
2023 SUSTAINABILITY REPORT

Learn more about our [sustainability journey](#).

Milliken™



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A MESSAGE FROM OUR CEO



“ I express my gratitude to all of you—our hardworking team, Milliken Board of Directors, customers, partners, our shareholders, and local communities—for joining us on our sustainability journey. The progress we have achieved requires your dedication and effort, and we value your support as we work to create a more sustainable future.

At Milliken, we are dedicated to a better future.

We demonstrate that work in our 2023 Sustainability Report, where we report on our significant advances, and our challenges, towards our sustainability goals. Here are some of the actions we’re taking to create a better future together:

PEOPLE

We have improved our safety programming and reduced our lost-time incidents. We continue to deepen our dedication to inclusion. Our first-ever supplier diversity event brought together 350 people and 50 Tier 1 suppliers. We are also pleased to announce that we achieved our 2025 Volunteer Hours Goal well ahead of schedule.

PRODUCT

One hundred percent of new products launched now include a sustainability assessment.

Our collaborations, including Orak, a Paris-based company that maintains carpets and reuses flooring, and The Recycling Partnership’s Center for Sustainable Behavior and Impact, demonstrate our dedication to circular economy concepts.

PLANET

We are on track to meet our 2025 Greenhouse Gas (GHG) and Renewable Energy Goals. While our 2025 Landfill and Water Goals have proven more challenging, we remain committed to improving waste management practices and localized water solutions.

NET-ZERO

We are on track to meet our 2030 scope 1-2 reduction target, backed by five years of achievement on our 2025 GHG and Renewable Goals. Our enhanced scope 3 accounting model is helping us obtain a more precise and comprehensive view of our emissions and reduction efforts.

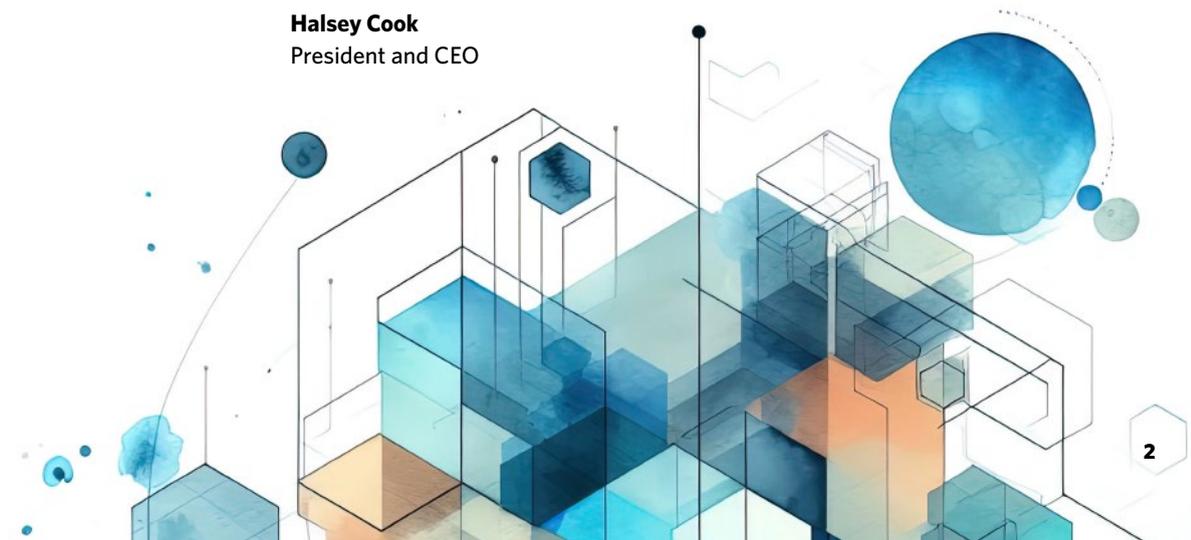
U.N. GLOBAL COMPACT

We reaffirm our commitment to the U.N. Global Compact and promise to follow the Ten Principles that focus on human rights, labor standards, environmental protection, and anti-corruption. We work hard to incorporate these principles into our daily operations and strategy, and welcome projects that advance these wider developmental goals.

Finally, I express my gratitude to all of you—our hardworking team, Milliken Board of Directors, customers, partners, our shareholders, and local communities—for joining us on our sustainability journey. The progress we have achieved requires your dedication and effort, and we value your support as we work to create a more sustainable future.



Halsey Cook
President and CEO



AWARDS AND RECOGNITION



As a 17-time honoree, Milliken joined 135 companies recognized as one of the 2023 World's Most Ethical Companies® by Ethisphere.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

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.



APPROVED NET-ZERO TARGETS



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

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



Milliken joined the America's Most Innovative Companies list and America's Best Employers for New Grads list for the first time in 2023.



2023 was the second year Milliken was named to Forbes' list of Best Employers for Diversity.



For a second consecutive year, Milliken was named to America's 100 Most Loved Workplaces list, compiled by Newsweek.

Milliken was named to America's Best Employers for New Grads list by Forbes for the first time in 2023.



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 scored an A- in climate change and a B in water security.



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



GENERAL

BASIS FOR PREPARATION OF REPORT

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

GOVERNANCE

We provide an understanding of Milliken’s governance processes, controls, and procedures to monitor and manage sustainability matters.

STRATEGY

We describe our markets, industries, value chain, stakeholder engagement, impacts, risks, and opportunities impacting our sustainability strategy.

IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

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

COMMITMENTS

We highlight certain sustainability commitments that inform our sustainability strategy.

METRICS AND TARGETS

We share our enterprise sustainability metrics and targets for 2025 and our net-zero 2030 and 2050 targets.



MORE GENERAL SUSTAINABILITY DISCLOSURES CAN BE FOUND AT OUR

[Global Reporting Initiative Index](#),

[Task Force on Climate-Related Financial Disclosures Index](#), and our

[United Nations Global Compact Communication on Progress](#).

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.

REPORTING PERIOD

This report covers the 2023 calendar year, unless otherwise noted. This report supersedes our previous sustainability report, released April 2023.

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.

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. Operations data is consolidated to the parent-company level, Milliken & Company. No adjustments are made for minority interests.

SUSTAINABILITY INFORMATION CHANGES

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, then we aim to provide restated comparative figures, unless it is impracticable to do so.

TRADEMARKS, TRADE NAMES, AND LOGOS

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

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 and/or downstream value chain.

IDENTIFYING REPORTING PRIORITIES

We identify our reporting priorities by focusing on the ways we can have the greatest impact – on the economy, the planet, and people, including through human rights. In a shifting global landscape, we realize the importance of assessing both the positive and negative potential impacts of Milliken’s activities and our business relationships. We disclose more information on our reporting priorities in the “Impact, Risk, and Opportunity” portion of this section.

LINKING PAST, PRESENT AND FUTURE

Certain statements in this report, including but not limited to, information regarding the operating activities of Milliken & Company and its subsidiaries, the plans and objectives of management and assumptions regarding future performance and plans, expected growth, and economical, 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 forward-looking 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 a 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.

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 aligned with 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.

CHANGES IN PRESENTATION OF REPORT

To support transparency and interoperability of reporting frameworks, we structured our report to be influenced by recommendations of the European Union's Corporate Sustainability Reporting Directive, while maintaining connections to the structure used in our prior reporting years. This 2023 Report structure outline 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. Similar to prior years, we disclose information in this year's report in alignment with several sustainability reporting standards and influenced by evolving reporting standards. Our reporting disclosures provide additional information about our strategies, policies, metrics, and performance data. We provide disclosure indices [here](#) and reference relevant reporting frameworks at the beginning of each of the report's sections.

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 [here](#).

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 Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (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 contracted WAP Sustainability Consulting (WAP) to provide limited assurance over Milliken's Scope 1, Scope 2, and Scope 3 emissions data for calendar year 2023. The aim of the verification is to provide assurance to Milliken's stakeholders with respect to 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 2023, 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 Global Reporting Initiative (GRI) Index within this 2023 Sustainability Report has been prepared in accordance with the GRI Standards 2021. The verification was conducted to provide assurance that the GRI content index meets the requirements of the Standards; the presentation and structure of essential disclosures is 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 Sustainability Accounting Standards Board (SASB) Index within this 2023 Sustainability Report has been prepared in alignment with the recommendations of the SASB Standards. The verification was conducted to provide assurance 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 Task Force on Climate-Related Financial Disclosures (TCFD) Index linked within this Sustainability Report have been prepared in alignment with the recommendations of TCFD. The verification was conducted to assure 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 assure 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.

GOVERNANCE

SUSTAINABILITY BOARD EXPERTISE

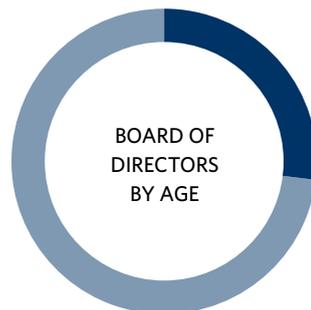
Our board receives in-person training annually, which included net-zero in 2022 and cyber-security, ethics and compliance, and family business governance in 2023. All directors also have access to online director-level education resources and training.

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):

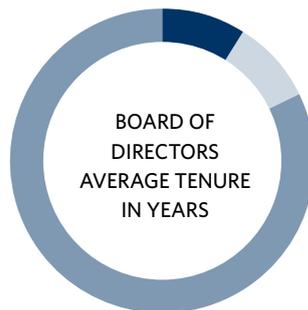
1. Climate science knowledge
2. Broad scientific and environmental literacy
3. Experience with climate and enterprise risk management
4. Engagement with stakeholders on climate-related issues
5. Experience with strategic execution of climate-related issues



Female Male



30-50 >50



<1 1-4 >4

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 Chief Executive Officer (CEO) and President, and includes our Chief Human Resources Officer, Chief Marketing Officer, Chief Financial Officer, Chief Strategy Officer, presidents of our businesses, our Executive Vice President, Operations, and our General Counsel.

BOARD OF DIRECTORS

SENIOR LEADERSHIP TEAM

SUSTAINABILITY ENABLER TEAM

CROSS-FUNCTIONAL TEAMS



Our CEO has overall management responsibility for the company and works closely with our Executive Vice President, Operations and our Senior Vice President, General Counsel on our sustainability strategy. Milliken has policies, procedures, data collection systems, and monthly SLT updates for monitoring our sustainability strategy. Our sustainability metrics and targets are reviewed regularly by our CEO.

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. Additionally, several councils and working teams drive sustainability efforts throughout the company.

GOVERNANCE

SUSTAINABILITY DUE DILIGENCE AND IMPACT ASSESSMENT

Engagement with our key stakeholders is part of Milliken's on-going due diligence process and impact assessment. This includes our process to identify and assess actual and potential positive and negative impacts, which informs our impact assessment process and identification of our key impact areas for the purpose of sustainability reporting.

For Milliken, sustainability due diligence is an ongoing practice that responds to changes in our strategy, business models, activities, business relationships, operations, sourcing, and controls, in alignment with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Sustainability matters are embedded in our governance roles and responsibilities. We recognize that we cannot address all impacts at once, so we prioritize impacts based on severity and likelihood of the impacts.

This is our sixth annual sustainability report, as we continue to take actions to address impacts on people and the environment, and track the effectiveness of our efforts.

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 metrics and targets.

In addition, all Milliken associates (individually or as teams) are eligible to 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. 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 REPORTING CONTROLS

A 2022 review of our board committees revealed that no committee had been specifically tasked with reviewing the processes and procedures for collecting and analyzing our reported sustainability metrics. The board tasked the Audit Committee with the annual responsibility for this review. In 2023, management presented on risk management and our sustainability reporting process to the Audit Committee. Moving forward annually, the Audit Committee will review management processes and procedures for collecting and analyzing our sustainability reporting metrics. In addition, the Sustainability Enabler team presents to our Senior Leadership Team at least twice a year on the processes and procedures for collecting and analyzing our sustainability reporting metrics.

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 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.

SUSTAINABILITY MANAGEMENT EXPERTISE

Milliken associates are given training resources on sustainability, which includes annual compliance training offered online and on-demand along with 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. In 2023, Milliken hosted an internal sustainability summit that brought together internal and external sustainability subject-matter experts to make available skills and sustainability expertise to over 500 associates. Milliken also routinely engages external sustainability subject matter experts for matters such as verification of report disclosures, accessing biodiversity, life cycle assessments, third-party product verifications, double materiality analysis, and insights on shifting sustainability requirements.



Hundreds of associates participated in the 2023 Global Sustainability Summit hosted virtually and in person at our global headquarters (U.S.).

STRATEGY

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



TEXTILE

Textile solutions that deliver protection, durability, comfort, and style.



Fire Service



Decor



Government and Defense



Table Linens



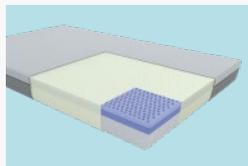
Performance Apparel



Automotive Textiles



Technical Textiles



Bedding Textiles



CHEMICAL

Chemical solutions that reduce resource consumption, enhance health and well-being, and solve for circularity and end-of-life challenges.



Polymer Additives



Concentrates



Clarifiers



Microencapsulation



Coating Additives



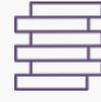
Silicones



Colorants



Surfactants and Intermediaries



FLOOR COVERING

Floor covering solutions for hospitality, workplace, and residential markets.



Commercial Flooring



Resilient Flooring



Entrance Flooring



Hospitality Flooring



Residential Flooring



HEALTHCARE

Healthcare solutions for wound and burn dressings, compression, cohesive bandages, and tapes.



Medical Care



Sports Medicine



Animal Health



Consumer Retail

STRATEGY

Milliken's significant markets and customer groups served are described below.

INDUSTRIES

Milliken products support significant, diverse industries and market groups.



Agriculture



Building Construction and Infrastructure



Consumer Goods



Government and Defense



Manufacturing



Apparel



Coatings, Paints, and Inks



Education



Healthcare and Life Sciences



Packaging and Print



Automotive and Transportation



Commercial



Energy and Utilities



Hospitality



Residential

BRANDS

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



STRATEGY

Milliken's strategy is influenced by its associates and value chain. Our economic activities are influenced by our sustainability priorities and evolving regulations. We are expanding our manufacturing footprint in Asia, and we continue to engage with policy makers 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 GENDER

GENDER	HEADCOUNT
Male	4,400
Female	2,484
Other	Not tracked
Not reported/Unknown	16
Total Permanent Employees	6,900

HEADCOUNT OF ASSOCIATES BY COUNTRY*

COUNTRY	HEADCOUNT
Australia	53
Belgium	194
China	330
France	93
Germany	64
United Kingdom	410
United States	5,570

*Countries with at least 50 employees

VALUE CHAIN

Our value chain includes entities upstream and downstream of our business, which 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 environment in which we operate, including the regulatory environment. Downstream from Milliken includes those that receive products or services from Milliken (for example, distributors and customers). Upstream includes products or services that are 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 climate change disclosure.

SUSTAINABLE ECONOMIC ACTIVITIES

Milliken continues to consider best practices for prioritizing alignment on capital expenditures with our sustainable economic activities. In 2023, we implemented a new capital expenditure process which 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.

EVOLVING REGULATIONS

Sustainability-related regulatory developments continue to evolve. Many of these developments address systemic risks and opportunities that may impact Milliken's businesses. We continuously improve our compliance mapping processes to inform our strategy.

EXPANDING MANUFACTURING IN ASIA

In 2023, we worked to expand our local manufacturing in Asia by beginning construction on 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 will incorporate solar panels sufficient to generate enough electricity to cover at least 5% of the plant's power consumption, and other options are being considered to reduce the plant's carbon footprint.

ENGAGING WITH POLICY MAKERS

We continue to 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 advance the transition to a net-zero economy, 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. In 2023, we contributed to consultations on the proposed U.N. Global Plastics Treaty and worked to advance renewable energy availability at our sites.

IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

IMPACTS INFORM OUR STRATEGY

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

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 can be material from an impact perspective or 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 the impacts analysis only. In 2023, our materiality analysis was informed by the guidance of third parties 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 amongst 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.

STAKEHOLDER ENGAGEMENT

We consider our stakeholders and users of our Sustainability Report. Our engagement efforts include ongoing channels of engagement that are integrated into Milliken's business practices, such as active involvement in trade associations and employee feedback channels. We also consider credible independent experts such as non-governmental organizations that represent 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.

REFERENCES TO MATERIAL OR IMPACT TOPICS

In this report and in 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.

CONSIDERATION OF 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 first tier. However, in 2023, the data available on our value chain is less reliable and less available than our operations data. We continue to consider metrics and targets 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 LIFE CYCLE

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

IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

To understand our impacts, risks, and opportunities, we prioritize impacts, conduct assessments, conduct ongoing engagement with stakeholders, report annually on our key impact areas, and share our lessons learned.

1

PRIORITIZING IMPACTS

Since 2019, we have conducted an impact materiality assessment to inform our sustainability disclosures. The assessment is informed by the requirements of the Global Reporting Initiative Universal Standards. We identify our reporting priorities at the parent company, Milliken & Company, at the enterprise, group level.

Milliken focuses on the ways we can have the greatest impact—on the economy, the planet, our communities, and our people. We realize the importance of assessing both the positive and negative potential impacts of our activities and our business relationships. For actual and negative impacts, we aim to monitor the severity of the impact, and for positive impacts, we continue to improve ways to assess the scale and scope. For both actual, negative, and positive impacts, we consider the likelihood of impact on a short, medium, and long-term time horizon.

2

ASSESSING IMPACTS

We consider how our impacts relate to our own operations and our upstream and downstream value chain. Our assessments include our annual climate risk assessment, which aligns with our enterprise risk management process. We engage our compliance subject matter experts and include surveys of our associates. We also analyze our Helpline reports, review global benchmarking data, and monitor shifts in reporting frameworks and standards to ensure that our sustainability reporting continues to address impacts most relevant to Milliken. We also analyze and incorporate scientific research for environmental matters, where credible scientific reports can provide more objective information on severity and/or likelihood of impacts. Assessing our impacts is a dynamic process that we continue to update and revise on an ongoing basis.

3

ENGAGING STAKEHOLDERS

We engage with our stakeholders on an ongoing basis and with different affected stakeholders for different matters. As part of a formal engagement process with stakeholders in 2021, we surveyed more than 180 associates, our Board of Directors, and more than 140 external stakeholders, including customers, state and local government representatives, non-governmental organizations, trade associations, scientists, and sustainability subject matter experts. In 2023, we conducted a smaller, formal engagement process with a focus on internal stakeholders, and representative customers. We also engage by regularly attending conferences, holding customer visits and webinars, and convening internal sustainability summits.

4

KEY IMPACTS FOR REPORTING

Our sustainability reporting is driven by our commitment to transparency as well as a deep and growing understanding of the potential impacts of our actions and inactions. We recognize our efforts are globally interconnected and therefore report in alignment with global standards on our key impacts, including our policies, commitments, actions, targets, and progress evaluations.

5

LESSONS LEARNED

Our impact prioritization, assessment, and stakeholder engagement reinforced our 2025 People, Product, and Planet Goals and supported the addition of our net-zero targets and, in 2023, a separate section for business conduct. This year's assessment also revealed a need for additional reporting on general information related to our sustainability approach.

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.

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 through human rights. In a quickly shifting global landscape, we realize the importance of assessing both the positive and negative potential repercussions of Milliken’s activities and our business relationships. We consider our effect on the environment, the economy, and society, and the effects of the environment and society on Milliken. For each of the People, Product, Planet, Net-Zero and Business Conduct sections of our report, we include disclosures on commitments (including alignment with targets of the United Nations Sustainable Development Goals), policies, our management approach, and key metrics and targets.

REPORT LOCATION	IMPACT AREAS			
 PEOPLE	Workforce Health and Safety	Diversity, Equity, and Inclusion	Data Protection and Privacy	Community Engagement
 PRODUCT	Product Sustainability Impacts	Circular Economy	Material Traceability	Sustainable Innovations
 PLANET	Direct Carbon Emissions	Waste and Recycling	Renewable Energy	Water Risk
 NET-ZERO	Climate Risk	Direct Carbon Emissions	Indirect Carbon Emissions	Value Chain Carbon Emissions
 BUSINESS CONDUCT	Training	Ethics	Supply Chain	Human Rights

COMMITMENTS

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Milliken commits to the United Nations Sustainable Development Goals (U.N. SDGs) and the 2030 Agenda for Sustainable Development. The U.N. SDGs guide 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 9 of the 17 U.N. SDGs.

UNSDG	MILLIKEN MATERIAL TOPIC	UNSDG RELEVANT TARGETS	MILLIKEN SUSTAINABILITY GOAL ALIGNMENT
	<ul style="list-style-type: none"> Climate risk Product sustainability impacts Waste and recycling Workforce health and safety 	<ul style="list-style-type: none"> 3.5 Strengthen the prevention and treatment of substance abuse 3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination 	 
	<ul style="list-style-type: none"> Diversity, equity, and inclusion Ethics Human rights 	<ul style="list-style-type: none"> 5.1 End all forms of discrimination against all women and girls everywhere 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 	
	<ul style="list-style-type: none"> Product sustainability impacts Waste and recycling Water risk 	<ul style="list-style-type: none"> 6.3 Improve water quality by reducing pollution, eliminating dumping, and minimizing release of hazardous chemicals and materials 	 
	<ul style="list-style-type: none"> Climate risk Indirect carbon emissions Value chain carbon emissions 	<ul style="list-style-type: none"> 7.2 Increase substantially the share of renewable energy in the global energy mix 	 
	<ul style="list-style-type: none"> Circular economy Data protection and privacy Training 	<ul style="list-style-type: none"> 9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries 9.c Significantly increase access to information and communications technology 	  

COMMITMENTS

UNSDG	MILLIKEN MATERIAL TOPIC	UNSDG RELEVANT TARGETS	MILLIKEN SUSTAINABILITY GOAL ALIGNMENT
	Diversity, equity, and inclusion Ethics Human rights	10.2 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	
	Community engagement Ethics Human rights	11.7 Provide universal access to safe, inclusive, and accessible, green, and public spaces	
	Product sustainability impacts Waste and recycling Water risk	12.2 Achieve the sustainable management and efficient use of natural resources 12.4 Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle 12.5 Substantially reduce waste generation through prevention, reduction, recycling, and reuse	       
	Circular economy Climate risk Direct carbon emissions Indirect carbon emissions 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	     

COMMITMENTS



Milliken commits to reporting annually to CDP, a nonprofit organization that encourages companies to publish their environmental data and assesses their sustainable development 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 [here](#).



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 environmental impacts of our operations and products, go beyond regulatory requirements, and collaborate with others to fulfill our commitments to sustainability.

WE SUPPORT



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



In 2023, Milliken was recognized for the 17th 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.



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.



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



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



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

METRICS AND TARGETS

Milliken's near-term metrics and targets 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
- Commit to an Inclusive Associate Community
- Zero Data Privacy Breaches
- 100,000 Volunteer Hours



PRODUCT

- 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



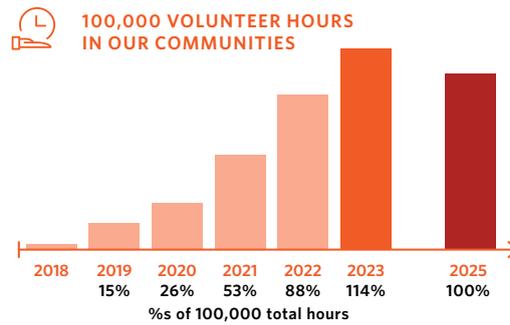
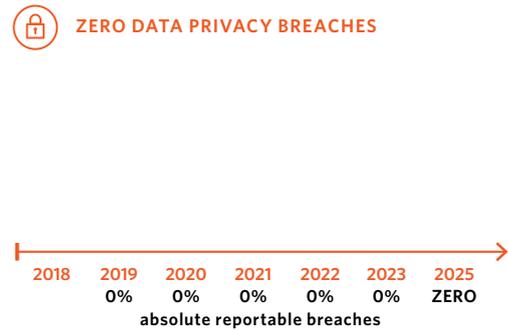
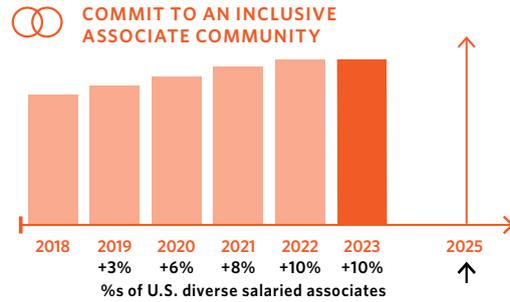
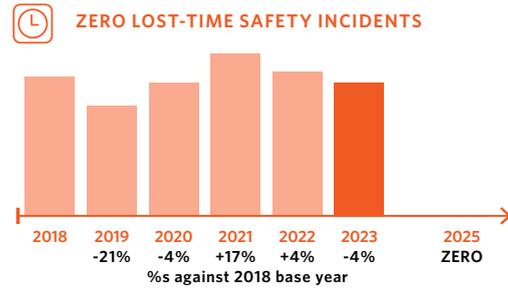
NET-ZERO

- Reduce Absolute Scope 1 and 2 Greenhouse Gas Emissions by 50.4%
- Reduce Absolute Scope 3 Greenhouse Gas Emissions by 30%

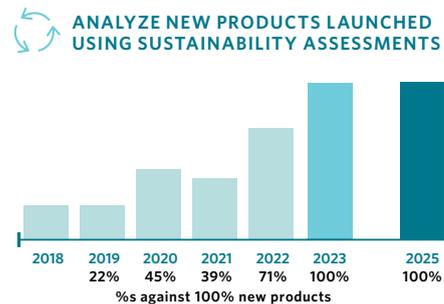


METRICS AND TARGETS

2025 PEOPLE GOALS



2025 PRODUCT GOALS



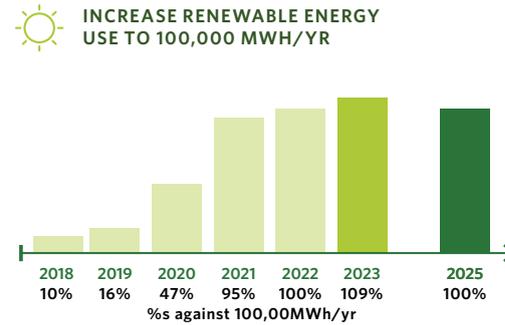
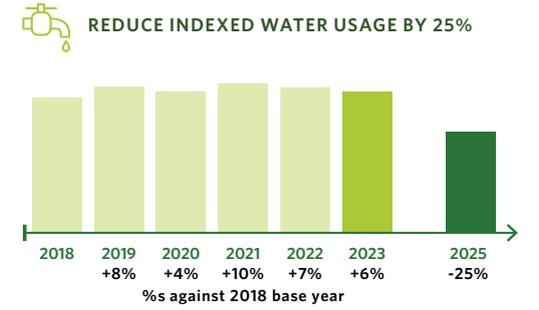
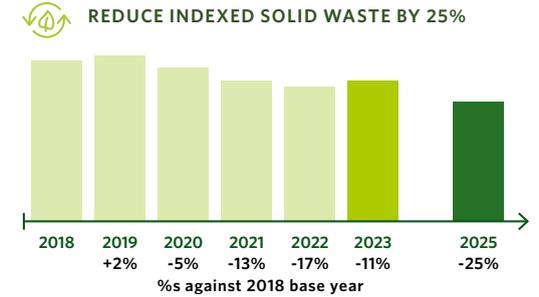
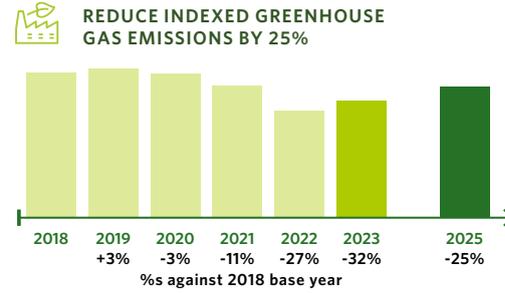
CONVENE SCIENTISTS AND THOUGHT LEADERS TO ADVANCE THE GOAL OF SOLVING THE PLASTICS END-OF-LIFE CHALLENGE



- Alliance to End Plastic Waste
- Co-founder of the Center for Sustainable Behavior & Impact
- HolyGrail 2.0
- The Recycling Partnership
- Circ Investment
- Orak Investment and Partnership

Milliken's summary of the performance of our key outcome-oriented, near-term metrics and targets appears on the following two pages, with additional reporting and disclosure following in this report.

