than 900 associates completed annual chemical regulatory compliance training, and more than 120 associates completed the annual healthcare regulatory compliance training, both achieving 100% targeted participation. Associates working with our healthcare products are required to take annual product-specific healthcare compliance courses, which include topics such as adverse event reporting for medical products.

#### **QUALITY COMMITMENT**

Our **Quality Policy Statement** highlights our commitment to continuous improvement of products and services. All associates commit to developing and strengthening partnerships with our customers and suppliers. We continually seek to provide innovative, high-quality products and services that contribute to our customers' profitable growth by understanding and exceeding customer requirements and anticipating their future expectations.

#### RESPONSIBLE CARE POLICY COMMITMENT

Our **Responsible Care Statement** governs the work of our chemical business, committing ourselves to integrity and sustainability in our chemical manufacturing operations. We are aligned with the Guiding Principles of Responsible Care®, driven by a desire to be good product stewards, and will strive for continuous improvements in each of this policy's elements.

For associates working within our chemical business, we require annual chemical regulatory compliance courses, which include topics such as an introduction to Responsible Care. Responsible Care is the chemical industry's commitment to the safe, responsible, and sustainable management of chemicals throughout their life cycle and for their intended end use. This year, our chemical business conducted four internal refresher trainings for associates, along with overview trainings for new hires. As part of annual training, all associates at our global headquarters and our plant management associates participated in Responsible Care training.

#### SUPPLIER PRODUCT COMMITMENT

Our <u>Supplier Code of Conduct</u> engages our supply chain in our product commitments by including commitments to product safety and conflict mineral rules. Our suppliers agree to comply with product safety regulations, label products correctly, and communicate product-handling requirements. Our suppliers agree to ensure products sold to Milliken do not contain minerals originating from conflict regions that directly or indirectly influence, finance, or benefit armed groups that cause or foster human rights abuses.



Product | Product Policies and Commitments

# PRODUCT POLICIES AND COMMITMENTS

#### **PRODUCT CERTIFICATIONS**

Our product commitments include efforts to align our products with numerous third-party product certifications, some of which are reported below.



Flooring products disclose ingredients in a voluntary transparency platform and product database.



Milliken Hyperform® HPN® products enable 5% to 8% energy savings when used as a nucleator for production of thin-wall injection molded container lids or similar polypropylene products.



All OBEX™ Entrance Flooring are certified low VOC.



Our Asia flooring portfolio earned first and second on the RESET Embodied Score, an assessment of a product's health and sustainability performance.



Certain Liquitint<sup>®</sup> products qualify for use in Safer Choice certified products.



The majority of Polartec products are bluesign® certified, which monitors materials from factory to final product.



Our flooring products are verified for LEED® v.4.



Milliken has more than 800 flooring products aligned with Works with WELL contributing to five WELL features for healthy interiors.



Several of our major Textile product lines have Oeko-Tex® 100 certifications.



Our flooring portfolio has updated comprehensive database information on green certifications in Ecomedes, a cloud software program working to simplify sustainable decision-making.



Red List Free, third-party verified flooring products are offered globally.



Millad® NX® 8000 enables an average of 10% energy savings when used as an additive in clarified polypropylene plastics.



Millad® NX® 8000 is recognized as meeting or exceeding the voluntary APR Design® for Recyclability Critical Guidance criteria promoting plastic recycling.



All modular carpet tiles manufactured in the Americas, APAC, and Australia and some manufactured in Europe are Cradle to Cradle Certified® Silver.

RecyClass

Millad® NX® 8000 ECO technology is certified as fully compatible with the existing European recycling processes and poses no recyclability issues.

Product | Product Policies and Commitments





### **PLANET PROGRESS**



#### **ENERGY MANAGEMENT**

We met our 2025 GHG Reduction Goal for greenhouse gas emissions in 2022 by achieving positive impacts tied to cogeneration and energy efficiency projects, increasing renewable energy inputs and utilizing carbon offset procurement. In 2024, we continued our efforts to achieve our near-term net-zero targets.



We surpassed our 2025 Renewable Energy Goal in 2022 and increased further to 106,740 megawatt-hours (MWh) in 2024. We continue to explore solutions that expand our use of renewable energy to support achieving our near-term net-zero targets.



#### **RESOURCE USE**

Our focus on thermal drying biosolids from wastewater treatment and eliminating coal ash from steam generation has impacted much of our waste reduction to-date. In 2024, we focused on process waste streams across our manufacturing locations, resulting in a further 21% decrease in waste intensity.



We progressed landfill diversion by diverting general trash streams from our manufacturing operations to waste-to-energy. Our progress continues to be challenged by limited alternative outlets to our biosolid waste from our wastewater treatment facilities. We remain committed to the responsible management of our wastewater treatment process, including regular cleaning and removal of biosolids to ensure safety, operational efficiency, and compliance.



#### VATER

Our water reduction efforts have saved more than 150 million gallons of water per year through the implementation of more than 75 manufactuing projects.



#### **ENVIRONMENTAL MANAGEMENT**

We achieved zero wastewater consent orders in 2024, enabled by our continued focus on risk mitigation and environmental management modernization in manufacturing.



MORE ENVIRONMENTAL-RELATED SUSTAINABILITY DISCLOSURES CAN BE FOUND AT OUR
Global Reporting Initiative Index
Sustainability Accounting Standards Board Index
Task Force on Climate-Related Financial Disclosures Index
United Nations Global Compact Communication on Progress
EcoVadis Rating Platform



# 2025 GOAL: REDUCE INDEXED GREENHOUSE GAS EMISSIONS BY 25%

#### **PLANET PERFORMANCE**

PLANET GOAL	2018	2019	2020	2021	2022	2023	2024	2025 GOAL
Scope 1-2 GHG Intensity (MT/MT)	1.16	1.19	1.13	1.03	0.84	0.79	0.78	0.87
GHG Intensity % Change from 2018	N/A	+3%	-3%	-11%	-27%	-32%	-35%	-25%

Carbon offsets are included in our 2025 GHG Emissions Reduction Goal but are excluded from progress on our near-term net-zero targets. This approach is in accordance with the SBTi Corporate Net-Zero Standard (March 2024 version).

#### **ABSOLUTE METRICS**

METRIC	2018	2019	2020	2021	2022	2023	2024
Scope 1 Emissions (MT CO <sub>2</sub> e)	318,229	295,905	244,620	274,966	272,095	228,662	229,442
% Change from 2018	N/A	-7%	-23%	-13%	-14%	-28%	-28%
Scope 2 Market-Based Emissions (MT CO <sub>2</sub> e)	327,069	317,708	246,731	228,425	174,323	140,932	145,917
% Change from 2018	N/A	-3%	-25%	-30%	-47%	-57%	-55%
Scope 2 Location-Based Emissions (MT CO <sub>2</sub> e)	329,592	322,628	264,836	239,089	211,692	179,612	176,345
% Change from 2018	N/A	-2%	-20%	-28%	-36%	-46%	-47%
Scope 1 and 2 Emissions (MT CO <sub>2</sub> e)*	645,298	613,613	491,351	503,391	446,418	369,594	375,359
% Change from 2018	N/A	-5%	-24%	-22%	-31%	-43%	-42%
Carbon Offsets Assigned to Scope 1-2 (MT CO <sub>2</sub> e)	0	0	2,215	19,512	48,873	43,564	44,195
Net Scope 1 and 2 Emissions (MT CO <sub>2</sub> e)**	645,298	613,613	489,136	483,879	397,545	326,030	331,164
% Change from 2018	N/A	-5%	-24%	-25%	-38%	-50%	-49%

<sup>\*</sup>Total scope 1 and 2 emissions include market-based emissions.





### 2025 GOAL:

### INCREASE RENEWABLE ENERGY USE TO 100,000 MWH/YR

#### PLANET PERFORMANCE

PLANET GOAL	2018	2019	2020	2021	2022	2023	2024	2025 GOAL
Renewable Consumption (MWh)	10,277	16,127	47,339	95,051	100,467	109,141	106,901	100,000
% of 100,000 MWh/year Goal	10%	16%	47%	95%	100%	109%	107%	+100%

#### RENEWABLE ENERGY CONSUMPTION

ENERGY CONSUMPTION BY RENEWABLE ENERGY TYPE	2018	2019	2020	2021	2022	2023	2024
Onsite Solar (MWh)	0	109	221	221	221	221	162
Renewable Energy Credits (MWh)	10,277	16,018	47,118	94,830	100,246	108,920	106,740
Total Consumption from Renewable Energy Sources (MWh)	10,277	16,127	47,339	95,051	100,467	109,141	106,901

In 2024, we used 106,901 megawatt-hours (MWh) of renewable electricity, which accounts for 20% of our total electricity use and 6% of our total energy use. We also purchased renewable electricity attributes from the U.S. (85%), U.K. (12%), and Belgium (3%) in 2024. This represents a 10x increase from our 2018 base year renewable energy usage. Our renewable energy increase is driven by the purchase of renewable energy certificates (RECs).

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<sup>\*\*</sup>Net scope 1 and 2 emissions include market-based emissions and carbon offsets.

**BUSINESS CONDUCT** INTRODUCTION **GENERAL** PEOPLE **PRODUCT PLANET NET-ZERO** 

### FNFRGY MANAGEMENT

#### **IMPACTS**

Our approach to determining our impacts, risks, and opportunities is described in our General Disclosures. Our assessment indicated that both climate change mitigation and climate change adaptation are impact topics for Milliken. Climate change mitigation is an impact topic for our full value chain, and climate change adaptation is an impact topic for Milliken operations.

#### **ENERGY MANAGEMENT APPROACH**

Minimizing our energy consumption enhances the value of our products, allowing further investment into the associates, markets, and economies we serve. Decreasing energy use, where manageable, reduces our scope 1 and 2 greenhouse gas emissions, freeing resources to focus on the more difficult-to-abate emissions. At Milliken, we know that energy management is needed to ensure energy availability and optimal operational efficiency. Our teams develop initiatives to reduce energy consumption and advance emission reductions through training, cross-functional committees, and rewards for exceptional achievement. Committees focused on Planet Goals convene at various organizational levels to review project proposals and promote investment in energy-reduction initiatives.

Our Board of Directors' oversight of the company strategy, including our 2025 Sustainability Goals, encompasses both GHG emission reduction targets and renewable energy targets. The board receives management reports, including GHG emission targets and other related metrics, and makes decisions as part of its oversight of the company's sustainability strategy.

Our Executive Vice President of Global Operations (EVP of Global Operations), who oversees the alignment of business objectives with operational performance, has executive management responsibility for operational energy management. Our EVP of Global Operations ensures adequate resources and support are provided to monitor progress and achieve our key performance indicators. Our environmental, health, safety, and sustainability functions at the corporate, divisional, and regional levels provide guidance, training, and tools for implementing our Planet Goals, including energy management. These functions offer performance analytics, project management, and tools to help operational leaders at our facilities monitor and improve operational environmental performance.



FOR MORE INFORMATION ON ENERGY MANAGEMENT REVIEW

Scope 1 and 2 | Scope 3

#### MANAGEMENT APPROACH TO RENEWABLE ENERGY CREDITS

Renewable energy certificates (RECs) are tradable, non-tangible energy commodities that represent proof that one megawatt-hour of electricity was generated from an eligible renewable energy resource. RECs enable the sustainability attributes of renewable electricity generation to be sold separately from the underlying physical electricity. One REC is equal to producing one MWh of renewable energy sourced from renewable generation. RECs are the U.S. version of energy attribute certificates, or EACs, which exist globally. RECs address scope 2 emissions associated with electricity usage. RECs can be used to make valid scope 2 emissions reductions within defined market boundaries, by The Greenhouse Gas Protocol® standards and the Science Based Targets initiative. Purchasing RECs supports the renewable energy market by providing a demand signal, leading to increased renewable energy supply. RECs help us meet our emission reduction goals and encourage the generation of more renewable energy.

RECs are essential for large-scale operations like Milliken to source renewable energy. They enable buyers to claim the environmental advantages of renewable power without the need to own or manage renewable energy facilities. By purchasing RECs, we contribute to growth of renewable energy projects and help lower our greenhouse gas emissions from electricity consumption. Milliken incorporates the purchase of RECs into our greenhouse gas and energy commitments.

#### **MANAGEMENT APPROACH TO CARBON OFFSETS**

Purchasing a carbon offset credit is a way of funding projects outside of the value chain that reduce or avoid greenhouse gas emissions. One carbon offset credit equals one ton of carbon dioxide that is not released into the air. We include the use of carbon offset credit purchases from certain flooring products (M/PACT™) toward our 2025 Scope 1 and 2 Emissions Reduction Goal. We believe that carbon credits can help us stay within the global carbon budget and limit warming to 1.5°C, but they are not enough. Our SBTi net-zero targets do not include the use of carbon offset credits.

In addition to applying carbon offset credits to our 2025 GHG Reduction Goal, Milliken offsets the cradle-to-gate carbon footprint of our flooring products using third-party verified carbon standard credits (VCS carbon offsets). Milliken's Flooring Business determines the carbon footprint using an ISO-compliant Lifecycle Analysis (LCA) and publishes these values as the A1-3 global warming potential (GWP) impact listed in the product Environmental Product Declaration. On a biannual basis, Milliken retires VCS carbon offsets in an amount equal to the cumulative carbon footprint for products sold globally during the previous quarter. In the case of carpet tile products, the cradleto-gate GWP impact is adjusted using yarn face weight as part of this calculation.

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## **ENERGY MANAGEMENT**

#### **GREENHOUSE GAS ACCOUNTING THIRD-PARTY VERIFICATIONS**

Having a third party verify our scope 1 and 2 greenhouse gas accounting ensures confidence and credibility in our emissions data and reporting. It also demonstrates our commitment to transparency and accountability in managing our environmental impact and contributing to global climate action. By following the WRI/WBCSD GHG Protocol® Corporate Accounting and Reporting Standard, we ensure that our emissions are calculated and reported in a consistent, relevant, accurate, complete, and comparable manner. This standard is widely recognized and used by businesses, governments, and other organizations around the world.

#### **ENERGY DATA AND ANALYTICS**

Milliken uses an enterprise-wide sustainability data platform to collect environmental metrics, create performance analytics, and report internally and externally, in a controlled manner. All forms of operational energy use are collected on the platform, allowing for careful control and calculations of scope 1 and scope 2 greenhouse gas emissions. The platform also provides facilities and leaders with data and analytics to manage and progress our energy and emissions commitments.

#### **ENERGY MANAGEMENT SYSTEM**

Thirty-four of our manufacturing sites and our corporate headquarters hold third-party certifications for their environmental management systems. Twenty-seven Milliken sites are **ISO 14001** certified, helping us align our environmental objectives and key performance indicators with an enterprise environmental management system. Three sites are ISO 50001 certified, guiding us to energy efficiency through energy management systems. Periodic reviews of our environmental management systems are conducted to ensure their continuing suitability and effectiveness in meeting the requirements of our Environmental Policy and ISO certification standards. The review, conducted by management responsible for environmental activities, involves analyzing key environmental metrics to access the effectiveness of the environmental management system.

#### OPERATIONAL EXCELLENCE METHODOLOGY CONTRIBUTES TO ENERGY MANAGEMENT

Milliken's Operational Excellence is a methodology that embraces leadership principles and problem-solving tools to create sustainable organizational improvement. This methodology is based on zero-loss thinking and looking at our processes and strategies to uncover imperfections, drive out waste, and continually improve. For example, in 2024, this methodology was used to reduce natural gas usage at our Beech Hill plant in the U.K., and natural gas efficiency at our Johnston, New Holland, and Two Rivers Textile plants. A team worked to reduce an industrial oven temperature setpoint while meeting the required process specification. The project reduced the oven setpoint by 10-15°C, resulting in reduced natural gas usage.

#### CALIFORNIA VOLUNTARY CARBON MARKETS DISCLOSURE ACT COMPLIANCE

In compliance with the California Voluntary Carbon Markets Disclosure Act (VCMDA), we provide detailed disclosures on our carbon offset activities. This includes the methodology for tracking our carbon offset claims, the name of the entity selling the offsets, the project ID number, project name, offset project type, site location, and the protocol used to estimate emissions reduction or benefits. For more information, visit **M/PACT**<sup>TM</sup>.

#### **2024 CARBON OFFSET DISCLOSURE**

REGISTRY IDENTIFICATION	VENDOR	PROJECT NAME	PROJECT TYPE	PROJECT LOCATION	PROTOCOL USED TO ESTIMATE EMISSIONS REDUCTIONS
Verra, VCS 1499	IGS Energy	Toros Hydroelectric Power Plant	Avoided emissions, energy industries (renewable/non- renewable sources)	Turkey	ACM0002
Verra, VCS 173	IGS Energy	Vishnuprayag Hydro- electric Project (VHEP) by Jaiprakash Power Ventures Ltd. (JPVL)	Avoided emissions, energy industries (renewable/non- renewable sources)	India	ACM0002
Verra, VCS 717	IGS Energy	CECIC HKC Gansu Changma Wind Power project	Avoided emissions, energy industries (renewable/non- renewable sources)	China	ACM0002
Verra, VCS 1914	Anew Climate, LLC.	150 MW Solar Project in Kamataka by Avaada Solar	Energy industries (renewable/non- renewable sources)	India	ACM0002

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# ENERGY MANAGEMENT POLICIES AND COMMITMENTS

#### **ENVIRONMENTAL COMMITMENT**

Our **Environmental Policy** commits us to operating in a way that safeguards environmental quality, as well as the health and safety of our associates and the public. The policy guides us to strive for zero waste generation in all media, including land, air, and water. This supports our energy commitments, minimizing the resources consumed in our manufacturing operations.