2025 PLANET GOALS



FOR MORE INFORMATION ON OUR METRICS AND TARGETS, SEE OUR [GRI™ Index Disclosure](#) [SASB Index Disclosure](#) [TCFD Disclosure](#)

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.

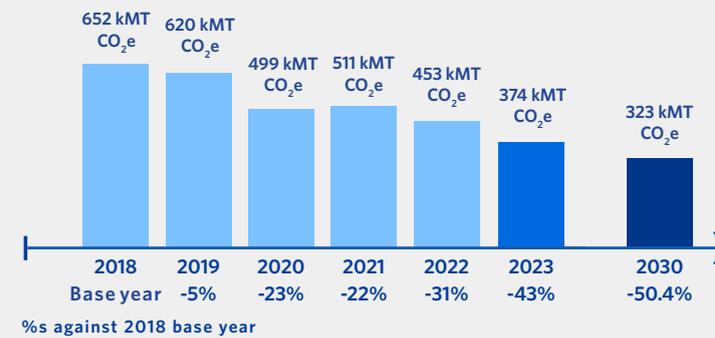


- Absolute Reductions of Scope 1, 2, and 3 by 2050: 90%
- Neutralization: 10%



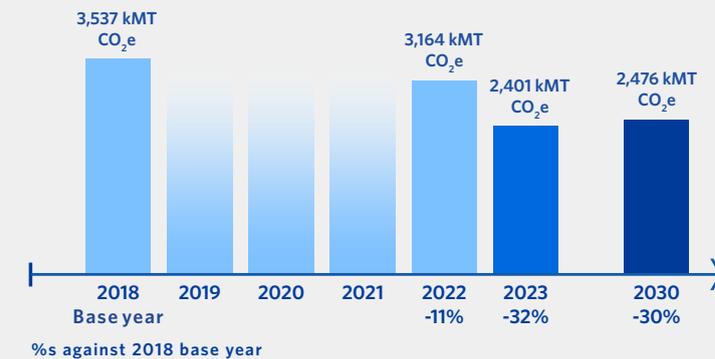
SCOPE 1 AND 2 ABSOLUTE

REDUCE 50.4% BY 2030

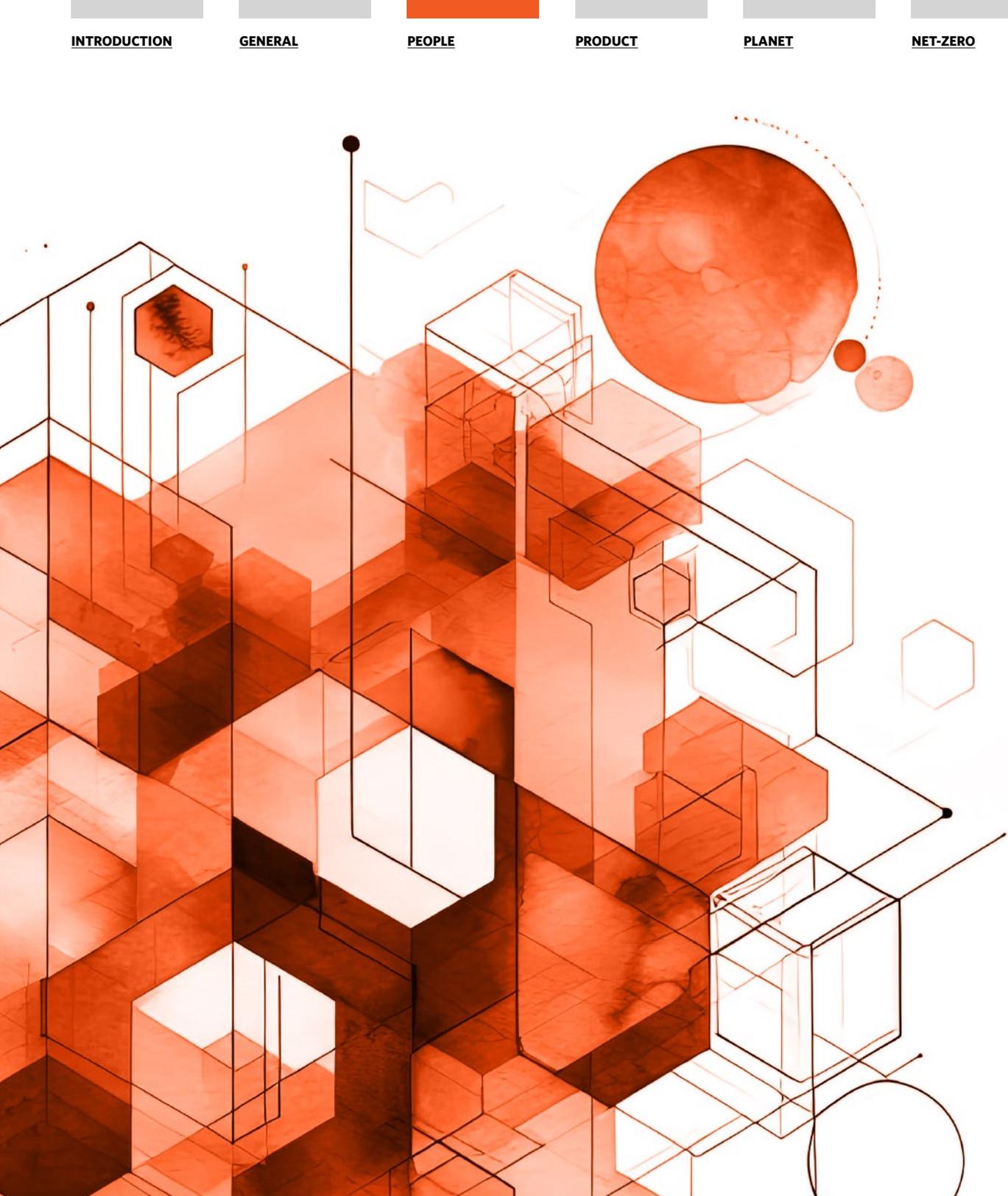


SCOPE 3 ABSOLUTE

REDUCE 30% BY 2030



Years 2018 and 2022 have been recalculated with improved methodologies. Years 2019, 2020, and 2021 have been previously reported on spend based methodologies and we are evaluating recalculations for these years.



PEOPLE

PEOPLE GOALS PROGRESS



ZERO LOST-TIME SAFETY INCIDENTS

We reduced lost-time incidents 4% since 2018 by focusing on our back-to-basics priorities to support our safety-first culture.



COMMIT TO AN INCLUSIVE ASSOCIATE COMMUNITY

We increased diversity in our U.S. management team by 10% since 2018, achieving 35% gender diversity and 17% racial/ethnic diversity.



ZERO DATA PRIVACY BREACHES

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



100,000 VOLUNTEER HOURS IN OUR COMMUNITIES

We reached our goal of 100,000 volunteer hours in 2023, one year ahead of target. Driven by our deep commitment to caring for our communities, we logged an additional 14,000 hours above our goal.



MORE PEOPLE OR SOCIAL-RELATED SUSTAINABILITY DISCLOSURES CAN BE FOUND AT OUR [Global Reporting Initiative Index](#), and our [United Nations Global Compact Communication on Progress](#).



2025 GOAL: ZERO LOST-TIME SAFETY INCIDENTS



PEOPLE GOAL PERFORMANCE

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

At Milliken, we follow the U.S. Department of Labor Occupational Safety and Health Administration standards for 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
Lost-Time Incident Rate*	0.28	0.21	0.30	0.34	0.29	0.29
Lost-Time Incidents (Absolute)	24	19	23	28	25	23

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**)

** Exposure Hours = Work Hours

LOST-TIME	DAYS
Number of days lost to work-related injuries, and fatalities from work-related accidents, work-related ill health, and fatalities from ill health in 2023	1370

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 also monitor days lost to injuries by our injury severity rate indicators, which have increased in 2023 as compared to 2022.

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

*Injury Incident Rates calculated by (Days lost due to injuries) X (1,000,000) / (Total Hours worked)

** (Total Number of Days Lost to Injury) X (200,000) / (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 and work-related ill health in 2023	0	0

NUMBER AND RATE OF RECORDABLE WORK-RELATED ACCIDENTS

Incidents requiring medical care beyond first aid increased by nearly 13% in 2023 from 2022 and nearly 1% since 2018.

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

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

** Exposure Hours = Work Hours

	EMPLOYEES		NON-EMPLOYEES	
Number and rate of recordable work-related accidents in 2023	69	0.87	2	1.26

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

** Exposure Hours = Work Hours

	EMPLOYEES
Number of cases of recordable work-related ill health, subject to legal restrictions on collection of data in 2023	14

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.

SAFETY 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 and 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 trained properly 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.

THIRD-PARTY HEALTH AND SAFETY COMMITMENT

Our health and safety commitments extend to the third parties we work with. 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.

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 local and international laws, regulations, 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.

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 communicates 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.



SAFETY MANAGEMENT

HEALTH AND SAFETY MANAGEMENT SYSTEM

Approximately 60% of our manufacturing sites and our corporate headquarters hold third-party certifications for their health and safety management systems.

Four 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.

Twenty-one sites are 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 national 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. To participate, employers must apply to OSHA and undergo a rigorous on-site 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 2023, seven Milliken plants—Magnolia, Gillespie, Pendleton, Dewey, Live Oak, Duncan Stewart, and Cedar Hill—received recertifications for the rigorous safety standards outlined in the OSHA VPP Star Certification.



Associates at our Cushman Textile Plant in South Carolina (U.S.) celebrated their VPP recertification.

	EMPLOYEES	NON-EMPLOYEES
Percentage of people in the Milliken workforce who are covered by Milliken's health and safety management system based on legal requirements and/or recognized standards or guidelines in 2023	100%	100%

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, 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.

“ We realize that to achieve our company goals, we must have a team of associates who feel engaged and empowered to help make us better. To do this, we must first gain the trust of our associates. This starts with educating them on how to perform their jobs safely and providing them a safe environment to work in every day. Nothing we do and no product we produce is more important than our associates going home safe every single day.

Charlie Young

Director, Corporate Safety,
Milliken & Company (U.S.)

SAFETY MANAGEMENT

JOINT MANAGEMENT AND ASSOCIATE HEALTH AND SAFETY TEAMS

In 2023, we instituted the Standard Site Safety Structure with an 80/20 rule 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.” The team then designates leaders or coaches for sub-teams that manage the following key safety reporting processes: 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, but each team must incorporate all the goals and objectives included in the Standard Site Safety Structure toolkit and guide.

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.

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 with the respective council, or sub-committees impacted by 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.

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 2023, a total of 15 lab-related safety incidents were reported, including one recordable event.

	EMPLOYEES
In 2023, percent of total workforce across all locations represented in joint management- associate health and safety committees/teams*	89%

*This figure represents the percent of total associates across global manufacturing sites that achieved required safety engagement metrics which include safety meeting attendance, on-site audit and/or involvement in a safety project.

	OPERATIONAL SITES
In 2023, percent of all operational sites for which an employee health and safety risk assessment has been conducted	91%



SAFETY MANAGEMENT

SAFETY REPORTS TO SENIOR MANAGEMENT

Each month, our Executive Vice President of 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. Additionally, the senior leadership team receives the Safety Incident Newsletter from the Corporate Safety Team each time an event occurs. This offers insight into our safety performance between the organized monthly meetings and the opportunity to engage with leaders on the remediation plan, as needed.

SAFETY REPORTS TO BOARD OF DIRECTORS

We share all safety incident data with our Board of Directors at every scheduled board meeting or at least 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

We encourage our associates to report every safety incident, including near misses. 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 EHS 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 in effect at their respective sites, including regulatory safety requirements that may vary by location.

All associates are responsible for informing human resources or a location supervisor of every safety incident, including a near miss or injury. We encourage prompt reporting 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 2023, we received a total of 624 reports through the EHS reporting system and 27 environmental, health, and safety matters through our Ethics Helpline



Associates at our Live Oak Floor Covering Plant in Georgia (U.S.).

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 especially committed to ensuring that an individual is not disadvantaged 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.

SAFETY MANAGEMENT



MONTHLY CORPORATE SAFETY MEETING

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 key global safety leaders from across the company. These individuals review all incidents in detail to prepare safety learnings for the monthly corporate safety meeting.

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 lost-time, recordable, 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.

PROMOTION OF PERSONAL AND MENTAL HEALTH

We are committed to providing associates with trusted personal and mental health resources, as well as education to support mental health in the workplace. Personal health offerings vary based on location and country specifications and availability. Most 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).

Employee Assistance Program

Our global EAP provides confidential support for personal and work-life issues. EAP benefits have been expanded to 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 completing healthy actions, such as filling out a personal health profile, joining a health challenge, or beginning a wellness workshop with a health coach. In 2023, we changed the incentive from a Health Savings Account/Flexible Spending Account deposit to a medical premium reduction equal to \$400 USD to help improve associate engagement.

SAFETY TRAINING AND ENGAGEMENT

WORKFORCE RECEIVING SAFETY SKILLS-RELATED TRAINING

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

	EMPLOYEES
Percentage of total workforce across all locations receiving safety skills-related training in 2023	100%

ONBOARDING NEW ASSOCIATES

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 TRAINING

New managers are enrolled in our safety leadership course, "LEAD in Safety." The course is designed to introduce 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
In 2023, number of managers completing safety leadership training	118



ANNUAL SAFETY TRAINING

All management and administrative associates must complete mandatory, annual safety compliance training through the Awareness in Compliance and Ethics (ACE) campaign. Our 2023 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 2023, 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 and regulatory requirements.

Plant facilities offer annual safety training to production associates on topics such as:

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

SAFETY TRAINING AND ENGAGEMENT

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). This accreditation requires a CAOHC® 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. In 2023, four associates received the COHC certification, and another was recertified. Certain members of our U.S. nurse team also completed the OSHA 10-Hour General Industry Safety and Health Certification and the NIOSH-approved Spirometry Certification.

MENTAL HEALTH TRAINING

In 2023, we expanded our mental health offerings to 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. 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 accepted and free to ask for help when they need it. We recognize that mental health is an essential component of 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 is good for three years.

This in-person course offers skills-based training that teaches personnel how to identify, understand, and respond to signs and symptoms of mental health crisis or substance use abuse. We expect our human resources managers and administrators to then train their teams globally to ensure others are aware of how to get help for associates experiencing a mental health crisis.

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 made available in six languages. Location leaders may adjust topics based on risk assessments, reported near misses, or observations at the specific location, so long as the monthly and weekly topics are covered as well. In 2023, 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 almost two years since our last recordable safety incident at our Polartec Hudson Textile Plant (U.S.) and, in 2023, our Ghent Floor Covering Plant (Belgium) celebrated one year without a lost time or recordable incident. We achieved these wins 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.



Associates at our Kingsley Textile Plant (U.S.) gathered for a photo in their safety shirts after a Safety Tailgate session.

SAFETY TRAINING AND ENGAGEMENT



PERFORMANCE SOLUTIONS SAFETY BOOTCAMP

Performance Solutions by Milliken®, our operational excellence consulting group, offers an external comprehensive workshop on safety systems and processes for continuous improvement. The interactive **Safety Bootcamp** seminar provides practical tactics to advance safety processes and build safety strategies. Safety leaders cover topics such as increasing associate engagement, effective auditing for action, the importance of communication skills, and how to define care management processes.



SOUTH CAROLINA MANUFACTURERS ALLIANCE

As a leading manufacturer headquartered in South Carolina, Milliken proudly supports the South Carolina Manufacturers 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. In addition to holding leadership roles within SCMA, our associates provide thought leadership, insights, and training to SCMA members. In 2023, two associates from our Gerrish 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 to feel safe learning their roles. Additionally, our Corporate Safety Systems Engineer also presented at the SCMA Conference on effective job safety analysis and audits that help mitigate risks and hazards for rarely performed tasks.



OSHA SPECIAL GOVERNMENT EMPLOYEE PROGRAM

Thirteen Milliken associates completed the Special Government Employee (SGE) Program, certifying industry employees 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 innovative program benefit OSHA by supplementing its on-site evaluation teams, but it also gives industry employees and government officials an opportunity to work together to share views and ideas.



2025 GOAL: COMMIT TO AN INCLUSIVE ASSOCIATE COMMUNITY



PEOPLE GOAL PERFORMANCE

PEOPLE GOAL	2018	2019	2020	2021	2022	2023	2025 GOAL
U.S. Management	36%	39%	41%	44%	46%	46%	↑
Gender Diversity	26%	27%	28%	35%	36%	35%	
Racial/Ethnic Diversity	10%	12%	13%	14%	17%	17%	

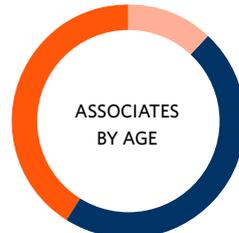
*U.S. Management represents exempt associates in the United States.

ASSOCIATES, SALARIED VS. HOURLY



● Salaried ● Hourly

ASSOCIATES, MANAGEMENT, AND BOARD OF DIRECTORS BY AGE



● <30 ● 30-50 ● >50



● <30 ● 30-50 ● >50



● 30-50 ● >50

ASSOCIATES, MANAGEMENT, AND BOARD OF DIRECTORS BY GENDER



● Female ● Male



● Female ● Male



● Female ● Male

ASSOCIATES, MANAGEMENT, AND BOARD OF DIRECTORS BY DEMOGRAPHIC BACKGROUND

DEMOGRAPHIC BACKGROUND	U.S. ASSOCIATES	U.S. MANAGEMENT	BOARD OF DIRECTORS
American Indian or Alaskan Native	0.3%	0.4%	0%
Asian	2.0%	4.4%	0%
Black or African American	26.0%	5.7%	18.2%
Native Hawaiian Other Pacific Islander	0.3%	0.2%	0%
Two or more races	1.6%	1.6%	0%
White	61.8%	86.4%	81.8%
Hispanic or Latinx	7.8%	1.3%	0%
Did not disclose	0.1%	0.1%	0%

*The figures shown are representative as of calendar year-end 2023 of our U.S. employee population which tracks demographics for EEO reporting.

U.K. GENDER PAY GAP REPORT

In compliance with the U.K. Equality Act 2010, Milliken discloses an annual **Gender Pay Report**, which identifies differences between male and female associates based on hourly rates and bonuses. We also include information regarding actions taken to rectify any inequality and diversity issues identified. We continue to encourage the development, empowerment, and advancement of women. Our Women's Alliance network provides a strong program that targets developing and mentoring our female associates.

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

*The figures shown were arrived at by using the standards as set out by the U.K. Government Equalities Office. As of April 2023 (tax year basis), women represented 26% of our UK workforce and men represented 74% of our UK workforce.

INCLUSION COMMITMENTS

We apply the same spirit of continuous improvement, that has been so vital to Milliken's legacy and reputation in manufacturing excellence, to our commitment to inclusion. We realize building and maintaining a diverse and inclusive culture requires long-term action on our part. While our 2025 People Goal on inclusion reports on U.S. diversity (measured by gender and race) in managers (representing exempt associates), our diversity and inclusion strategy encompasses more than this single metric.

MANAGEMENT INCLUSION COMMITMENT

Our strategy reflects our commitment to the CEO Action Pledge for Diversity and Inclusion™. CEO Action for Diversity and Inclusion™ was co-founded in 2017 on a shared belief that diversity, equity, and inclusion is a societal issue, and that collaboration and bold action from the business community—especially CEOs—is vital to driving change at scale. CEO Action is now the largest business-led initiative to advance DEI in the workplace, with more than 2,500 CEOs having pledged to create more inclusive cultures while not being afraid to have difficult conversations about diversity, equity, and inclusion.

“ Wherever you're from, whatever race or ethnicity you are, however you identify, whoever your partner is, we want you to be able to come and find home at Milliken.

Halsey Cook
President and CEO,
Milliken & Company

WORKFORCE INCLUSION COMMITMENT

We are committed to providing an environment where diversity is valued and paired with a conscious desire to achieve understanding, 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, 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 embrace inclusion because we believe it brings excellence. Diverse teams make better decisions, which lead to better results, a better Milliken, and a better world. We are committed to an inclusive community that places a high priority on embracing diversity.

We require and expect that 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 richly embedded in this commitment and are backed by our philosophy as outlined in our code. We offer training to help associates understand their responsibilities in creating a culture of belonging at Milliken.

INCLUSIVE HIRING COMMITMENT

We strive to intentionally foster an authentic culture where all associates are valued, respected, and engaged. This enhances our business performance, defines Milliken as a career destination, and positively impacts our community.

The goal of our diversity and inclusion initiatives is to have associate populations at each of our locations that are representative of the surrounding communities. Milliken's Inclusive Hiring Policy ensures we interview a diverse slate of candidates, utilize diverse sourcing channels, and minimize unconscious bias during the hiring process by requiring a diverse interview panel that brings forth different experiences and perspectives.

THIRD-PARTY INCLUSION COMMITMENT

We also expect third parties, including suppliers and business partners, to provide an equitable and supportive working culture by focusing on diversity and inclusion. Our **Supplier Code of Conduct** outlines our expectations for our partners to eliminate barriers that could prevent the full participation of some groups, so everyone has access to equitable treatment, opportunities, and advancement. We also encourage our partners to have an active supplier diversity program.

SUPPLIER DIVERSITY COMMITMENT

As reinforced in our **Supplier Diversity Policy Statement**, we believe a diverse and inclusive supplier program benefits all stakeholders. We encourage our sourcing team to consider diversity and inclusion when making supplier selections. We award business to the best supplier based on integrity, value, quality, risk, sustainability, and price. Recognized supplier diversity categories are further described on our **Supplier Diversity website**, and suppliers self-certify in these categories. Providing a supplier diversity certification does not guarantee business nor does it ensure preferred supplier status. All suppliers must meet all other Milliken requirements, including accepting our Supplier Code of Conduct.

INCLUSION MANAGEMENT

MANAGEMENT APPROACH TO INCLUSION

Our inclusion programming and approach is managed by our Diversity and Inclusion Council, which is led by our Vice President of Human Resources Operations, who reports to the Chief Human Resources Officer. Our Inclusion Council meets monthly and includes the Chief Human Resources Officer, the Vice President of Human Resources Operations, the Director of Diversity, Equity, and Inclusion, and the Senior Manager of Supplier Diversity, along with our affinity network group leaders. Our approach to inclusion centers around six priorities.

1

HIRING

We adhere to an internal Inclusive Hiring Policy (U.S.) for interviewers and candidates. This policy helps us cast a wider net and create a diverse candidate pool but does not mandate a diverse hire. The final hiring decision must be to select based on selecting the best, qualified candidate with experience and skills to match the job expectations.

4

COMMUNITY

We commit to at least 15 community engagement events per year, and we prioritize giving to impact local and diverse communities. In 2023, we hosted more than 30 community engagement events.

2

DEVELOPMENT AND ADVANCEMENT

We offer an annual executive sponsorship program with approximately 35 associates in each cohort.

5

INCLUSIVE CULTURE

We offer monthly diversity, equity, and inclusion roundtables and annual unconscious bias, allyship, and active inclusion courses. We engaged more than 3,300 associates in 2023 through roundtables and training.

3

ENGAGEMENT AND RETENTION

We monitor associate turnover and engagement survey scores. We offer six affinity networks. In 2023, our affinity networks offered more than 55 events for our associates.

6

COMPLIANCE

We review a quarterly scorecard of key metrics with our Senior Leadership Team and conduct promotion and merit equity testing.

INCLUSION MANAGEMENT

MANAGEMENT OF AFFINITY NETWORKS

Affinity networks are inclusive, multi-cultural, and multi-generational associate groups, designed to provide our associates avenues to learn from, engage with, and support each other and the community. Activities include social gatherings, recruiting, networking, peer coaching, and community engagement. Each affinity network has a steering committee that sets strategic initiatives and events based on shared interests, training needs,

and motivations. The steering committees also have designated working groups or sub-committees composed of associates who volunteer to engage and drive the network agenda. Steering committees and sub-committees meet monthly to plan, discuss, and execute engagement events based on member interest.



MERG promotes an inclusive workplace where all associates are engaged, feel a sense of belonging, and have equal professional development and career advancement opportunities.



WELLNESS promotes associate wellbeing by raising awareness and creating a safe community where associates can come together to learn and support one another through roundtable discussions, wellness walks, and more.



NKOTB serves as a guiding point for new associates to plug in at Milliken, give back to communities, and nurture a professional network.



WOMEN'S ALLIANCE provides support and encouragement to empower women in the workplace and aid in their professional advancement. This group offers various professional development opportunities, hosts Mentor Circles, and sponsors networking events for women and allies.



PRIDE actively educates and engages Milliken associates on LGBTQ+ issues, ensures inclusivity in our policies and practices, and serves as an advocate for LGBTQ+ associates and their allies through networking, educational, and social opportunities.



VETERANS GROUP provides support, camaraderie, and community service opportunities for Milliken's military veterans.



The Upstate South Carolina LGBT+ Chamber of Commerce awarded Milliken's PRIDE Network the 2023 Corporate Partners of the Year Award, the highest honor given to local corporate partners for outstanding contributions to the LGBT+ business community.

INCLUSION MANAGEMENT

INCLUSION REPORTS TO SENIOR MANAGEMENT

Each month, our Chief Human Resources Officer reports to senior management on the status of our talent strategies, which includes a quarterly inclusion update by our Director of Diversity, Equity, and Inclusion.

INCLUSION REPORTS TO BOARD OF DIRECTORS

Our Chief Human Resources Officer and Vice President of Human Resources Operations provide updates on our inclusion strategy to our Board of Directors at least three times a year, including updates on management diversity, training statistics and goals, and ongoing strategic progress.

INCLUSION 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 commitment to inclusion. Matters submitted to management, human resources, legal, or through our Ethics Helpline are thoroughly investigated. All incidents or allegations of harassment or discrimination are logged in our Ethics Helpline system to track the investigation, root cause, actions taken, and other remediation steps, such as training or policy review. In 2023, we received a total of nine allegations of discrimination through the Helpline.

REPORTING INCLUSION 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 also have the option to report incidents 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 prohibited by local law.

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 especially 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.

MANAGEMENT APPROACH TO SUPPLIER DIVERSITY

At Milliken, we believe a diverse and inclusive supplier program benefits all stakeholders. We award business to the best supplier based on integrity, value, quality, risk, sustainability, and price.