Greenhouse gas (GHG) emissions and energy use are among the significant environmental impacts of our operations. We recognize the urgency of addressing climate change and reducing our carbon footprint and have set targets to both reduce the intensity of our GHG emissions across our global operations and increase our use of renewable energy. Our GHG and energy goals are not isolated initiatives but rather integral components of our broader environmental strategy. They are supported by other commitments that we have made to minimize our environmental impact and enhance our sustainability performance. Here, we disclose our energy commitments and policies to contribute to energy efficiency, increased renewable energy, and the transition to a decarbonized economy.

#### WORKFORCE ENERGY MANAGEMENT COMMITMENT

We expect our associates to operate in an environmentally conscious manner through waste reduction, pollution prevention, and the efficient use of resources, as outlined in our **Code of Conduct**.

These efforts help us meet our energy commitments by decreasing emissions through operations, energy conservation, waste management, and efficient material use. Our associates receive training and acknowledge their commitment to our code every year.

#### SUPPLIER ENERGY MANAGEMENT COMMITMENT

Our <u>Supplier Code of Conduct</u> mandates that suppliers must efficiently use and conserve natural resources, such as energy. Circular economy principles are encouraged. The supplier code also states that suppliers must encourage the development and use of environmentally and climate-friendly products, processes, and technologies. We require our suppliers to track all greenhouse gas emissions scopes, and we expect suppliers to demonstrate improvement using clear targets that align with climate science.

#### **UNITED NATIONS GLOBAL COMPACT**

As a participant in the United Nations Global Compact, we report annually in our **Communication on Progress**. Our disclosures include the progress to environmental principles, including our initiatives to reduce our greenhouse gas emissions and to promote clean energy.





#### **SCIENCE-BASED TARGETS**

Milliken's science-based net-zero targets have been approved by the Science-Based Targets initiative (SBTi). Milliken was one of the first 50 companies globally to have science-based net-zero targets approved and the first company to be approved in South Carolina, where our global headquarters is located. The Science Based Targets initiative enables businesses to set emissions reduction targets in line with the latest climate science.

#### **CDP CLIMATE CHANGE**

We submit annual disclosures to CDP, a not-for-profit organization that operates a global disclosure system for environmental impacts. CDP scores companies from A to D- across several environmental categories. Milliken receives annual scores in climate change and water security. In 2024, we achieved a B in climate change. Our disclosures include detailed information on our greenhouse gas emissions, energy use, and climaterelated risks and opportunities. **Contact us** to access more information on our CDP scores.



#### **ECOVADIS**

We complete the EcoVadis Sustainability assessment annually, which includes disclosures on energy consumption, energy efficiency measures, and our progress toward reducing greenhouse gas emissions. Milliken received a gold rating in 2024, with a score that placed our company in the top 2% of organizations rated. Ecovadis gives ratings for more than 130,000 organizations across 220+ industries and 180+ countries.

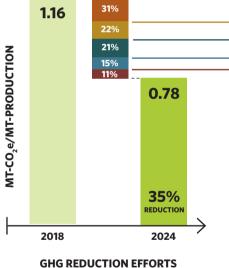
Planet | Energy Management Policies and Commitments

INTRODUCTION PEOPLE **PRODUCT** PLANET NET-ZERO **BUSINESS CONDUCT GENERAL** 

### **ENERGY MANAGEMENT ACTIONS**

Our energy management efforts enabled us to meet our 2025 GHG Reduction Goal in 2022 by achieving positive impacts tied to cogeneration, carbon offset procurement, renewable energy procurement, energy efficiency projects, and local utility greening. We remain focused on energy management, which is inherently connected to emission reductions, as we shift our strategy to achieve our near-term net-zero targets.

#### 2025 GHG SCOPE 1 + 2 REDUCTION INTENSITY GOAL



### **BLACKSBURG COGENERATION**

Eliminated coal usage in our steam generation processes by installing cogeneration to create lower-carbon steam and electricity.

62,400 Metric Tons CO<sub>2</sub>e/year

The emission reduction figures are estimates and may vary. Impacts from production footprint, mix, and volume changes are not included.



### **CARBON OFFSETS**

Purchased verified carbon offsets to offset the emissions of flooring products are applied to our 2025 GHG Reduction Goal.

44,195 Metric Tons CO<sub>2</sub>e/year



### **ENERGY EFFICIENCY**

Optimized energy usage of our manufacturing operations. Since 2018, we completed over 50 energy efficiency projects.

41,991 Metric Tons CO<sub>2</sub>e/year



### **RENEWABLE ENERGY PROCUREMENT**

Purchased renewable energy certificates to increase the renewable energy mix of our purchased electricity.

30,428 Metric Tons CO<sub>2</sub>e/year



### UTILITY **GREENING**

Supported local electricity utility providers becoming greener by way of increased low carbon generation.

22,300 Metric Tons CO<sub>2</sub>e/year



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# **ENERGY MANAGEMENT ACTIONS**

#### **QUARTERLY ENERGY MEETINGS**

Representatives from our businesses and functions meet to align on progress toward our 2025 Planet Goals and identify opportunities for future improvements. A quarterly global review of our Planet Goals is held for all levels of the organization to ensure consistent communication of our priorities and targets. Meeting agendas vary, but include sharing lessons learned from prior projects, new or updated compliance requirements, supplier presentations, and best practice highlights. The meeting begins with a review of progress toward our goals, which includes an update on greenhouse gas reduction and renewable energy targets.

#### SHARING INSIGHTS ON ENERGY MANAGEMENT

While the quarterly goal meetings provide an avenue for alignment across different businesses and roles, quarterly sharing sessions focus on collaboration among Milliken's environmental professionals to share insights and opportunities for improving energy management at Milliken sites. By narrowing the audience and scope of these sessions, attendees can participate in target peer discussions and share best practices for energy management.

#### **DATA MANAGEMENT TRAINING**

In 2024, our environmental professionals were trained on a new data management platform centralizing environmental data to support informed decision-making on greenhouse gas emissions, energy consumption, and renewable usage. An hour-long training session was provided to more than 50 associates, along with additional toolkits for continued education.

#### **ENGAGING LOCAL MANUFACTURING PEERS**

We engage local manufacturing peers to benchmark and share learnings as we face similar opportunities and risks in energy management. This year, we engaged multiple manufacturing companies to benchmark and share best practices. For example, we visited a global technology company supplying advanced mobility products and systems for passenger cars, commercial vehicles, and industrial technology to discuss pathways to clean energy in the southeastern United States.

We also held workshops with a North American vehicle assembly plant to share best practices in energy efficiency, clean energy procurement, and building utility innovation. Milliken associates visited and held workshops with a global packaging solutions leader to benchmark energy efficiency programs that scale emission reductions while navigating risks and opportunities.

#### **ENGAGING UNIVERSITY STUDENTS**

Milliken hosted a supply chain intern in 2024 to advance our understanding of supplier maturity in emission reduction strategies. The internship focused on how Milliken can influence suppliers to accelerate emission reductions to meet net-zero commitments.

#### **ENGAGING LOCAL OFFICIALS**

In 2024, Milliken attended a workshop hosted by Oak Ridge National Lab and the U.S. Department of Energy to engage with government agencies and industry on action to enable industrial emission reductions.

#### **ENGAGING SUPPLIERS VIA RECOGNITION PROGRAMS**

Milliken hosted a supplier recognition program to recognize suppliers for their sustainability efforts, including energy management strategies, investments in renewable energy, and collaborations in advancing clean energy. In 2024, a sustainability supplier award was given to Sonoco for their impactful partnership in sourcing indirect materials.

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### 2025 GOAL: **REDUCE INDEXED SOLID WASTE BY 25%**

#### PLANET PERFORMANCE

PLANET GOAL	2018	2019	2020	2021	2022	2023	2024	2025 GOAL
Waste Generation (lb/klb)	97	99	92	85	81	86	76	73
Waste Generation Intensity % Change from 2018	N/A	+2%	-5%	-12%	-16%	-11%	-21%	-25%

#### **ABSOLUTE METRICS**

METRIC	2018	2019	2020	2021	2022	2023	2024
Waste Generation (Ib)	118,270,822	112,466,465	88,162,554	87,248,524	84,538,128	78,060,937	71,054,125
% Change from 2018	N/A	-5%	-26%	-26%	-29%	-34%	-40%

#### **BUSINESS CONDUCT**



### **2025 GOAL: ZERO WASTE TO LANDFILL**

#### PLANET PERFORMANCE

PLANET GOAL	2018	2019	2020	2021	2022	2023	2024	2025 GOAL
Landfill Waste (lb/klb)	7.4	13.7	8.9	3.5	50.9	70.2	24.6	0
Landfill Waste Intensity % Change from 2018	N/A	+84%	+19%	-53%	+578%	+811%	+221%	-100%

#### **ABSOLUTE METRICS**

METRIC	2018	2019	2020	2021	2022	2024	2024
Landfill Waste (lb)	8,918,936	15,164,590	8,259,127	3,527,744	51,705,641	62,439,603	22,754,076
% Change from 2018	N/A	+70%	-7%	-60%	+484%	+608%	+158%

As a global diversified manufacturing company, we have different waste streams with unique origins, compositions, and disposal requirements. Currently, though not every year, our largest waste stream is biosolids—a byproduct of wastewater treatment, which constituted 89% of our 2024 landfill disposal. Excluding biosolids, our landfill waste has decreased by 43% from 2018.

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## RESOURCE USE MANAGEMENT

#### **IMPACTS**

Our approach to determining our impacts, risks, and opportunities is described in our General Disclosures. Our assessment indicated that both waste reduction and prevention, increasing recycling, and decreasing the negative impacts of end-of-life are important topics for Milliken. Since 2018, we have disclosed our efforts to reduce operational waste and advance end-of-life solutions for plastics. We continue to engage with stakeholders to understand the impacts of our actions, not only in terms of waste reduction and prevention within our operations, but also regarding resource use and circularity throughout our value chain.

#### **RESOURCE USE MANAGEMENT**

Resource use, including reducing waste, increasing recycling, and supporting the transition to a circular economy, are impact topics that are important to our stakeholders. As a diversified material science global manufacturing company, Milliken seeks to better understand diversified (renewable and non-renewable) resource inflows and outflows, recycling and recyclable content, and the durability of the products we create and materials we use. Milliken's management approach seeks to incorporate the impacts of resource use from production, the use phase of our products, and their end-of-life impact. To transition from prior business as usual to a more circular economic system, Milliken's prioritizes minimizing waste, maintaining the value of our products, materials, and other resources, and enhancing increasingly efficient use in production and consumption. We are working to understand key risks, opportunities, and dependencies in our resource use management.

Our Board of Directors provides oversight of the company's 2025 Sustainability Goals, which include our waste reduction targets, advancing circularity end-of-life solutions, and advancing new product sustainability assessments. The board receives management updates on our goal performance and management plans for resource use management.



FOR MORE INFORMATION ON MANAGEMENT OF ENVIRONMENTAL IMPACTS OF OUR PRODUCTS, WHICH INCLUDE WASTE DISCHARGE, RECYCLED CONTENT AND END-OF LIFE REVIEW

**Analyze New Products Launched Using Sustainability Assessments** 

#### WASTE MANAGEMENT FROM OPERATIONS

Minimizing waste and pollution from our operations is important to our stakeholders. We incorporate zero-loss thinking into our operational excellence management, which includes a focus on waste reduction. Minimizing waste generation is critical to optimizing operational efficiencies and enhancing the value of our processes, allowing further investment into the associates, markets, and economies we serve. Decreasing waste sent to landfills leaves space for waste streams that are more difficult to abate, lessening the risk of improper disposal of waste and negative impacts on the environment.

Management of our operations is led by our EVP of Global Operations who oversees the alignment of business objectives with operational performance. Our EVP Operations also ensures adequate resources and support are provided to progress our operation performance objectives. The environmental, health and safety, and sustainability functions at the corporate, business, and regional levels play a key role in providing guidance, training, and tools for implementing our Planet Goals. At least monthly, these functions provide performance analytics, project management, and tools to help operational leaders at our facilities monitor and improve plant environmental performance, including waste management. In 2024, senior management updates included updates on waste reduction strategy, technology, and external benchmarking.

Milliken has a risk-based process for auditing and approving waste disposal facilities. The audit process consists of a review of disposal site environmental compliance, waste handling practices, and disposition methods. We visit waste sites as necessary as part of our audit process. To facilitate our audits, Milliken is a member of CHWMEG, Inc., a non-profit trade organization that provides operational and financial information relating to facilities that treat, dispose of, recycle, and store manufactured wastes. CHWMEG, Inc. stands for globally promoting responsible waste stewardship. Where practical and permitted by law, Milliken seeks to avoid sending waste to landfills. Managing complex waste streams requires a balance between cost, safety, and environmental impacts. While a managed landfill, in certain cases, can be the appropriate option, we continue to pursue alternative disposal options to reduce our need for landfills.

#### WASTEWATER TREATMENT MANAGEMENT

We prioritize the responsible management of our wastewater treatment facilities. This involves regular cleaning and the removal of biosolids as needed to ensure safety, operational efficiency, and compliance. Biosolids are a product of the wastewater treatment process. During wastewater treatment, the liquids are separated from the solids. The solids are then treated physically and chemically to produce a product known as biosolids. Removal of biosolids from our wastewater treatment facilities ensures our ability to improve the quality, safety, and efficiency of our operations. Our landfill waste is impacted by the periodic removal of biosolids and the cleaning of our wastewater treatment facilities.

Planet | Resources Use Management

# RESOURCE USE POLICIES AND COMMITMENTS

#### **WORKFORCE RESOURCE USE COMMITMENT**

We expect our associates to operate in an environmentally conscious manner through waste reduction, pollution prevention, and the efficient use of resources, as outlined in our **Code of Conduct**. In addition, our Code states that we seek to reduce, reuse, or recycle our waste to the extent economically feasible. Our associates annually acknowledge and are trained on our code.

#### THIRD-PARTIES RESOURCE USE COMMITMENT

Our <u>Supplier Code of Conduct</u> states that suppliers must ensure the safe and compliant handling, storage, transportation, disposal, recycling, reuse, and management of waste and wastewater discharges. Circular economy principles are encouraged.

#### POLICY TO STRIVE FOR ZERO WASTE GENERATION

Our **Environmental Policy** commits us to operate in a manner that protects the quality of our environment and the health and safety of our associates and the public. The policy guides us to strive for zero waste generation to all media—land, air, and water. This policy supports our waste reduction efforts, minimizing the resources consumed in our manufacturing processes.

#### SCOPE 3 TARGET INCLUDES EMISSIONS REDUCTIONS FROM WASTE GENERATED

Milliken's net-zero scope 3 targets, covering our total value chain emissions, require a reduction of scope 3 category 5, which is waste generated in our operations. This category includes emissions from disposal of both solid waste and wastewater in our operations. Our near-term net-zero scope 3 target requires a 30% reduction by 2030.

#### THIRD-PARTY PRODUCT CERTIFICATIONS COVERING RESOURCE USE

Our product commitments include efforts to align our products with numerous third-party product certifications, some of which are reported below and impact resource use:



Millad® NX® 8000 is recognized as meeting or exceeding the voluntary APR Design® for Recyclability Critical Guidance criteria promoting plastic recycling.



All modular carpet tiles manufactured in the Americas, APAC, Australia, and Europe are Cradle to Cradle Certified® Silver, which includes an assessment against material utilization criteria.



The majority of Polartec products are bluesign® certified, which monitors materials from factory to final product.



Millad®NX® 8000 technology is certified as fully compatible with the existing European recycling processes and poses no recyclability issues.

#### **ECOVADIS**

We complete the EcoVadis Sustainability assessment annually, which includes disclosures on waste reduction and management. Milliken received a gold rating in 2024, with a score that placed our company in the top 2% of organizations rated. Ecovadis gives ratings for more than 130,000 organizations across 220+ industries and 180+ countries.



Planet | Resource Use Policies and Commitments

# RESOURCE USE ACTIONS

#### **WASTE DATA AND ANALYTICS**

Milliken uses an enterprise-wide sustainability data platform to collect environmental metrics, create performance analytics, and report internally and externally, all in a controlled manner. Data on waste streams and disposal are collected on the platform, allowing visibility of disposal trends and quantities. The platform also provides facilities and leaders with data and analytics needed to manage their waste volumes and prioritize recycling.

#### **RAW MATERIAL REDUCTION IN OPERATIONS**

Reducing, recycling, and reusing materials within our processes moves us toward a circular future. We continue to advance our management of key raw material strategies. For example, our team at the Live Oak plant (U.S.) completed a project to significantly reduce scrap of certain intermediate materials by 60%, resulting in raw material reduction.

#### **CERTIFIED ISO FACILITIES TRACK WASTE AND DISPOSAL**

We have 27 Milliken sites that are <u>ISO 14001</u> certified, helping us align our environmental objectives and key performance indicators with an enterprise environmental management system. We establish and maintain measurable objectives that extend to each location and level of the organization. Each certified facility manages reducing solid waste by tracking its different waste streams and disposal outlets on at least a monthly basis.

#### **ANNUAL FACILITY WASTE TRAINING**

As part of our annual environmental training for manufacturing, associates are educated on how their location manages waste and best practices for reducing our waste footprint. This training covers the types of waste generated at the facility and proper disposal methods. It also emphasizes techniques to maximize material recovery.