Recognized supplier diversity categories are further described [here](#). To be designated as a diverse supplier, a supplier can self-certify by completing the certification form available on our [Supplier Diversity website](#). If selected to participate in a bid event, a Milliken sourcing professional may reach out for additional information to ensure we have appropriate certifications for our diverse suppliers. We annually audit aspects of our [U.S. Supplier Diversity Policy Statement](#). Providing a supplier diversity certification does not guarantee business nor does it ensure preferred supplier status. Our suppliers must meet all other requirements, including accepting Milliken's Supplier Code of Conduct.

“ Supplier diversity is core to our values at Milliken and these engagements continue to bring innovation, flexibility, and sustainability into our everyday buying practices. We will continue to utilize these building blocks to develop our supply base through education and networking opportunities.

Michael Brown

Executive Vice President, Operations
Milliken & Company (U.S.)

INCLUSION TRAINING AND ENGAGEMENT



INCLUSION MANAGEMENT TRAINING

We launched Unconscious Bias training in 2018 and have continued to expand required annual training each year. We have since launched Allyship Training and Inclusion in Action courses to complement our Unconscious Bias course. We identified the need to teach our people about allyship—how to have each other’s backs as we work together as a team. Awareness, nurtured by unconscious bias training, is the first step to becoming an ally. These live, instructor-led courses are mandatory for all management associates globally.

INCLUSION PRODUCTION TRAINING

Milliken’s production training curriculum includes annual mandatory anti-harassment and discrimination training, so associates recognize discriminatory behaviors and understand how to prevent and report them. Our Director of Diversity Equity and Inclusion also offers live, instructor-led Unconscious Bias training on-site at our manufacturing sites.

DIVERSITY, EQUITY, AND INCLUSION TRAINING

COURSE	DIVERSITY AND INCLUSION (ACE)	UNCONSCIOUS BIAS	ALLYSHIP	INCLUSION IN ACTION
Total associates invited to participate in training	2,681	2,150	2,150	2,150
Total community members receiving training	Not applicable	25	25	Not applicable
Delivery method	Online	Online and In-person	Online and In-person	Online and In-person
Duration	2 hours	2 hours	2 hours	2 hours
Classroom training participants*	Not applicable	612	550	486
Computer-based training participants	2,667	Not applicable	Not applicable	Not applicable
Frequency	Annual	Offered Monthly	Offered Monthly	Offered Monthly
How often training is required	Annually	Once	Once	Once
Topics covered include	Inclusive and equitable communication, speaking up	Unconscious bias	Allyship	Engaging in a culture of inclusion

*Management associates have two years (or until November 2024) to complete mandatory instructor-led DEI training courses.

INCLUSION TRAINING AND ENGAGEMENT

MILLIKEN LEADERSHIP MODEL

A common framework aligns our leaders on shared competencies. The Milliken Leadership Model serves as a foundation for building our leadership skills and supporting our sustainability strategy.

MILLIKEN LEAD PROGRAM

The Milliken LEAD programs are a suite of specialized initiatives 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.

LEAD TRAINING

COURSE	LEAD BY INFLUENCE	LEAD IN MANUFACTURING	LEAD ORGANIZATIONS	LEAD TOGETHER	LEAD IN SAFETY
Delivery method	In-person	In-person	In-person	In-person	In-person
Duration	8 hours	20 hours	40 hours	16 hours	8 hours
Classroom training participants	186	132	87	114	118
Computer-based training participants	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Frequency	12 offerings per year	8 offerings per year	2 offerings per year	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



In 2023, Tracy Wang, an associate at our MTZ location (China), held the first LEAD Together class offered in Asia.

INCLUSION TRAINING AND ENGAGEMENT

MILLIKEN TEAM PROGRAM

The Milliken TEAM initiative is designed to ensure successful and impactful engagement with our manufacturing associates.

THE INITIATIVE INCLUDES SIX KEY FOCUS AREAS:

- | | |
|---|--|
| <p>1 Manager Development</p> <p>.....</p> <p>2 Career Development</p> <p>.....</p> <p>3 Onboarding</p> | <p>4 Recognition</p> <p>.....</p> <p>5 Communication</p> <p>.....</p> <p>6 Culture and Engagement</p> |
|---|--|

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 sub-committee focused on safety 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 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, and diversity, equity, and inclusion programming.

Milliken TEAM 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 hard to improve career development education offered through Milliken University. We have added dedicated programming to target gaps cited by associates, including additional manager development offerings.

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 jobs postings at Milliken. AMP gives participating associates the tools and knowledge to lead and inspire their teams toward success. In 2023, we celebrated the second graduating class of AMP. In total, 13 associates have completed AMP since launching the program in 2022.



Our 2023 Aspire to Management Program graduates.

INCLUSION TRAINING AND ENGAGEMENT

CEO SPEAKER SERIES

In 2023, our CEO hosted a series of sessions for Milliken associates to engage, learn, and share with external subject matter experts. Topics such as empathy, climate change, inclusion, geopolitical conflict, and intersectionality were addressed and included opportunities for questions and open dialogue.



Climate Scientist, Katharine Hayhoe, Ph.D, spoke to associates as part of the CEO Speaker Series.

DIVERSITY, EQUITY, AND INCLUSION ROUNDTABLES

Roundtables are monthly opportunities for Milliken associates to engage in courageous conversations in a safe environment. These are active discussions on diversity, equity, and inclusion (DEI) topics in which all may participate. The goal of DEI Roundtables is to foster a culture of belonging, respect, and learning at Milliken. In 2023, associates participated in DEI Roundtables focused on topics such as interfaith, LGBTQ+ allyship, women's leadership and resiliency in the workplace, mental health, disability awareness, and veteran's support.

Interfaith Awareness Roundtable

In many workplaces, faith and religion are topics that are considered off-limits. However, our inclusion programming aims to break that mold and recognize the importance of creating an environment that embraces all aspects of our associates' identities. We hosted our inaugural Interfaith Panel discussion, in recognition of Diversity Month, to embrace our commitment to courageous conversations in the workplace. The discussion featured four associates from diverse religious backgrounds and was moderated by our Ricaye Harris, Vice President of Human Resources Operations. The panelists shared their perspectives on faith and religion in the workplace. They explored their religious background, shared details and insights about significant holidays and cultural practices and tackled religious stereotypes. The panelists also discussed the importance of respecting diverse beliefs and how we can support associates of all faiths. The Interfaith Panel was a successful event, with over 150 global associates in attendance. By exploring these topics, we are taking steps toward creating a more inclusive and welcoming environment for all our associates.

Reaching Individuals with Disabilities Roundtable

We celebrate Disability Awareness Month every year with a guest speaker to raise awareness and encourage outreach. In 2023, Milliken's DEI Program invited Dori Tempio with Able SC to help us rethink disability. Participants learned about disability culture, and myths and misconceptions of people with disabilities along with respectful language and strategies for interacting with people with disabilities in the workplace and community. Attendees learned about the barriers faced by individuals with disabilities in the workplace and community, and tips for unlocking those barriers. This speaker training provided an opportunity to build adaptable, flexible thinking, which can help associates and managers thrive in today's diverse and inclusive work environments.

We support **Hire Me SC**, a campaign that promotes a culture of inclusion across the state of South Carolina, one in which employment for every individual, disability or not, is the norm rather than the exception. In October 2023, Milliken sponsored the 8th Annual Employer Summit: Advancing Access & Equity, a one-day conference for business managers, executives, and human resources professionals to learn how to effectively include individuals with disabilities in their hiring strategy to strengthen their workforce. Although Hire Me SC focuses its message on and extends its reach to all individuals in South Carolina with disabilities, funding secured by Able SC and the SCDEC for the South Carolina Employment First Initiative places a current focus on young adults with intellectual and developmental disabilities.

INCLUSION TRAINING AND ENGAGEMENT



Associates gathered in person at our global headquarters (U.S.) and virtually to attend our Inclusion Summit focused on empowering women.

MILLIKEN INCLUSION SUMMIT

Approximately 260 associates participated in person, plus additional virtual attendees, at our second annual Milliken Inclusion Summit. Our 2023 Inclusion Summit focused on empowering women with the theme “Empowering Your Inner Leader.” Following an opening by our CEO, Lisa Kaplowitz, the Executive Director and Associate Professor of Finance at Rutgers Center for Women in Business, delivered the keynote “Making the Workplace Work for Women,” discussing the barriers women experience in the workplace and strategies for leadership. Attendees were also given the option to join breakout sessions led by Ms. Kaplowitz, Dr. Altheia Richardson, Vice President of DEIB at Newberry College, and Yaschica B. Martin, Founder of YBM Coaching Services.

CELEBRATING PRIDE AT MILLIKEN

We celebrate Pride Month with several events hosted by our Pride Affinity Network, including a fun kick-off with prizes, Pride Trivia, a crochet class to make Pride coasters, and a donation drive supporting the Uplift Outreach Center in Spartanburg, South Carolina. Pride Network members also supported Milliken’s sponsored booth at the Black Pride Parade hosted by Upstate Pride SC in downtown Greenville, South Carolina. These internal and external events and activities are a way to bring associates together. Milliken celebrated Pride Month beyond Upstate South Carolina as well. The human resources team at our Ghent Chemical Plant (Belgium) also created Pride Month displays in their offices and invited an external speaker and support dog as part of their celebrations.



Members of the Pride Affinity Network and their families participated in the Upstate Pride celebration in South Carolina (U.S.).

Outside of Pride month, the Pride Affinity Network hosts Cookies and Conversation, a monthly networking event that connects Pride Network leaders and associates for casual conversation. The events reinforce our commitment to fostering a culture of inclusivity, diversity, and equality. The network also participated in community engagement events with the [Upstate LGBT+ Chamber of Commerce](#), [Upstate Pride SC](#), [PFLAG Spartanburg](#), [Uplift Outreach Center](#), and more.

INCLUSION TRAINING AND ENGAGEMENT

WOMEN IN MANUFACTURING

The South Carolina Manufacturers Alliance hosted the Palmetto Women's Manufacturing Forum at our global headquarters (U.S.). The event brought together hundreds of women leaders from South Carolina manufacturing companies to network and discuss their impact on manufacturing. The forum highlighted the need for inclusion in the workplace and women's roles in driving manufacturing innovation. Cindy Boiter, Executive Vice President and Chemical Business President, gave the keynote address at the event. She emphasized the importance of creating a culture in the manufacturing workplace that encourages different perspectives and stressed that women can empower each other to take on leadership roles in the industry. "I truly believe that when you have high levels of diversity, it leads to greater productivity, thinking, and efficiency," Cindy said.



“ Not only do we strive to create a culture of inclusion and belonging within our organization, we also want to share our insights and learnings with our broader communities. This way, we can keep making a positive impact in the communities we serve.

Stacey Laurin

Director, DEI and Production Recruiting
Milliken & Company (U.S.)



Women in manufacturing leadership roles came together for the Palmetto Women's Manufacturing Forum hosted at our global headquarters (U.S.).

EXTERNAL INCLUSION TRAINING

Our Vice President of Human Resources Operations and our Director of Diversity, Equity and Inclusion facilitated two in-person training courses at Milliken & Company Charitable Foundation grantee, the Chapman Cultural Center in Spartanburg, South Carolina (U.S.). These interactive, discussion-based workshops covered unconscious bias and allyship. The workshop helped participants, which included the Chapman Cultural Center staff and its board members, better understand unconscious bias, the impact of microaggressions, and actionable steps to be an inclusive ally.



Juan Johnson, president and founder of Diversity Leadership in Action, spoke to associates about the challenges, complexities, and opportunities leaders face when addressing DEI as part of the CEO Speaker Series.

INCLUSION TRAINING AND ENGAGEMENT

SUPPLIER ENGAGEMENT

In addition to training and engagement opportunities for our associates and local communities, we also offer dedicated resources for our suppliers.

2023 SUPPLIER DIVERSITY AND INCLUSION STATISTICS (U.S.)

DIRECT/ INDIRECT	SUPPLIER DIVERSITY & INCLUSION CATEGORY	% DIVERSITY & INCLUSION CATEGORY
Direct	American Native	16.5%
Direct	Small Business	43.8%
Direct	LGBTQ+ Business Enterprise	0.0%
Direct	Minority Business Enterprise	22.6%
Direct	SBA Approved Small Business	14.9%
Direct	Veteran Owned	0.6%
Direct	Woman Business Enterprise	1.7%
Indirect	American Native	1.7%
Indirect	Small Business	38.8%
Indirect	Disability Owned	0.1%
Indirect	HUBZONE	0.0%
Indirect	LGBTQ+ Business Enterprise	0.1%
Indirect	Minority Business Enterprise	19.2%
Indirect	SBA Approved Small Business	21.9%
Indirect	Veteran Owned	3.8%
Indirect	Service-Disabled Veteran	0.0%
Indirect	Woman Business Enterprise	16.0%

SUPPLIER MENTORSHIP AND RESOURCES PROGRAM

We created a supplier mentorship program to help suppliers bridge the gap to growth. The Milliken Mentorship program provides free education and networking, with participants receiving advance notice of available bid opportunities. In 2023, we engaged with 68 unique businesses, across 12 sourcing commodities. Interested suppliers can sign up for future events [here](#).

SUPPLIER MOMENTUM DIVERSITY MATCHMAKING EVENT

In 2023, we demonstrated our commitment to small and diverse-owned businesses by hosting Milliken Momentum, our first-ever supplier diversity matchmaking event. During this event, 50 Tier 1 suppliers engaged with local diverse companies exploring potential opportunities to expand their business portfolios. South Carolina Lt. Gov. Pamela Evette shared her story as a business owner. We partnered with Carolinas-Virginia Minority Supplier Development Council, Greater Women's Business Council, the South Carolina Department of Commerce, and the South Carolina Commission of Minority Affairs to host more than 350 people for this networking event.



Suppliers and local companies seen networking during our first-ever Milliken Momentum Supplier Diversity matchmaking event.



At Milliken, we have built our Supplier Diversity program with intention, because we understand that diversity and inclusion can ignite innovation, promote sustainable practices, and contribute to building a stronger community.

Kathy Vezina

Sr. Manager, Supplier Diversity, Divisional Sourcing
Milliken & Company (U.S.)



2025 GOAL: ZERO DATA PRIVACY BREACHES



PEOPLE GOAL PERFORMANCE

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

Calculated based on absolute reportable privacy breaches.

In addition to our company privacy goal, we report on customer privacy-related information in accordance with the Global Reporting Initiative (GRI) criteria.

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

COMPLAINTS	2021	2022	2023
Total number of complaints concerning breaches of customer privacy received from outside parties and substantiated	ZERO	ZERO	ZERO
Total number of complaints concerning breaches of customer privacy received from regulatory bodies	ZERO	ZERO	ZERO
Total number of identified leaks, thefts, or losses of customer data	ZERO	ZERO	ZERO

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.

Milliken's [privacy website](#) sets out how we handle personal data, including:



[Milliken GDPR Privacy Notice](#)



[Milliken CCPA Privacy Notice](#)



[Milliken Global Internal Privacy Notice](#)



[Milliken LGPD Privacy Notice](#)



[Milliken PIPL Privacy Notice](#)



[Milliken CCTV Notice](#)

These documents underline Milliken's commitment to use personal data with integrity and transparency, upholding the rights of individuals in accordance with our values and legal requirements.

PRIVACY 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. In 2023, we implemented a Global Confidential Information Policy to further support personal data protection at Milliken. We routinely update these policies to ensure compliance with domestic and international privacy and data protection laws.

In support of our privacy commitments, our robust cyber-security policies include additional layers of protection against data breaches, including asset management, acceptable use, and information transfer protocols. Our internal Artificial Intelligence (AI) Use Policy prioritizes securing proprietary, confidential, and personally identifiable information from improper use or accidental release.

Our associates are prohibited from sharing any sensitive or confidential information with any external or third-party systems without explicit review and consent.

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 all relevant Milliken privacy policies and procedures.

SUPPLIER PRIVACY COMMITMENT

Our **Supplier Code of Conduct** 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 applicable deadlines.

Milliken recognizes that correct and lawful treatment of personal data will maintain confidence in our organization, both internally and externally, and will support successful business operations.

Andrew Cotton

VP, Associate General Counsel EMEA and Global Privacy Director

PRIVACY MANAGEMENT

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.

PRIVACY REPORTS TO BOARD OF DIRECTORS

The Audit Committee of our Board of Directors oversees Milliken's cybersecurity and privacy risk mitigation process and information technology systems security and operations. The Audit Committee receives regular updates regarding our information security and privacy program capabilities, maturity, tools, and vulnerabilities.

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 General Counsel, Chief Financial Officer, and Chief Human Resources Officer. The Privacy Steering Committee meets quarterly to review key performance indicators, such as potential or realized privacy breaches, exercise of individual privacy rights, and privacy assessments. This committee also reviews compliance with applicable global privacy laws and strategic initiatives to expand internal privacy compliance awareness, embeds Privacy by Design principles throughout business processes and key projects, and institutes global privacy policies and procedures. In addition to the steering committee, the Global Privacy Director manages the privacy working group, a cross-functional group of stakeholders from across Milliken's global locations that support the implementation of the steering committee's objectives and priorities.

ARTIFICIAL INTELLIGENCE COUNCIL

Our Global Privacy Director is a key stakeholder of 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 the development, deployment, and use of 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 cross-functional representation from information technology, cybersecurity, legal, human resources, research and innovation, and sustainability.

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 have increased our use of technology-based solutions to support our privacy program—for example, by automating privacy assessments and continuously refining our personal data inventory. Our data inventory is managed through the OneTrust® platform, which makes collection and maintenance of privacy assessments a more efficient and accurate process. We are also increasing the use of automated data loss prevention tools to flag suspicious transfers of personal data, both internally and externally.

SUPPLIER AND THIRD-PARTY PRIVACY MANAGEMENT

We work with hundreds of third-party suppliers, vendors, and partners to provide customers with innovative and sustainable products. We recognize that managing our vendors appropriately is a key part of a successful privacy program. We use the OneTrust® 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 that these can be properly investigated, and appropriate action taken. 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 usual 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 2023, we received a total of five allegations implicating data protection through the Helpline.

PRIVACY TRAINING AND ENGAGEMENT

PRIVACY MANAGEMENT TRAINING

We recognize that training is key to increasing privacy awareness, which reduces risk and protects associate, customer, supplier, and other business partner information. Dependent on their role and access to Milliken's information, certain associates are required to complete annual privacy training during the Awareness in Compliance and Ethics (ACE) campaign. 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 2023, we had a nearly 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	HUMAN FIREWALL IT TRAINING	FAMILY FEUD IT TRAINING
Total associates invited to training	280	1,936	2,681	N/A	74
Delivery method	Online	Online	Online	Online and In-person	In-person
Duration	30 minutes	10 minutes	10 minutes	60 minutes	60 minutes
Classroom training	Not applicable	Not applicable	Not applicable	Not applicable	36
Computer-based training	276	1,911	2,670	45	Not applicable
Frequency	Once a year	Once a year	Once a year	6 offerings	2 offerings
How often training is required	Annually	Annually	Annually	Optional	Optional
Topics covered include	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	Data privacy risk trends; password; phishing; data protection; social engineering; acceptable use

GLOBAL INFORMATION TECHNOLOGY TOWNHALL

Our Global Privacy Director presented at the annual IT Townhall on the privacy program with a focus on key privacy principles, including best practice for handling data breaches. The cross-functional collaboration between our global information security team and privacy team is instrumental to ensuring continuous learning and growth across our company.

PRIVACY EXTERNAL THOUGHT LEADERSHIP AND TRAINING

We sponsored the "AI Symposium: Shaping the Future" hosted by Clemson University, the University of South Carolina, Furman University, and the South Carolina Association of Colleges & Employers (SCACE) in Greenville, South Carolina (U.S.). The symposium was a remarkable stage for exploring the influence of artificial intelligence in the workplace, the impact AI has on recruiting, and ethical and privacy considerations when using AI. We had the pleasure of sharing insights with business leaders, academic professionals, professors, and students who share the same passion, exchanging innovative ideas, and contributing to the ongoing dialogue on the future of artificial intelligence in the workplace.



Tyler Blouse, Vice President of Information Technology, spoke on a panel at the Artificial Intelligence Symposium hosted in South Carolina (U.S.).

2025 GOAL:
100,000 VOLUNTEER HOURS IN OUR COMMUNITIES



PEOPLE GOAL PERFORMANCE

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

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



Associates in China participated in World Cleanup Day.

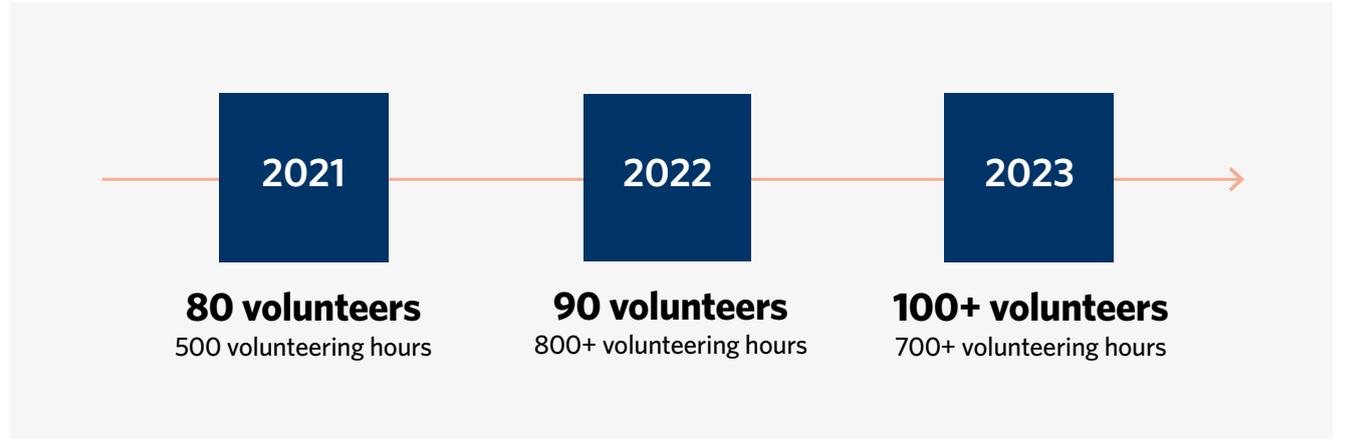
We reached our People Goal of 100,000 volunteer hours in 2023, a year ahead of our target and exceeded our original 2025 Volunteer Hours by an additional 14,000 hours. Our associates self-report volunteer hours from individual, team, and community events, allowing associates to choose where they serve. Giving flexibility to volunteering means that our associates care for their communities in ways that matter to them.

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

- Cleaning Up Our Communities**
- Raising Needed Funds**
- Giving Supplies and Time to People in Our Communities**
- Inspiring the Next Generation**

POSITIVE IMPACT OF VOLUNTEERING AT BEECH HILL

We also learned that our efforts grow stronger when local teams work together to create significant location impact. For example, our team at the Beech Hill Floor Covering Plant (U.K.) held their third consecutive Community Week this year, with more volunteers, departments, and organizations than ever before.



“ The feeling of going to work and knowing the difference you’re making is incredible. It is that feeling that inspires me to drive Community Week forward. Long may it continue.

Lee Riley
Production Team Leader
Beech Hill Plant, Floor Covering (U.K.)

VOLUNTEERING 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 to positively impact those around us. Milliken commits to giving time and funding to nonprofit causes globally. Our associates have given more than 100,000 hours of 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.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

We commit to the United Nations Sustainable Development Goal 11, specifically metric 11.7, to provide universal access to safe, inclusive, and accessible green and public spaces for women and children, older persons, and persons with disabilities.

|| Volunteering is in our DNA at Milliken. It is a company tradition and expectation among our associates. We've been doing it for decades, and we not only encourage but enable our associates to volunteer with organizations that matter to them to make a lasting positive impact in our communities.

Crystal Stoudemire

Sr. Manager, Human Resources Operations
Milliken & Company (U.S.)

VOLUNTEERING MANAGEMENT

We encourage our associates to invest time and talents into the communities where we live and work. Our volunteer program makes a meaningful difference each year. Our public volunteering commitment is managed by our human resources 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. We also encourage group giving through our Milliken Gives portal that helps associates find ways to give through resources such as Volunteer Match.



Associates on the Morale Team at our Live Oak Floor Covering Plant (U.S.) hosted a bake sale to raise funds for March of Dimes.

VOLUNTEERING MANAGEMENT

MILLIKEN & COMPANY CHARITABLE FOUNDATION

The Milliken & Company Charitable Foundation, a private entity entirely financed by Milliken, allocates grants to qualified nonprofit organizations around the globe. The foundation's objective is to enhance corporate philanthropy by investing in the communities where our people live and work. The foundation's bylaws instituted a board of directors and officers who are responsible for managing grant distribution and strategizing programs. The foundation's mission statement is, "To create a positive impact on the communities where Milliken's associates reside and work, while also enhancing the Milliken brand and reputation through strategic financial donations that resonate with our Purpose, Values, and Vision.

The foundation prioritizes actions across four giving pillars that tie grant-making to our company values:



Integrity and Excellence prioritizes actions in the arts and economic development



People prioritizes actions in diversity and inclusion 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 2023, we awarded more than \$850,000 to over 30 nonprofit organizations near our headquarters and other Milliken facilities globally. The foundation's board reviews applications annually for community grants. 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 our associates care about or that happen near our locations.

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 help accelerate the strategic work of Milliken.

School Match:

In 2023, we matched associate gifts up to \$2,500 per year for public and private universities, colleges, and community colleges and for private elementary, middle, and high schools.

Dependent Scholarships:

In 2022, we launched our dependent scholarship program, which offers renewable scholarships for up to three years for dependent children of full-time Milliken associates. The foundation awarded 12 academic scholarships the first year. In 2023, we awarded 11 additional scholarships for a total of 23 renewable scholarships for Milliken dependents across the U.S., Europe, and Asia.

VOLUNTEERING ENGAGEMENT

CLEANING UP COMMUNITIES

BEAUTIFYING GREEN SPACES (U.K.)

For the second consecutive year, our Beech Hill team helped the Appley Bridge Community Association. Over the span of two days, 28 dedicated volunteers completed more than 176 hours of volunteer work at the Meadows in Appley Bridge. They improved the meadow, harvested and prepared the orchard area for the winter, cleared pathways of weeds, completed tree management work, built dead hedges around a new meditation area, and painted benches and the main gate to the Meadows.

ONE VISION STUDIOS (U.K.)

During our Beech Hill team's annual Community Week, volunteers spent time at One Vision Studios, a nonprofit that provides training for individuals with disabilities. Our volunteers worked over four days to transform "Granville's Shed," an outdoor classroom area where members participate in floristry and gardening. The team built and planted a raised flower bed and applied fresh paint. The finished product brought smiles to the faces of One Vision Studios members and staff alike.

TRUST FOR PUBLIC LAND (U.S.)

In honor of Earth Day, the Milliken team planted trees in the Cuyahoga Valley National Park in Ohio for the Trust for Public Land (TPL). These new trees will help create a sustainable environment for native wildlife in an area of the park that was originally set aside for farmland. TPL is leading a nationwide movement to close the outdoor equity gap by creating parks in the communities that need them most. Since 1972, they have connected millions of people to the outdoors.

ADOPT-A-HIGHWAY (U.S.)

Our Dewey Chemical Plant associates participated in the Adopt-A-Highway program, removing 17 full bags of trash, two tires, and a lawn chair from the side of the adopted road. Our Johnston Textile Plant associates also participated in an Adopt-A-Highway clean-up effort which removed 27 bags of litter from local roads.