#### **INTERNAL WASTE REDUCTION INITIATIVES**

To reduce the negative impacts of waste, we empower our teams to develop initiatives to reduce waste and advance circularity through training, cross-functional committees, and rewards for exceptional achievement. Informed by preferences of the waste management hierarchy, we create, develop, and execute projects that positively impact waste and landfill reduction commitments.

Quarterly meetings ensure progress on projects and a focus on investment in waste-reducing projects, such as our efforts to use thermal drying to reduce waste. From 2019 to 2024, our manufacturing operations executed dozens of projects that contributed to resource use reduction by means of reducing manufacturing waste and finding alternative outlets for difficult-to-dispose materials. These projects included themes of waste generation reduction using process enhancements, disposal diversions using alternative outlets, and disposal diversions and reductions with enhanced onsite waste processing. During the six years of action, more than 70 projects were executed, resulting in over 16 million pounds of waste reduction per year.



Wastewater biosolids, commonly referred to as sludge, are waste from our wastewater treatment processes and require appropriate disposal. Our engineers designed a way to reduce the amount of biosolids with the help of thermal drying. In 2021, we built our first biosolids dryer. In 2022, we saw the benefits of a full year of operation, proving that this process can effectively reduce our waste by nearly eight million pounds annually. In 2024, we continued to see the benefits of drying operations and measured a waste reduction of 9.8M pounds, preventing the transportation and disposal of nearly 300 truckloads.

Thermal drying at our Blacksburg site (Magnolia Textile and Allen Chemical plants, U.S.)

FOR MORE INFORMATION ON END-OF-LIFE ACTIONS REVIEW

Convening to Advance the Goal of Solving the Plastics End-of-Life Challenge

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# RESOURCE USE ACTIONS

#### POLYPROPYLENE PROMOTION AT PLASTMORE (DUBAI)

Plastmore envisioned a new packaging for a Turkish chocolate brand that better reflected their sustainability commitment. Thanks to our technical and processing expertise, as well as Millad ® NX ® 8000 ECO, Plastmore was able to put forth a polypropylene packaging alternative that delivered more than just crystal-clear clarity. This solution enabled a better recyclability profile, a reduction of plastic usage by 42%, and up to 10% energy savings during processing through UL Environmental Claim Validation while retaining the physical properties of the previous packaging.

### LIVING FUTURE REGENERATIVE MATERIALS ADVOCACY FORUM (GLOBAL)

In December, Robert MacMeccan, Vice President of Sustainability, Market and Product Management for our flooring business, spoke at Living Future's Regenerative Materials Advocacy Forum. Dr. MacMeccan spoke about how regenerative materials can positively impact the built environment. Additionally, Milliken co-sponsored an industry white paper advocating for the use of regenerative materials through Living Future.

#### **DE-ICING WITH COLOR IMPROVES APPLICATION EFFICIENCY (U.S.)**

The Delaware Department of Transportation utilized de-icing technology made with Milliken Liquitint® Winter Colorant, which helps improve application efficiency. This colorant reduces material while covering more miles, faster and with less overspray. This colorant is water soluble, non-staining, and EPA Safer Choice approved.



A comparison between traditional de-icing technology using the innovative Milliken Liquitint® Winter Colorant applied by the Delaware Department of Transportation.

# ADVANCING PRODUCTION OF VIRGIN-LIKE RECYCLED POLYPROPYLENE (U.S., EUROPE)

Throughout 2024, several milestones were achieved by our partners at PureCycle Technologies. These include production improvements at the company's flagship purification facility, a shift to processing 100% post-consumer curbside feedstock, and the creation of a state-of-the-art sortation facility.

Milliken's collaboration with PureCycle yielded the creation of both injection molded and thermoformed cups that were on display at NPE2024: The Plastics Show. Milliken additives were also utilized in the production of polypropylene fiber from PureCycle's recycled resin. The fiber has been successfully transformed into indoor/outdoor rugs. Each of these applications marks an advancement of polypropylene recycling technology. We continue to work with PureCycle on ways to improve the qualities of recycled polypropylene that will lead to waste reduction and further developments of new solutions using plastic material.

#### SUSTAINABILITY LAB AT NEOCON SHOWCASED CIRCULARITY (U.S.)

We sponsored the METROPOLIS Sustainability Lab at NeoCon, which included activities, programs, and information on products and initiatives that help the architecture and design industry make a positive impact on people and the planet. The Lab featured a Milliken showcase and 16 other design manufacturers' progress toward circular and regenerative solutions.

#### **DURABILITY IN THE SKY (CHINA)**

Milliken's Millad ® NX ® 8000 helps create aviation cups that are strong, flexible, and resistant to breakage, all while providing crystal clear transparency. Using clarified polypropylene also improves end-stage recycling when compared to the polystyrene aviation cups of years past.

### IRPC DEBUTS MILLIKEN-ENHANCED, UL-VALIDATED POLYPROPYLENE RESIN PORTFOLIO (THAILAND)

In July 2024, Milliken partnered with IRPC to debut new grades of polypropylene (PP) resin carrying a UL Environmental Claim Validation label. Through collaboration, IRPC utilized our additive portfolio to develop clarified PP resin grades that use, on average, 10% less energy during the molding process—a verified savings that translated across the plastics value chain.



At a launch event, Southeast Asia petrochemical company IRPC and global materials science expert Milliken debuted new grades of polypropylene (PP) resin carrying a UL Environmental Claim Validation label.

Planet | Resource Use Actions



### 2025 GOAL: REDUCE INDEXED WATER USAGE BY 25%

#### PLANET PERFORMANCE

PLANET GOAL	2018	2019	2020	2021	2022	2023	2024	2025 GOAL
Water Withdrawal Intensity (gal/lb)	2.82	3.04	2.94	3.11	3.02	2.98	2.94	2.11
Water Withdrawal Intensity % Change from 2018	N/A	+8%	+4%	+10%	+7%	+6%	+5%	-25%

#### ABSOLUTE WATER WITHDRAWAL METRIC

METRIC	2018	2019	2020	2021	2022	2023	2024
Fresh surface water (m³)	6,445,698	6,036,369	5,029,290	5,626,024	5,812,338	5,202,599	5,590,690
Third party sourced water (m³)	3,601,227	3,507,476	2,945,863	3,289,665	3,604,332	3,539,650	3,424,134
Groundwater (m³)	2,999,562	3,479,964	2,646,672	3,217,594	2,527,667	1,447,968	1,374,373
Total Water Withdrawal (m³)	13,046,487	13,023,809	10,621,825	12,133,283	11,944,337	10,190,217	10,389,197
% Change from 2018	N/A	0%	-19%	-7%	-8%	-22%	-20%

#### ABSOLUTE WATER DISCHAGE METRIC

METRIC	2018	2019	2020	2021	2022	2023	2024
Fresh surface water (m³)	10,605,261	10,858,286	8,729,745	9,364,178	9,275,667	7,387,761	6,896,556
Groundwater(m³)	20,270	16,118	19,021	13,954	15,439	7,454	6,024
Third party destination (m³)	1,644,926	1,490,405	1,290,321	1,840,588	2,183,783	1,879,206	1,880,275
Total Water Discharge (m³)	12,270,457	12,364,809	10,039,087	11,218,720	11,474,889	9,274,421	8,782,855
% Change from 2018	N/A	+1%	-18%	-9%	-6%	-24%	-28%

#### WATER CONSUMPTION METRIC

METRIC	2018	2019	2020	2021	2022	2023	2024
Total water consumption (m³)	776,030	659,001	582,738	914,564	469,448	915,795	1,606,342
Total consumption from all areas with medium or medium-high water stress (% of total withdrawal)	N/A	<1%	<1%	<1%	<1%	<1%	1%

#### WATER DISCHARGE TREATMENT METRIC

METRIC	2024
Secondary treatment (m³)	5,997,695
Tertiary treatment (m³)	898,861
Third party treatment (m³)	1,880,275
Land application (m³)	6,024

### **WATER RISK EXPOSED FACILITIES (2024)**

Annually, we conduct a water risk analysis of Milliken's owned and leased operations using the WRI Aqueduct Tool. We evaluate our manufacturing locations with material water usage to identify those that rely on high and extremely-high risk watersheds. Currently, 99% of our water use is from reduced-risk watersheds.

TOTAL NUMBER OF MILLIKEN FACILITIES EXPOSED TO WATER RISK	PERCENTAGE OF COMPANY-WIDE FACILITIES EXPOSED TO WATER RISK
2	4%*

<sup>\*</sup>Represents 1% of overall water use.

Planet | Water

### WATER MANAGEMENT

#### WATER IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

Our approach to determining our impacts, risks, and opportunities is described in our General Disclosures. Our assessment indicates that water risk is an impact area for Milliken operations. Milliken has a significant need for high-quality water. Our businesses require water to meet the needs of our customers. Textile and flooring plants use freshwater in dyeing and finishing, and our chemical and healthcare plants use water for a wide range of other purposes. In our plants, water quality and availability are crucial as they can affect the quality, performance, and delivery of our goods.

Milliken uses an enterprise risk management process to identify, prioritize, and manage risks within our direct operations, supply chain, and external value chain and prepare our mitigation programs. In 2024, we continued to assess potential water-related risks and opportunities. The assessment included short-, medium- and long-term time horizons along the company's value chain for both transitional and physical risks. Indicators for financial impact, velocity, and probability aligned with those used in our enterprise risk management process. This allowed us to put the results in the context of what we have traditionally evaluated in our enterprise risk management.

#### WATER METRIC METHODOLOGY

The water withdrawal and discharge metrics are tracked for all our manufacturing sites. Most water is measured in real-time through "in-place" flow meters. For some sites, water withdrawal and discharge data are obtained from water utility providers. Water consumption is assumed to be the difference between withdrawal and discharge. Milliken sites report data on water supply and water discharge in a corporate database with specific reporting requirements.

While Milliken withdraws more than three billion gallons of water per year, more than 90% of which is returned to the local water systems. We manage the quality of water discharge and increasingly focus on water use in water-stressed regions. Water is essential to Milliken operations. Access to clean water allows us to create quality products for our customers, creating positive impacts on the markets and economies we serve.



PVA Recovery at our Blacksburg, Textile Manufacturing plant (U.S.). PVA is recovered from wastewater and the water is reused for other textile operations.

#### WATER MANAGEMENT APPROACH

To reduce negative impacts from water-related risks, we set water withdrawal reduction targets. We empower our teams to develop initiatives to reduce water use through training, cross-functional committees, and rewards for exceptional achievement. Milliken utilizes several methods to ideate, develop, and execute projects that positively impact water reduction commitments. Planet Goal committees meet to review projects and drive investment into water-reducing projects.

The Milliken Board of Directors meets five times per year, with one meeting dedicated to reviewing company strategy, including sustainability progress and strategy. This includes our water management.

Our Executive Vice President of Global Operations leads the management of our Planet Goals, ensuring that adequate resources and support are provided.

The environmental, health, and safety and sustainability functions at the corporate, divisional, and regional levels provide guidance, training, and tools for water management. At least monthly, these functions provide performance analytics and project management updates to inform operational leaders on water management metrics.

#### MANAGEMENT OF WATER DISCHARGE OUALITY

Water discharges at our locations are held to site-specific regulatory requirements. Each site owns and follows the procedures for reporting this information to applicable regulators. Milliken's corporate environmental team hosts routine meetings and systems to review these parameters and to facilitate the sharing of learnings and best practices among sites. Parameters measured include, but are not limited to, flow, pH, total suspended solids, chemical oxygen demand, and color.

#### THIRD-PARTY MANAGEMENT CERTIFICATIONS

Milliken has 34 sites that are **ISO 14001** or **RC 14001** certified, helping us align our environmental objectives and key performance indicators with an enterprise environmental management system. We maintain procedures to monitor, measure, analyze, and evaluate the environmental performance of our operations and activities that can have a significant impact on our environment. Local water resources are measured for quality and quantity to inform our actions and responses.

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# WATER POLICIES AND COMMITMENTS

#### **WORKFORCE COMMITMENT TO EFFICIENT USE OF WATER**

We expect our associates to operate in an environmentally conscious manner through the efficient use of resources, including water, as outlined in our **Code of Conduct**. These efforts help us meet our water management commitments by encouraging our associates to use water efficiently. Our associates annually acknowledge and are trained on our code.

### THIRD-PARTIES COMMITMENT TO USE WATER EFFICIENTLY AND FOR PRESERVATION

Our <u>Supplier Code of Conduct</u> requires our third-parties to use natural resources, such as energy, water, and raw materials, efficiently and respectfully. Circular economy principles are encouraged.

#### **COMMITMENT TO STRIVE FOR ZERO WASTE TO WATER**

In our **Environmental Policy**, we commit to operating in a manner that protects the quality of our environment and the health and safety of our associates and the public. The policy guides us to strive for zero waste generation in all media, including, land, air, and water. This supports our water management commitments, encouraging the effective management of water in our manufacturing operations.

#### **CDP WATER SECURITY**

We submit annual discourses to CDP, a not-for-profit that runs a global disclosure system for environmental impacts. CDP annually scores companies from A to D- across several environmental impacts. Milliken receives annual scores in climate change and water security. In 2024, we achieved a B in water security, demonstrating that we are taking coordinated action on water security compared to our peers. **Contact us** to access more information on our CDP scores.

#### **ECOVADIS**

We complete the EcoVadis Sustainability assessment annually, which includes disclosures on water management. Milliken received a gold rating in 2024, a score that placed us in the top 2% of organizations rated. Listed among our strengths are Milliken's continued efforts to reduce water use in our processes and continued mapping of facilities in water-stressed regions. EcoVadis provides ratings for more than 130,000 organizations representing more than 200 industries.

#### U.N. GLOBAL COMPACT

As a participant of the United Nations Global Compact, we report annually in our Communication on Progress. Our disclosures on progress to the environmental principles include our water management practices, guiding that we use water resources responsibly and sustainably.

# WATER ACTIONS

#### **WATER MANAGEMENT INITIATIVES**

Representatives from our businesses and functions meet to align on progress toward our 2025 Planet Goals, including our water goal. Quarterly reviews include identifying opportunities for future improvements, a review of lessons learned, sharing changing compliance requirements, and highlights of best practices. The meeting ensures consistent communication of our water management priorities and targets.

Our 2025 Planet Goals included targeted reduction of water withdrawal. From 2019-2024, our manufacturing operations executed dozens of projects that contributed to water withdrawal reduction by means of internally recycling water streams, improving process control of water use, and modernizing production machinery. During the six years of action, we executed more than 75 projects, resulting in over 150 million gallons of water reduction per year.

#### ANNUAL FACILITY WATER MANAGEMENT TRAINING

As part of our facilities' annual environmental training, associates are instructed on their location's spill response procedures and water consumption trends. This annual training includes what precautions must be taken prior to cleaning up a spill and communication procedures.

#### WATER ENVIRONMENTAL ASSOCIATIONS

Involvement in external organizations provides Milliken associates with the opportunity to share best practices and learn from our peers in water quality and use. For example, some of our associates participate in the Water Environment Association of South Carolina (WEASC) which offers workshops on industrial wastewater, biosolids management, and wastewater operations.



FOR MORE INFORMATION ON MANAGEMENT OF ENVIRONMENTAL IMPACTS OF OUR PRODUCTS, WHICH INCLUDE WATER IMPACTS REVIEW

Analyze New Products Launched Using Sustainability Assessments

Planet | Water Policies and Commitments, Water Actions



#### PLANET PERFORMANCE

PLANET GOAL	2018	2019	2020	2021	2022	2023	2024	2025 GOAL
Environmental Violations	5	2	2	2	3	2	2	ZERO
Environmental Violation % Change from 2018	N/A	-60%	-60%	-60%	-40%	-60%	-60%	ZERO

#### **ENVIRONMENTAL MANAGEMENT CERTIFICATIONS**

CERTIFICATION	2021 # OF SITES	2022 # OF SITES	2023 # OF SITES	2024 # OF SITES
ISO 14001 (2015 Certification- Environmental Management)	30	29*	27*	27
RC 14001® Certification (Chemical Responsible Care® certification combined with ISO 14001 certification)	4	4	5	7

<sup>\*</sup>Number of sites reduced based on a plant closure, consolidation, or moving from ISO 14001 to RC14001® certification.



## ENVIRONMENTAL MANAGEMENT

#### **IMPACTS**

Our approach to determining our impacts, risks, and opportunities is described in our General Disclosures. Our assessment indicated that environmental risk management, including pollution prevention, are impact topics for Milliken. Environmental risk management is an impact topic for our operations, and full value chain.

#### **ENVIRONMENTAL MANAGEMENT APPROACH**

At Milliken, we proactively manage the risk of environmental violations at all our manufacturing, chemical warehousing, and transportation locations. To address these risks, we have policies, strategies, standards, internal controls, performance indicators, and targets under our Planet Goals Risk Management Program. Our sites implement a standard risk management process in support of our Zero Environmental Violations Goal, which incorporates our standardized environmental risk assessment process. In 2024, Milliken introduced new standards, tools, techniques, and training for managing compliance with the company's 100+ environmental permits.

Our Board of Directors holds the highest level of oversight of the company's strategy, including environmental management. The Milliken board meets five times per year, with one meeting dedicated entirely to reviewing strategy, including our sustainability strategy. Our board oversees the sustainability strategy, which includes zero environmental violations. The board receives management reports and makes decisions as part of its oversight of our environmental strategy, including our zero environmental violations as part of our 2025 Sustainability Goals.