LITTER CLEANUP (U.S.)

Our North American Plastics Additive and Marketing teams volunteered in South Carolina by picking up litter. In a single afternoon, our team collected over 850 pounds of litter, helping clean up our communities.

NATURE PRESERVE FOR CHARLES LEA CENTER (U.S.)

Milliken associates serve on the board and volunteer time to support the Charles Lea Center, which helps persons with disabilities thrive in the communities where they live, work, and play. A grant from the Milliken & Company Charitable Foundation enabled the construction of a nature preserve for residents the Charles Lea Center serves. The nature preserve will include adaptive features including fully accessible trails, an event center, picnic tables, shelters, and a boat dock with adaptive features.

COASTAL CLEANUP (CHINA)

The Shanghai team has organized multiple coastal clean-up events. In 2023, 28 associates joined the "Pickup China" charitable group on World Cleanup Day, an annual social action program aimed at combating the global solid waste problem, including marine debris. With the motto "pick up whenever you can and do good deeds," Pickup China rallies volunteers to pay attention to and improve our surrounding environment. The Shanghai team volunteered at the Shanghai Chongming National Natural Reserve, a wetland stopover for migrating birds. They picked up 12 large bags of garbage, including plastic, metal, glass, and foam fragments.



Associates in China worked together to pick up 12 bags of litter on World Cleanup Day.

VOLUNTEERING ENGAGEMENT

GIVING SUPPLIES AND TIME TO PEOPLE IN OUR COMMUNITY

POLARTEC FOOD DONATIONS (NETHERLANDS)

Our Polartec Maastricht team participated in a local volunteer project led by Xonar, a local foundation that supports mothers and children in difficult situations. The team donated nonperishable food and other necessary items for families in Maastricht that face financial and personal difficulties. Together, they provided survival packages for 107 families.

TWO RIVERS FOOD DONATIONS (U.S.)

The Morale team at our Two Rivers Textile Plant in North Carolina (U.S.) assembled and packed 64 boxes of food (1,920 lbs) for families in need. One box of food is distributed per family once a month as needed. "It was a great effort giving our time to help others in need," said Michelle Tuttle, the local human resources manager.

“ We enjoyed helping people in need in our community. The Two Rivers Morale Team is very proud to serve others and to be part of a company that cares.

Michelle Tuttle

Human Resources Manager, Two Rivers Plant
Milliken & Company (U.S.)

DONATING FOOD FOR THE HOLIDAYS (U.S.)

Our Textile team collected over 10,000 cans of food during their Thanksgiving canned food drive to support the Spartanburg Soup Kitchen located in South Carolina (U.S.). The Textile Leadership Team celebrated hitting their 10,000 can goal by dressing as turkeys for a day.

FOOD PACK DISTRIBUTION (SINGAPORE)

Our team in Singapore donated 50 food packs to be distributed to beneficiaries of Thye Hua Kwan Social Service Hub Chong Pang. This social service center offers free daily packed lunches to those in need, including the elderly and the sick, families, persons with disabilities, and children. Nineteen associates spent three hours distributing the packs to 50 families in need.



Associates in Singapore packed bags of food for fifty families in their community.

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 and using food that would otherwise go to waste. The sales team pledged to keep volunteering as it's been so rewarding to give their time and take care of the communities where we live and work.



Floor Covering associates in Beech Hill (U.K.) volunteered with FoodCycle to combat food waste and provide meals to people in need in their community.

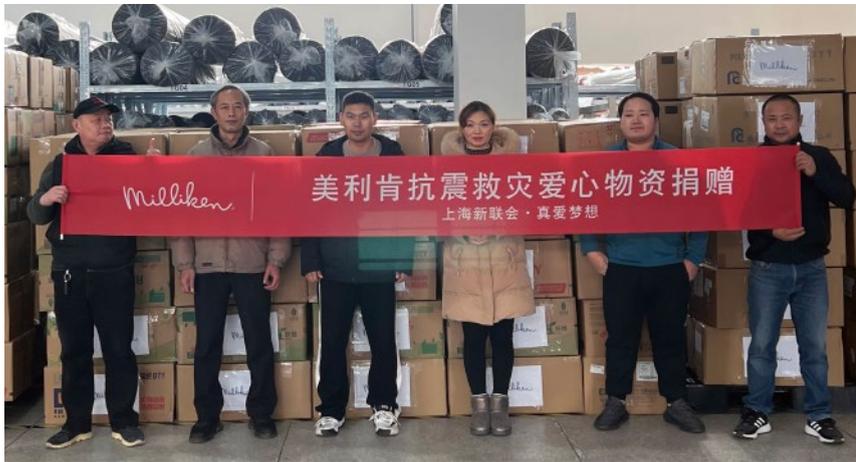
VOLUNTEERING ENGAGEMENT

GIVING SUPPLIES AND TIME TO PEOPLE IN OUR COMMUNITY

POLARTEC BLANKET DONATIONS (CHINA)

The Lamination Manufacturing team from the Polartec JV Plant in Shanghai, China, provided 1,000 blankets to help support students and educators affected by the 6.2-magnitude earthquake that struck China's rural Gansu province on December 18. The disaster damaged and destroyed more than 150,000 homes and left many without shelter. Eric Yang, JV Planning Manager, and Kevin Chen, JV Plant Administrator, designed the blankets and selected the stock fabrics to make this donation possible. Yan Yonjun, a production lamination associate, and his dedicated team worked tirelessly to ensure these blankets made it to communities in need.

Other associates, including Danny Gao, Doreen Yin, Grant Yu, Laurie Rao, and Ruby Lu, also dedicated time and resources to support the design and logistics teams in delivering warmth during this time of need.



Associates at our Polartec JV Textile Plant (China) donated blankets to students and educators in the wake of an earthquake.

POWER GENERATORS FOR SUPPORTIVE LIVING (U.S.)

Milliken associates serve on the board and volunteer time to support the Charles Lea Center, which helps persons with disabilities thrive. A grant from the Milliken & Company Charitable Foundation enabled the installation of power generators at two of the center's supportive living homes, making it possible for residents to shelter-in-place during inclement weather or power outages.

COMPANIONSHIP TO THE ELDERLY (BRAZIL)

In 2023, Maria Chies, Senior Sales Manager in Sao Paulo, dedicated many hours to a local nursing home that accommodated elderly people with various physical and mental disabilities, many of whom had been abandoned by their families. Maria began to participate in adapted physical activities, organized "beauty days," and supported birthday celebrations along with other special occasions. Maria said of her experience, "I came to realize how remarkably resilient the human spirit is. The elderly constantly expressed gratitude for every visit they received from the volunteers."

RENOVATING HAPPY SMILES (U.K.)

Happy Smiles is an award-winning disabled people-led social enterprise. Based in Wigan, U.K., they deliver inclusive training to schools, community groups, and businesses. With over 90% of their team made up of disabled people, Happy Smiles aims to create inclusive communities for all. Over two days, our teams renovated Happy Smiles office space, fitting carpet and painting walls, including a new hand-painted logo.

R.E.N.A.T.E. (U.K.)

Performance Solutions by Milliken associate, Chris Poole (Beech Hill, U.K.), volunteers with RENATE, a European network dedicated to fighting human trafficking and exploitation. Throughout its European network, RENATE adopts a victim-centered and trauma-informed approach to help victims and advocate for legal protections. Chris provides consulting advice to the board and leadership teams and visits project locations, victims, and survivors in Albania and the United Kingdom.

SUPPORTING YOUNG GIRLS AND WOMEN (U.S.)

The Women's Alliance hosted a successful Period Packing Party that collected and distributed donated feminine hygiene products, including more than 700 cosmetic bags, 4,900 tampons, and 7,500 feminine hygiene pads, to local schools and community organizations.

OVIK SCHOOL SUPPLY DRIVE (U.S.)

OVIK Health's Salisbury Plant team donated over 500 school supplies to Bradford Elementary School in Massachusetts to help teachers get their classrooms ready for the 2023-2024 school year. Twenty-five associates helped gather the supplies and five associates then packed those supplies into backpacks for first and second graders.

VOLUNTEERING ENGAGEMENT

RAISING NEEDED FUNDS

PULLING FOR VETERANS (U.S.)

Associates on our Encapsys Chemical team pulled a jet 12 feet in 9.36 seconds without engine assistance to raise money in honor of local veterans. Raised funds supported Old Glory Honor Flight, Inc., a charity that gives veterans a chance to visit Washington, D.C. memorials dedicated to their service.



Encapsys team members pulled a jet to raise money for local veterans in Wisconsin (U.S.).

TAILS AND TRAILS (U.S.)

Every year, our New Kids on the Block associate network hosts the Tails and Trails 5K dog walk at our global headquarters in South Carolina (U.S.). The network volunteers sold t-shirts and dog bandannas to raise money for the local Spartanburg Humane Society. The event also serves as a supply drive for the Humane Society, and the Humane Society brings adoptable dogs to the event to be walked by volunteers.

AMERICAN HEART ASSOCIATION (U.S.)

Milliken's Textile Business hosted the inaugural "Putt for a Purpose" charity golf tournament to benefit the American Heart Association (AHA). The tournament raised over \$15,000 to support the fight against heart disease and stroke. The AHA helps fund lifesaving research, advocate for healthier communities, improve patient care, and promotes equitable health for all people.

UNITED WAY (U.S.)

The United Way is a global organization that supports children in school, helps adults find jobs, improves access to health services, and more.

Our Textile team sold Polartec® fleece jackets at our global headquarters to benefit the local United Way and raised nearly \$10,000.

Our New Kids on the Block (NKOTB) associate network hosted their annual picture day headshot event and raised over \$1,000 for the local United Way.



Members of the NKOTB Associate Network presented a check to the local United Way Chapter in South Carolina (U.S.).

VOLUNTEERING ENGAGEMENT

INSPIRING THE NEXT GENERATION

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

The Milliken & Company Charitable Foundation awarded 11 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 Eleanor Bowie, currently studying at the University of Sheffield in Sheffield, England. “After university, I plan to gain a postgraduate certificate of education, which will allow me to teach my passion for the social sciences to high school students. I have always wanted to share my knowledge of the social sciences and hopefully inspire the next generation of students.” In addition to awarding 11 scholarships this year, the program currently supports all 12 renewable scholarships from its inaugural year, a testament to the program’s growth. The goal is to award \$200,000 in annual school scholarships by 2025.



“ I am very thankful for this scholarship because it will help tremendously with academic expenses. It’s a huge blessing to myself and my family.

Seth Evans
2023 Scholarship Recipient (U.S.)

EAST CHINA UNIVERSITY OF SCIENCE AND TECHNOLOGY SCHOLARSHIP PROGRAM (CHINA)

This initiative started in 2022 in collaboration with administration at the East China University of Science and Technology (ECUST), a prominent and historically significant university in China. In 2023, Milliken awarded 20 students with scholarships to support their academic achievement, nurture future talent, and show them the potential for research and development with Milliken. Scholarship recipients were invited to visit Milliken’s Shanghai office, tour the laboratories, and connect with Milliken associates. We have approximately 20 associates who are alumni of ECUST and invest time in mentoring at the university.

YUANGYANG VOCATIONAL SCHOOL PARTNERSHIP (CHINA)

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. Our associates also provided career mentoring and internship opportunities to equip students with real-world experience.

POLARTEC “FUTURE DESIGNERS” COLLABORATION WITH DONGHUA UNIVERSITY (CHINA)

Polartec collaborated with Donghua University, a prestigious Chinese design institution, on the “Future Designers” competition focused on “Technology Fabrics Changing the Future Life.” Facilitated by the Shanghai Fashion City Promotion Center, this project encourages young designers to showcase innovations with functional fabrics. This competition offered students an opportunity to collaborate with innovators in the industry, including Milliken associates, and helped engage students in materials science and high-tech performance materials.

MILLIKEN LEARNING CENTER (U.S.)

The Milliken & Company Charitable Foundation awarded a three-year grant to expand the John F. Green Spartanburg Science Center. The center provides science education and enrichment for the students and adults of Spartanburg County through interactive educational programs, hands-on exhibits, and community outreach. Since the expansion, the new Milliken Learning Center has welcomed larger and more frequent programming as interest continues to grow.



Students participated in hands-on activities at the Milliken-funded Science Center in South Carolina (U.S.).

VOLUNTEERING ENGAGEMENT

INSPIRING THE NEXT GENERATION

YOUNG PEOPLE CAREER FAIR (U.K.)

After last year's success, Beech Hill Primary School welcomed back associates from Milliken's Community Week. Twenty-two volunteers across 12 departments came together to put on a Career Fair for year five and six pupils. The students spent the remainder of the week designing carpet tiles, which they presented to a panel of judges. The winners visited the local Milliken plant to see their designs manufactured.



Students gathered for a plant tour during Community Week in Beech Hill (U.K.).

THREADS OF HOPE (KENYA)

Milliken Textiles donated fabric to Threads of Hope in Tenwek, Kenya. Lauren Balmer, an associate in our Textile business, delivered the fabric as a part of her visit to the region in April 2023. Threads of Hope is a vocational training center for vulnerable women who live in extreme poverty. During an eight-month tailoring apprenticeship, students gain vocational training and life skills and develop business acumen. The fabric donated contributes to student training.

PRINCIPAL FOR THE DAY (U.S.)

Brett Bridges, Senior Human Resources Manager at Magnolia Textile Plant, spent time as the "Princi-Pal" for the day at Blacksburg High School in South Carolina. This event allowed community business leaders to spend time at local schools while learning about prospective school programs and building partnerships. Brett noted that, "The opportunity to meet with our school leaders and spend time with our youth talking about future career opportunities was a special experience."

DAY OF SCIENCE FOR LOCAL STUDENTS (U.S.)

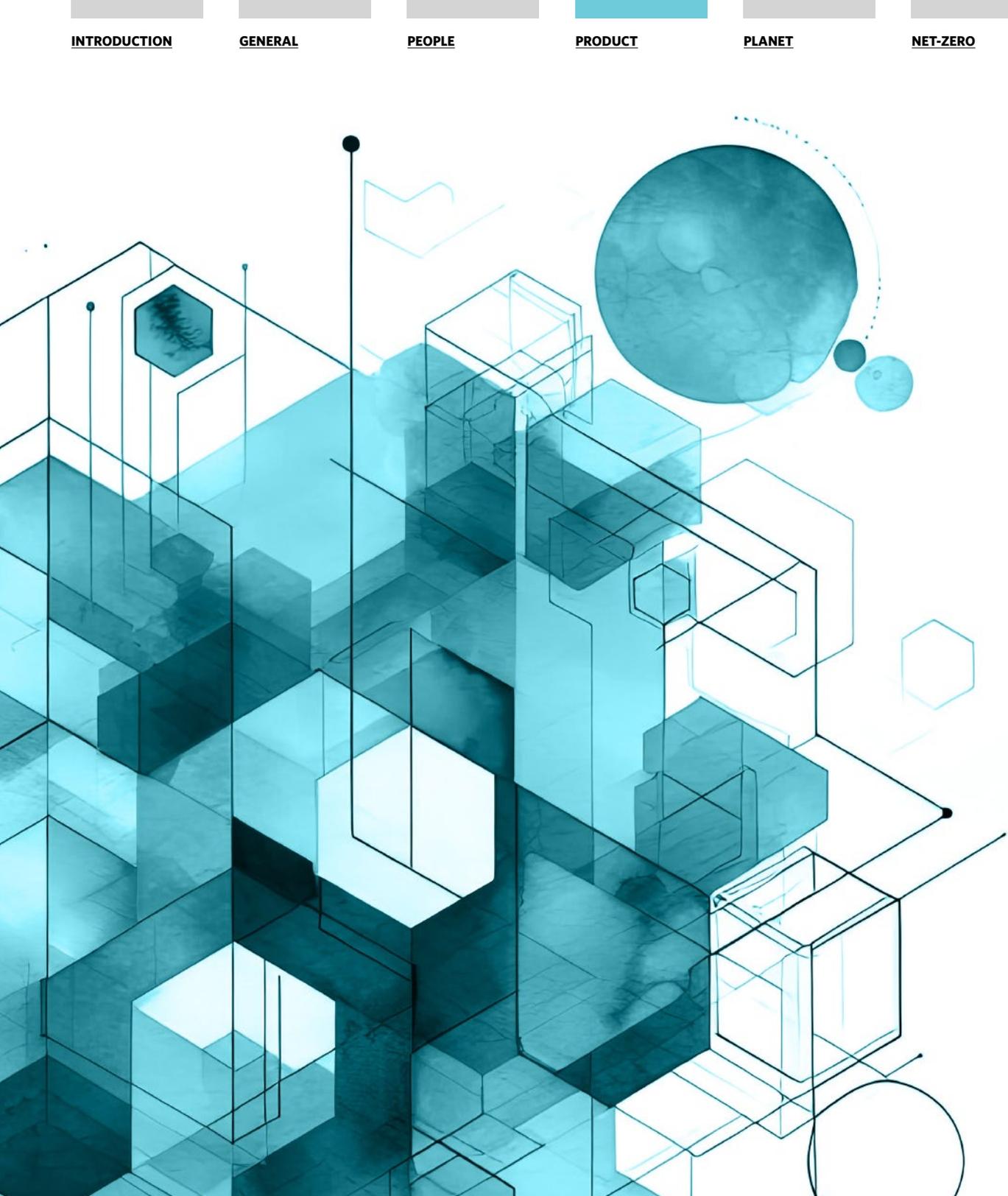
A local school brought their 8th-grade students to our global headquarters (U.S.) for an interactive day of science. Twenty-two students toured our Innovation Gallery to learn about and experience Milliken innovations. Students also toured our campus laboratories and interacted with scientists at work on current discoveries. Students learned scientific principles through an in-person demonstration, and asked questions to a panel of Milliken research and development associates.

SUPPORTING YOUNG GIRLS IN SCIENCE (U.S.)

Encapsys hosted an interactive booth at the 2023 Fox Cities Smart Girls Rock! event. This day-long, interactive mentoring event connects the Fox Cities science and tech community with girls in area high schools. Smart Girls Rock! is designed to inspire students' interest in science, technology, engineering, and mathematics (STEM) careers and provide them academic and career planning guidance. At the Encapsys booth, the girls learned about emulsions, wrote on carbonless paper, felt the cooling between uncoated foam and foam coated with microencapsulated phase change materials, and experienced the effect of rupturing microencapsulated fragrance capsules on friendship bracelets.



Encapsys associates participated in a STEM event designed to inspire high school girls to pursue careers in science, technology, engineering, and mathematics hosted in Wisconsin (U.S.).



PRODUCT

PRODUCT GOALS PROGRESS



ANALYZE NEW PRODUCTS LAUNCHED USING SUSTAINABILITY ASSESSMENTS

We increased the percentage of new products that went through our sustainability assessments evaluating 100% of our new products in 2023 as compared to 71% in 2022.



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

We are seeing measurable positive impacts from our multi-year commitment to advancing solutions for the plastics end-of-life challenge.



SUSTAINABLE INNOVATIONS

In addition to our 2025 Product Goals, our focus on sustainable innovations helps our customers achieve their sustainability goals.



MORE PRODUCT-RELATED SUSTAINABILITY DISCLOSURES CAN BE FOUND AT OUR Sustainability Accounting Standards Board (SASB) Index

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

2025 GOAL: ANALYZE NEW PRODUCTS LAUNCHED USING SUSTAINABILITY ASSESSMENTS



PRODUCT GOALS PERFORMANCE

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

Progress on this goal means sustainability assessments are increasingly integrated into our new product development process. We use both qualitative and quantitative factors in our sustainability assessments to evaluate our products comprehensively. Considering sustainability in new product development informs our innovation decisions, standardizes considerations across our research and development teams, and ensures we continue to develop our products with sustainability in mind.

PURPOSE OF NEW PRODUCT SUSTAINABILITY ASSESSMENT METHODOLOGY

In addition to supporting our purpose, values, and 2025 Product Goals, the sustainability assessment methodology helps increase awareness of sustainability in our new product portfolio and steer product development towards better long-term, sustainable outcomes.

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.

CREATION OF SUSTAINABILITY ASSESSMENT METHODOLOGY

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. We use life cycle assessments (LCAs) for products launched in our floor covering business; however, LCAs are less prevalent for the launch of our chemical, textile, and healthcare products as LCAs can be effort-intensive and costly to perform. Instead of LCAs, our chemical, textile, and healthcare businesses use a common, enterprise methodology that is informed by industry best practices to steer our new product development portfolios toward more sustainable product portfolios.



OVERVIEW OF NEW PRODUCT SUSTAINABILITY ASSESSMENT PROCESS

Our internal, three-step assessment process classifies new products launched to the market into one of four categories 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 proactively analyze new products.
- Our assessment considers impacts on our 2025 Planet, Product and People Goals and the United Nations Sustainable Development Goals as well as economic performance.

Impacts considered across the life cycle include, for example:

1. Planet impacts, which can include water usage, energy usage, air emissions, and waste discharge.
 2. Product impacts, which can include raw materials, recycled content, and end-of-life.
 3. People impacts, which can include safety and health implications.
- Our approach builds a common understanding of what is considered sustainable within a product portfolio, taking into account sustainability contributions.
 - Our common process and language will ultimately enhance our integrity in sustainability claims with respect to attributes and performance.

NEW PRODUCT HIGHLIGHTS

POLARTEC® SHED LESS FLEECE

Polartec® Shed Less fleece reduces textile fiber fragment shedding. Shed Less is a process that combines yarn construction, knitting, chemistry, and manufacturing to reduce home laundry fiber fragment shedding. This technology, when applied to Polartec’s industry-leading fleece, builds fiber resistance to decrease microfiber shedding without compromising performance characteristics. Customers receive the soft, lightweight, breathable, and warm fleece they expect, with an average of 85% less microfiber shedding.

(AATCC) TM212-2021 test method for fiber fragment release during home laundering. This test was conducted with large sample sizes to account for variability. The testing concluded that Shed Less fleece reduced fiber fragment shedding by an average of 85% compared to the baseline fabric.”

Polartec® Shed Less fleece initially launched in the United States in 2023 with the Polartec® 200 Series fleece. Polartec plans to apply the Shed Less process to many other industry-leading fabric platforms at manufacturing facilities around the world.

Ramesh Kesh, Ph.D., Senior Vice President of Milliken’s Textile Business explained, “Shed Less used the American Association of Textile Chemists and Colorists

“ Polartec has been researching root causes and mitigation strategies for fiber fabric shedding performance fabrics for many years. Shed Less fleece is a natural progression of this curiosity toward our goal of reducing shedding to near zero in all our performance fabrics.

Ramesh Kesh, Ph.D.
Senior Vice President, Polartec®
Milliken & Company (U.S.)



BIOLON™ PLANT-BASED NYLON

Biolon™ plant-based nylon is our answer for a more sustainable nylon. Biolon™ renewable, non-GMO, plant-based inputs reduce reliance on fossil fuels and have a 50% lower carbon footprint than virgin Nylon-6,6. Unlike other sustainable nylon choices, Biolon™ nylon properties are closer to Nylon-6,6, which is widely considered the “gold standard,” given its durability and UV degradation resistance.

Total bio-based content per style varies by fiber composition and is third party verified by an ISO 17025 accredited lab using ASTM D6866-21 Method B. Styles contain the maximum percentage of plant-based inputs available today to assure optimal performance. This is just one example of the ways we are working to increase bio-based inputs to reduce our reliance on fossil fuels.



Polartec® Power Stretch® Pro Fabric

The Polartec® Power Stretch® Pro Fabric comprises 17% Biolon™ plant-based nylon and 56% recycled polyester while retaining the durable exterior and comfortable interior, four-way stretch and recovery, breathability, and moisture wicking of the Power Stretch™ line.



Polartec® Power Shield® Fabric

The Polartec® Power Shield® Fabric currently includes 33% Biolon™ plant-based nylon in a breathable, waterproof membrane.

NEW PRODUCT HIGHLIGHTS



REFORMULATED COLORANT FOR DISHWASHER DETERGENT

We reformulated a colorant for dishwasher detergent to enhance health and wellbeing and reduce resource consumption. The new formulation removed heavy metals as an ingredient making the product safer for downstream customer use. The new formulation is also more concentrated, allowing less material to be shipped, reducing the transportation carbon footprint. Reducing the carbon footprint and enhancing health and wellbeing one ingredient at a time makes a difference in the end products we use every day.



NEW FLOOR COLLECTION REINTERPRETS COMBINATIONS OF TEXTURES AND PATTERNS

Our Sculptured Forms Collection combines dimension and pattern with a simplicity of color to reinterpret structure and form. Geometry and intricate linework mingle with soft organic forms to offer a balanced architectural elegance that will enhance interiors. The collection has three designs, and all have third-party certifications for material health and transparency, including an indoor air certification for low volatile organic compounds emissions, and Declare® Red List Free for material transparency. Two designs are created using Thrive® matter solution-dyed nylon to further increase recycled content and reduce embodied carbon.

The third Marble-Cast, is a Millitron® pattern coordinated design which incorporates Econyl recycled yarn. All three designs in the collection come with WellBAC® Comfort Plus® cushion backing as standard. It absorbs up to 60% more ambient sound than hardback flooring and reduces impact sound by up to 40%, enhancing an experience of wellness. The collection is also Cradle to Cradle Certified® Silver.



MERGE FORWARD PVC- FREE FLOOR COVERING TILE

We launched a new PVC-free luxury vinyl tile (LVT) collection called Merge Forward. All Merge Forward products are certified by the International Living Future Institute's **Declare program** as Red List Free and offer superior scuff and stain resistance and ambient noise control. Declare screens a product's ingredients against the Living Building Challenge (LBC) Red List, saving project teams from the task of vetting products by hand. The **LBC Red List** contains materials, chemicals and elements known to pose serious risks to human health and the greater ecosystem that are prevalent in the building products industry. Red List Free certification means Merge Forward products are free of Red List chemicals at levels at or above 100 ppm or 0.01 percent.

With three patterns and 12 colorways, Merge Forward was inspired by the textures and beneficial environmental impact of mangrove forests. Using PVC-free materials, the lightweight LVT tiles offer the best of aesthetics and performance and include a translucent wear layer for design clarity. In addition, as part of our M/PACT™ program, care is taken when selecting raw materials, manufacturing products, and delivering them to our customers. The use of materials that do not contain harmful chemicals is a critical pathway to end-of-life product recycling.

PRODUCT COMMITMENTS

PRODUCT SAFETY COMMITMENT

We confirm 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. 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 we develop all products in our portfolio in accordance with applicable laws, regulations, and guidelines.

QUALITY COMMITMENT

Our **Quality Policy Statement** highlights our commitment to continuous improvement of all products and services by involving our associates. All associates commit to developing and strengthening partnerships with our customers and suppliers. We continually seek to provide innovative, high-quality products and service 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.

SUPPLIER PRODUCT COMMITMENT

Our **Supplier Code of Conduct** 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 ensure products supplied 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 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.



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



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



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



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



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.



Certain Liqutint® products qualify for use in Safer-Choice certified products.



Red List Free, Third-Party Verified flooring products are offered globally.



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



All OBEX™ Entrance Flooring are certified low VOC.



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



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



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

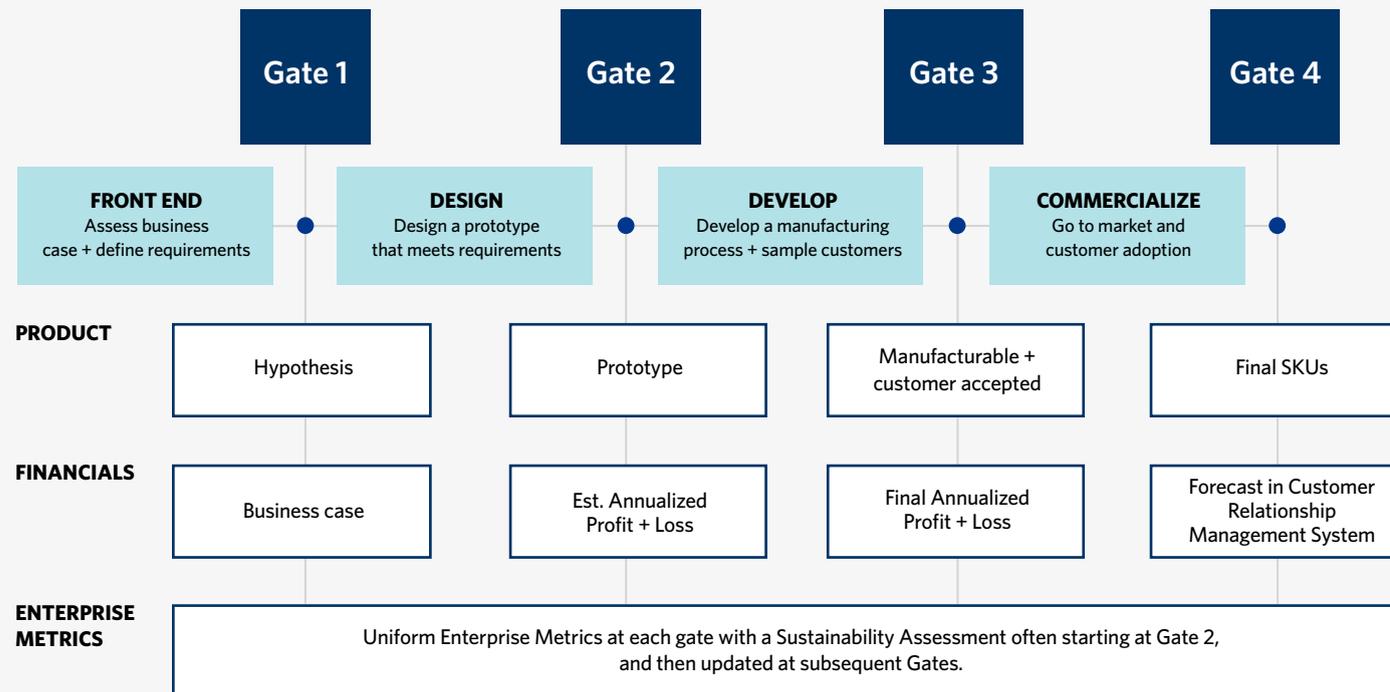


Millad® NX® 8000 technology is certified as fully compatible with the existing European recycling processes and poses no recyclability issues.

PRODUCT MANAGEMENT

In 2023, our innovation leaders established a uniform stage gate process and a uniform product portfolio enterprise management system. Milliken has a four-gate system for new product development, beginning with the front-end business case and continuing to commercialization with sustainability assessments done at certain gates. Our new product development process aims to provide a collaborative and empowering environment to come together, share ideas, and drive groundbreaking advancements.

NEW PRODUCT STAGE GATE PROCESS



ISO 9001 FOR QUALITY MANAGEMENT

Several Milliken sites are certified to **ISO 9001** for quality management, which includes a focus 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 of our chemical manufacturing plants.

PRODUCT TRAINING AND ENGAGEMENT

Our leaders in compliance, innovation, and sustainability work together to provide internal product training and engagement opportunities for different stakeholders. These include annual trainings on products, timely design, green chemistry, and our sustainability ambassador program.

ANNUAL PRODUCT TRAINING

Every year, we train our associates on topics related to our products. In 2023, more than 800 associates completed annual chemical regulatory compliance training, and more than 80 associates completed the annual healthcare regulatory compliance training, both achieving 100% targeted participation. Our associates who work with our health care products, are required to take annual product-specific health care compliance courses, which include topics such as adverse event reporting for medical products.

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 our associates at our global headquarters and our plant management associates participated in Responsible Care® training.

COMMUNITY OF INNOVATORS SEMINARS

Each year, we host two Community of Innovators seminars and poster sessions for our research and development community to share insights and learnings from our innovation teams across the organization. The seminars include updates on our innovation strategy and business updates on key new innovations.

SAFE AND SUSTAINABLE BY DESIGN TRAINING

In 2023, we collaborated with KREATiS consultant, Paul Thomas, to teach a two-day seminar at our global headquarters on a range of regulatory and research and development topics, including silico ecotoxicology, mammalian toxicology, and physical chemistry modeling. Mr. Thomas remarked on the "fascinating exchanges on the progress of silico tools and the current situation of the EU Green Deal."

FLOOR COVERING GLOBAL SUSTAINABILITY AMBASSADOR PROGRAM TRAINING

Our Floor Covering Global Sustainability Ambassador program taught 80 of our associates from different areas about sustainability, green building, and climate change to allow them to be sustainability ambassadors for Milliken. Ambassadors contribute to a culture of sustainability that helps with projects, programs, and campaigns for a more sustainable organization. The curriculum in 2023 included: Cradle to Cradle Certified®, Neurodiversity, sustainability industry trends, external sustainability product databases, and sustainability product impacts from Milliken businesses.

In addition, ambassadors have access to a curated learning path on LinkedIn Learning that includes:

Green Building Concepts Foundations

Navigating Environmental Sustainability: A Guide for Leaders

Healthy Building Foundations

Hiring and Supporting Neurodiversity in the workplace

How Tech Drives Sustainability

Sustainability as an Innovation Opportunity

Daily Habits to Live Sustainably

GREEN CHEMISTRY TRAINING

Our chemical sustainability team led green chemistry training for our Lab Community. Green chemistry applies across the life cycle of a chemical product and is the design of chemical products and processes that reduce or eliminate the use or generation of hazardous substances. During this training, our lab associates reviewed the 12 Principles of Green Chemistry, as well as the importance of sustainable design, development and implementation of our chemical products and processes.



Chemical member, Jenna Wyatt, Advanced Regulatory Specialist, led the Green Chemistry Training session at our global headquarters (U.S.).

PRODUCT TRAINING AND ENGAGEMENT

Our innovation, compliance, marketing, sales and sustainability leaders coordinate to offer a variety of external product trainings for different stakeholders annually.



CEO Halsey Cook participated in a panel discussion about decarbonization hosted at our Floor Covering showroom in London (U.K.).

PATHWAY TO NET-ZERO IN BUILT ENVIRONMENT (U.K.)

We brought together thought leaders at our London showroom for a discussion on “why can’t we decarbonize faster?” Speakers included our CEO, Halsey Cook, and sustainability leaders from Arup, Landsec, BDO, Perkins and Will, and the International Well Building Institute.

HEALTHCARE TRAINING WEBINARS (U.S.)

In 2023, we offered external on-demand webinars for healthcare practitioners, covering topics from wound management and compression therapy to clinical evidence and evaluations.

INTERNATIONAL WELL BUILDING INSTITUTE WELL SUMMIT (U.S.)

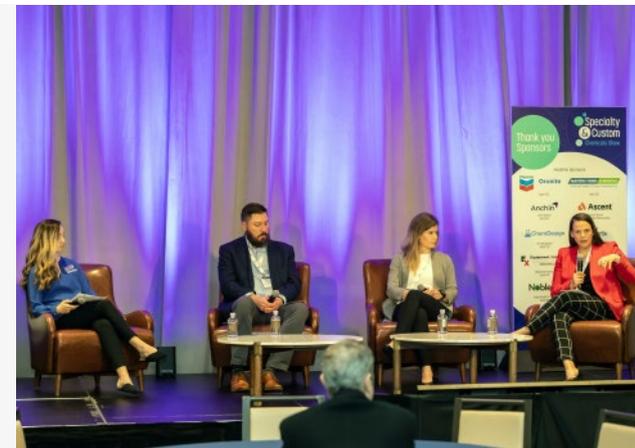
We were the main sponsor of the International WELL Building Institute’s WELL Summit, a convening on the critical role of health in our buildings, organizations, and communities. Our Director of Sustainability for our floor covering business, Sarah Enaharo, introduced Dr. Joycelyn Elders, the 15th U.S. Surgeon General, Dr. Antonia Novello, the 14th U.S. Surgeon General, and Dr. Richard Carmona, the 17th U.S. Surgeon General.

SOCIETY OF CHEMICAL MANUFACTURERS AND AFFILIATES (SOCMA) DISCUSSION ON SUSTAINABILITY STANDARDS (U.S.)

The 2023 SOCMA Show’s general session Impacts of ESG and Sustainability Standards on Business Continuity, hosted a panel of industry leaders, including Deidre Sandrock, our Director of Sustainability and Innovation for our chemical business. This panel explored how there is no single approach to strategy development, meeting customer demands, and navigating the ever-changing environmental, society and governance landscape.

MILLIKEN AND POLARTEC FILM SCREENING AND DISCUSSION (U.S.)

Milliken and Polartec, our outdoor performance brand, partnered with Haworth to host a private screening of the re-release of Everest, a biographical survival adventure film. Haworth is a global furniture maker that builds innovative products for optimal workplace performance, and Milliken and Polartec have a long history of creating performance textiles for outdoor brands like Patagonia, The North Face, and REI. Following the movie, we facilitated a discussion about using finish materials that make an environmental difference, highlighted how working together as a team ensures success, and shared best practices and resources for design teams and clients.



Deidre Sandrock, Director of Sustainability and Innovation for our Chemical Business, spoke on a panel at the 2023 SOCMA Show (U.S.).



Lizzie Kang, Sr. Director of Marketing, Strategy, and Operations was the keynote speaker at the Sustainable Building and the Circular Building Economy conference (China).

SUSTAINABLE BUILDING AND THE CIRCULAR ECONOMY (CHINA)

Lizzie Kang was the keynote speaker at Sustainable Building and the Circular Building Economy hosted by the American Chamber of Commerce in Shanghai. She highlighted how sustainability guides our operational and manufacturing strategy, and our commitment to reach net-zero by 2050 through our net-zero targets verified by the Science Based Targets initiative.

NEOCON SUSTAINABILITY LAB (U.S.)

We sponsored Metropolis’s 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 a circular, regenerative, and healthy future.

2025 GOAL: CONVENING SCIENTISTS AND THOUGHT LEADERS 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 problems with how we produce, discard, and clean them. Since 2019, we have reported qualitative progress on our Product Goal to collaborate on finding solutions for the plastics end-of-life challenge.

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

To enhance circularity across our textiles, chemical, floor covering, and healthcare products, we focus on waste collection, sorting, processing, conversion, end-market development, and education.

In 2023, we disclose how our efforts towards this goal are driving progress for textiles, U.S. recycling, carpet end-of-life solutions, and plastics end-of-life solutions.



It will take an all-in effort from stakeholders across all sectors to solve the plastics end-of-life challenge.

Our solution is to focus on six key priorities:

- Waste collection
- Sorting
- Processing
- Conversion
- End-market developments
- Education

HIGHLIGHTS OF GOAL PERFORMANCE (2019-2023)

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

CONVENING HIGHLIGHTS

U.S. RESIDENTIAL RECYCLING SOLUTIONS

NEW, FREE RESOURCE TO ADVANCE RECYCLING DATA, KNOWLEDGE, AND CONNECTIVITY

Each year in the United States, 15 million tons of household recyclables are lost to landfills because Americans are confused and lack confidence when it comes to recycling. The loss is equivalent to 63 million metric tons of carbon dioxide, but capturing this material would yield more than 17,500 jobs and \$834 million in landfill savings.

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. Informed by data and consumer research, in concert with on-the-ground community pilots, the Center aims to drive measurable improvement in recycling behavior — improvement that will be measured through greater amounts of recyclable material, increased household participation in recycling, and greater confidence in recycling.

Data from the inaugural Recycling Confidence Index emphasized the critical role of strong communication, information, and support in boosting recycling confidence.

In October 2023, the Center announced the launch of the **Recycling Program Solutions Hub**, a nationwide interactive tool and resource designed for local U.S. recycling coordinators. This free tool provides an interactive U.S. Recycling Map displaying local program attributes and processing throughout the country, access to customized program recommendations based on local program data, and easy access to a catalog of resources. In the United States, there are over 9,000 recycling programs, each serving different populations, accepting varying materials, and, offering different services for curbside collection, drop-off options, or multifamily programs. Whether a program is just starting, expanding, or already performing at scale, communities can find resources in the Hub to improve their recycling programs.

“ The Recycling Program Solutions Hub brings powerful data and research-backed solutions straight to the source that needs this information – the local coordinators. Equipping these leaders with the right information and resources can help them bolster their programs, strengthening the recycling infrastructure in the U.S. and bringing us one step closer to a truly circular economy.

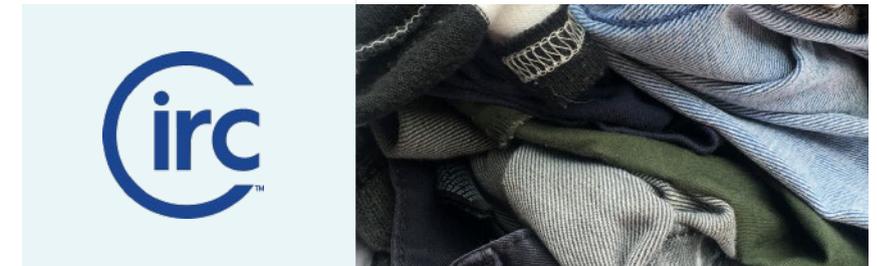
Halsey Cook

President & CEO, Milliken & Company
Chair, Milliken & Company Charitable Foundation

TEXTILE END-OF-LIFE SOLUTIONS

INVESTMENT IN CIRCULARITY FOR THE TEXTILE INDUSTRY

Roughly 40 million metric tons of textile waste are landfilled annually. And less than 1% of material used to produce clothing is recycled into new clothing, representing a loss of more than \$100 billion worth of materials each year.* This represents one of the largest circularity opportunities. In 2022, we invested in Circ, a company working to recycle fashion waste back into textiles.



Circ's patented hydrothermal process enables mixed polymer streams — specifically, any blend of polyester and cotton — to be separated and recovered. Circ's process depolymerizes polyester fibers in polycotton textiles, while completely preserving the cotton fibers. This allows both materials to be reused to produce new textiles, while also reducing carbon emissions by the fashion industry because it requires no fiber pre-sorting.

In 2023, Circ was recognized as one of the 15 Finalists for the 2023 Earthshot Prize, a global environmental award, and was chosen from more than 1,100 nominees. Founded by Prince William in 2020, The Earthshot Prize aims to discover and help scale the world's most innovative climate and environmental solutions to protect and restore our planet.

* Ellen MacArthur Foundation, A New Textiles Economy: Redesigning Fashion's Future (2017).

CONVENING HIGHLIGHTS

CARPET END-OF-LIFE SOLUTIONS

We are committed to advancing the circular economy for the floor covering industry, by focusing on practical solutions. In the United States alone, over 3 million tons of carpets and rugs were collected as municipal solid waste in 2018, accounting for 3.5% of landfill waste (U.S. Environmental Protection Agency, 2022). Over 70% of carpets ended up in landfills in the same year, while approximately 10% underwent a recycling process (CARE Annual Report, 2019). Now, we are taking steps to advance the circular economy and mitigate climate change through our N/XT Life™ Circularity Program, focused on longevity, transparency, and circularity. We are investing and creating partnerships to expand practical solutions for carpet end-of-life solutions.

“Circularity solutions are critical to our decarbonization strategy, and to help us enable our customers to meet their decarbonization commitments and sustainability metrics at the building location level.

Robert MacMeccan

VP, Strategy, Product & Product Management
Milliken Floor Covering



REDUCE USE OF VIRGIN MATERIALS

We prioritize the use of recycled materials to minimize the consumption of virgin materials.



ADVANCE REUSE SOLUTIONS

In 2023, we invested in flooring reuse solutions. We believe that both extending the life of products 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 tile has quickly become the 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™ circularity program.

In the 18 months ending December 2023, our company has successfully reused over one million pounds of carpet tile in the United States.



SUPPORT LOCAL RECYCLING SOLUTIONS

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

Using materials that are free of harmful chemicals is critical to end-of-life product recycling. Our Declare labels for all North American carpet and PVC-free resilient products are third-party verified Red List Free, providing increased transparency.

We collaborate with local partners to recycle our carpet tiles, recapturing materials, and putting 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.

CONVENING HIGHLIGHTS

PLASTICS END-OF-LIFE SOLUTIONS

Plastics play a key role in many technologies and products that improve our safety and convenience, but it is also true that a large percentage of plastic still goes to landfills, is incinerated, or escapes into the environment. From design and materials choice to sorting, recycling and reprocessing, there is enormous potential for innovation to solve the plastic waste problem and move towards a plastics circular economy. Our company works on multiple fronts to advance circularity for polypropylene and polyethylene packaging. Many of our efforts are geared towards advancing recycling as well as actively convening and participating in industry efforts to advance plastics circularity.

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

A major milestone was achieved in 2023 with PureCycle Technologies' first production of commercial ultra-clean, virgin like recycled polypropylene pellets, known as ultra-pure recycled (UPR) resin from plastic waste feedstock. Milliken will be the first company to trial this groundbreaking resin for polypropylene. We continue to collaborate with PureCycle on innovative ways to bring PureCycle Technologies' vision to life – manufacturing prime-performing resin from recycled polypropylene – by working together to uncover additional sustainable solutions that further enhance properties of recycled polypropylene to enable better use of plastic materials, thereby reducing waste and improving efficiencies.

IMPROVING POLYPROPYLENE RECYCLING (U.S.)

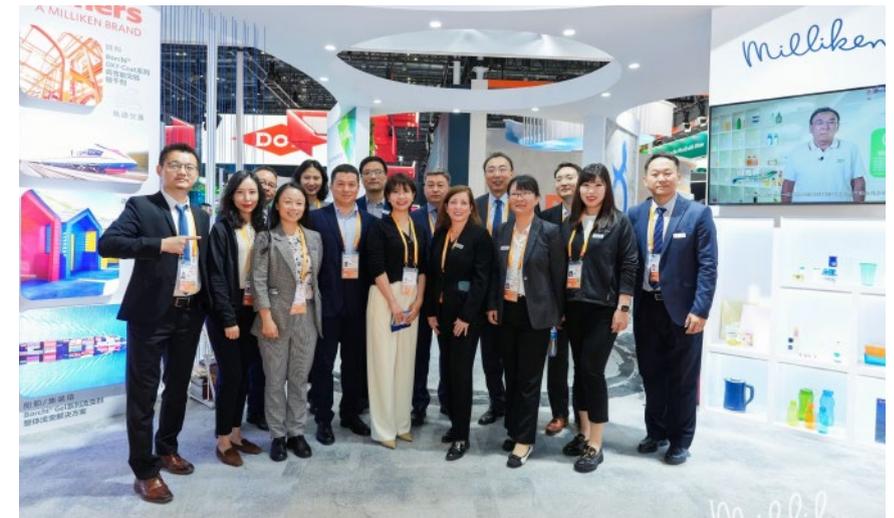
The Recycling Partnership's Polypropylene Recycling Coalition, a cross-industry effort we have supported since its launch, marked three years of impact in 2023. Forty-one materials recovery facilities in the United States have received nearly \$10.3 million in grants to acquire upgraded sorting technology and expand community recycling education. Through the end of 2023, these grants have brought polypropylene recycling to 600+ communities, reaching over 34 million people since 2020 and resulting in an estimated 42 million new pounds of polypropylene recovered annually.

PARTNERSHIP TO DEVELOP RECYCLED POLYPROPYLENE (INDONESIA)

We are working with Pan Era Group to enhance the performance of recycled polypropylene plastic resin by combining the strengths of Milliken's additive technology and Pan Era Group's extensive local plastic waste collection network. This collaboration seeks to advance sustainable practices and promote the use of recycled polypropylene in Indonesia.

SCALING TECHNOLOGIES TO IMPROVE SORTING (EUROPE)

After proving the viability of digital watermarking technology for accurate sorting in a pilot project, HolyGrail 2.0 is now focused on initiating a full production scale trial. They have deployed functioning prototypes in commercial sorting and recycling facilities under normal operational conditions on a large-scale at five locations. Looking ahead, the Alliance to End Plastic Waste continues to discuss how to scale this technology to Europe and beyond for the next stage of the project, HolyGrail 3.0.



Cindy Boiter, President of Milliken's Chemical Business, with associates at a Closed-Loop Value Chain conference in Asia.

SOLUTIONS TO ENABLE A CLOSED-LOOP VALUE CHAIN (ASIA)

Cindy Boiter, President of Milliken's chemical business spoke at the Closed Loop Value Chain conference on the urgent need for scalable solutions to help meet global objectives to limit the effects of global temperature change. The conference highlighted a series of innovations.

Our team worked with our partners on developments to transform waste food containers into high-value applications such as organizers, textile fabrics, automotive parts, and automotive interiors through recycling, cleaning, modification, and granulation. The effort is building a closed-loop value cycle in the plastics industry, enabling each stakeholder to create and harvest value while lowering their environmental impact.

SUSTAINABLE INNOVATIONS IN OUR TEXTILE BUSINESS

In addition to our 2025 Product Goals, our focus on sustainable innovations helps our customers achieve their sustainability goals. This section discloses several highlights of our sustainable innovations and awards that contribute to reducing resources, enhancing health and well-being, and advancing circularity and end-of-life management.



REDUCING PLASTIC PACKAGING IN RECYCLABLE PRODUCE BAGS

Driven by a major U.S. grocery retailer's objective to reduce plastic packaging 25% by 2025, The Paper People set out to find a domestic supplier capable of designing and manufacturing packaging window mesh for recyclable produce bags. The packaging window mesh had a long list of requirements, many of which were difficult to meet. Our team developed a laminated, tri-directional scrim mesh that met all performance and sustainability objectives.



RECYCLED CONTENT IN FLAME RESISTANT DENIM

Westex® Indigo™ fabric is a solution for those who must wear flame-resistant (FR) jeans at work but want more stretch and recycled content in their denim. This Milliken product incorporates 6% REPREVE® polyester and is the first step in including recycled content in the FR workwear market.



ENHANCING SUSTAINABILITY EFFORTS IN PROTECTIVE APPAREL

We partnered with Lenzing, the world's leading supplier of wood-based specialty fibers, using its TENCEL® fibers and yarns to enhance our sustainability efforts within the protective apparel industry. Our goal is to demonstrate the viability of FR/AR textiles that bring together proven protection and want-to-wear characteristics while also contributing to sustainability. TENCEL® lyocell fibers are derived from renewable wood and produced in a closed-loop process that transforms wood pulp into cellulosic fibers with high resource efficiency and low ecological impact. The TENCEL manufacturing produces 50% less greenhouse gas emissions than generic lyocell, according to Lenzing's Higg MSI scores.

SUSTAINABLE INNOVATIONS IN OUR CHEMICAL BUSINESS

HYPERFORM TOOTHBRUSH (THAILAND)

Lion Corporation Thailand Limited's 2030 sustainability vision aims at reshaping daily habits for a meaningful impact. To realize this vision, they introduced the Systema Slim Teq toothbrush, a product demonstrating their commitment to health and the environment. This toothbrush, designed for effective cleaning and with 35% less plastic in the brush head, needed a specialized plastic resin for its Thai launch. Lion Thailand collaborated with IRPC Public Company Ltd. and Milliken, selecting the POLIMAXX® DURA-PRO combined with our Hyperform® additive. This collaboration culminated in a launch that championed sustainability, reduced CO2 emissions, and promoted the recycling of plastics.



ULTRAGUARD SIES SOP STAR AWARD (INDIA)

Our UltraGuard® Solutions product was honored during the South Indian Education Society (SIES) School of Packaging (SOP) Awards in the packaging materials and components category, for its effectiveness in enhancing barrier performance within high-density polyethylene (HDPE) rigid packs.



COLLABORATION FOR YOGURT PACKAGING (CHINA)

We collaborated with Mengniu, a Chinese manufacturing and distribution company of dairy products, to tackle the challenge of dairy packaging. Mengniu's sustainability strategy includes environmentally-friendly packaging, so together we helped replace polystyrene with polypropylene in their yogurt packaging, which has a lower environmental impact.

UL VALIDATED FOOD STORAGE CONTAINERS (JAPAN)

We worked with Nakaya Kagaku Sangyo Co., LTD, a manufacturer of plastic houseware in Japan, to achieve the UL Environmental Claim Validation (ECV), enabling use of the ECV mark on three of their food storage container series made with Milliken's Millad® NX® 8000 clarifier.

This ECV mark communicates to consumers the product has been independently validated by a third-party to provide an average of 10% energy savings to the production of its clarified polypropylene parts.



RECYCLED POLYPROPYLENE TO MEET AUTOMOTIVE MATERIAL STANDARD (U.S.)

We worked with ExxonMobil to enhance recycled polypropylene to meet automotive material standards. Through this collaboration, we showed that using recycled polypropylene in critical automotive parts is possible.

SUSTAINABLE INNOVATIONS IN OUR FLOOR COVERING BUSINESS



DESIGNING FOR NEURO-INCLUSIVE WORKPLACES (GLOBAL)

In 2023, our team sought to understand how our floor covering products can contribute to a neuro-inclusive workplace. We partnered with Henigan Consulting Group, and the independent market research agency Sapio Research, to provide a guide for creating a neuro-inclusive workplace. The white paper we produced, **Designing a Neuro-Inclusive Workplace**, incorporates the latest research on neurodiversity in business, with sources including academic research papers, output by charities for neurodiversity, and research by companies with expertise in specific areas of design. The paper includes results from a series of qualitative interviews by participants who shared their experiences of being neurodivergent in workplaces built for the neurotypical. The specific neurodivergent conditions covered in interviews included autism, ADHD, dyslexia and dyspraxia. The white paper provides practical actions to consider around smell, sound, sight, comfort and safety.

FLOORING THAT PROVIDES RECONCILIATION THROUGH DESIGN (AUSTRALIA)

In communities through commercial interior partnerships that directly benefit the artists. It provides a platform for Indigenous Australian artists to commercialize their art, keep ownership of the intellectual property, and earn ongoing royalties into the future. Recognizing the role commercial interiors can play in narratives of reconciliation, we are promoting the voices of these arts communities through projects that incorporate traditions, culture, and indigenous design perspectives into commercial interior design. "Reconciliation Through Design" has created an avenue for diversity and inclusivity by creating commercial carpet products that celebrate the Aboriginal and Torres Strait Islanders' and native Urunga land experiences as uniquely Australian. The designs restore and reimagine what colonization destroyed. "Water Yuludarla" is a collection of work that draws from the stories of the Gumbaynggirr people and comprises six unique designs. The collection speaks to the experiences of ancestors, to the sustenance provided by the rivers and to the spirit born from the lineage of family.