Management of our Planet Goals is led by our Executive Vice President of Global Operations, who oversees the alignment of business objectives with operational performance. Our Executive Vice President of Global Operations also ensures adequate resources and support are provided to achieve the goals and monitor progress. The environmental, health and safety, and sustainability functions at the corporate, divisional, and regional levels play a key role in providing guidance, training, and tools for implementing our Planet Goals, including environmental management. These functions provide performance analytics, project management, and tools to help operational leaders at our facilities monitor and improve plant environmental performance.

Planet | Environmental Management

# ENVIRONMENTAL MANAGEMENT

#### **ENVIRONMENTAL PARTICIPATION SCORECARD**

The Environmental Participation Scorecard is available for all associates on Milliken's intranet. The purpose is to promote timely continuous improvement of Milliken's environmental management system through leadership awareness and associate participation.

#### TOOL TO MANAGE COMPLIANCE AUDITS, FINDINGS, AND CORRECTIVE ACTIONS

Successfully managing our many compliance tasks has a direct impact on our Zero Environmental Violations Goal. Verifying compliance through audits, tracking findings, and implementing corrective actions involves a complicated calendar of requirements. Using one digital solution for our enterprise allows our environmental and engineering professionals to have full visibility of outstanding requirements. The same digital solution is used to catalog all environmental near misses and incidents for the enterprise. This allows us to easily share learnings with other sites. Root cause analysis and action plans are developed in the digital solution as well, creating a holistic record of the occurrence and actions taken.

#### **BIODIVERSITY RISK ASSESSMENT**

In 2024, we included biodiversity physical and reputational risks in our annual climate risk assessment using the World Wildlife Fund (WWF) Biodiversity Risk Filter. This assessment included site-level physical risk ratings for land, water, and sea use change, tree cover loss, pollution, and reputational risk ratings for protected/conserved areas and key biodiversity areas. We continue to learn and understand best practices for corporate science-based targets for nature and for addressing biodiversity risks.

#### **ENVIRONMENTAL MANAGEMENT MEETINGS**

Representatives from our businesses and functions meet to align on progress toward our zero environmental violations goal and to identify opportunities for future improvements. A quarterly, global review of this goal is held for all levels of the organization to ensure consistent communication of our priorities and targets. Meetings include lessons learned, sharing new or changing compliance requirements, supplier presentations, and highlights of best practices. We also host quarterly meetings for our environmental professionals to provide a channel for peers to share insights and opportunities for improving environmental management at Milliken sites. By narrowing the audience and scope of these sessions, attendees can participate in focused peer discussions. In 2024, meeting topics included site environmental violation lessons learned and training on environmental permit management.

#### **SCREENING SUPPLIERS FOR ENVIRONMENTAL CRITERIA**

Milliken awards business to suppliers based on integrity, value, quality, risk, sustainability, and price. Our due diligence process includes supplier screening and reviews. We monitor suppliers for environmental criteria using a cloud-based sustainability platform that combines supplier assessments and ongoing social media monitoring. Since 2021, we have engaged with more than 1,300 suppliers to strengthen our supplier sustainability monitoring through this cloud-based solution.

#### **ADVANCED ANALYSIS OF OPERATIONAL DATA**

Digital solutions enable progress on our sustainability goals. We implemented a digital management system at all our biological wastewater treatment facilities that allows for advanced analysis of operational data. This investment positively impacts our Zero Environmental Violations Goal by enabling more robust controls and swift reaction times.

#### **CONTROLLED ENVIRONMENTAL METRIC DATA**

Traceability and data continuity are necessary for the success of our Planet Goals. We operate many digital solutions to catalog monthly consumption data such as electricity, natural gas, and potable water. This solution provides data and documentation storage all in one tool. With this reliable data, our facilities use analytics and visuals to see trends and prioritize efforts toward Planet Goal progress. In 2024, we enhanced access to this tool and provided training for more than 100 associates.

Planet | Environmental Management

# ENVIRONMENT MANAGEMENT POLICIES, COMMITMENTS, AND ACTIONS

#### WORKFORCE ENVIRONMENTAL MANAGEMENT COMMITMENT

We expect our associates to operate our plants and facilities in compliance with all applicable environmental laws and regulations as a minimum requirement, as outlined in our **Code of Conduct**. These efforts help us meet our Zero Environmental Violations Goal, as the Code also states that we will go beyond compliance by setting targets to reduce our greenhouse gas emissions, solid waste, landfill, water, and energy usage. Our associates annually acknowledge and are trained on our code.

#### SUPPLIER ENVIRONMENTAL MANAGEMENT COMMITMENT

Our commitment to environmental protection extends beyond our operations and includes our suppliers. Our **Supplier Code of Conduct** requires our suppliers to operate in a manner that protects the environment. At a minimum, it requires compliance with all applicable environmental laws, regulations, and standards, such as requirements regarding chemical and waste management and disposal, recycling, industrial wastewater treatment and discharge, air emissions controls, environmental permits, and environmental reporting. Suppliers are also expected to have an environmental management system.

#### **ENVIRONMENTAL POLICY COMMITMENT**

Our **Environmental Policy** commits us to operating our plants and facilities in complete compliance with all applicable environmental regulations and encouraging our families, associates, and communities through education and leadership to conserve natural resources and protect the environment in our daily lives. This policy guides us to develop effective environmental solutions with local, state, and federal authorities.

#### RESPONSIBLE CARE POLICY COMMITMENT

Our **Responsible Care Policy** states that our chemical business believes that the integrity and sustainability of its operations will be achieved through commitments including environmental health and excellence and the implementation of environmental and safety policies.

#### **ENVIRONMENTAL, HEALTH, AND SAFETY TRAININGS**

In 2024, over 2,600 associates completed online environmental, health, and safety training with 100% completion as part of our annual Awareness of Ethics and Compliance training curriculum.

Our manufacturing facilities provide their teams with annual environmental training. Topics covered vary by each location's environmental risks and opportunities, but every training provides details regarding the specific location's environmental impacts and responsibility to act to prevent environmental violations. Environmental topics may include specific emergency contacts and procedures at the plant, where to find the location's safety data sheets, and how to identify a chemical's hazards.

Each year, our facilities train their development and process teams on the change management process to ensure any new equipment or chemicals brought into the plant have had the proper safety and environmental review. This training helps us to account for, prepare, and properly manage any hazards that may impact our Zero Environmental Violations Goal.

#### LOCAL EMERGENCY PLANNING COMMITTEE INVOLVEMENT

Our manufacturing locations participate in their Local Emergency Planning Committees. Meeting schedules and agendas vary by each community, but the purpose is to bring together industry representatives, emergency responders, and local government personnel to identify and mitigate potential risks to the area. The local emergency planning committees also offer an opportunity for participants to discuss changes impacting the community. For example, in 2024, representatives from our Blacksburg site learned about new construction and industry development in the area and how it may affect local emergency planning.

#### ASSOCIATE RECOGNITION PROGRAMS FOR ENVIRONMENTAL PROGRESS

Each year at the company level, we recognize an individual or a team of associates who have positively contributed to Milliken's 2025 Planet Goals and operational excellence. In addition, there are local manufacturing facility programs such as the Sustainability Heroes program at our Beech Hill Flooring plant (U.K.), which recognize individual associates creating positive impacts for our environmental sustainability priorities.

INTRODUCTION GENERAL PEOPLE PRODUCT PLANET NET-ZERO





### **NET-ZERO PROGRESS**



**BUSINESS CONDUCT** 

#### **SCOPE 1 AND 2**

We reduced absolute scope 1 and 2 emissions by 42% since our 2018 base year. Our progress is enabled by investing more than \$35 million into coal elimination and energy efficiency, increasing renewable electricity, and modernizing our manufacturing operations.



#### **SCOPE 3**

We focused on strategic business needs to reduce scope 3 emissions, including supplier engagement, improving product sustainability data, and sourcing lower-carbon materials. We worked with suppliers to source and quantify the impacts of lower-carbon materials. At the same time, we assessed the emission maturity of other suppliers to inform an optimized path for scaling product carbon footprint information and emission reductions. We also scaled abilities to access product-level sustainability data, enabling further alignment of scope 3 and product needs and actions.



#### **REDUCTION PATHWAY TO 2050**

We commit to reducing absolute scope 1, scope 2, and scope 3 emissions by 90% by 2050 from our 2018 base year. Our target boundary includes biogenic emissions and removals from bioenergy feedstocks.



MORE CLIMATE-RELATED SUSTAINABILITY DISCLOSURES CAN BE FOUND AT OUR

**Global Reporting Initiative Index** 

**Sustainability Accounting Standards Board Index** 

**United Nations Global Compact Communication on Progress** 

Task Force on Climate-Related Financial Disclosures Index

**EcoVadis Rating Platform** 

**Note:** The climate-related disclosures linked above and disclosures in this section on measures to reduce and adapt to climate-related financial risk serves as our public reporting for California SB 261.



### REDUCE ABSOLUTE SCOPE 1 AND SCOPE 2 EMISSIONS BY 50.4%

#### **NET-ZERO 2030 TARGET PERFORMANCE**

2030 SCOPE 1 + SCOPE 2 TARGET	2018	2019	2020	2021	2022	2023	2024	2030 TARGET
Scope 1+2 GHG Emissions (MTCO <sub>2</sub> e)	645,298	613,613	491,351	503,391	446,418	369,594	375,359	320,068
% change from 2018	N/A	-5%	-23%	-22%	-31%	-43%	-42%	-50.4%

### SCOPE 1 EMISSIONS BY SOURCE (MTCO,e)

SOURCE	2018	2019	2020	2021	2022	2023	2024
Stationary Fuel Combustion	297,071	278,819	231,329	258,751	253,279	218,067	218,992
Process Emissions	3,265	6,760	4,651	5,868	5,466	3,265	2,486
Fugitive Emissions-Refrigerants	1,112	2,434	2,405	3,323	6,130	1,112	1,995
Trucking and Vehicles	6,218	7,891	6,234	7,024	7,219	6,218	5,968
TOTAL	318,229	295,905	244,620	274,966	272,095	228,662	229,442

### SCOPE 2 EMISSIONS BY SOURCE (MTCO,e)

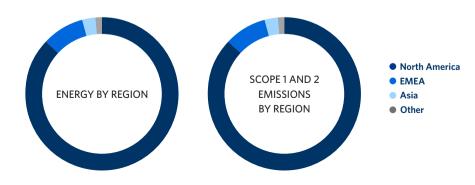
SOURCE	2018	2019	2020	2021	2022	2023	2024
Purchased Electricity (Location-Based)	325,078	318,706	261,023	235,210	207,905	175,487	171,788
Purchased Electricity (Market-Based)	322,555	313,786	242,918	224,546	170,536	136,807	141,360
Purchased Steam	4,514	3,922	3,813	3,879	3,787	4,125	4,557
TOTAL (Location-Based)	329,592	322,628	264,836	239,089	211,692	179,612	176,345
TOTAL (Market-Based)	327,069	317,708	246,731	228,425	174,323	140,932	145,917

Carbon offsets are not incorporated into our methodology for SBTi-approved net-zero targets.

#### **ENERGY CONSUMPTION AND MIX**

METRIC	BASE YEAR 2018	2024
Fuel Consumption from Coal and Coal Products (MWh)	304,510	0
Fuel Consumption from Crude Oil and Petroleum Products (MWh)	2,263	605
Fuel Consumption from Natural Gas (MWh)	1,121,699	1,210,416
Fuel Consumption from Non-Renewable Sources (MWh)	25,712	22,196
Consumption from Nuclear Products (MWh)	0	0
Consumption of Purchased or Acquired Electricity, Heat, Steam, and Cooling from Non-Renewable Sources (MWh)	797,609	452,889
Total Non-Renewable Energy Consumption (MWh)	2,251,793	1,686,106
Share of Non-Renewable Sources in Total Energy Consumption (%)	100%	94%
Fuel Consumption for Renewable Sources (Including Biomass, Biogas, Non-Fossil Fuel Wastes, Renewable Hydrogen, etc.) (MWh)	0	0
Consumption of Purchased or Acquired Electricity, Heat, Steam, and Cooling from Renewable Sources (MWh)	10,277	106,740
Consumption of Self-Generated Non-Fuel Renewable Energy (MWh)	109	162
Total Renewable Energy Consumption (MWh)	10,386	106,902
Share of Renewable Sources in Total Energy Consumption (%)	0%	6%
Total Energy Consumption (MWh)	2,262,179	1,793,008

#### **ENERGY AND SCOPE 1 AND 2 EMISSIONS BY REGION**





## **REDUCE ABSOLUTE SCOPE 1 AND SCOPE 2 EMISSIONS BY 50.4%**

#### COMBINED SCOPE 1 AND SCOPE 2 EMISSIONS SOURCES INFORM REDUCTION PATHWAY

Understanding the impacts, risks, and opportunities of our scope 1 and scope 2 emissions sources informs the reduction pathway possibilities for both our company and product-level carbon footprint impacts. Our 2030 scope 1 and scope 2 target is a combined target reduction of 50.4% from 2018, so we may make greater reductions in one scope faster to reach the combined reduction target. Our analysis suggests the likelihood of greater reductions in scope 2 by 2030 is probable. Our current 2030 reduction pathway prioritizes steep scaling of renewable electricity procurement, increasing energy efficiency, and monitoring fuel switching, electrification, and other technologies for harder-to-abate emission sources.

#### SCOPE 1 AND SCOPE 2 EMISSIONS BY SOURCE AND REDUCTION PATHWAY

SOURCE	2024 (MTCO <sub>2</sub> E)	% OF 2024	REDUCTION PATHWAY METHODS
Stationary Fuel Combustion	218,992	58%	<b>FUEL SWITCHING</b>
			ENERGY EFFICIENCY
Process Emissions	2,486	1%	OTHER
Fugitive Emissions (Refrigerants)	1,995	1%	OTHER
Trucking and Leased Vehicles	5,968	2%	FUEL SWITCHING
			OTHER
Purchased Electricity (Location-Based)	171,788	N/A	N/A
Purchased Electricity (Market-Based)	141,360	38%	RENEWABLE ENERGY USE
			ENERGY EFFICIENCY
Purchased Steam and Hot Water	4,557	1%	OTHER
			ENERGY EFFICIENCY
TOTAL (Market-Based)	375,359	100%	

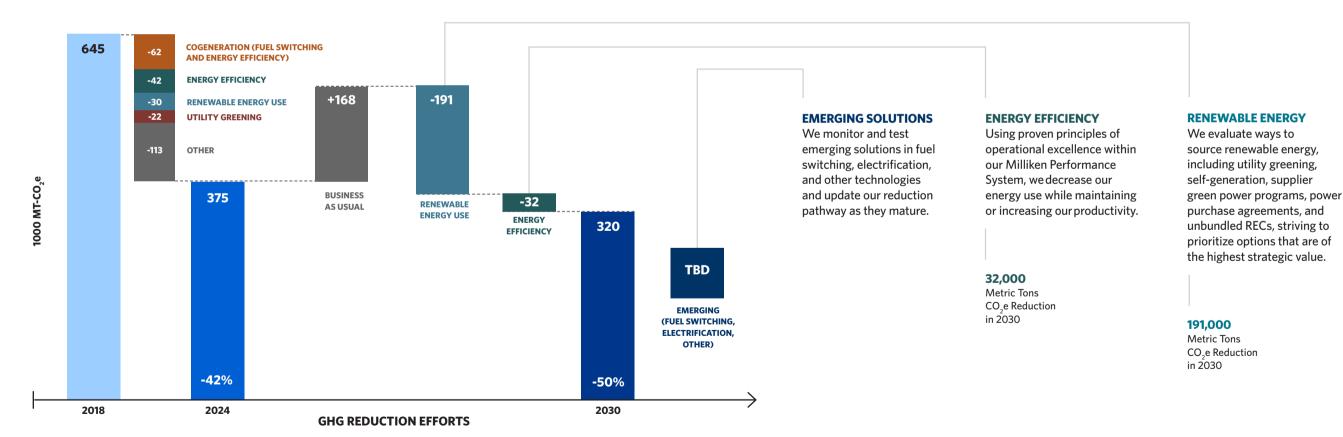
#### COMBINED SCOPE 1 AND SCOPE 2 REDUCTION PATHWAY METHODS, DESCRIPTION, AND PRIORITY (2024)

REDUCTION PATHWAY METHOD	DESCRIPTION OF OPPORTUNITY	PRIORITY TO 2030
RENEWABLE ENERGY USE	We rely on large utility electricity producers for affordable, reliable, and sustainable power for our manufacturing operations. Our local utilities continue strategies to decarbonize their electricity supply, which we monitor for impacts on our reduction pathway. We continue to explore solutions to increase our renewable energy use, including self-generation, supplier green power programs, power purchase agreements, and unbundled Renewable Energy Certificates (RECs). In 2024, we evaluated our operations for the feasibility of onsite solar installations and engaged a third-party renewable energy advisor to develop a roadmap for scaling renewable energy across our operations.	нібн
ENERGY EFFICIENCY	The most efficient energy is the energy we conserve. By leveraging the proven principles of operational excellence within Milliken's performance system, we continue to identify and implement strategies to reduce our energy consumption. This approach not only supports reducing greenhouse gas emissions but also aligns with business productivity goals. In 2024, we revised our energy efficiency strategy to align with best practices based on benchmarking.	MEDIUM
FUEL SWITCHING	Natural gas is our number one energy source by volume, making engaging, developing, and acting on fuel replacement innovations critical to scaling climate mitigation through scope 1 reductions. Milliken operates numerous boilers, ovens, and other natural gas-powered equipment to generate the heat required to convert raw materials into valuable products. This heat is essential for processes such as curing dyes on textiles and flooring, as well as heating reactors for chemical reactions.  We believe fuel replacements are critical to scaling climate mitigation efforts. To reduce emissions, we actively explore pilot and test opportunities to switch from natural gas to lower-carbon fuels, including landfill gas and hydrogen. In 2024, we engaged landfill gas developers, equipment providers, and federal tax incentive experts to map the effectiveness of landfill gas as a fuel replacement for natural gas. Methane-based fuel replacements are critical to climate mitigation and scope 1 reductions. In 2024, we also hosted more than 15 companies to discuss the opportunities and challenges of scaling hydrogen as a scope 1 solution. Convening industry leaders builds cross-collaboration to scale barriers to technological and market readiness. As these fuel-switching opportunities develop, we will update our pathway and priorities.	MONITORING
ELECTRIFICATION	Converting natural gas-powered operations to renewable electricity is a common strategy for eliminating scope 1 emissions. However, electrifying our natural gas operations is currently cost-prohibitive. While electrification has a smaller impact on our 2030 pathway, we continue to monitor the technological advancements and cost maturity of opportunities. We did explore potential electric boiler solutions, but they proved cost-prohibitive in 2024. As these opportunities mature, we will update our pathway and priorities to reflect the most reliable and cost-effective solutions.	MONITORING
OTHER	"Other" encompasses various disaggregated reduction opportunities that we continue to monitor. These opportunities are likely to contribute to reducing our smaller emission sources, including process emissions, fugitive emissions, and purchased steam. Potential areas for reduction include lower-emission options for wastewater treatment, chemical reactions, and HVAC maintenance. Additionally, "Other" includes changes in our production footprint, mix, and volumes. As these opportunities develop, we will update our pathway and priorities.	MONITORING

# TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION: OUR PATH TO 2030

In 2024, we achieved a 42% reduction in our scope 1 and 2 emissions, ahead of a linear pace to 2030. Our 2025 goals for people, planet, and product created momentum toward our scope 1 and 2 2030 reduction target. To date, Milliken has invested more than \$35 million to decrease our scope 1 and 2 emissions, including eliminating coal with the help of cogeneration, increasing energy efficiency with utility and process modernizations, and increasing our use of renewable electricity to 20% of total consumption globally. Moving toward 2030, we will focus on renewable energy procurement, energy efficiency, and emerging solutions, while accounting for business-as-usual emissions growth.