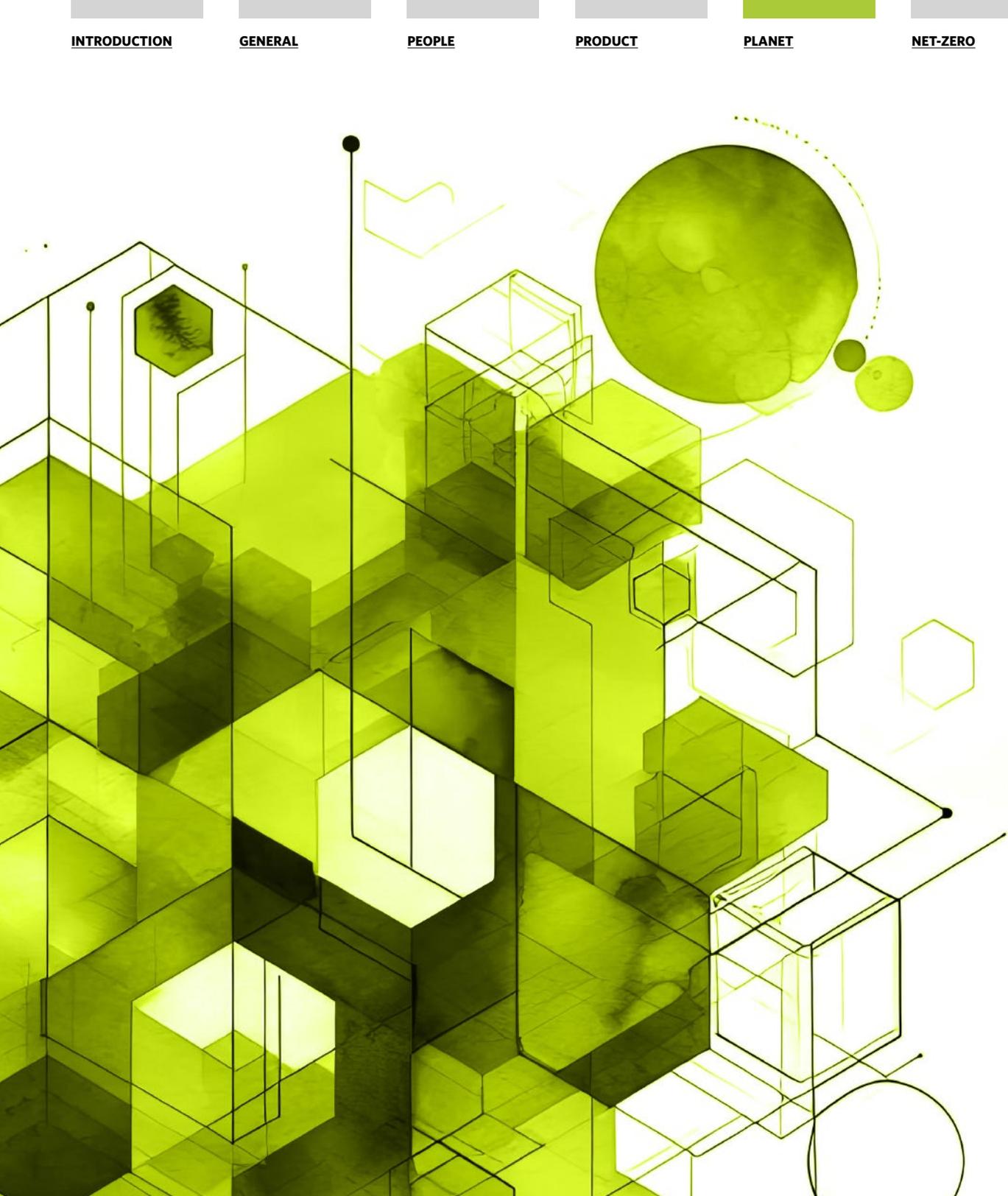
SIMPLY SUSTAINABLE



SIMPLY SUSTAINABLE FLOORING (CHINA)

In Asia, RESET® Embodied Standard simplifies the evaluation of building materials and products for sustainability. This new, data-driven standard for evaluating and scoring the carbon, circularity, and health performance of building materials and products, including source-of-life and end-of-life, emissions from building material sourcing, transportation and construction, and health impacts from chemical ingredients and chemical off-gassing. Milliken now provides a single RESET Embodied score for each of our following collections: Burned by Milliken Surface Study, Dissident by Milliken Dissident & Fringe, Metallic Joinery by Milliken Fine Detail, and Effect by Milliken Consequence 2.0. All of these are carbon neutral carpet tiles that are manufactured from 30% recycled content, are 100% recyclable and contain no harmful red-listed chemicals.





PLANET

PLANET GOALS PROGRESS



REDUCE INDEXED GREENHOUSE GAS EMISSIONS BY 25%

We met our 2025 GHG Reduction Goal for greenhouse gas emissions in 2022 by achieving positive impacts tied to cogeneration and energy efficiency projects, increased renewable energy inputs, and carbon offset procurement. At a 32% reduction in 2023, our focus shifted to developing our strategy to achieve our near-term net-zero targets.



INCREASE RENEWABLE ENERGY USE TO 100,000 MWH/YR

We surpassed our 2025 Renewable Energy Goal in 2022 and increased further to 109,141 MWh in 2023. We continue to explore solutions that expand our use of renewable energy to support achieving our near-term net-zero targets.



REDUCE INDEXED SOLID WASTE BY 25%

Our focus on thermal drying biosolids from wastewater treatment and eliminating coal ash from steam generation resulted in an 11% decrease in waste intensity. We continue to optimize biosolid waste processes, historically our largest waste stream, while we explore reductions in other sources.



ZERO WASTE TO LANDFILL

Our progress on landfill diversion continues to be disrupted by our biosolid waste, specifically by removal of biosolids and cleaning of our wastewater treatment facilities. Responsible management of our wastewater treatment facilities includes regular cleaning and removal of biosolids to ensure safety, operational efficiency, and compliance.



REDUCE INDEXED WATER USAGE BY 25%

Our water management projects reduced water withdrawal by over 150 million gallons per year, which equals over 4% of our 2018 total. We continue to consider local solutions for water strategies that result in sustainable outcomes.



ZERO ENVIRONMENTAL VIOLATIONS

We incurred one fewer violation in 2023 as compared to 2022, as we continued to progress our risk mitigation strategies by advancing environmental modernization efforts 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](#) and

[United Nations Global Compact Communication on Progress](#)



2025 GOAL: REDUCE INDEXED GREENHOUSE GAS EMISSIONS BY 25%



PLANET GOAL PERFORMANCE

PLANET GOAL	2018	2019	2020	2021	2022	2023	2025 GOAL
Scope 1-2 GHG Intensity (MT/MT)	1.15	1.18	1.12	1.02	0.83	0.78	0.86
GHG Intensity % Change from 2018	N/A	+3%	-3%	-11%	-27%	-32%	-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 (October 2021 Version).

ABSOLUTE METRICS

METRIC	2018	2019	2020	2021	2022	2023
Scope 1 Emissions (MT CO ₂ e)	326,002	303,326	252,581	283,110	279,851	233,585
% Change from 2018	N/A	-7%	-23%	-13%	-14%	-28%
Scope 2 Market-Based Emissions (MT CO ₂ e)	326,204	317,127	245,949	227,604	173,583	140,145
% Change from 2018	N/A	-3%	-25%	-30%	-47%	-57%
Scope 2 Location-Based Emissions (MT CO ₂ e)	328,726	322,047	264,055	238,269	210,952	178,825
% Change from 2018	N/A	-2%	-20%	-28%	-36%	-46%
Scope 1 and 2 Carbon Offsets (MT CO ₂ e)	0	0	2,215	19,512	48,873	43,563
Scope 1 and 2 Emissions (MT CO ₂ e)*	652,206	620,453	496,316	491,203	404,562	330,166
% Change from 2018	N/A	-5%	-24%	-25%	-38%	-49%

*Total scope 1 and 2 emissions include market-based emissions and carbon offsets.



2025 GOAL: INCREASE RENEWABLE ENERGY USE TO 100,000 MWH/YR



PLANET GOAL PERFORMANCE

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

RENEWABLE ENERGY CONSUMPTION

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

In 2023, we used 109,141 megawatt-hour (MWh) of renewable electricity, which accounts for 20% of our total electricity use and 6% of our total energy use. In 2023, we purchased renewable electricity attributes from Montana, U.S. (85%) and the United Kingdom (15%). This represents a 10x increase from our 2018 base year renewable energy usage and a 9% increase from 2022. Our renewable energy increase is driven by the purchase of renewable energy certificates (RECs).

ENERGY MANAGEMENT COMMITMENTS

ENVIRONMENTAL COMMITMENT

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 public. The policy guides us to strive for zero waste generation to 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 most significant environmental impacts of our operations. We recognize the urgency of addressing climate change and reducing our carbon footprint. That is why we have set science-based targets to reduce our GHG emissions intensity across our global operations and increase 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 annually acknowledge and are trained on our code.

SUPPLIER ENERGY MANAGEMENT COMMITMENT

Our **Supplier Code of Conduct** states that our suppliers must use natural resources, such as energy, in an efficient way and preserve them. 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 expect suppliers to demonstrate improvement by means of clear targets that align with climate science.

UNITED NATIONS 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, 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 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 2023, we achieved an A- in climate change, demonstrating that we are taking coordinated action on climate issues 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 energy management. Milliken received a gold rating in 2023, placing our company in the top 2% of organizations rated. EcoVadis gives ratings for more than 100,000 organizations representing more than 200 industries.

ENERGY MANAGEMENT

ENERGY MANAGEMENT APPROACH

Energy management is critical to sustainable manufacturing. 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 1-2 greenhouse gas emissions, allowing critical resources to focus on the emissions more difficult to abate. At Milliken, we know that energy management is needed to ensure energy availability and optimal operational efficiency.

We empower our teams to develop initiatives to reduce energy consumption and advance emission reduction through training, cross-functional committees, and rewards for exceptional achievement. Milliken utilizes several methods to ideate, develop, and execute projects that positively impact energy reduction commitments. Planet Goal committees at many organizational levels meet to review project hoppers and drive investment into energy-reducing projects.

ENERGY MANAGEMENT REPORTS TO BOARD OF DIRECTORS

The Milliken Board of Directors holds the highest level of direct oversight of the company's strategy, including energy management. The board meets five times per year, with one meeting dedicated entirely to reviewing strategy, including our sustainability strategy. Our board provides oversight of the company strategy including our 2025 Sustainability Goals, which include GHG emission reduction targets and renewable energy targets. The board receives management reports and makes decisions as part of its oversight of the company's sustainability strategy including GHG emission targets and other related metrics.

ENERGY MANAGEMENT REPORTS TO SENIOR MANAGEMENT

Management of our Planet Goals is led by our Executive Vice President of Operations, who oversees the alignment of business objectives with operational performance. Our Executive Vice President of Operations also ensures adequate resources and support are provided to achieve our goals and monitor progress. Our 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 energy management. These functions provide performance analytics, project management, and tools to help operational leaders at our facilities monitor and improve plant environmental performance.

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 calculation 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-two 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 system are conducted to ensure its continuing suitability and effectiveness in meeting the requirements of our Environmental Policy and ISO certification standards. The review, conducted by management with responsibility for environmental activities, includes analysis of the results of key environmental measures that indicate the effectiveness of the environmental management system.

MILLIKEN PERFORMANCE SYSTEM CONTRIBUTES TO ENERGY MANAGEMENT

Milliken's "Operational Excellence" is a methodology that embraces leadership principles and problem-solving tools to create sustainable organizational improvement. The Milliken Performance System is how we activate operational excellence and 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 2023, the Milliken Performance System was used to improve efficiency at our Johnston, New Holland, and Two Rivers Textile Plants. A cross-functional team worked across these plants to address a leading quality issue that was creating machine downtime and scrap. Through a focused improvement project, the team was able to increase process efficiency by 12% while decreasing the machine stop level by 52%.

ENERGY MANAGEMENT

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 green 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, in accordance with The Greenhouse Gas Protocol® standards and the Science Based Targets initiative. Purchasing RECs supports the renewable energy market by providing a demand signal, which in turn leads to increased renewable energy supply. RECs help us meet our emission reduction goals and encourage the generation of more renewable energy.

RECs are critical to sourcing renewable energy for large operations, such as Milliken, as they allow buyers to claim the environmental benefits of renewable power without having to own or operate renewable energy facilities. By purchasing RECs, we support the development and expansion of renewable energy projects and reduce our greenhouse gas emissions from electricity use. Milliken includes the purchase of RECs in our greenhouse gas and energy commitments.

GREENHOUSE GAS ACCOUNTING THIRD PARTY VERIFICATIONS

The verification of our scope 1-2 greenhouse gas accounting by a third party provides us with 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.

MANAGEMENT APPROACH TO CARBON OFFSETS

Purchasing a carbon offset credit is a way of funding projects outside of your 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 our carbon neutral flooring products (M/PACT™) towards our 2025 Scope 1-2 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 floor covering products using third party verified carbon standard credits (VCS carbon offsets). Milliken floor covering 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 quarterly 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 cradle to gate GWP impact is adjusted using yarn face weight as part of this calculation. There is currently not a third-party audit of the M/PACT program.

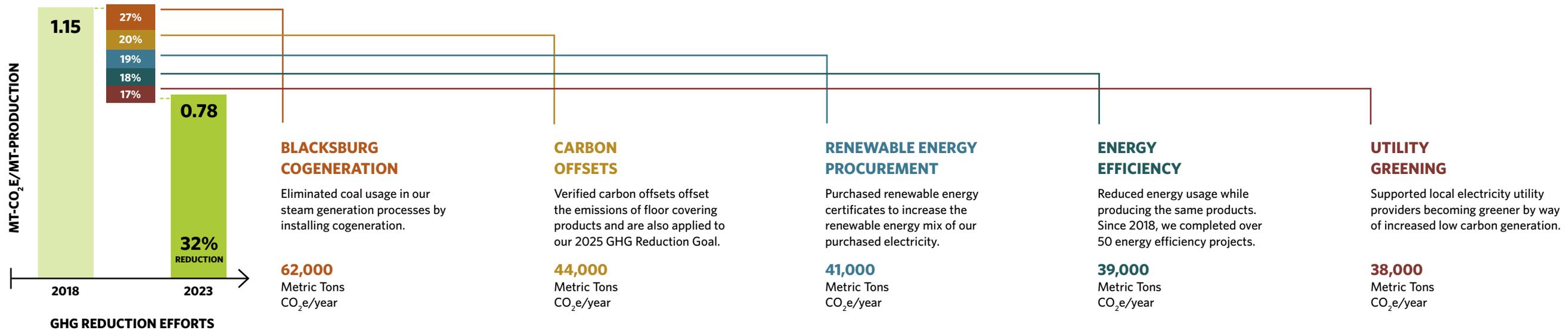
2023 CARBON OFFSET DISCLOSURE

REGISTRY IDENTIFICATION	VENDOR	PROJECT NAME	PROJECT TYPE	PROJECT LOCATION	PROTOCOL USED TO ESTIMATE EMISSIONS REDUCTIONS
Verra, VCS 1146	IGS Energy	Hyundai Waste Energy Recovery Co-Generation Project Phase II	Avoided emissions, energy industries (renewable/non-renewable sources)	South Korea	ACM0012
Verra, VCS 173	IGS Energy	Vishnuprayag Hydroelectric Project (VHEP) by Jaiprakash Power Ventures Ltd. (JPVL)	Avoided emissions, energy industries (renewable/non-renewable sources)	India	ACM0002
Verra, VCS 2026	IGS Energy	Allain Duhangan Hydroelectric Project (ADHP)	Avoided emissions, energy industries (renewable/non-renewable sources)	India	ACM0002

ENERGY MANAGEMENT

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. Our focus on energy management, inherently tied to emission reductions, continues as we shift our strategy to achieving our near-term net-zero targets.

2025 GHG SCOPE 1 + 2 REDUCTION INTENSITY GOAL



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



ENERGY MANAGEMENT TRAINING AND ENGAGEMENT

QUARTERLY ENERGY GOAL MEETINGS

Representatives from our businesses and functions meet to align on progress towards our 2025 Planet Goals and to 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 lessons learned from prior projects, sharing new or changing compliance requirements, supplier presentations, and highlights of best practices. The meeting begins with a review of progress towards our goals, which includes an update to attendees 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 focused on collaboration among Milliken's environmental professionals provides a channel for peers 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 focused, peer discussions and share best practices for energy management.

SUSTAINABILITY SUMMIT

Our annual sustainability summit included more than 500 associates who took a virtual tour of our projects that are contributing to emission reduction efforts, including the positive impacts of our cogeneration investment. The summit also educated attendees on greenhouse gases and priorities for emission reductions.

LOCAL ENERGY FORUM

Milliken sponsored and spoke at a South Carolina Energy Forum that brought together stakeholders to discuss clean energy impacts on the economy. Access to reliable, affordable, and clean energy is a priority for companies. Attendees included local government representatives, elected officials, non-profit leaders and both public and private industry participants.

DATA MANAGEMENT TRAININGS

Our environmental professionals were trained in 2023 on new environmental data collection procedures and systems, including analytics on greenhouse gas emissions and renewable energy usage. Over 50 associates received more than two hours of training.

SOUTHEASTERN RENEWABLE ENERGY CONFERENCE

Milliken joined other industry leaders in a panel discussion on how to develop solutions to help meet corporate goals for carbon reduction at the Southeastern Renewable Energy Conference, which included more than 450 policymakers, utilities, and company representatives.



Global Sustainability Manager, Josh Riggs, spoke on a sustainability panel to engage local high school and college students on careers in sustainability.

ENGAGING YOUTH

In 2023, we hosted a summer university intern to collect data and inform the development of Milliken's onsite solar strategy in the Southeastern United States. Milliken also participated in university conferences and a local youth symposium in South Carolina (U.S.) to engage local high school and college students to consider careers in sustainability, including greenhouse gas and energy-related topics.

DUKE ENERGY 2023 POWER PARTNER AWARD RECIPIENT

Duke Energy awarded us a 2023 Power Partner Award for sustainability excellence, stating Milliken works closely with Duke Energy to develop economically viable solutions to meet our 2025 Sustainability Goals. Examples included opting into Duke Energy's energy efficiency programs, using custom performance incentives to eliminate coal as an on-site fuel source and to significantly reduce air pollutant emissions, and participating in Duke Energy's net metering program.



2025 GOAL: REDUCE INDEXED SOLID WASTE BY 25%



PLANET GOAL PERFORMANCE

PLANET GOAL	2018	2019	2020	2021	2022	2023	2025 GOAL
Waste Generation (lb/klb)	97	99	92	85	81	86	73
Waste Generation Intensity % Change from 2018	N/A	+2%	-4%	-12%	-16%	-11%	-25%

ABSOLUTE METRICS

METRIC	2018	2019	2020	2021	2022	2023
Waste Generation (lb)	118,270,822	112,466,465	88,162,554	87,248,524	84,538,128	78,050,437
% Change from 2018	N/A	-5%	-26%	-27%	-29%	-34%



2025 GOAL: ZERO WASTE TO LANDFILL



PLANET GOAL PERFORMANCE

PLANET GOAL	2018	2019	2020	2021	2022	2023	2025 GOAL
Landfill Waste (lb/klb)	7.3	13.4	8.7	3.4	49.5	69.0	0
Landfill Waste Intensity % Change from 2018	N/A	+84%	+19%	-53%	+580%	+847%	-100%

ABSOLUTE METRICS

METRIC	2018	2019	2020	2021	2022	2023
Landfill Waste (lb)	8,918,936	15,164,590	8,263,933	3,527,744	51,705,641	62,439,603
% Change from 2018	N/A	+70%	-7%	-60%	+480%	+600%

As a global diversified manufacturing company, we have different waste streams with unique origins, compositions, and disposal requirements. Our largest waste stream is biosolids, a byproduct of wastewater treatment, constituting 98% of our 2023 landfill disposal. Excluding biosolids, our landfill waste has decreased by 52% from 2018.

WASTE REDUCTION COMMITMENTS

WORKFORCE WASTE REDUCTION 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 WASTE REDUCTION COMMITMENT

Our **Supplier Code of Conduct** 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 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.



ECOVADIS

We complete the EcoVadis® Sustainability assessment annually, which includes disclosures on waste reduction and management. In 2023, we received a gold rating, indicating we are in the top 2% of companies on sustainability performance. Listed amongst our strengths from EcoVadis is our Environmental Policy as it relates to our materials, chemicals, and waste.

SCIENCE-BASED TARGETS INITIATIVE APPROVED NET-ZERO TARGETS

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

WASTE REDUCTION MANAGEMENT

WASTE REDUCTION MANAGEMENT APPROACH

Waste and recycling are impact topics that are important to our stakeholders. 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 landfill leaves space for waste streams that are more difficult to abate, lessening risk of improper disposal of waste and negative impacts on the environment.

Milliken has a risk-based process for auditing and approving waste disposal facilities. The audit process includes 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, 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 needs for landfills.

We prioritize wastewater treatment management. Responsible management of our wastewater treatment facilities includes regular cleaning and removal of biosolids as necessary 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 waste to landfill is impacted by removal of biosolids and cleaning of our wastewater treatment facilities.

WASTE REDUCTION REPORTS TO BOARD OF DIRECTORS

The Milliken Board of Directors meets five times per year, with one meeting dedicated entirely to reviewing strategy, including our sustainability strategy. Our board provides oversight of the company's 2025 Sustainability Goals, which include our waste reduction targets. The board receives management updates on our landfill goal status and management plans for waste reduction efforts.

WASTE REDUCTION REPORTS TO SENIOR MANAGEMENT

Management of our Planet Goals is led by our Executive Vice President of Operations, who oversees the alignment of business objectives with operational performance. Our Executive Vice President of Operations also ensures adequate resources and support are provided to progress the goals. 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 2023, senior management updates included updates on cleaning and removal of biosolids from our wastewater treatment facilities for ensuring safety, operational efficiency, and compliance.



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

Wastewater biosolids, commonly referred to as sludge, are a 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 2023, we continued to see the benefits of drying operations and measured a waste reduction of 11 million pounds.

WASTE REDUCTION MANAGEMENT

MILLIKEN PERFORMANCE SYSTEM USED TO REDUCE WASTE

The Milliken Performance System is based on a philosophy of zero loss thinking and a review of our processes and strategies to uncover imperfections, drive out waste, and continually improve. Process and material waste are areas where we continuously seek to create value by applying the Milliken Performance System methodologies.

We used the Milliken Performance System methodologies to reduce process and material waste in our Beech Hill Floor Covering Plant (U.K.). Using focused improvement methodologies, the Beech Hill team developed a new collection of finished floor tiles using material that would otherwise be disposed of as excess material. This project diverts approximately 4,000 square meters of material from the waste stream annually.

At our Pendleton Textile Plant (U.S.), we applied Milliken Performance System methodologies to create new processes for reuse of plastic films used in finishing and preparation to reduce the amount of plastic waste created.



Associates at our Pendleton Textile Plant (U.S.) used the Milliken Performance System methodologies to develop a process to reuse plastic films which resulted in a 25% reduction in plastic waste at this location.

WASTE REDUCTION IN QUARTERLY PLANET GOAL MEETINGS

To reduce negative impacts from 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 project plans and a focus on investment in waste-reducing projects, such as our efforts to use thermal drying to reduce waste.

CERTIFIED ISO FACILITIES UNIFORMLY TRACK WASTE AND DISPOSAL

We have 27 Milliken sites that are **ISO 14001** 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. To maintain alignment, these objectives reflect our 2025 Planet Goals. Each certified facility manages reducing solid waste by tracking their different waste streams and disposal outlets on at least a monthly basis.

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.

MANAGEMENT OF RAW MATERIAL RECOVERY

Recycling and reusing materials within our processes moves us towards a circular future. We continue to advance our management of key raw material recovery strategies. For example, our team at the Allen Chemical Plant (U.S.) completed a project in 2023 that focused on the recovery of a valuable catalyst in their chemical processes increasing recovery from 78% to 88%. The team was able to effectively use more recovered material rather than purchasing new raw material.

WASTE REDUCTION TRAINING AND ENGAGEMENT

ANNUAL FACILITY WASTE TRAINING

As part of our manufacturing annual environmental training, associates are trained on how their location manages waste and best practices to reduce our waste footprint. This annual training includes what type of waste the facility generates along with where to dispose of each waste type. The training also highlights methods for material recovery or recycling to encourage employees to maximize material recovery.



Hundreds of associates participated in the 2023 Global Sustainability Summit hosted virtually and in-person at our global headquarters (U.S.) where they learned about many of our sustainability efforts including waste reduction projects.

GLOBAL SUSTAINABILITY SUMMIT

Our annual sustainability summit included more than 500 associates who took a virtual tour of projects that are contributing to waste reduction efforts, specifically the positive impacts of our thermal drying efforts. The summit also educated attendees on our investments in recycling education efforts as co-founder of The Recycling Partnership's Center for Sustainable Behavior and Impact.

ASSOCIATE SUGGESTIONS TO REDUCE, REUSE, AND RECYCLE

In 2023, we launched an enterprise sustainability suggestion box at our global sustainability summit. More than 50% of the suggestions we received in 2023 were ideas to enhance our recycling efforts. In response, we launched new digital recycling infographics at our manufacturing locations, and we continue to engage our teams on solutions to increase our efforts to reduce, reuse, and recycle materials.

SHARING INSIGHTS ON WASTE MANAGEMENT

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

SOUTH CAROLINA SUSTAINABLE MANUFACTURING EVENT

In 2023, Milliken hosted Sustain SC and representatives from more than 15 manufacturing companies for panel discussions and a networking lunch to share insights, lessons learned, and case studies of effective sustainable manufacturing initiatives. Manufacturing leaders highlighted initiatives to improve operational efficiencies and reduce waste, including engagement strategies for waste audits.



Representatives from more than 15 manufacturing companies participated in a sustainable manufacturing event co-hosted by Milliken and Sustain SC.



The Milliken Performance System specialist class visited our Live Oak Floor Covering Plant (U.S.) to train on Daily Team Maintenance and 5S.



MILLIKEN PERFORMANCE SYSTEM SPECIALIST TRAINING

The Milliken Performance Specialist certification course further drives progress towards our vision of operational excellence and continuous improvement. This three-week course is designed to increase fundamental methodology expertise and leadership capabilities to enhance our facilities' ability to identify and eliminate losses. Class participants engage in hands-on activities where process and material wastes are identified and cataloged for prioritization and elimination.



2025 GOAL: REDUCE INDEXED WATER USAGE BY 25%



WATER MANAGEMENT COMMITMENTS

PLANET GOAL PERFORMANCE

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

ABSOLUTE WATER WITHDRAWAL METRIC

METRIC	2018	2019	2020	2021	2022	2023
Water Withdrawal (gal)	3,446,881,717	3,440,890,279	2,806,286,345	3,205,613,579	3,155,693,694	2,692,255,259
% Change from 2018	N/A	0%	-19%	-7%	-8%	-22%

While Milliken withdraws over three billion gallons of water per year, more than 90% of that water is returned to the local water systems. This means that we carefully manage the quality of water discharge and increasingly focus on water use in water-stressed regions.

WATER CONSUMPTION METRIC

METRIC	2018	2019	2020	2021	2022	2023
Total water consumption (megaliters)	795	644	583	915	470	930
Total consumption from all areas with medium or medium-high water stress (% of total withdrawal)	N/A	<1%	<1%	<1%	<1%	<1%

WATER RISK EXPOSED FACILITIES (2023)

Annually, we conduct a water risk analysis of Milliken's owned and leased operations using the WRI Aqueduct Tool.