#### **SCOPE 1+2 NET-ZERO 2030 TARGET**



The emission reduction figures are best estimates and may vary.



### **2030 TARGET:**

### **REDUCE ABSOLUTE SCOPE 1 AND SCOPE 2 EMISSIONS BY 50.4%**

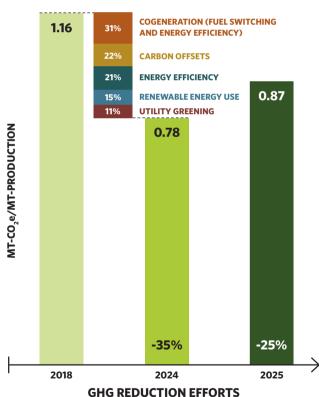
Our 2030 scope 1 and 2 target is different from our 2025 GHG Reduction Goal. Our progress on our 2025 GHG Reduction Goal provides important momentum toward our 2030 target.



### 2025 GOAL:

### **REDUCE INDEXED GREENHOUSE GAS EMISSIONS BY 25%**







Intensity-based metric: emission output is normalized for production output

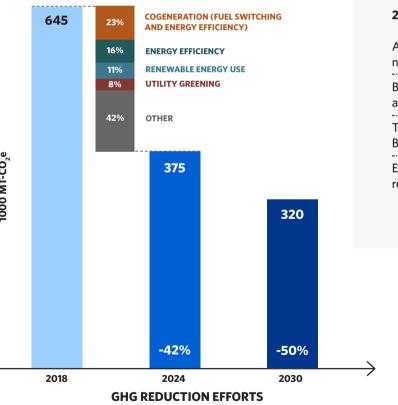
Established goal in 2018

Includes carbon offsets as reduction method



# 2025 GOAL: REDUCE ABSOLUTE SCOPE 1 AND SCOPE 2 EMISSIONS BY 50.4%

#### SBTi SCOPE 1+2 GHG NEAR-TERM 2030 TARGET



#### **2030 SCOPE 1 AND 2 TARGET DETAILS**

Absolute-based metric: production normalization is not considered

Based on absolute contraction method to align with at least 1.5° C reduction

Third-party validated by the Science Based Targets initiative

Excludes use of carbon offsets as reduction method

The emission reduction figures are best estimates and may vary.

The emission reduction figures are best estimates and may vary.



### REDUCE ABSOLUTE SCOPE 3 EMISSIONS BY 30%

#### **NET-ZERO 2030 TARGET PERFORMANCE**

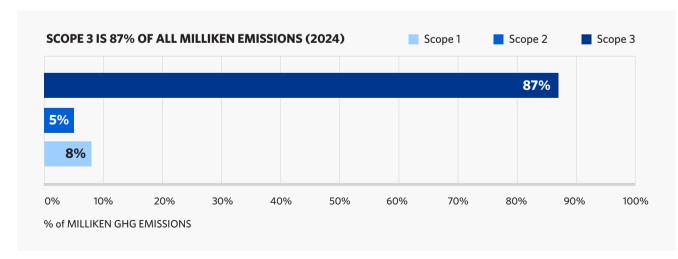
2030 SCOPE 3 TARGET	2018	2019	2020	2021	2022	2023	2024	2030 TARGET
Scope 3 Emissions (MT CO <sub>2</sub> e)	3,537,099				3,164,246	2,401,244	2,429,825	2,475,969
% Change from 2018	N/A				-11%	-32%	-31%	-30%

Years 2018 and 2022 have been recalculated with improved methodologies. Years 2019, 2020, and 2021 previously were reported on spend-based methodologies.

Milliken's emissions derived from our value chain, known as scope 3, are higher than direct emissions (scope 1) and those from the generation of electricity we consume (scope 2). The combined greenhouse gas contribution from all our scope 3 emissions sources was 87% of our total calculated emissions in 2024. This is expected. As a textile, chemical, and flooring products manufacturer, raw materials are the largest contributor to our carbon emissions.

In 2024, we continued improving scope 3 data quality and improving the uncertainty rankings of our data. We improved the accuracy of supplier and material-specific emission factors enabled by supplier engagement and the scaling of life cycle assessments for our products. We aim to use increasingly specific emissions calculations, advancing the accuracy of our emissions inventory and enabling us to better identify emissions reduction opportunities.

As of 2024, we are ahead of pace for reaching and maintaining our 2030 scope 3 target. Our scope 3 emission reductions are primarily driven by shifts in business mix and inventory management. We continue to monitor scope 3 trends and business variables as we advance toward 2030.



#### **SCOPE 3 EMISSIONS BY CATEGORY**

SCOPE 3 CATEGORY	2018 <sup>1</sup> (MT CO <sub>2</sub> e)	2022 <sup>1</sup> (MT CO <sub>2</sub> e)	2023 <sup>1</sup> (MT CO <sub>2</sub> e)	2024 <sup>1</sup> (MT CO <sub>2</sub> e)	% OF 2024 SCOPE 3 TOTAL
1 Purchased Goods and Services	2,780,371	2,495,349	1,853,236	1,910,962	79%
2 Capital Goods	36,675	27,177	29,364	25,536	1%
3 Fuel and Energy Related Activities	113,356	90,340	68,205	108,661	4%
4 Upstream Transport	105,556	120,512	149,484	99,024	4%
5 Waste Generated in Operations	8,908	15,608	18,231	7,395	<1%
6 Business Travel	6,944	5,863	8,606	12,600	<1%
7 Employee Computing	33,652	25,118	21,846	18,804	<1%
8 Upstream Leased Assets					
9 Downstream Transport	105,556	120,512	Covered in Upstream Transport	Covered in Upstream Transport	
10 Processing of Sold Goods	278,428	205,095	208,391	201,743	8%
11 Use of Sold Products					
12 End of Life of Sold Products	66,637	49,801	42,849	44,327	2%
13 Downstream Leased Assets					
14 Franchises					
15 Investments	1,016	8,871	1,032	772	<1%
TOTAL SCOPE 3	3,537,099	3,164,246	2,401,244	2,429,825	100%

<sup>&</sup>lt;sup>1</sup>2018 and 2022 recalculated for improved accuracy by replacing spend-based methodologies with unit-based methodologies where reliable unit-based data is available. We adhere to SBTi® Corporate Net-Zero Standard requirements for recalculations.

Net-Zero | Scope 3 Emissions



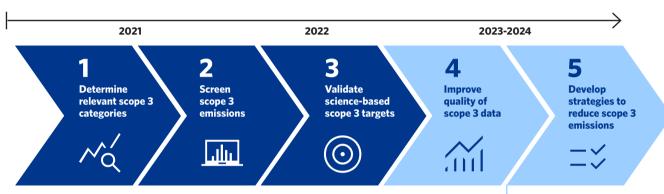
### **2030 TARGET: REDUCE ABSOLUTE SCOPE 3 EMISSIONS BY 30%**

#### IMPROVING SCOPE 3 DATA QUALITY IS KEY TO OUR 2030 SCOPE 3 REDUCTION PATHWAY

At Milliken, we are committed to enhancing the quality and specificity of our scope 3 data. We appreciate the importance of supplier-specific data, detailed product-level insights, and improved material emission factors to drive meaningful decarbonization. We continue to explore pathways to integrate lower-carbon materials and expand product-level environmental data to support our customers' decarbonization strategies.

In 2024, we enhanced scope 3 data by increasing supplier-specific data, product-level data, and material emission factor certainty, integrating these into our models to capture product decarbonization impacts. We also scaled product-level environmental data to help customers understand their Milliken scope 3 contributions.

#### **MILLIKEN SCOPE 3 TIMELINE (2021-2024)**



#### INTEGRATING SUPPLIER-SPECIFIC DATA

We recognize that supplier engagement is critical. We continue to learn and understand how to request and use comparable, quality data from our suppliers. By increasing the use of unit-based scope 3 accounting, we have further enabled the use of supplier-specific information. In 2024, we continued to explore new accounting tools and methodologies to capture and incentivize the efforts of our value chain to reduce emissions.

#### FORECASTING SUPPLIER PERFORMANCE

Maintaining and progressing near- and longterm commitments to emission reduction is critical to meeting climate mitigation targets. By utilizing supplier-specific data and information about our suppliers' emission reduction programs, we forecast future performance on emission reduction targets. In 2024, we created and implemented a supplier emission maturity assessment, including the likelihood of certain strategic suppliers to meet emission reduction targets.

#### **CREATING PRODUCT-LEVEL INSIGHTS**

As part of our sustainability digital roadmap, we prioritize digital solutions to enable more product life cycle assessment data. We know that scaling product-level data will create more insights for decarbonization opportunities, allow our customers to understand and reduce their scope 3 emissions, and improve the quality of our scope 3 models. In 2024, we implemented test and learns with Al-enabled product lifecycle software to scale near realtime environmental data to inform product design and emission reduction-related sourcing decisions.

#### **MAPPING EMISSION FACTORS CERTAINTY**

Emission factors are used to translate emissionproducing activities to scope 3 emissions. They should reflect the emission source type and account for factors, such as when and where the emissions were produced, but often have varying levels of uncertainty. Due to the variable nature of different emission factor types, we mapped certainty scales for each emission factor used in our 2024 scope 3 data improvement efforts. We continue to evaluate emission factors that need to be improved for greater accuracy and reliability.

### **SOURCING LOWER CARBON MATERIALS**

In 2024, we worked with certain suppliers to source and quantify the impacts of lower-carbon materials, while assessing the emission maturity of other suppliers to inform an optimized path for scaling product carbon footprint information and emission reductions. For example, our flooring products now offer more than 1,000 design options using Econyl® 100% regenerated nylon, featuring 50% post-industrial and 50% post-consumer recycled content.

82 Net-Zero | Scope 3 Emissions



### 2050 TARGET:

### **REDUCE ABSOLUTE SCOPE 1, 2, AND 3 BY 90% AND NEUTRALIZE REMAINING 10%**

#### **NET-ZERO 2050 TARGET PERFORMANCE**

2050 SCOPE 1 + 2 + 3 TARGET	2018	2019	2020	2021	2022	2023	2024	2030 TARGET	2050 TARGET
Scope 1, 2 and 3 emissions (MT CO <sub>2</sub> e)	4,189,305				3,444,097	2,774,974	2,805,183	N/A	-90%
% Change from 2018 (Scope 1 and 2)	N/A	recalcul	018 and 20 ated with in ologies. Ye	mproved	-31%	-43%	-42%	-50.4%	-90%
% Change from 2018 (Scope 3)	N/A	previou	2019, 2020, and 2021 were previously reported on spend-based methodologies.			-32%	-31%	-30%	-90%
% Change from 2018 (Scope 1, 2 and 3)	N/A				-14%	-34%	-33%	N/A	-90%

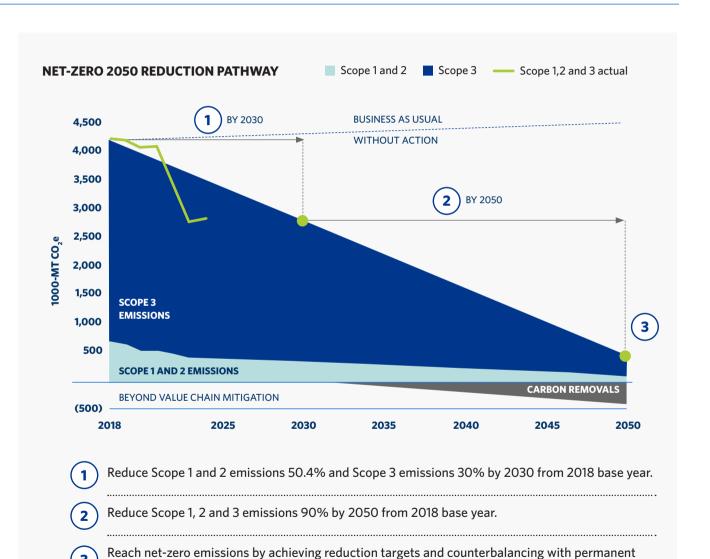
We aim to reduce absolute scope 1 and scope 2 GHG emissions by 90% by 2050 from a 2018 base year. We also aim to reduce absolute scope 3 GHG emissions 90% by 2050 from a 2018 base year. Our target boundary includes biogenic emissions and removals from bioenergy feedstocks. "Biogenic" is defined by the Intergovernmental Panel on Climate Change (IPCC) as carbon derived from biogenic (plant or animal) sources, including fossil carbon.

### SCOPE 1, 2, AND 3 REDUCTIONS BY 2050

Our 2050 net-zero pathway depends on significant decarbonization this decade with continued steep progress to 2050.



- Absolute Reductions of Scope 1, 2, and 3 by 2050:90%
- Neutralization: 10%



Net-Zero | Reduction Pathway to 2050

removals or storage.

## **NET-ZERO MANAGEMENT**

#### **IMPACTS**

Our approach to determining our impacts, risks, and opportunities is described in our General Disclosures. Our assessment indicated that both climate change mitigation and adaptation are impact topics for Milliken. Climate change mitigation has an impact on our full value chain, and climate change adaptation has an impact on Milliken operations.

For Milliken, climate change mitigation relates to our efforts to limit the increase in the global average temperature to well below 2°C and pursue efforts to limit it to 1.5°C above pre-industrial levels, as provided for in the Paris Agreement. Climate change adaptation involves our process of adjusting to actual and expected climate change impacts, which could affect our supply chain, customers, and operations.

#### **GOVERNANCE AND OVERSIGHT**

Primary management of our net-zero strategy is assigned to our corporate sustainability team. The executive sponsor is our Senior Vice President and Chief Legal Officer, who reports directly to the CEO. Milliken's board oversees our sustainability strategy, including GHG emissions reduction targets. The Audit Committee oversees effective internal controls and specifically oversees sustainability reporting and metrics, including climate.





#### TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

We have developed a transition plan that aligns with the Paris Climate Agreement's goal of limiting global warming to 1.5°C. This plan includes a decarbonization trajectory, key decarbonization levers, and the financial resources allocated to these efforts. Our transition plan is integrated into our overall business strategy and financial planning.

#### **ACTIONS AND RESOURCES**

We allocate specific actions and resources to implement our climate strategy. This includes capital expenditures (CapEx) and operating expenses (OpEx) for these initiatives. We have adopted a methodology for our capital expenditures project request process, ensuring all new project requests are reviewed for GHG emissions impacts and a process for considering our internal shadow carbon price.

### ALIGNMENT WITH THE PARIS AGREEMENT FOR TARGETS FOR MITIGATION AND ADAPTATION

Our net-zero targets align with the Paris Climate Agreement and the UN Sustainable Development Goals. Approved by the Science Based Targets initiative (SBTi), they ensure emissions reductions consistent with a 1.5°C-aligned pathway, the most ambitious designation by SBTi. SBTi reviews its scope 3 target setting to maintain this alignment. Our scope 3 net-zero targets meet the SBTi Corporate Net-Zero Standard, with our 2030 target exceeding the 2°C-aligned pathway's minimum ambition under the absolute contraction approach.



LEARN MORE ON:
Energy Management
Governance

#### **CARBON PRICING**

In 2023, Milliken identified emerging carbon pricing regulation as a long-term risk and opportunity. In response, we established a Carbon Pricing Council composed of representatives from our key businesses and corporate functions. The council meets at least twice a year to provide visibility and guidance on regulatory risks and to set our internal shadow carbon price, which our senior leadership team reviews.