TOTAL NUMBER OF MILLIKEN FACILITIES EXPOSED TO WATER RISK	PERCENTAGE OF COMPANY-WIDE FACILITIES EXPOSED TO WATER RISK
5	11%*

*Represents 1% of overall water use.

Water is essential to Milliken operations and is material to our stakeholders. Access to clean water allows us to create quality products for our customers, creating positive impacts for the markets and economies we serve.

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 focusing our associates on efficient use of water. Our associates annually acknowledge and are trained on our code.

THIRD PARTIES COMMITMENT TO USE WATER EFFICIENTLY AND FOR PRESERVATION

Our **Supplier Code of Conduct** requires our third parties to use natural resources, such as energy, water and raw materials, in an efficient way and preserve them. 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 public. The policy guides us to strive for zero waste generation to 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 disclosures 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 2023, 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 2023, placing the company 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 100,000 organizations representing more than 200 industries.

WATER MANAGEMENT

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.

WATER IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

Milliken has a significant need for high quality water. Our business divisions require water to meet the needs of our customers. Textile and floor covering 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 2023, Milliken engaged an external consultant 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.



In 2023, our Pendleton Textile Plant (U.S.) and Polartec Tennessee Textile Plant (U.S.) completed jet dye upgrades that resulted in an estimated 7.5 million gallons of annual water savings.

MANAGEMENT OF WATER DISCHARGE QUALITY

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 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.

WATER STRESS ASSESSEMENTS

We evaluate our facilities to identify those that rely on water-stressed watersheds. Currently, 99% of our water use is from non-stressed watersheds. We use the World Resources Institute Aqueduct tools to identify where basin conditions can cause water risk at our facilities.

WATER MANAGEMENT REPORTS TO BOARD OF DIRECTORS

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. The board provides oversight of the company's 2025 Sustainability Goals, which includes our water management goal.

WATER MANAGEMENT REPORTS TO SENIOR MANAGEMENT

Our Executive Vice President of 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 QUALITY AND QUANTITY

Thirty-two Milliken sites are **ISO 14001** or **RC 14001**® certified, helping us align on 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.

WATER MANAGEMENT TRAINING AND ENGAGEMENT

WATER MANAGEMENT IN PLANET GOAL MEETINGS

Representatives from our businesses and functions meet to align on progress towards 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.

SHARING INSIGHTS ON WATER MANAGEMENT

While quarterly goal meetings provide an avenue for alignment across our different businesses and roles, quarterly sharing sessions focused on collaboration among Milliken's environmental professionals provides a channel for peers to share insights and opportunities for improving water management at Milliken sites. Sessions in 2023 included vendor presentations from local water quality labs to educate attendees on testing capability to further our water management strategies.

WASTEWATER MANAGEMENT REVIEWS

Management of our wastewater treatment plants remains critical to the success of our manufacturing operations. A monthly wastewater review supports the success of our wastewater treatment plants. Attendees include environmental and engineering professionals from our plant locations. The agenda generally focuses on shared learnings, supplier presentations, and technology advancements.

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.

ENGAGEMENT WITH LOCAL WATER UTILITIES

One way our manufacturing locations engage with their local water utilities is by participating in their county's Local Emergency Planning Committee. The committee allows for industry, emergency responders, and local governments to share best practices for risk mitigation and countermeasure processes. Several of our environmental engineers participated in tours of their local municipality water treatment utility to learn more about their operations and risk management policies.

WATER REDUCTION COLLABORATION WITH LOCAL WATER UTILITIES

Several of our manufacturing sites are permitted to send their process water for treatment through their local water utility. Our Polartec Tennessee Textile Plant (U.S.) worked with their local water utility to quantify water consumption during plant downtime. Through this investigation, this plant identified and implemented a process design change to save over 40,000 gallons of water.

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 refresher training includes what precautions must be taken prior to cleaning up a spill as well as who to contact. This training is critical to managing our facilities' impact to local water bodies.

AMBASSADOR TO LOCAL SDG ROADMAPS

Milliken associates served as ambassadors and active participants in developing a state-wide roadmap to improve local rankings on UN Sustainable Development Goal performance for key focus areas, including clean water. Workshops and collaborations with the South Carolina Office of Resilience created a plan to protect natural resources by focusing on land and water protection.



Our wastewater treatment facility at our Enterprise Textile Plant (U.S.) captured during a collaborative visit across Milliken teams to explore projects to advance our 2025 Sustainability Goals.



Our wastewater treatment facilities utilize various technologies and process operations to return high quality effluent to the environment.



2025 GOAL: ZERO ENVIRONMENTAL VIOLATIONS



PLANET GOAL PERFORMANCE

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

ENVIRONMENTAL MANAGEMENT CERTIFICATIONS

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

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



ENVIRONMENTAL MANAGEMENT COMMITMENTS

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, sold 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 is protective of 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 our communities through education and leadership to conserve natural resources and protect the environment in our daily lives. This policy guides us to work with local, state, and federal authorities to develop effective environmental solutions.

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.

ECOVADIS

We complete the EcoVadis® Sustainability assessment annually, which includes disclosures on environmental management. Milliken received a gold rating in 2023, placing the company in the top 2% of organizations rated. EcoVadis provides ratings for more than 100,000 organizations representing more than 200 industries.

ENVIRONMENTAL MANAGEMENT

APPROACH TO ENVIRONMENTAL MANAGEMENT

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 2023, Milliken implemented an enterprise level software package to support this effort and introduced a new compliance risk management process for strengthening the analysis, control, and verification of environmental permit conditions. In addition to the risk management process, each site also documents the environmental impacts of its activities, products, and services, both impacts that the site can control and those that it can influence. The focus on these environmental impacts keeps our locations actively engaged in managing how the environmental impacts of our operations affect our communities.

THIRD-PARTY CERTIFICATIONS OF ENVIRONMENTAL MANAGEMENT SYSTEM

More than 75% of our manufacturing sites and our corporate headquarters hold third-party certifications for their environmental management systems. Thirty-two Milliken sites are **ISO 14001** or **RC 14001**® certified, which guides us to perform an analysis of risks and opportunities so that we can assure that our environmental management system can achieve its intended outcomes, prevent, or reduce undesired effects, and achieve continual improvement. Each certified location performs this analysis at least annually to ensure countermeasures are in place and functional.

ENVIRONMENTAL MANAGEMENT MEETINGS

Representatives from our businesses and functions meet to align on progress towards 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.



Associates at our Zhangjiagang Floor Covering Plant (China) won a 2023 Milliken Performance System Excellence Honors Award, which included recognition for growing their Six Sigma Green Belt Certifications.

ENVIRONMENTAL MANAGEMENT REPORTS TO BOARD OF DIRECTORS

Our Board of Directors hold 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 provides oversight of the sustainability strategy including our 2025 Sustainability Goals, 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 violation goal and strategy for environmental compliance.

ENVIRONMENTAL MANAGEMENT REPORTS TO SENIOR MANAGEMENT

Management of our Planet Goals is led by our Executive Vice President of Operations, who oversees the alignment of business objectives with operational performance. Our Executive Vice President of 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.

ENVIRONMENTAL MANAGEMENT

ENVIRONMENTAL PARTICIPATION SCORECARD

Available for all associates on Milliken’s intranet is our Environmental Participation Scorecard. The scorecard’s 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. Compliance verification audits, tracking findings, and implementing corrective actions requires a complicated calendar of requirements. Using one digital solution for our enterprise allows our environmental and engineering professionals to have full visibility to 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.

NATURE AND BIODIVERSITY LANDSCAPE ANALYSIS

In 2023, we worked with an external consultant to conduct an initial nature and biodiversity landscape analysis on Milliken operations, which included a test of the science-based targets for nature’s initial tools. We continue to learn and understand best practices for corporate science-based targets for nature. The purpose of this initial landscape analysis was to provide us with insights towards developing a nature strategy.

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 implemented a digital solution to catalog monthly consumption data such as electricity, natural gas, and potable water. This new 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 towards Planet Goal progress. In 2023, over 50 associates received more than two hours of training on this new digital solution.



“ At Milliken, we use data science to create actionable insights that drive our sustainability strategy and inform our decisions.

Liv Gamble
Sustainability Data Scientist
Milliken & Company (U.S.)

ENVIRONMENTAL MANAGEMENT TRAINING AND ENGAGEMENT

ANNUAL ENVIRONMENTAL, HEALTH, AND SAFETY TRAINING

In 2023, nearly 2,700 associates completed online environmental, health, and safety training with 100% completion as part of our annual Awareness of Ethics and Compliance training curriculum.

ANNUAL MANUFACTURING ENVIRONMENTAL TRAINING

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.

MANUFACTURING CHANGE MANAGEMENT TRAINING

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.

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 Floor Covering Plant (U.K.) which recognizes individual associates creating positive impacts for our environmental sustainability priorities.

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 visit industries in the community. For example, representatives from our Pendleton Textile Plant (U.S.) toured another local manufacturer in 2023 and learned about their risk mitigation processes.

SOUTH CAROLINA MANUFACTURER'S ALLIANCE ENVIRONMENTAL MEETING

Representatives from our South Carolina manufacturing locations and corporate headquarters attended the annual Environmental Meeting hosted by the South Carolina Manufacturer's Alliance. The meeting provides an opportunity for manufacturing representatives to engage with local and state regulators and industry consultants. Presentations during the meeting included coverage of regulatory updates in air and water quality and environmental justice.



ENVIRONMENTAL SUMMER INTERNSHIP PROGRAM

Each year we host local university students at various Milliken locations for summer internship opportunities, some including 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 cross-functional Milliken team. A 2023 intern worked on projects at our Blacksburg Utilities Co-Op (U.S.), and subsequently accepted a permanent manufacturing position in the fall of 2023.



Our summer intern class of 2023 gathered at our global headquarters (U.S.) to share their summer projects.



NET-ZERO

NET-ZERO TARGETS PROGRESS



REDUCE ABSOLUTE SCOPE 1 AND SCOPE 2 GREENHOUSE GAS EMISSIONS BY 50.4% BY 2030

We reduced absolute scope 1 and 2 emissions by 43% 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.



REDUCE ABSOLUTE SCOPE 3 GREENHOUSE GAS EMISSIONS BY 30% BY 2030

We focused on improving our scope 3 data by shifting from spend-based to a unit based methodology, where able. We recalculated our 2018 base year, 2022, and 2023 with the improved methodology. We integrated more product-level and supplier-specific data, and mapped certainty level for emission factors.



REDUCE ABSOLUTE SCOPE 1, 2, and 3 BY 90% AND NEUTRALIZE REMAINING 10% BY 2050

We commit to reducing absolute scope 1, scope 2, and scope 3 emissions 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 and

Task Force on Climate-Related Financial Disclosures Index

2030 TARGET: 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	2025 TARGET
Scope 1+2 GHG Emissions (MTCO ₂ e)	652,206	620,453	498,531	510,715	453,435	373,730	323,494
% change from 2018	N/A	-5%	-24%	-22%	-30%	-43%	-50.4%

SCOPE 1 EMISSIONS BY SOURCE

SOURCE	2023 (MTCO ₂ E)	% OF 2023	REDUCTION PATHWAY METHODS
Stationary Fuel Combustion	222,991	95%	ENERGY EFFICIENCY
Process Emissions	3,265	1%	OTHER
Fugitive Emissions-Refrigerants	1,112	<1%	OTHER
Trucking & Vehicles	6,218	3%	FUEL SWITCHING ENERGY EFFICIENCY
TOTAL	233,586	100%	

SCOPE 2 EMISSIONS BY SOURCE

SOURCE	2023 (MTCO ₂ E)	% OF 2023	REDUCTION PATHWAY METHODS
Purchased Electricity (Location-Based)	175,487	N/A	RENEWABLE ENERGY USE ENERGY EFFICIENCY
Purchased Electricity (Market-Based)	136,807	98%	RENEWABLE ENERGY USE ENERGY EFFICIENCY
Purchased Steam	3,338	2%	OTHER
TOTAL (Location-Based)	178,825	100%	
TOTAL (Market-Based)	140,145	100%	

Carbon offsets are incorporated into our methodology for our 2025 GHG Reduction Goal for scope 1 and scope 2 emissions intensity. They are excluded from our SBTi-approved net-zero targets.

ENERGY CONSUMPTION AND MIX

METRIC	BASE YEAR 2018	2023
Fuel Consumption from Coal and Coal Products (MWh)	304,510	1,980
Fuel Consumption from Crude Oil and Petroleum Products (MWh)	2,263	605
Fuel Consumption from Natural Gas (MWh)	1,121,699	1,205,640
Fuel Consumption from Non-Renewable Sources (MWh)	26,570	18,230
Consumption from Nuclear Products (MWh)	0	0
Consumption of Purchased or Acquired Electricity, Heat, Steam, and Cooling from Non-Renewable Sources (MWh)	795,710	432,164
Total Non-Renewable Energy Consumption (MWh)	2,250,753	1,658,619
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	108,920
Consumption of Self-Generated Non-Fuel Renewable Energy (MWh)	0	221
Total Renewable Energy Consumption (MWh)	10,277	109,141
Share of Renewable Sources in Total Energy Consumption (%)	0%	6%
Total Energy Consumption (MWh)	2,261,030	1,767,760

NET-ZERO SCOPE 1 AND SCOPE 2 2030 TARGET EMISSIONS AND REDUCTION PATHWAY ESTIMATES

EMISSION TOTALS AND REDUCTIONS	BASE YEAR 2018 (MTCO ₂ E)	2023 (MTCO ₂ E)	2030 TARGET YEAR (MTCO ₂ E)
Scope 1+2 GHG Emissions	652,206	373,730	323,494 2030 Target
BUSINESS AS USUAL 2024-2030			+206,000
ENERGY EFFICIENCY		-39,180	-35,000
FUEL SWITCHING		-62,400	Monitoring
ELECTRIFICATION			Monitoring
RENEWABLE ENERGY USE		-78,695	-222,000
OTHER		-98,201	Monitoring

2030 TARGET: 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 inform 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. In 2023, our analysis suggests the likelihood of greater reductions in scope 2 by 2030 is probable. Our current reduction pathway prioritizes deep reductions of our scope 2 by 2030, while continuing to monitor reduction pathways for scope 1 emissions.

SCOPE 1 AND SCOPE 2 EMISSIONS BY SOURCE AND REDUCTION PATHWAY

SOURCE	2023 (MTCO ₂ E)	% OF 2023	REDUCTION PATHWAY METHODS
Stationary Fuel Combustion	222,911	60%	FUEL SWITCHING ENERGY EFFICIENCY
Process Emissions	3,265	1%	OTHER
Fugitive Emissions (Refrigerants)	1,112	<1%	OTHER
Trucking and Leased Vehicles	6,218	2%	FUEL SWITCHING OTHER
Purchased Electricity (Location-Based)	175,487	N/A	N/A
Purchased Electricity (Market-Based)	136,807	37%	RENEWABLE ENERGY USE ENERGY EFFICIENCY
Purchased Steam	3,338	1%	OTHER ENERGY EFFICIENCY
TOTAL (Market-Based)	373,730	100%	

COMBINED SCOPE 1 AND SCOPE 2 REDUCTION PATHWAY METHODS

REDUCTION PATHWAY METHOD	DESCRIPTION OF OPPORTUNITY	PRIORITY TO 2030
RENEWABLE ENERGY USE	We depend on large utility electricity producers to provide us with affordable, reliable, and sustainable electricity to power motors, lights, and other manufacturing operations. Our local utility producers have plans to decarbonize electricity supply, which we monitor and will impact our reduction pathway. We also procure additional renewable energy to meet our 2030 targets. We continue to evaluate ways to increase our use of renewable energy, including self-generation, supplier green power programs, power purchase agreements, and unbundled RECs, striving to prioritize options that are of the highest sustainability value.	HIGH
ENERGY EFFICIENCY	The most sustainable energy is the energy we don't use. Using proven principles of operational excellence within our Milliken Performance System, we will continue to explore ways to decrease our energy use while maintaining or increasing our productivity.	MEDIUM
FUEL SWITCHING	Milliken operates dozens of boilers, ovens, and other natural-gas powered equipment to make heat. This heat is used to convert raw materials into valuable products. From curing dyes on textiles and flooring to heating reactors for chemical reactions, natural gas provides necessary fuel for manufacturing. We continue to pursue emerging opportunities for switching natural gas to lower-carbon fuels, including landfill gas and hydrogen. We will update our pathway and priorities as fuel switching opportunities develop.	MONITORING
ELECTRIFICATION	Converting natural gas -powered operations to renewable electricity is a common way to eliminate scope 1 emissions. To date, electrifying our natural gas operations is cost prohibitive. Though, electrification is currently a smaller impact to our 2030 pathway, we continue to monitor technology and cost maturity of opportunities such as technologies to electrify transportation. We will update our pathway and priorities as electrification opportunities mature.	MONITORING
OTHER	"Other" captures many disaggregated reduction opportunities we continue to monitor. Currently, these opportunities will likely contribute to our smaller emission sources including process, fugitive, and purchased steam. These opportunities may include lower-emission options for wastewater treatment, chemical reactions, and HVAC maintenance. Other also includes changes in our production footprint, mix, and volumes. We will update our pathway and priorities as these other opportunities develop.	MONITORING

2030 TARGET: REDUCE ABSOLUTE SCOPE 1 AND SCOPE 2 EMISSIONS BY 50.4%

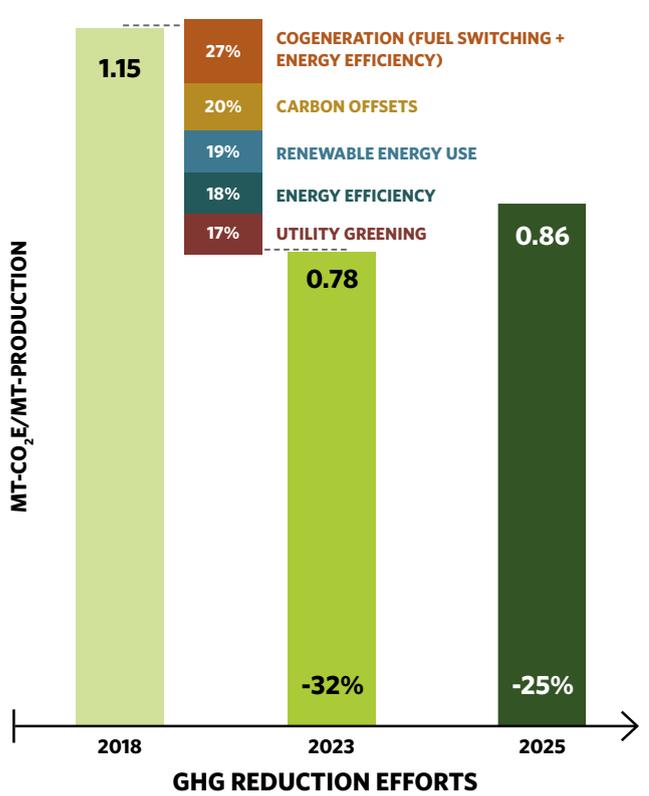


Our 2030 Scope 1 and 2 Target is different from our 2025 GHG Reduction Goal. Our progress on our 2025 Reduction Goal provides important momentum towards our 2030 target.

2025 GOAL: REDUCE INDEXED GREENHOUSE GAS EMISSIONS BY 25%

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

2025 GHG SCOPE 1 + 2 REDUCTION INTENSITY GOAL



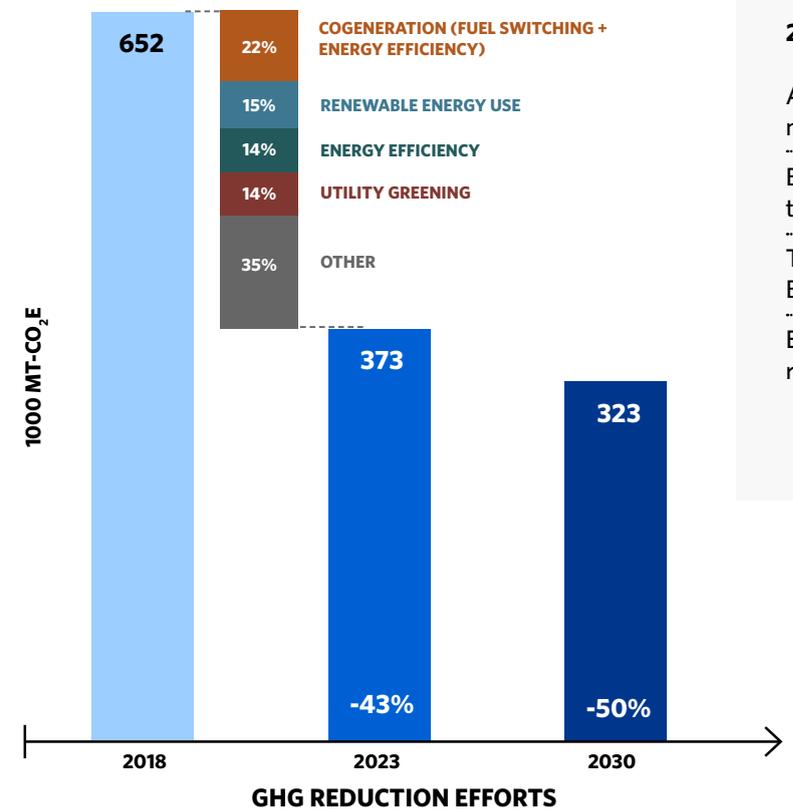
2025 GOAL DETAILS

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

Internally established goal in 2018

Includes carbon offsets as reduction method

SBTi SCOPE 1+2 GHG NEAR-TERM 2030 TARGET



2030 SCOPE 1+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

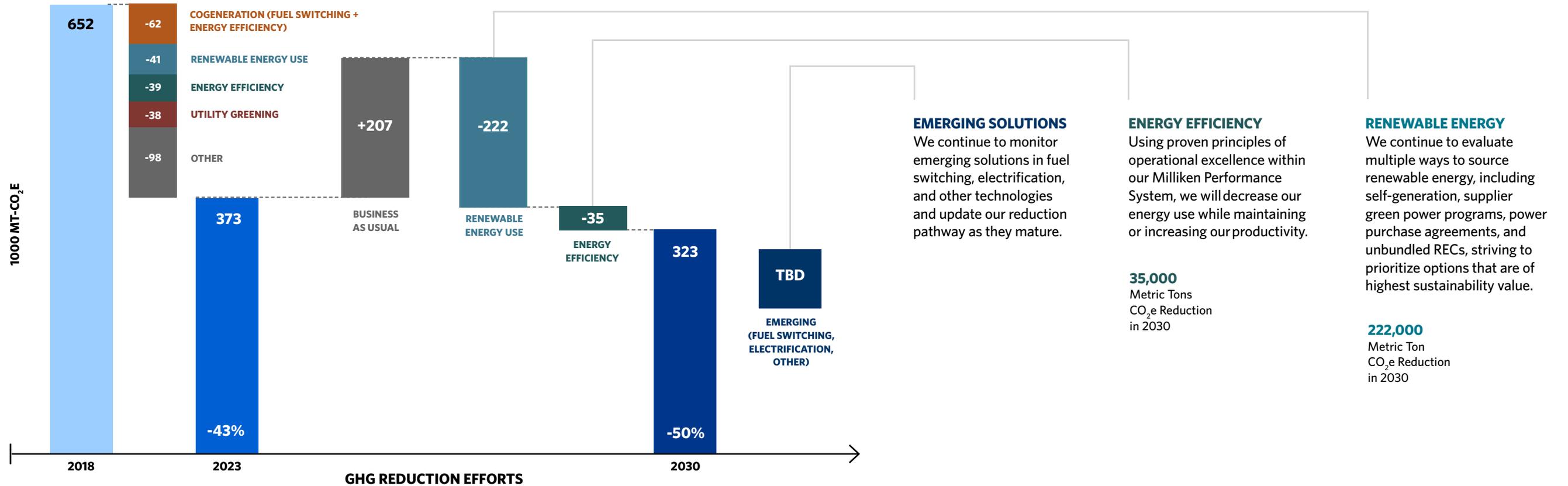
The emission reduction figures are best estimates and may vary.

The emission reduction figures are best estimates and may vary.

SCOPE 1-2: PATH TO 2030

In 2023, we achieved a 43% reduction in our scope 1+2 emissions, ahead of a linear pace to 2030. Our 2025 goals for people, planet, and product created momentum towards our scope 1+2 2030 reduction target. To date, Milliken has invested more than \$35 million to decrease our scope 1+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 forward to 2030, we will focus on renewable energy procurement, energy efficiency, and emerging solutions, all 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 3 EMISSIONS BY 30%



NET-ZERO 2030 TARGET PERFORMANCE

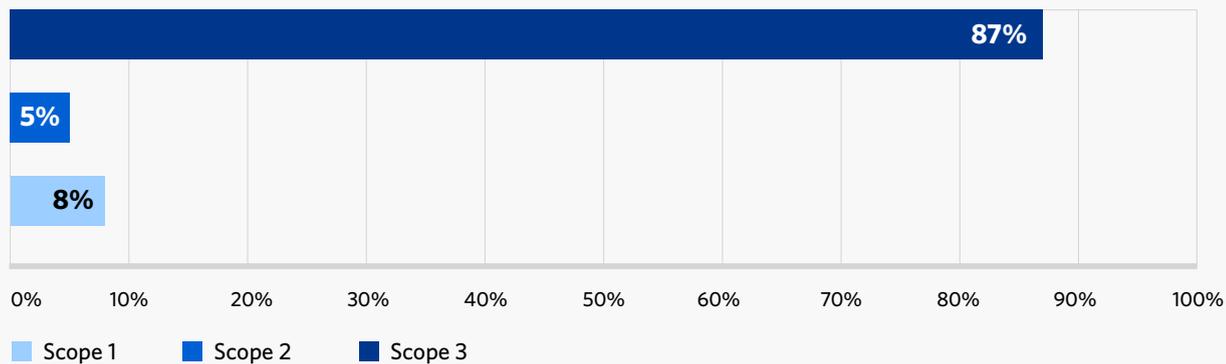
2030 SCOPE 3 TARGET	2018	2019	2020	2021	2022	2023	2030 TARGET
Scope 3 Emissions (MT CO ₂ e)	3,537,099				3,164,246	2,401,244	2,475,969
% Change from 2018	N/A				-11%	-32%	-30%

Years 2018 and 2022 have been recalculated with improved methodologies. Years 2019, 2020, and 2021 have been previously reported on spend based methodologies and we are evaluating recalculations for these years.

Like many companies, 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 of our scope 3 emissions sources was 87% of our total calculated emissions in 2023. This is expected. As a manufacturer of textile, chemical and floor covering products, we operate several facilities with significant energy consumption and purchase many raw materials and intermediate products.

In 2023, we focused on improving scope 3 data quality and understanding the uncertainty of our data. With improved methodologies and a restated base year, our scope 3 emissions now more accurately represent the changes in product mix across our businesses. We aim to move towards more primary data and more specific activity emission factors.