We published an internal Shadow Carbon Price Policy applicable to our scope 1 and scope 2 emissions. In 2023, we set a single internal shadow carbon price that applied globally. While the current internal shadow carbon price only applies to scope 1 and scope 2 emissions, it can also inform business leaders of potential costs associated with scope 3 emissions. In 2024, we explored the applicability of regional internal shadow carbon prices. We will continue to evaluate and refine our internal carbon price design to ensure alignment with our net-zero targets.

#### INTERNAL SHADOW CARBON PRICING

TYPE OF INTERNAL CARBON PRICE	APPLIED TO EMISSION SCOPES (MTCO <sub>2</sub> e) <sup>1</sup>	PRICE APPLIED
Capital Expenditure Shadow Price     Forecast Model Shadow Price	Scope 1 and 2 emissions	\$60/MT CO <sub>2</sub> e

<sup>1</sup>Equals our company scope 1 and scope 2 emissions as of December 31, 2024.

## **NET-ZERO MANAGEMENT**

#### **GREENHOUSE GAS ACCOUNTING MANAGEMENT APPROACH**

Milliken reports our scope 1 and scope 2 emissions in accordance with the following guidance: WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition), GHG Protocol: scope 2 Guidance, U.S. EPA Mandatory Greenhouse Gas Reporting Rule, and ISO 14064-1:2018 – Corporate Level Accounting. We adhere to the Greenhouse Gas Protocol accounting and reporting principles of relevance, completeness, consistency, transparency, and accuracy.

Milliken uses the operational control method to account for all operations under our direct operational control. We use primary data to calculate emissions for both scope 1 and scope 2. Primary data is available for 99% of scope 1 and scope 2 emissions calculations, estimates are used for the remaining 1%. Estimates include floorspace coefficients and are used to extrapolate emissions for locations where primary data is unavailable. We collect activity data internally and then apply a corresponding emission factor to calculate emissions. Milliken uses the 100-year IPCC AR5 and AR6 to apply global warming potential values.

We continue to improve our emissions methodology for scope 3 calculations, including the use of more unit-based calculations instead of spend-based calculations. As we strive to improve accuracy and accountability, we also undergo third-party verification of our scope 3 emissions. Avoided emissions are not included in our corporate greenhouse gas inventory and do not count toward our near-term or long-term science-based emission reduction targets.

We make restatements of information from previous reporting periods to correct an error or to account for changes in measurement methodology or changes to the nature of our business. Restatements of information ensure consistency and enable comparability of information between reporting periods. We determine whether a restatement should be made when the restated information could, in our reasonable opinion, influence users' decision-making, where there have been changes in reporting methodology or improvements in

data collection and accuracy, or when we complete an acquisition or divestiture. Recalculations of prior year data occur upon any of the following: (1) data improvements indicate a 5% change in prior calculations, (2) one year following an acquisition or divestiture, and (3) upon the availability of improved emissions factors. We aim to indicate quantitative restatements within specific data disclosures. Historical data may be modified to reflect changes in business structure, and improvements in data collection and accuracy, such as a recent review and improvements to our greenhouse gas inventory and internal standard practice instructions. We continue to make improvements in how we collect and report our data.

#### **BASE YEAR**

The year 2018 is the base year for our net-zero targets. The base year was chosen for representativeness and consistency with other internal goals. Our base year and our base year recalculation policy were adopted during our SBTi net-zero target submission process. Our threshold for recalculation is a 5% change in total emissions. Recalculation of our base year is required if emissions of excluded categories in the inventory change significantly, if there are significant changes in the company structure and activities, or if there are significant adjustments to the base year inventory, data sources, or calculation methodologies.

#### **EMISSION FACTOR MANAGEMENT**

An emission factor is a representative value that attempts to relate the quantity of a pollutant released into the atmosphere with an activity associated with the release of that pollutant. To convert the energy, fuel, or activity quantities to CO2e, the collected data must be multiplied by defined and consistent emission factors. We use publicly available and licensed emissions factors from sources, including Sphera® LCA for professionals (formerly GaBi) datasets, Ecoinvent, suppliers, the Intergovernmental Panel on Climate Change, and the United States Environmental Protection Agency.

#### THIRD-PARTY ASSURANCES AND VERIFICATIONS

We assure the accuracy of our scope 1 and scope 2 emission inventory with third-party verification, checking emission factors and calculations as well as source data quality. Our scope 1, 2, and 3 greenhouse gas accounting has been third-party verified for limited assurance since 2022. This means our greenhouse gas inventories for calendar years 2022, 2023, and 2024 were verified to be prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard.

#### THIRD-PARTY NET-ZERO TARGETS REVIEW

At a minimum, we will have our net-zero targets reviewed and, if necessary, re-validated at least every five years with a third party.

#### **GREENHOUSE GAS REMOVALS**

In 2024, we do not have any greenhouse gas removal or storage undertakings to report. We recognize that there are not yet generally accepted concepts and methodologies for accounting for greenhouse gas removals, and we support efforts to increase transparency on removal and storage efforts.

#### **INTERNAL GREENHOUSE GAS DATA HUB**

In 2024, we launched a new sustainability data hub to align enterprise and business-specific tools for sustainability and GHG data. As our use of digital tools for GHG-related actions has increased, we added the hub to ensure quality and access to tools for all associated teams. In 2024, we hosted a training with sustainability data stakeholders to drive awareness and use of the hub.

# **NET-ZERO MANAGEMENT**

#### **ACTUAL AND POTENTIAL IMPACTS**

Positive impacts from climate change mitigation include supporting renewable energy deployment. Negative impacts include GHG emissions from our value chain, including our operations. Certain impacts on circularity are covered in the Product section, such as end-of-life solutions. Certain impacts on people, such as volunteer efforts to clean up communities, are included in the People section.



### FOR MORE INFORMATION ON OUR PEOPLE AND PRODUCTS REFERENCE:

**Product** 

**People** 

#### **CLIMATE RISK MANAGEMENT APPROACH**

Through an iterative process, climate risk and opportunities, and financial effects are presented to Milliken's risk manager, the Enterprise Risk Management Steering Committee, our senior leadership team, and the board. Refinement of the risks and opportunities occurs at each level of review. The results are integrated into Milliken's enterprise risk register and monitored. A full climate risk assessment occurs annually and is reviewed by our leadership teams. After this assessment is incorporated into our enterprise risk assessment, it is reviewed by the board.

### TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

We follow the Task Force on Climate-Related Financial Disclosures (TCFD) framework for climate-related disclosures on our governance, strategy, risk management, metrics, and targets. We used scenario analysis to review potential opportunities and risks through 2050. The 2050 horizon is relevant as it aligns with our climate targets and the targets of many of our stakeholders. Our risks and opportunities include both physical and transitional risks as we consider the impact of climate on our business strategy.

### CLIMATE-RELATED RISK AND OPPORTUNITY ASSESSMENT

Our climate risk assessment process aligns closely with our enterprise risk management function. Our assessment of climate risks uses the same time horizons as our enterprise risk management, which defines a short-term horizon as up to three years, a medium-term horizon as three to ten years, and a long-term horizon as greater than ten years. This alignment allows our climate risk assessment results to be placed into the context of our traditional enterprise risk evaluations and better integrated into ongoing risk management processes. Our climate risk assessment includes risks and opportunities along Milliken's value chain for both transitional and physical risks. We use the same definition of substantive financial or strategic impact for our climate and enterprise risks.

#### CLIMATE-RELATED RISK AND OPPORTUNITY SCENARIO ANALYSIS

Climate-related impacts on our business, strategy, and planning were evaluated in 2024 based on climate science using proprietary tools aligned with the IPCC-published climate records, as well as desk-based market trends research. The evaluation considered our global direct operations, upstream value chain, and downstream value chain. Our results were presented in a format that aligns with our enterprise risk management process, which included assigning potential financial (impact) values to risks, where possible.

We selected a range of IPCC Representative Concentration Pathways and bespoke, company-defined scenarios to evaluate the potential impacts of physical and transition risks under different future scenarios. Scenario analysis was used alongside business performance information such as production, energy spend, sales, and revenue to prioritize risks. Prioritized risks will continue to be evaluated and monitored with key stakeholders, including risk managers and insurance carriers.

#### CLASSIFICATION OF CLIMATE-RELATED PHYSICAL RISKS

Physical risks, both acute and chronic, were considered in our 2024 climate risk assessment. We assessed Millikenowned locations, certain significant vendor locations, and key logistic ports and canals in our supply chain. Climate-related physical risks considered in 2024 are shown below.

RISK	TEMPERATURE-RELATED	WIND-RELATED	WATER-RELATED	SOLID MASS-RELATED
CHRONIC	Changing temperature	N/A	Sea level rise	N/A
			Water stress	
ACUTE	Heat wave	Cyclones, hurricanes, typhoons	Drought	Avalanche
	Cold wave/frost	Tornados	Heavy precipitation	Landslide
	Wildfire		Floods	

## NET-ZERO MANAGEMENT

#### CLASSIFICATION OF CLIMATE-RELATED TRANSITIONAL RISKS

We evaluated transitional risks such as potential reputational concerns associated with customer expectations and regulations. Climate-related transitional considerations for 2024 are shown below.

POLICY AND LEGAL	TECHNOLOGY	MARKET	REPUTATION
Increased pricing of GHG emissions	Substitution of existing products and services with lower emissions options	Changing customer behavior	Shifts in consumer preferences
Enhanced emissions-reporting obligations	Unsuccessful investment in new technologies	Uncertainty in market signals	Sector perceptions
Mandates on and regulation of existing products and services	Costs of transition to lower emissions technology	Increased cost of raw materials	Increased stakeholder concerns
Mandates on and regulation of existing production processes			Negative stakeholder feedback
Exposure to litigation			

#### **CLIMATE-RELATED RISKS AND OPPORTUNITIES IMPACTS**

We identified potential impacts on Milliken's business, strategy, and financial planning, including decreased revenues due to physical risk at Milliken and vendor locations, increased operating costs due to carbon pricing mechanisms, decreased revenues due to changing customer demand for products, and decreased revenues due to enhanced reporting obligations.

In response, we added a review of site resilience efforts led by our insurance provider to better track insurance coverage and plant spending on loss. We also identified supply chain transparency actions that will enhance geographical specificity to improve the impact accuracy of various risks. We additionally began EU reporting preparedness and product-level data improvements to prepare for increased regulatory disclosure requirements.

#### **CLIMATE-RELATED EDUCATION AND ENGAGEMENT**

Our approach to managing climate-related risks and opportunities includes education and engagement within our operations and value chain. Other sections of this report include education and engagement efforts on circularity, resource use, and end-of-life solutions.

#### For Associates

We hosted internal education and training opportunities on our climate strategy across our teams, including training on emission reduction target performance, application of third-party certifications, best practices to eliminate greenwashing, and updates on decarbonization actions. The training included updates on climate mitigation, energy efficiency, and renewable energy deployment efforts.

On-demand net-zero courses and toolkits include an overview of our climate mitigation strategy, net-zero 101, net-zero 201, net-zero technical, and net-zero customer communications. Certain businesses offer custom training for their business associates. For example, in 2024, our Flooring Global Sustainability Ambassador program taught 80 of our associates a range of sustainability topics, including climate change.

### For Suppliers

We hosted education opportunities for our suppliers to expand their understanding of our climate strategy, risks, and opportunities, as well as methods for creating actionable insights with third-party organizations such as CDP. These sessions educated certain direct and indirect suppliers on climate mitigation, energy efficiency, and renewable energy deployment.

#### For Students

Each year we host local university students at various Milliken locations for summer internship opportunities, some of which include an environmental compliance and stewardship focus. Each intern works closely with a Milliken team on a specific project and presents the project results at the end of the program to a larger crossfunctional Milliken team. In 2024, we hosted a summer university intern to create and implement a supplier emission maturity assessment. Leveraging their educational studies in the supply chain, they worked with Milliken sustainability, business, and sourcing leaders to measure the maturity and likelihood of suppliers to meet emission reduction targets. The results informed future strategies for supply chain climate mitigation.

# NET-ZERO POLICIES AND COMMITMENTS

Organizations continue to set net-zero emissions targets. While these targets may cover a range of different scopes, timelines, and pathways, they may not be guided by the best available science. Recognizing the need for a consistent and objective approach to net-zero targets, the Science Based Targets initiative (SBTi) developed a framework to provide businesses with a common, science-based framework for a net-zero standard. The SBTi Corporate Net-Zero Standard currently provides standards for setting science-based net-zero targets.

We received external validation of our SBTi net-zero targets in 2022, placing us among the first companies to receive validation. We currently consider the U.N.-backed and globally aligned SBTi as the best available approach to setting net-zero targets. As standards change and evolve, so will we.

We are committed to implementing strategies to first reduce our own value chain emissions before neutralizing emissions. While certain of our businesses may invest in compensation and neutralization ahead of our 2050 net-zero target year as driven by consumer preferences, our enterprise commitment is to focus on value chain decarbonization first.

#### **WORKFORCE NET-ZERO COMMITMENTS**

Our <u>Code of Conduct</u> expects our associates to strive to operate in an environmentally conscious manner through waste reduction, pollution prevention, and the efficient use of resources. These efforts will help our commitment to Net-Zero by decreasing emissions through energy conservation, waste management, and efficient material use in our operations, contributing to climate change mitigation and energy efficiency. Our associates annually acknowledge and are trained on our code.

#### SUPPLIER NET-ZERO COMMITMENTS

Our <u>Supplier Code of Conduct</u> encourages suppliers to develop and use environmentally and climate-friendly products, processes, and technologies. We ask suppliers to track and report scope 1, scope 2, and scope 3 greenhouse gas emissions annually in accordance with established greenhouse gas reporting standards. All suppliers are expected to demonstrate continuous improvements using clear targets that align with climate science. These expectations drive climate mitigation, energy efficiency, and renewable energy deployment. Suppliers acknowledge our Supplier Code of Conduct during onboarding, and these expectations are incorporated into our standard terms and conditions.

#### **NEW PRODUCT SUSTAINABILITY ASSESSMENTS**

Our internal, three-step assessment classifies new products based on the significance of their sustainability contribution, considering a variety of inputs including environmental and social impacts, market perception, and regulatory and legislative developments. One of the environmental inputs includes a review of climate change mitigation through impact analysis on greenhouse gas emissions.



### **CDP CLIMATE CHANGE**

We submit annual disclosures to CDP, demonstrating our commitment to transparency in our GHG emissions. CDP scores companies from A to D- for disclosure of their climate change, water security, and forest impacts. In 2024, we achieved a B for climate change.

#### **ECOVADIS ASSESSMENT**

We submit responses to the EcoVadis Sustainability assessment annually, which includes disclosures on greenhouse gas emissions. Milliken received a gold rating in 2024, with a score placing the company in the top 2% of organizations rated. Ecovadis gives ratings for more than 130,000 organizations across 220+ industries and 180+ countries.

#### **ENVIRONMENTAL POLICY**

Our **Environmental Policy** guides the conduct of our manufacturing operations, the development of new products, and our interaction with our suppliers and customers to reduce emissions for climate mitigation. It also aims to protect the quality of our environment and the health and safety of our associates and the public.

#### INTERNAL SHADOW CARBON PRICE POLICY

We have an internal Shadow Carbon Price Policy that guides our application of an internal carbon pricing mechanism to inform business decisions that drive sustainable business growth and address considerations including climate mitigation and energy efficiency.

### INTERNAL GLOBAL SUSTAINABILITY REPORTING POLICY

Our internal Global Sustainability Reporting Policy guides the collection, verification, and reporting of our sustainability metrics and targets, including performance on our net-zero targets.

Net-Zero | Policies and Commitments





# **BUSINESS CONDUCT**

### **MANAGEMENT**

We disclose our governance approach to business conduct. These disclosures include reporting on corporate culture, business conduct policies, supplier management, our system to prevent and detect corruption or bribery, our approach to political activities, and payment practices.

### **METRICS AND TARGETS**

We disclose metrics and targets to measure our management of business conduct, including any confirmed incidents of bribery and certain training metrics.



MORE BUSINESS CONDUCT-RELATED DISCLOSURES CAN BE FOUND AT OUR

**EcoVadis Report Platform Global Reporting Initiative Index United Nations Global Compact Communication on Progress** 

# **BUSINESS CONDUCT MANAGEMENT**

#### **IMPACTS**

Our approach to determining our material impacts, risks, and opportunities is described in our General Disclosures. Our assessment has highlighted business conduct as an impact area for Milliken.

#### **BOARD OVERSIGHT**

The Audit Committee of our Board of Directors oversees Milliken's ethics and compliance program. The ethics and compliance program is led by our Senior Vice President and Chief Legal Officer, who works with the Vice President, Sustainability and the Director of Ethics, Compliance, and Social Responsibility to manage our ethics program and priorities. The Director reports to the Audit Committee twice a year on ethics investigations, training and associated metrics, material investigation cases, and the annual ethics and compliance strategic priorities.

### **MANAGEMENT BODIES**

#### **ETHICS AND COMPLIANCE STEERING COMMITTEE**

The Ethics and Compliance Steering Committee provides oversight and guidance to the strategic annual priorities for ethics and compliance. The committee consists of Milliken's President and Chief Executive Officer; Executive Vice President, Chief Financial Officer and Chief Information Officer; Senior Vice President, Chief Legal Officer; Senior Vice President, Chief Human Resources Officer; Vice President, Sustainability; and Director of Ethics, Compliance, and Social Responsibility. The Director of Ethics, Compliance, and Social Responsibility serves as the Committee Chair. The committee is responsible for reviewing and considering questions of independence, conflicts of interest, and internal misconduct, while promoting compliance with our Code of Conduct and Global Whistleblower Policy. The committee reviews Helpline case trends, material cases, and disciplinary action results at least twice a year.

#### **GLOBAL SUSTAINABILITY COUNCIL**

Our Global Sustainability Council consists of more than 40 regulatory experts from Milliken. These individuals are valuable thought leaders who share compliance insights and risk mitigation strategies. The council's scope includes safety, data privacy, financial risk, regulatory, human resources, cyber security, and trade compliance, among others, across geographies. The council meets at least four times per year to review strategic initiatives, external reporting metrics, compliance policy management, training program content, and risk assessments. The council oversees multiple sub-committees, which include the Third-Party Risk Management Working Group, the EMEA Compliance Federation, and the Asia Pacific Compliance Federation. These geographic and risk-specific sub-groups support the council's overall mission to identify, analyze, evaluate, and communicate compliance risks and mitigation strategies globally. These sub-groups host regular meetings, conduct regional risk assessments, and offer relevant training for associates in their respective regions and languages. The Senior Leadership Team provides oversight and guidance to the Global Sustainability Council.

#### THIRD-PARTY RISK MANAGEMENT WORKING GROUP

The Third-Party Risk Management Working Group consists of representatives from legal, trade, sourcing, corporate strategy, security, and business units. This team meets at least four times annually to operationalize our strategy for managing third-party risk, including due diligence and ongoing monitoring to strengthen our value chain.

### This team works collaboratively to:

- Uphold global standards for responsible business, including compliance with supply chain regulations and guidelines to identify and mitigate labor, environmental, financial, and reputational risks;
- Align business practices with industry best practices and internationally recognized principles found in the U.N. Guiding Principles for Business and Human Rights, Universal Declaration of Human Rights, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work; and
- Collaborate with business partners on aligning business strategy with growing regulatory demands and business conduct strategy to address supply chain due diligence and mitigate risk.

The Third-Party Risk Management Working Group provides at least biannual updates to the Global Sustainability Council to ensure that key regulatory insights, policy updates, and assessment results are shared with compliance and business leaders globally.

# BUSINESS CONDUCT MANAGEMENT

### **CORPORATE CULTURE**

#### **CORPORATE CULTURE THEMES**

Each of us is responsible for upholding our ethical culture. We encourage associates and suppliers to ask questions and report concerns. We make it clear that speaking up is the right thing to do and that retaliation of any kind for making a genuine report is prohibited. We promote a speak-up culture through a broad range of channels including corporate communications, social media, digital signage, and training campaigns. We embrace integrity as a core value at Milliken, driving a strong culture that supports doing the right thing.

Our Code of Conduct explains that leaders have a special responsibility to listen and to act. Leadership sets our ethical tone from the top to ensure associates and business partners are comfortable speaking up and leading with integrity. Management associates realize early in their careers at Milliken that ethical tone is vital to our success, culture, and reputation.

#### HELPLINE

Our Helpline is available 24/7 and is operated by a third party. The Helpline is available in seven languages, with anonymous reporting available. Reports can be made directly to the Helpline, management, legal, or human resources.

### THIRD-PARTY ETHICS AND COMPLIANCE ASSESSMENT

We are proud to have been recognized in 2024 as one of **Ethisphere's World's Most Ethical Companies** for 18 consecutive years. Milliken is one of 136 honorees spanning 20 countries and 44 industries and one of only six honorees appearing on the World's Most Ethical Companies list every year since the award was founded in 2007.



Associates attend the World's Most Ethical Gala in Atlanta, Georgia (U.S.) to accept Ethisphere's World's Most Ethical Companies award.

#### **ASSOCIATE RECOGNITION PROGRAMS**

Milliken's INSPIRE program is a recognition and reward system meant to acknowledge and celebrate associates who go above and beyond to deliver results and demonstrate and uphold our values of integrity, excellence, innovation, sustainability, and people. This incentive program enables associates to reward colleagues worldwide, inside or outside of their team, by giving digital points based on the recognition level the nominator selects. Associates who receive an award can redeem points for items or experiences of their choice. INSPIRE also allows associates to send messages and videos to recognize and congratulate other associates on their accomplishments. Once a year, we host the Milliken Honors, our global associate recognition program. Associates nominate their colleagues for awards, and winners are recognized each year during a ceremony hosted by our CEO. Milliken's success is linked to our associates' commitment to our values of integrity, excellence, innovation, sustainability, and people. The "Integrity Award: Do The Right Thing" recognizes an associate or team of associates who embody the value of integrity and make a positive impact on our company by doing what is right.

#### **EVALUATING AND PROMOTING CORPORATE CULTURE**

We engage our associates worldwide in evaluating the success and maturity of our ethics and compliance program by hosting a third-party managed ethics culture survey. In 2024, we pulse surveyed our associates on the key topics of pressure to compromise our values and non-retaliation awareness which provided important insights. While our associates felt less pressure at work, they were still not confident in our non-retaliation process. As a result, we launched a revamped communication plan on non-retaliation awareness, including a comprehensive manager toolkit to help leaders recognize reports in the workplace and ensure our associates feel heard. This toolkit included hypothetical scenarios and examples, checklists, and key support contacts in addition to our Helpline resources.





The 2024 Do The Right Thing Award was presented to Sabrina Nehache, Senior Research and Development Professional, Chemical Business (Germany).

# BUSINESS CONDUCT MANAGEMENT

#### **AWARENESS IN COMPLIANCE AND ETHICS**

We provide our associates with an Awareness in Compliance and Ethics (ACE) curriculum, a comprehensive annual compliance training program. Training modules are assigned based on roles, geographic location, and responsibilities, and are available in seven languages. The ACE curriculum is established annually with our Global Sustainability Council based on risks, trends, compliance requirements, and business strategies. In 2024, our associates averaged three hours of ethics and compliance training, with some receiving an average of six hours based on roles and responsibilities. Our compliance team administered nearly 10,000 training hours.

#### **CASE STUDIES AND REAL SCENARIOS**

Our global compliance training program features real-life case studies from multiple regions. In 2024, our Vice President, Associate General Counsel for the Asia Pacific region hosted compliance training for associates in Japan, India, China, Singapore, and Korea that included case studies from recent Helpline matters. These case studies provide practical insights and scenarios to help participants understand compliance issues specific to their roles and ethical dilemmas they could face in their region. By incorporating these examples, we enable our associates to navigate the complex regulatory environments throughout Asia.

#### **INTEGRITY WEEK AT MILLIKEN**

During our inaugural Integrity Week at Milliken, associates engaged in various activities to reinforce ethical practices. The week-long event featured quizzes, games, and a unique Code of Conduct scavenger hunt that challenged participants to explore and understand company policies. Compliance topics covered during the week included safety, fraud, data privacy, cyber security, speak-up culture, and non-retaliation awareness. These topics were shared using interactive quizzes, cartoons, and insights to foster a deeper understanding of crucial compliance issues. By actively participating, associates demonstrated their commitment to maintaining the highest standards of integrity within the organization. We reached nearly 3,000 associates, received more than 600 quiz submissions, and named three Integrity Week Champions who we recognized for their outstanding commitment to ethics and compliance awareness.

We also hosted an interactive artificial intelligence panel discussion moderated by our Director of Ethics, Compliance, and Social Responsibility, which featured leaders from Information Security, Legal Intellectual Property, and our Data Privacy teams. Approximately 100 associates attended the live session in person or virtually, and it was recorded for on-demand viewing. The panel addressed critical compliance issues on the ethical use of artificial intelligence and shared business use cases for artificial intelligence at Milliken, allowing real-time engagement and questions from participants.



Integrity Week at Milliken celebrates our core values and reinforces our commitment to doing the right thing. Together, we continue to uphold the values that make us an 18-time World's Most Ethical Company® recipient by Ethisphere.

# **BUSINESS CONDUCT MANAGEMENT**

#### **CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES**

We publish our external business conduct policy statements on <u>Milliken's</u> <u>Ethics website</u>. Our <u>Code of Conduct</u> and <u>Supplier Code of Conduct</u> are available in the seven languages used by more than 90% of our associates and suppliers.

WE REGULARLY UPDATE AND PUBLISH OUR BUSINESS CONDUCT POLICIES, INCLUDING:

**Environmental Policy** 

Safety Policy

**Privacy Statement** 

**U.K. Gender Pay Gap Report** 

**Product Safety Statement** 

**U.K. Tax Strategy Statement** 

**Quality Policy** 

**Responsible Care Policy** 

#### **POLICY MANAGEMENT POLICY**

In addition to externally available business conduct resources, we have an internal Policy Management Policy that applies to all key compliance risk areas. Policies are reviewed annually, verified by the sponsor and owner, and must be on the approved Milliken template. All policies have a speak-up section, which includes key contacts for inquiries and our reporting channels for suspected misconduct. We have a biannual audit process to inform key policy owners of required reviews to ensure timely updates to compliance and business conduct policies. This policy audit scorecard is shared with the Global Sustainability Council quarterly to ensure reviews are occurring in a timely manner.

#### **POLICY AFFIRMATIONS**

All management and administrative associates review and confirm key compliance and business conduct policies during the annual Awareness in Compliance and Ethics (ACE) training campaign. For example, in 2024, we published a new Human Resources UK Data Retention Policy, Anti-Money Laundering Policy, and an updated Global Social Media Policy, which were acknowledged alongside Milliken's Code of Conduct, Conflicts of Interest Policy, and Cyber Security Acceptable Use Policy.

This annual training and policy acknowledgment process ensures associates review and understand policy requirements and know policy updates are available on Milliken's intranet, the Milliken Connect Hub. Production associates affirm our Code of Conduct and key safety and human resources policies annually through in-person training administered by human resources.

#### WHISTLEBLOWER PROTECTIONS

#### 1. Policy

As outlined in our **Whistleblower Policy**, Milliken is committed to the highest standards of ethics, honesty, and integrity, and to demonstrating respect and dignity for one another and those with whom we do business. We realize integrity is fundamental to the operation of our business and encourage prompt reporting of any concerns of wrongdoing.

#### Our policy:

- Encourages associates to report wrongdoing;
- Confirms that reports will remain confidential and that good faith reports be taken seriously and investigated as appropriate;
- Provides guidance on how to raise concerns of wrongdoing; and
- Provides reassurance that reports made in good faith can be made without fear of retaliation, even if the reporter turns out to be mistaken.

#### 2. Confidentiality

We will take all reasonable steps to keep the identity of anyone raising a concern confidential, consistent with conducting a thorough and fair investigation in compliance with applicable laws. We are committed to ensuring that an individual is not disadvantaged in any way by validly raising concerns about suspected reportable behavior. A whistleblower will not be disadvantaged by dismissal, demotion, loss of benefits, threats, harassment, discrimination, or bias.

### 3. Non-Retaliation Policy

We are committed to an environment that encourages open communication and reporting by eliminating the fear of retaliation. We prohibit retaliation against anyone who in good faith reports or seeks guidance on ethical or compliance issues or who participates in an investigation. This includes a suspected violation of our code, company policy, or law.

# BUSINESS CONDUCT MANAGEMENT

### MECHANISM FOR IDENTIFYING, REPORTING, AND INVESTIGATING MISCONDUCT

Our success depends on each of us doing the right thing. Associates, directors, and suppliers all uphold Milliken's values by agreeing to meet the commitments outlined in our Code of Conduct or our Supplier Code of Conduct. These commitments include understanding Milliken's policies and recognizing when to report issues or misconduct. Our Code of Conduct requires associates to understand and follow company policies, speak up regarding concerns, and cooperate with ongoing investigations. These important commitments support our strong culture of ethics. We expect managers to serve as role models in supporting our culture and not tolerate or engage in any type of retaliation in response to genuine inquiries or reports concerning our code, laws and regulations, or any ongoing investigations. Our management associates are also responsible for immediately escalating any suspected retaliation through the appropriate channels. Our Supplier Code of Conduct similarly encourages third parties to report any violations of our business conduct standards to Milliken's management team or via our thirdparty managed Helpline.

#### **REPORTING CHANNELS**

We provide our Board of Directors, associates, suppliers, and third parties several channels to communicate concerns, including by contacting a company leader, the legal department, human resources, or by calling or making a web-based report through our third-party managed Helpline **here**. Anonymous reporting is available if allowed by local law.

We provide the contact information for our various reporting channels through several internal and external publications including our Code of Conduct, the Supplier Code of Conduct, Milliken's website, the third-party managed Helpline website, Milliken Connect Hub (internal employee intranet), all company policies, online training modules, and digital signage or posters around our sites.

#### **INTERNAL SPEAK-UP TRAINING AND AWARENESS**

We provide annual training on the importance of speaking up in seven languages to ensure comprehension, elevate our speak-up culture, and raise awareness about our non-retaliation policy. All our policies and trainings include a speak-up section with instructions on submitting inquiries or reporting concerns that violate our code, policies, or applicable laws. Each year, our Director of Ethics, Compliance, and Social Responsibility or our Vice President, Deputy General Counsel who leads our internal investigation process attends the Global Human Resources Summit to update the human resources team on Helpline metrics and key reminders or updates to our internal investigation procedures. The Deputy General Counsel also offers in-person onsite training on legal updates and best practices in consultation with external employment counsel.

#### **INVESTIGATION PROCESS**

Our internal investigation plan and procedures establishes a standardized, structured, and effective process for investigations, regardless of the grievance channel used for the notification. Investigators follow this process and manually log matters received outside of our Helpline to track all matters consistently, including conducting root cause analysis, within our reporting software platform. Investigations may also be initiated independently by the Director of Ethics, Compliance, and Social Responsibility based on observations, from the Ethics and Compliance Steering Committee or Audit Committee, media articles or other external reports, or findings from Milliken's Internal Audit function.

All reports are investigated promptly, impartially, and appropriately aligned with Milliken's approved investigation guidelines. We take all reasonable steps to keep the identity of anyone raising a concern confidential, consistent with conducting a thorough and fair investigation in compliance with applicable laws. We also limit access to any report to those who are required to be made aware for the purposes of investigation and remediation. The identity of the individual making the report will not be disclosed to anyone beyond the individuals necessary for the investigation.

We are committed to keeping the reporter informed of the progress of any investigation if there is a method of informing the reporter. Confidentiality protections may prevent disclosing specific details of the investigation, or any disciplinary actions taken; however, we provide the reporter with updates and outcomes permitted by our confidentiality requirements.



We provide annual training on the importance of speaking up in seven languages to ensure comprehension, elevate our speak-up culture, and raise awareness about our non-retaliation policy.

# **BUSINESS CONDUCT MANAGEMENT**

# MANAGEMENT OF RELATIONSHIP WITH SUPPLIERS

As a global manufacturing company with diversified supply chains, we have a responsibility to manage our supply chain impacts. We increasingly monitor metrics and data and offer tools to support our suppliers. Our **Supplier Code of Conduct** outlines our expectations, which 100% of new suppliers affirm during onboarding. Our Supplier Code addresses people, labor, human rights, integrity, health, safety, and the environment, and provides our suppliers with additional resources for implementing related principles and guidelines. We require suppliers to put management systems and controls in place to comply with our code. Suppliers are also required to maintain reasonable documentation demonstrating compliance with the principles of our supplier code to allow for inspection or independent audits. We encourage our suppliers to report externally about their social and environmental impacts in line with the principles set forth in our code.

### SUPPLIER RISK, DUE DILIGENCE AND MONITORING

Milliken awards business to suppliers based on integrity, value, quality, risk, sustainability, and price. We adhere to a strategy that continues to evolve our risk assessments, including risks both upstream and downstream. In 2024, we continued to mature our third-party risk management governance.

We use the **Corruption Perceptions Index** to identify suppliers in countries with high corruption and higher risk of forced labor. Index results, audit reviews, and documentation verification are reviewed by our sourcing team, and concerns or red flags are escalated to senior management and the legal department for review and further action.

We monitor supplier compliance and measure performance including the use of supplier risk assessments. These assessments include social, environmental, and business conduct assessments. We also utilize OneTrust® for data privacy assessments. Our due diligence process incorporates supplier screening, reviews, and onsite audits to prevent forced labor, child labor, and human trafficking.

In 2021, we implemented a third-party cloud-based sustainability platform that combines supplier assessments and ongoing social media monitoring. For example, the human rights and labor questionnaire requires suppliers to review and verify their commitment to combating forced and child labor, eliminating discrimination, and ensuring good working conditions, including appropriate working hours and wages for the work performed. While we have maintained this third-party platform for ongoing indirect supplier reviews, we have also joined Sedex to implement comprehensive Sedex Members Ethical Trade Audit (SMETA) including onsite audits for direct suppliers. This social audit methodology assesses a company's ethical business practices across various aspects like labor standards, health and safety, environmental impact, and business ethics, allowing us to evaluate and improve our supply chain sustainability and compliance with ethical standards, particularly regarding worker rights and responsible sourcing. We will continue to build our data and monitoring systems to identify any incidents of forced labor. child labor, and human rights concerns in our supply chain.



#### U.S. CUSTOMS-TRADE PARTNERSHIP AGAINST TERRORISM (CTPAT®)

We have also implemented the United States Homeland Security's CTPAT® program. CTPAT is a voluntary public-private sector partnership program recognizing that the U.S. Customs and Border Protection can provide the highest level of cargo security only through close cooperation with principal stakeholders of the international supply chain like importers, carriers, consolidators, licensed customs brokers, and manufacturers. CTPAT enhances global supply chain security and prevents human trafficking and modern slavery in supply chains. As a CTPAT member, we conduct risk assessments, implement internal controls, provide training to associates

and partners, and perform periodic onsite audits of our suppliers, vendors, and our own facilities to prevent human rights violations. These audits include workplace inspections, worker interviews, and reviewing personnel onboarding documents and retention policies. These onsite audits also include safety inspections and worker interviews. In case of red flags, we have an internal escalation and notification process to notify business leaders of any issues and institute a remediation plan.





# BUSINESS CONDUCT MANAGEMENT

#### **SUPPLIER GRIEVANCE MECHANISM**

Our Supplier Code includes a duty to report concerns or violations of our principles, policies, or other issues directly to Milliken's management team or online via our third-party managed Helpline. Associates, contractors, business partners, suppliers, and third parties have access to reporting via our Helpline. Our Helpline contact information is made available in the Supplier Code of Conduct, within our Terms and Conditions, and linked at the top of our **Supplier Resources website** for ease of access.

#### **INTERNAL SOURCING TRAINING AND AWARENESS**

In addition to acknowledging our Code of Conduct and Supplier Code of Conduct, our sourcing and procurement associates are assigned risk-based training during our annual Awareness in Compliance and Ethics (ACE) curriculum focused on supplier risks, including trade compliance, modern slavery, CTPAT, and other key risk areas. Training modules are assigned based on roles, geographic location, and responsibilities, and are available in seven languages.

#### SUPPLIER MENTORSHIP AND RESOURCES PROGRAM

We offer dedicated resources for our suppliers. Our goal is to build a best-in-class program by offering ongoing support, diligently tracking Tier 1 and 2 spending, and expanding outreach events in our communities, including educational opportunities. We expanded our supplier education program, Milliken Mentorship, to include working sessions in various business categories every month in 2024. These free programs are available to any suppliers for education and networking opportunities. Key educational topics included strategic planning, digital marketing, cyber security, and sustainability. In 2024, we engaged with 72 unique businesses, across 23 sourcing commodities. Interested suppliers can sign up for future events **here**.

#### MILLIKEN MOMENTUM - SUPPLIER ENGAGEMENT CONFERENCE

In 2024, we expanded our annual supplier event to include educational sessions, panel reviews, a larger networking expo, and tours of our global headquarters (U.S.) and campus. The theme for the event highlighted sustainability, including the participant gift we procured from a business that used repurposed Polartec (Textile) scrap materialfor their goods. We hosted 400+ small and diverse-owned businesses.

60 Tier 1 suppliers, and multiple community partners, such as the South Carolina Chambers of Commerce, South Carolina Department of Commerce, South Carolina Small Business Development Centers, Greater Women's Business Council, and Carolinas-Virginia Minority Supplier Development Council. The South Carolina Lieutenant Governor provided a keynote speech on the positive community impacts of incorporating supplier engagement programs in corporations.

#### **SUPPLIER RECOGNITION PROGRAM**

In 2024, our Corporate Sourcing team held our third annual Corporate Sourcing Award Program at our global headquarters (U.S.) to recognize suppliers who go above and beyond. Through the program, we recognized Wesco, Staples, Great Dane, Print Source, Signatures Apparel, and Sonoco. These suppliers were recognized for their outstanding partnership and for adhering to our business processes while providing top-tier service and competitive cost performance.



Milliken's Corporate Sourcing (left) and Sustainability (right) associates present the 2024 Corporate Sourcing Award to Sonoco, represented by Philip Davis, Global Sustainability & Environmental Director. Sonoco is an outstanding sustainability and sourcing partner for Milliken.

# BUSINESS CONDUCT MANAGEMENT

### ACTIONS TO ADDRESS FORCED LABOR, CHILD LABOR, AND HUMAN TRAFFICKING

We conduct our business operations in ways that seek to respect, protect, and promote the full range of human rights, as described in the United Nations' Universal Declaration of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. Although we believe that governments worldwide bear primary responsibility for safeguarding human rights, we acknowledge the corporate responsibility to respect human rights articulated in the United Nations' Guiding Principles on Business and Human Rights. To this effect, Milliken is a member of the United Nations Global Compact and reports on progress annually.

WE ENCOURAGE THE PROMOTION OF HUMAN RIGHTS IN OUR POLICIES, STANDARDS, AND BUSINESS PRACTICES, INCLUDING THROUGH OUR:

**Code of Conduct** 

**Human Rights Policy** 

**Supplier Code of Conduct** 

Modern Slavery Statement

We enforce a variety of commitments and policies to address child labor, forced labor, and human trafficking through document verification, internal and external audits conducted by our human resources and global security teams, and ongoing associate training to monitor for modern slavery risks in the workplace. Our suppliers must also affirm and comply with Milliken's Supplier Code of Conduct. We reserve the right to terminate a supplier relationship should a risk of modern slavery or human trafficking become apparent.

We are committed to providing or supporting access to remedies when we find or become aware of adverse human rights impacts within our company or value chain. We provide associates and all external stakeholders access to Milliken's **Helpline**, a third-party managed communication channel, for raising grievances and seeking remedies.

Milliken is an active and engaged National Council of Textile Organizations (NCTO) member. NCTO's mission is to influence federal policies, programs, and regulations in a manner that advances the interests of the United States textile sector. As a national trade association, NCTO represents the entire spectrum of the United States textile manufacturing sector, from fiber and yarn to fabric and finishing.

In 2024, the NCTO organized a site visit with the U.S. Customs and Border Protection (CBP) agency to tour their newly expanded Savannah Laboratory and demonstrate the CBP's latest laboratory technology, the Isotope-Ratio Mass Spectrometer. This powerful tool tests and verifies the country of origin of textile and apparel to comply with the Uyghur Forced Labor Prevention Act (UFLPA). The UFLPA aims to protect U.S. consumers and companies from forced labor in China's Xinjiang Uyghur Autonomous Region (XUAR). The law presumes that all goods produced in or by entities in XUAR are made with forced labor and are not allowed to enter the U.S. Representatives from our Government Relations, Textile Research and Development, Ethics and Compliance, and Trade Compliance teams attended this site visit with the NCTO and CBP along with other textile manufacturing leaders from around the United States. This meaningful conversation provided insights into the testing procedures for verifying the country of origin of textiles and apparel.

#### **AGE VERIFICATION REOUIREMENTS**

Our human resources department has an internal Hiring Policy in place to verify workers meet our age requirements during the onboarding process. Associates must be 18 years or older to be employed. Student interns and apprentices are the only exception to this policy, which allows students aged 16 to 18 to observe and perform normal duties. However, workers under the age of 18 cannot conduct certain tasks that pose a safety risk or require training certification, such as accessing electrical boxes, operating a powered vehicle, or performing other jobs that are limited by local law.



U.S. Customs and Border Protection representatives leading the NCTO tour for textile manufacturing representatives at the Savannah, Georgia (U.S.) facility.

# BUSINESS CONDUCT MANAGEMENT

#### PREVENTION AND DETECTION OF CORRUPTION OR BRIBERY

Milliken's **Code of Conduct** and **Supplier Code of Conduct** make it clear that no one acting on behalf of Milliken, whether directly or indirectly, is permitted to make or receive bribes or improper payments. Our Codes are available publicly in seven languages to reach our global value chain. They can be accessed through multiple channels, including on our website's Ethics and Supplier Resources pages and on our third-party managed Helpline website. We train our associates to avoid any interaction with a public official or someone who works for a publicly owned company or political organization, that could appear improper. Associates and third parties are required to report any suspected corruption activities or any requests for a bribe immediately.

#### **CORRUPTION RISK MANAGEMENT**

In cooperation with our business units, we monitor for corruption risk exposure and implement internal controls, processes, and role-specific awareness training among our associates. We continuously improve our processes based on root cause analysis of internal investigations, compliance risk assessments, and employee surveys.

Each year, Milliken's compliance team participates in a collaborative workshop with the enterprise risk management team to evaluate global compliance risks that should be factored into our enterprise risk mapping process and strategic planning initiatives. The workshop informs us of potential risks that can affect Milliken and informs our annual internal audit plan. This process prioritizes the risks we face from corruption and bribery globally and informs our mitigation efforts to decrease the likelihood of corruption risks harming our business.

To continue our efforts against corruption, we launched a third-party hosted Anti-Corruption Maturity Assessment to evaluate all facets of our anti-corruption program, including policies, procedures, and records; anti-corruption compliance roles and support; scope and quality of risk assessments; management of third parties; training and capacity building; monitoring and measurement (including controls); and corrective actions and improvement plans. We will continue working to strengthen our anti-corruption program as our business risks evolve globally.

#### INTERNAL CORRUPTION TRAINING AND AWARENESS

In addition to acknowledging our Code of Conduct and Supplier Code of Conduct, management and administrative associates facing the highest corruption and bribery risks are assigned training during our annual Awareness in Compliance and Ethics (ACE) curriculum. These functions include sourcing, sales, and finance, and they receive comprehensive training on anti-corruption, anti-money laundering, bribery risks in our supply chain, and their responsibilities to report suspected bribery and corruption. Training modules are assigned based on roles, geographic location, and responsibilities, and are available in seven languages.

#### **CORRUPTION INCIDENTS**

In 2024, we had no public claims or cases regarding corruption. Accordingly, there were no convictions or fines for violations of anti-corruption and anti-bribery laws. There were no pending legal proceedings against the company or associates related to corruption or bribery. There were no corruption reports that resulted in disciplinary action or termination of an associate. There were no investigations into suppliers or business partners for incidents of corruption. As a result, there were no decisions relating to contracts with business partners that resulted in termination or non-renewal due to violations related to corruption.

#### **CORRUPTION INVESTIGATION PROCESS**

When a corruption matter is reported, our legal department follows Milliken's protocol for highly sensitive internal investigations. The investigators are separate from the chain of management involved, and any implicated party serving in an investigative role is immediately screened or removed from the matter. Once an internal investigation is completed, management is informed of the outcome and given a recommended remediation plan. If the matter is financially material, involves a senior leader, or raises to a certain level of severity, the Ethics and Compliance Steering Committee is kept apprised throughout the remediation implementation, and if there are material financial implications, the Audit Committee Chair is informed.



# SUPPORTER OF THE CALL-TO-ACTION ON THE 20TH ANNIVERSARY OF UN CONVENTION AGAINST CORRUPTION

As a participant in the <u>United Nations Global Compact</u>, Milliken supports Principle 10 on Anti-Corruption. We do not tolerate bribery, corruption, or unethical practices of any kind. We <u>communicate our progress</u> annually including our commitment to managing our anti-corruption program. In 2023, we joined the <u>United Nations Call-to-Action from Business to Governments</u> on the 20th Anniversary of the United Nations Convention against Corruption.

# **BUSINESS CONDUCT MANAGEMENT**

### **POLITICAL ENGAGEMENT**

Milliken conducts educational advocacy to inform elected officials globally about the issues that impact our company and associates and to support effective, responsible, and non-partisan policies. This includes engagement with the executive and legislative branches of federal, state, and local governments and providing perspective on proposed regulations. An ethical and responsible approach to political engagement is important for local, regional, and international governance.

Milliken maintains a non-partisan political action committee ("PAC"), which is funded entirely through voluntary contributions from eligible associates. It complies with all applicable federal laws and makes contributions to federal candidates based on consideration of the following principles: reputation of integrity, representation of a state or district with a Milliken facility, position on issues of importance to Milliken, and a leadership position or committee that has outsized impact on policies that impact the company or our associates.

#### POLITICAL ENGAGEMENT MANAGEMENT

Milliken's political engagement is led by our government relations team, which reports to the Chief Executive Officer and senior leadership team through our legal department. Our PAC is governed by a committee of senior leaders who represent key businesses and corporate support functions.

#### POLITICAL ENGAGEMENT COMMITMENT

All lobbying activities by or on behalf of Milliken comply with applicable laws and regulations and are subject to our Milliken Code of Conduct. Whether we are communicating with government officials, regulators, trade associations, or others, we approach every engagement ethically and transparently.

Milliken supports and encourages our associates to exercise their democratic right to participate in the political process in support of issues, candidates, or political parties of their choice. However, Milliken has internal policies to ensure associates' personal views and actions are separate from those of the company.

#### **ADVOCACY**

Milliken engages in educational advocacy via meetings with public officials and industry associations. Our advocacy focuses on topics that impact trade, manufacturing, regulation, and sustainability. Milliken is an active participant in trade associations and organizations in the United States and across the globe, some of which also engage in political advocacy. We use our role in these organizations to ensure our voice is heard on key issues important to Milliken, our industries, and the communities where we operate.

### **PAYMENT PRACTICES**

Milliken pays invoices in accordance with purchase order terms, which may vary based on commodity or country-specific marketplace standards. Our standard **Global Terms and Conditions of Purchase** states that "payment shall be due within a reasonable time after receipt by Buyer of all Merchandise and all invoices therefor. Seller shall apply each payment by Buyer to the invoices for which such payment is made." We remit payment primarily by ACH once the product order or service has been successfully received and invoiced. We track payment remittances with detailed analytics, and our accounts payable team solves any discrepancies in a timely manner. Based on our payment control environment, we had no legal proceedings for late payments in fiscal year 2024.

### **ANIMAL WELFARE**

Milliken does not conduct or outsource testing on animals unless it is specifically required by a regulation or government authority. There are instances where animal testing may be required as part of a government-mandated registration process. Milliken is committed to promoting alternative non-animal testing methods to avoid animal testing. For example, we have used in-silico modeling for the past several years for screening purposes in research and development and to inform us when there could be health or environmental concerns with a substance. For additional information, review our **Animal Welfare Policy Statement**.

# BUSINESS CONDUCT METRICS AND TARGETS

#### **ANNUAL COMPLIANCE AND ETHICS CURRICULUM**

Five out of our 15 ACE Curriculum courses are described below and assigned based on role and risk-based analysis.

COURSE	ANTI-CORRUPTION AND ANTI-BRIBERY	CONFLICTS OF INTEREST, DISCLOSURES, AND POLICY ACKNOWLEDGEMENT	CODE OF CONDUCT	WHISTLEBLOWER PROTECTIONS	ANTI-HARASSMENT AND DISCRIMINATION
Total associates*	2,615	2,615	6,884	2,615	6,884
Total associates receiving training	2,615	2,587	6,884	2,587	6,883
Delivery method	Online	Online	Online and in-person	Online	Online and in-person
Duration	15 minutes	10 minutes	50 minutes	5 minutes	2 hours
Classroom training participants	Not applicable	Not applicable	4,269	Not applicable	4,269
Computer-based training	2,615	2,587	2,615	2,587	2,614
Frequency	Once per year	Once per year	Once per year	Once per year	Once per year
How often training is required	Annually	Annually	Annually	Annually	Annually
Completion rate	100%	99%	100%	99%	100%
Topics covered include	Bribery and Improper Payments	Conflict of Interest Review	Ethical Decision Making	Global Whistleblower Policy Review	Location (State/Country)
	Accurate Book and Record Keeping Mandatory Disclosure The Power or	The Power of a Single Voice	Speaking Up	Specific Harassment and Discrimination	
	Speaking Up	Speaking Up	Human Rights	Policy Acknowledgement	Speaking Up Reporting Requirements
			Respecful Communication		
			Leading with Values		
			Confidential and Proprietary Information		
			Environment, Health and Safety		
			Speaking Up		
			Code of Conduct Acknowledgement		

<sup>\*</sup>This number is an estimate of total associates invited factoring in turnover, leaves of absence and other factors that may lead to exemption by the November 30th training timeline. Associates have three months to complete ACE training which leads to fluctuation in total invitees during the training period.

Business Conduct | Metrics and Targets

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# BUSINESS CONDUCT METRICS AND TARGETS

Milliken discloses a variety of key business conduct metrics to support transparent and sustainable business practices to benefit all stakeholders.

FORCED LABOR AND HUMAN TRAFFICKING METRIC	#
Number of confirmed incidents of forced labor and/or human trafficking identified in Milliken's own operations in 2024	0

CHILD LABOR METRIC	#
Number of confirmed incidents of child labor identified in Milliken's own operations in 2024	0

CORRUPTION OR BRIBERY METRIC	#
Total number of confirmed incidents of corruption or bribery in 2024	0
Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	0
Public cases brought against Milliken regarding corruption or bribery during 2024	0
Number of confirmed incidents in which Milliken workers were dismissed or disciplined for corruption or bribery-related incidents	0
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to corruption or bribery violations	0

#### **HELPLINE METRICS**

We disclose the impact of our Helpline to our associates in our Helpline Report annually and report twice a year on types of concerns, substantiation rates, and actions taken to the Board of Directors' Audit Committee. The Helpline Report is shared globally with all associates to promote our speak-up culture and is posted externally on our website. Here, we disclose Helpline metrics for 2024.

HELPLINE DATA	RESPONSE	
Total reports	147	
Substantiated reports	50%	
Total reports investigated	100%	
Total anonymous reports	40%	
Reports per 100 associates	1.8	
Non-US reports	20	
Total substantiated claims of harassment or discrimination related to pregnancy or maternity rights or gender discrimination or maternity rights or gender discrimination	0	
Total allegations of discrimination	10	
Substantiated reports of discrimination	4	
Total allegations of harassment	46	
Substantiated reports of harassment	34	
Types of concerns	Conflict of interest Cybersecurity/Data Privacy Discrimination Fraud/False reporting Harassment and bullying  Health and safety Retaliation Substance abuse Time theft and pay concerns	
Actions taken	Increased training Job transfers Policy review and Termination communication Additional security precautions Disciplinary action	

Business Conduct | Metrics and Targets

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