SCOPE 3 IS 87% OF ALL MILLIKEN EMISSIONS (2023)



SCOPE 3 EMISSIONS BY CATEGORY

SCOPE 3 CATEGORY	2018 ¹ (MT CO ₂ E)	2022 ¹ (MT CO ₂ E)	2023 ¹ (MT CO ₂ E)
Purchased Goods and Services	2,780,371	2,495,349	1,853,236
Capital Goods	36,675	27,177	29,364
Fuel and Energy Related Activities	113,356	90,340	68,205
Upstream Transport	105,556	120,512	149,484
Waste Generated in Operations	8,908	15,608	18,231
Business Travel	6,944	5,863	8,606
Employee Computing	33,652	25,118	21,846
Upstream Leased Assets			
Downstream Transport	105,556	120,512	Covered in Upstream Transport
Processing of Sold Goods	278,428	205,095	208,391
Use of Sold Products			
End of Life of Sold Products	66,637	49,801	42,849
Downstream Leased Assets			
Franchises			
Investments	1,016	8,871	1,032
TOTAL SCOPE 3	3,537,099	3,164,246	2,401,244

¹2018 and 2022 recalculated for improved accuracy by replacing spend-based methodologies with unit-based methodologies where reliable unit-based data is available. We will adhere to SBTi® Corporate Net-Zero Standard requirements for recalculations.

SCOPE 3 EMISSIONS CATEGORY BY TOTAL WEIGHT

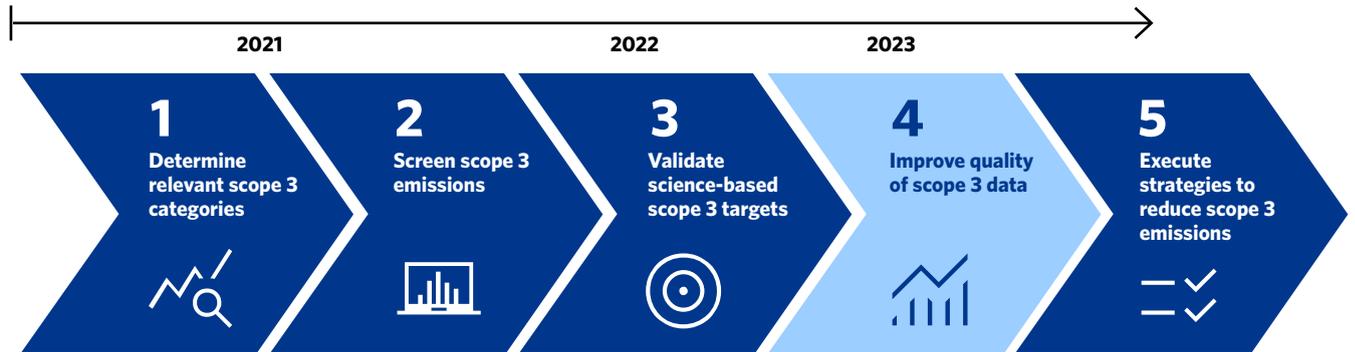
SCOPE 3 CATEGORY	% OF 2023 (MT CO ₂ E)
Purchased Goods and Services	77%
Capital Goods	1%
Fuel and Energy Related Activities	3%
Upstream Transport	6%
Waste Generated in Operations	1%
Business Travel	<1%
Employee Computing	<1%
Upstream Leased Assets	
Downstream Transport	
Processing of Sold Goods	9%
Use of Sold Products	
End of Life of Sold Products	2%
Downstream Leased Assets	
Franchises	
Investments	<1%
TOTAL SCOPE 3	100%

2030 TARGET: SCOPE 3 DATA QUALITY

IMPROVING SCOPE 3 DATA QUALITY IS KEY TO EFFECTIVE 2030 REDUCTION PATHWAY

In 2023, we prioritized improvements to the data quality and assumptions for our scope 3 methodology to create actionable insights that will further inform our reduction strategy. With greater data accuracy comes the need to recalculate our base year. As we refine our scope 3 measurements, we recalculate our emissions, monitor trends, and explain how we are improving our methodologies. Just as Milliken continues to improve our scope 3 data, we expect carbon accounting methodologies and standards for scope 3 to also improve this decade.

MILLIKEN SCOPE 3 TIMELINE (2021-2023)



IMPROVING FROM SPEND-BASED METHODOLOGY TO UNIT-BASED, WHERE ABLE	INTEGRATING MORE PRODUCT-LEVEL DATA	MAPPING CERTAINTY OF EMISSION FACTORS	INTEGRATING MORE SUPPLIER-SPECIFIC DATA
<p>Given the complexity of collecting accurate and comparable scope 3 data, using procurement spend and product sales as proxy data can be the most practical, initial methodology. However, using spend and sales data does not create insights for developing and tracking effective emissions reductions strategies. For example, simple, incorrect conclusions such as purchasing a good at a lower price can reduce emissions under that methodology, even if there are no actual emission reductions. Where able, we are prioritizing unit-based accounting in our scope 3 methodologies. For example, using purchased material emission factors that are normalized for mass will give us more accurate insights into how to reduce emissions.</p>	<p>As part of our sustainability digital roadmap, we continue to prioritize digital solutions that enable more product life cycle assessment data. We know that integrating more product-level data into our scope 3 data will improve our scope 3 inventory, deliver useful insights for material choices and product innovations, and tie our scope 3 reductions to our customer benefits.</p>	<p>Emission factors are used to translate emission producing 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 2023 scope 3 data improvement efforts. We continue to evaluate emission factors that need to be improved for greater accuracy and reliability.</p>	<p>We know that supplier engagement is critical. However, we want to understand how to request and use comparable, quality data that is actionable. We continue to work on proper accounting tools and methodologies to incentivize and capture the work of our value chain to reduce emissions.</p>

2050 TARGET: REDUCE ABSOLUTE SCOPE 1, 2, AND 3 BY 90% AND NEUTRALIZE REMAINING 10%



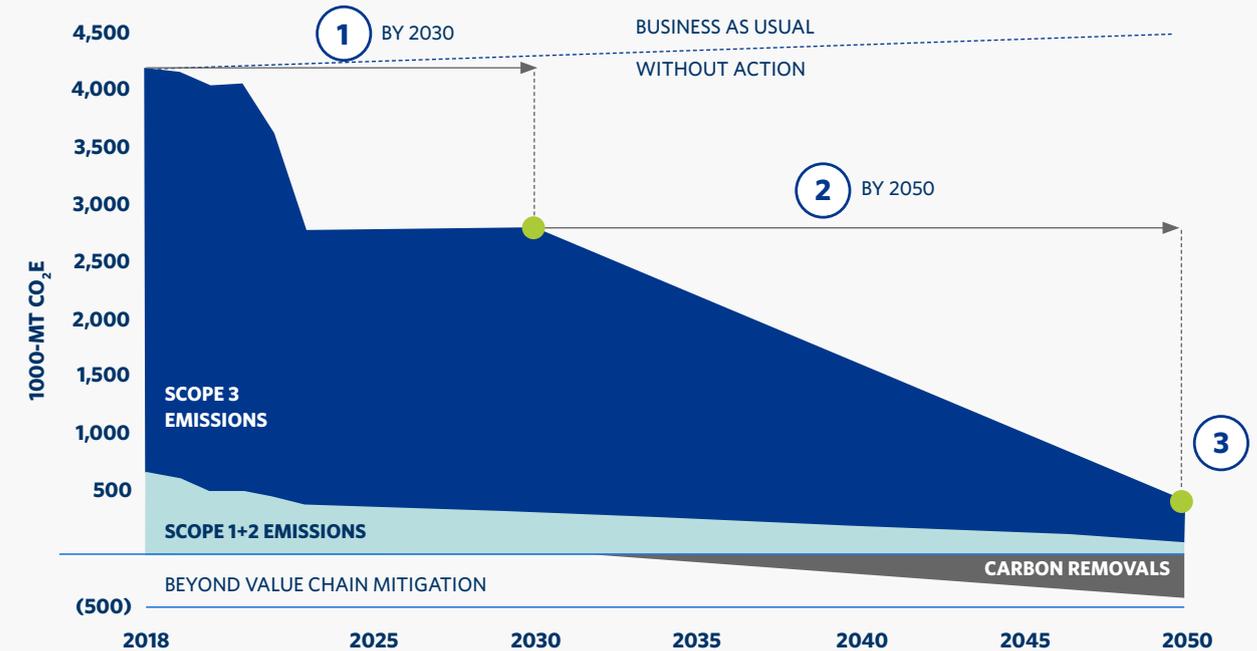
NET-ZERO 2050 TARGET PERFORMANCE

2050 SCOPE 1 + 2 + 3 TARGET	2018	2019	2020	2021	2022	2023	2030 TARGET	2050 TARGET
Scope 1+2+3 Emissions (MT CO ₂ e)	4,189,305				3,444,097	2,774,974	N/A	-90%
% Change from 2018 (Scope 1 +2)	N/A	-5%	-24%	-22%	-30.5%	-43.3%	-50.4%	-90%
% Change from 2018 (Scope 3)	N/A				-11%	-32%	-30%	-90%

Includes recalculated 2018 and 2022 scope 3 emissions.

We commit to reducing absolute scope 1 and scope 2 GHG emissions 90% by 2050 from a 2018 base year. We also commit to reducing 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.

NET-ZERO 2050 REDUCTION PATHWAY



- 1 Reduce Scope 1+2 emissions 50.4% and Scope 3 emissions 30% by 2030 from 2018 base year.
- 2 Reduce Scope 1+2+3 emissions 90% by 2050 from 2018 base year.
- 3 Reach net-zero emissions by achieving reduction targets and counterbalancing with permanent removals or storage.

SCOPE 1, 2, AND 3 REDUCTIONS BY 2050

Our 2050 net-zero pathway depends on deep decarbonization this decade and steep progress to 2050.



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

NET-ZERO COMMITMENTS

More organizations are setting net-zero emissions targets. While these targets may cover a range of different scopes, timelines, and pathways, they are often not guided by current climate 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 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 group of 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 our businesses may invest in compensation and neutralization ahead of our 2050 net-zero target year to drive consumer preference, our commitment is to focus on value chain decarbonization first.

WORKFORCE NET-ZERO COMMITMENTS

Our **Code of Conduct** 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. Our associates annually acknowledge and are trained on our code.

SUPPLIER NET-ZERO COMMITMENTS

Our **Supplier Code of Conduct** 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. Suppliers acknowledge our Supplier Code of Conduct during onboarding, and it is 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 to analyze new products. One of the environmental inputs includes a review of impact on greenhouse gas emissions.

ECOVADIS ASSESSMENT

We submit responses to the EcoVadis® Sustainability assessment annually, which includes disclosures on greenhouse gas emissions. Milliken received a gold rating in 2023, placing the company in the top 2% of organizations rated. Ecovadis provides ratings for more than 100,000 organizations representing more than 200 industries.

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 to protect the quality of our environment and the health and safety of our associates and the public.

INTERNAL SHADOW CARBON PRICE POLICY

In 2023, we published 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.

INTERNAL GLOBAL SUSTAINABILITY REPORTING POLICY

In 2023, we published an internal Global Sustainability Reporting Policy that guides the collection, verification, and reporting of our sustainability metrics and targets, including performance on our net-zero targets.



CDP CLIMATE CHANGE

We submit annual discourses 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 forests impacts. In 2023, we achieved an A- for Climate Change, demonstrating that we are taking coordinated action on climate issues compared to our peers.

NET-ZERO MANAGEMENT

NET-ZERO MANAGEMENT APPROACH

Recognizing the need for swift and measurable action, Milliken has worked to align our near and long-term net-zero targets with climate science. Setting science-based targets was the initial, critical, priority in our management approach. Now, we are focused on emission cuts by 2030, prioritizing emission reductions within our control. Carbon credits will not be used to reach our 2030 science-based net-zero targets.

Primary management of our net-zero strategy is assigned to our corporate sustainability team. The executive sponsor is our Senior Vice President and General Counsel, reporting directly to the CEO.

In 2023, Milliken adopted a new methodology for our capital expenditures project request process so that all new project requests are reviewed for greenhouse gas emissions impacts.

Milliken's leadership compensation is based, in part, on successful performance of our sustainability strategy, including our greenhouse gas emissions reductions targets and renewable energy targets.

NET-ZERO REPORTS TO BOARD OF DIRECTORS

Milliken's board oversees our sustainability strategy, including greenhouse gas emissions reduction targets. Our Board reviews our long-term strategic plans and principal risks and opportunities, including reviewing of our climate-related risks and opportunities at least annually. The Audit Committee oversees effective internal controls and specifically oversees sustainability reporting and metrics, including climate.

NET-ZERO REPORTS TO SENIOR MANAGEMENT

The corporate sustainability team reports at least twelve times a year to the senior leadership team on the progress of our sustainability strategy, including our net-zero strategy and key action items. The corporate sustainability team works closely with the Enterprise Risk Management Steering Committee (consisting of our Chief Financial Officer, Chief Strategy Officer, and General Counsel) to align our climate risk assessment with our enterprise risk assessment.

CARBON PRICING COUNCIL

In 2023, Milliken established a Carbon Pricing Council which established our internal shadow carbon price. The council includes representatives from key businesses and corporate functions who meet at least twice a year to establish the internal shadow carbon price. Currently, the internal shadow carbon price only applies to scope 1 and scope 2 emissions but can be used to inform business leaders of scope 3 emissions potential costs. We will continue to evaluate our internal carbon price design to ensure that it aligns our business operations with our net-zero targets.

CLIMATE RISK MANAGEMENT APPROACH

Through an iterative process, climate risk and opportunities 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 as well as a review by our leadership teams, and the board.

NET-ZERO TARGETS MANAGEMENT

Our net-zero targets align to meet the goals of the Paris Climate Agreement and the United Nations Sustainable Development Goals. They are approved by the Science Based Targets initiative to ensure that we achieve emissions reductions that are consistent with a 1.5°C-aligned pathway, currently the most ambitious designation available by SBTi.

SBTi continues to review its approach to near-and long-term scope 3 target setting to ensure a 1.5°C-aligned pathway. Our scope 3 net-zero targets align with the SBTi Corporate Net-Zero Standard. Our 2030 scope 3 target exceeds the minimum ambition for the 2°C-aligned pathway under the absolute contraction approach.



TARGET APPROACH	2030	2050
Absolute Contraction Approach reductions to scope 1 + scope 2 based on the base year 2018	-50.4%	-90%
Absolute Contraction Approach reductions to scope 3 based on the base year 2018	-30%	-90%

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. Estimates are used when primary data is not available. Estimates based on capacity (MW) or floorspace coefficients 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 improved 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 information of users' decision-making, where there have been changes in reporting methodology or improvements in data collection and accuracy, or when we have made 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, as well as 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 our 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 to the atmosphere with an activity associated with the release of that pollutant. To convert the energy, fuel, or activity quantities to a 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, 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 accounting has been third-party verified for limited assurance since 2022. This means our greenhouse gas inventories for calendar years 2022 and 2023 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 2023, 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.

NET-ZERO MANAGEMENT

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 integrate 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 risks as for our enterprise risks.

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 SCENARIO ANALYSIS

Climate-related impacts on our business, strategy, and planning were evaluated in 2023 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 all our global operations. 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 develop a prioritization of 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 2023 climate risk assessment. We assessed both Milliken owned locations and certain significant third-party locations in our supply chain. Climate-related physical risks we considered 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	

IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

CLASSIFICATION OF CLIMATE-RELATED TRANSITIONAL RISKS

We evaluated transitional risks such as reputational risks associated with customer expectations and regulations. Climate-related transitional risks we considered 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	Stigmatization of sector
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 increased capital expenditures, increased indirect (operating costs), impacts to revenues due to changes in demand for certain products and services, returns on investments in low-emission technologies, and impacts to revenues based on access to new and emerging markets. We identified increased costs of raw materials as a potential medium-term risk. Developing new products or services through research and development and using lower-emission sources of energy are specific opportunities that we identified.

In response, we added greenhouse gas impact reviews to our internal capital investment process to focus on capturing the greenhouse gas emission impacts of our capital outlays. We also developed internal greenhouse gas analytics to track our company scope 1 and scope 2 emissions and a corresponding carbon price, allowing businesses to review and plan to eliminate these impacts through reduction strategies and strategic capital investment.

CARBON PRICING

We identified emerging carbon pricing regulation as a long-term risk and opportunity. In 2023, we implemented a Carbon Pricing Council composed of representatives from our key businesses to provide visibility and guidance to respond to these regulatory risks. In 2023, we also published an internal Shadow Carbon Price Policy applicable to our scope 1 and scope 2 emissions. Our internal shadow carbon price is set by the council at least twice a year and reviewed by our senior management team. In 2023, we set one internal shadow carbon price that applied globally.

INTERNAL SHADOW CARBON PRICING

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

¹ Equals our company scope 1 and scope 2 emissions as of December 31, 2023.

“ Advancing decarbonization is enabling Milliken to compete in a carbon-conscious economy.

Josh Riggs
Senior Manager, Sustainability
Milliken & Company (U.S.)

Quote from panel addressing the industrial decarbonization of the U.S. Appalachia region 2023 Appalachian Carbon Forum



NET-ZERO TRAINING AND ENGAGEMENT

NET-ZERO EDUCATION AND TRAINING

We hosted internal education and training opportunities on net-zero across our businesses, including business-level training on applying our climate risk assessment, job-specific training on greenhouse data collection processes, and sessions on engaging our customers in collaborative decarbonization strategies. We also offer net-zero continuous education offerings and toolkits available for all associates, on-demand. On-demand net-zero courses and toolkits include net-zero overview, net-zero 101, net-zero 201, net-zero technical, and net-zero communications for customers.

MILLIKEN SUSTAINABILITY SUMMIT

Our annual Sustainability Summit included over 500 associates who were able to take a virtual tour of projects that are contributing to emission reduction efforts, specifically the positive impacts of our cogeneration investment. The summit also educated attendees on greenhouse gases and priorities for emission reductions, including GHG accounting basics, the world's evolving view on climate action, and Milliken tools used to create insights to inform our progress.

MANUFACTURING SUSTAINABILITY SYMPOSIUM

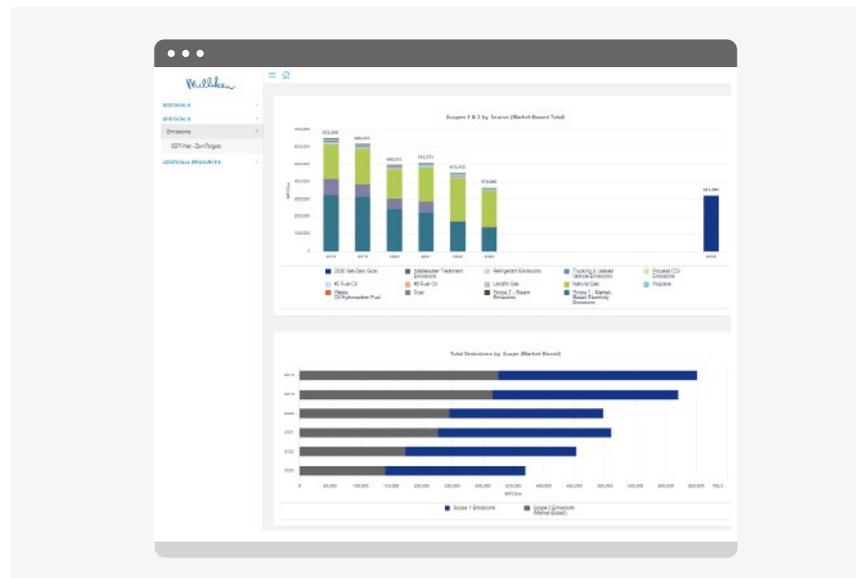
Sustain SC and Milliken cohosted an event to bring together more than 15 manufacturing companies in South Carolina to discuss challenges, opportunities, and strategies for reducing greenhouse gas emissions, including specific case studies of effective sustainable manufacturing decarbonization initiatives.

DUKE ENERGY® 2023 POWER PARTNER AWARD

Duke Energy awarded us a 2023 Power Partner Award for sustainability excellence. Duke Energy stated that we work closely with them to develop economically viable solutions to meet our 2025 sustainability goals. Examples included opting into Duke Energy's energy efficiency programs, using custom performance incentives to eliminate coal as an on-site fuel source and to significantly reduce air pollutant emissions, and participating in Duke Energy's net metering program.

GHG DATA COLLECTION DIGITAL PLATFORM

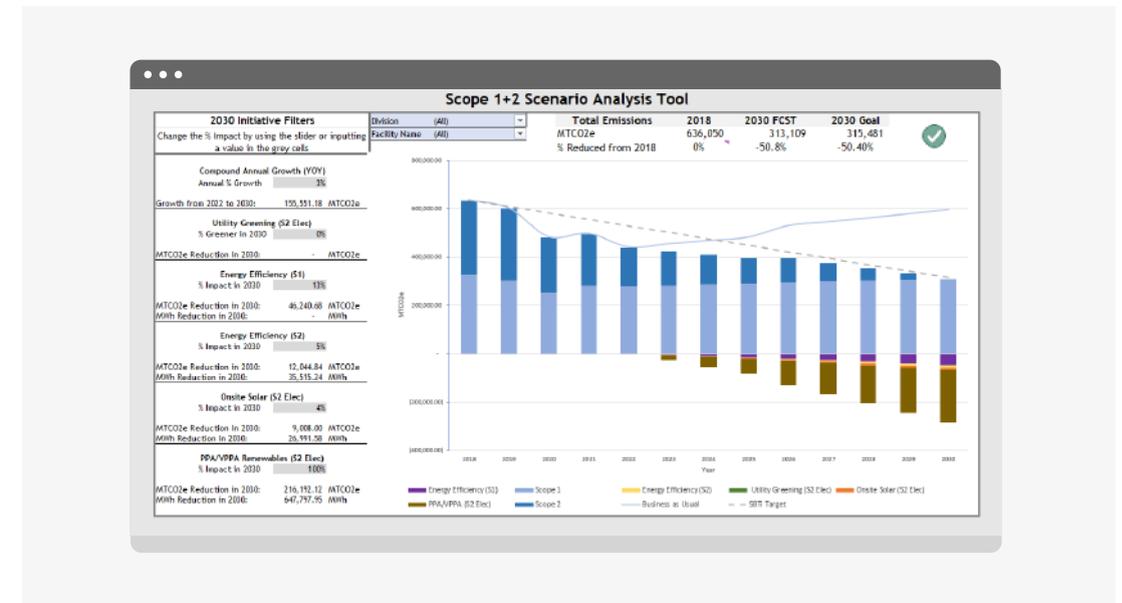
In 2023, we launched a new sustainability data platform to improve the accuracy and assurance of our sustainability data. This tool included an overhaul of how we collect emission activity information from our sites, calculate emissions, and report progress. We hosted multiple trainings with site sustainability data owners to ensure ease of transition and use of the platform. Over 50 of our associates received two or more trainings on this new data collection platform.



SBTi FORECASTING TOOLS

Our improved greenhouse gas digital platform enables us to better forecast our greenhouse gas emissions to 2030, considering variables such as business growth, grid electricity decarbonization, and internal emission reduction initiatives.

We internally developed a SBTi forecasting tool that enables business divisions and facilities to forecast their decarbonization pathway to 2030. In 2023, we trained select leaders on using the forecasting tool as we collaborate across businesses to better inform our net zero strategy.



ENGAGING YOUTH

In 2023, we hosted a summer university intern to collect data and inform the development of Milliken's onsite solar strategy in the Southeastern United States. Milliken also participated in a local youth symposium in South Carolina (U.S.) to engage local high school and college students to consider careers in sustainability, including decarbonization efforts.

NET-ZERO TRAINING AND ENGAGEMENT

REUTERS IMPACT CLIMATE CONFERENCE

Net-zero requires convening across diverse stakeholders to drive meaningful change. Milliken's CEO Halsey Cook spoke at Reuters IMPACT Climate Conference in London to voice where Milliken sees challenges and opportunities in decarbonization. He joined representatives from Carbon Tracker, We Mean Business Coalition, and the Rocky Mountain Institute to discuss the balance between immediate action and a gradual decarbonization strategy.



CEO Halsey Cook participated in a panel discussion at Reuters Impact (U.K.).

Just as climate change affects our global community, it will take a global commitment to achieve a net-zero future.

Halsey Cook
President & CEO
Milliken & Company (U.S.)

LOCAL ENERGY FORUMS

Milliken joined other industry leaders in a panel discussion on developing solutions to help meet corporate goals for carbon reduction at the Southeastern Renewable Energy Conference, which included more than 450 policymakers, utilities and company representatives. Milliken also sponsored and spoke at a South Carolina Energy Forum that brought stakeholders together to discuss the impact of clean energy on the economy. Access to reliable, affordable and clean energy is a priority for companies. Attendees include local government officials, elected officials, and public, private, and non-profit leaders.



Milliken associates attended the Appalachian Carbon Forum (U.S.).

APPALACHIAN CARBON FORUM

Milliken sponsored and spoke on a panel at the Appalachian Carbon Forum, which brings together diverse thought leaders and innovators to identify and develop energy solutions for the Appalachia region. The forum convenes stakeholders in a historically coal powered region to discuss repurposing of resources for economic resiliency in transitioning to clean-energy technologies focusing on equitable outcomes for local communities.

ASSISTING SPECIALTY CHEMICAL INDUSTRY ON CLIMATE RISK AND OPPORTUNITY

Milliken hosted 22 companies for the Society of Chemical Manufacturers and Affiliates first ESG workshop which engaged and educated companies on how to conduct materiality assessments, emerging reporting regulatory requirements, and strategies for understanding climate risks and opportunities.

AMERICAN CLEANING INSTITUTE CASE STUDY

We participated in the American Cleaning Institute challenge to align our corporate climate strategy and targets with a 1.5°C ambition and strive to reach net-zero global emissions by 2050. We joined others in the cleaning products industry to offer a publicly available case study on setting our net-zero targets.

SUSTAINABILITY SUPPLIER SUMMIT

Our CEO Halsey Cook spoke at a sustainability supplier summit presented by a South Carolina university and utility company. Milliken spoke on a panel with the President and CEO of BMW Manufacturing on scope 3 emissions and innovative ways to implement more sustainable business practices. The summit included breakout sessions on sustainability reporting, accounting for emissions and resources for local solutions.



Milliken associates attended the BMW Charity ProAm Sustainability Summit (U.S.).



BUSINESS CONDUCT

GOVERNANCE

We disclose the role of our Board of Directors and management teams so report users understand our governance approach to business conduct.

IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

To disclose our impacts, risk, and opportunity management of business conduct, we report our approaches to corporate culture, our 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 track metrics and targets to measure our management of business conduct, including confirmed incidents of bribery and training metrics.



MORE BUSINESS CONDUCT-RELATED DISCLOSURES CAN BE FOUND AT OUR [Global Reporting Initiative Index](#) and our [United Nations Global Compact Communication on Progress](#)

BUSINESS CONDUCT GOVERNANCE

BOARD OVERSIGHT

The Audit Committee of our Board of Directors oversees Milliken's ethics and compliance program. The ethics and compliance function is led by our Senior Vice President and General Counsel, who works with the Director of Ethics, Compliance, and Social Responsibility to manage our ethics priorities. The Director reports to the Audit Committee twice a year on ethics investigation metrics, ethics training, and the annual ethics communication plan.

MANAGEMENT OVERSIGHT

ETHICS & COMPLIANCE STEERING COMMITTEE

The Ethics and Compliance Steering Committee provides oversight and guidance to the Global Compliance Federation. The committee consists of Milliken's President and Chief Executive Officer; Executive Vice President, Chief Financial Officer and Chief Information Officer; Senior Vice President, General Counsel; 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 to perform its duties and in preparation for Audit Committee meetings, including reviewing material cases and disciplinary action results at least twice a year.

GLOBAL COMPLIANCE FEDERATION

Our Global Compliance Federation consists of more than 40 cross-functional regulatory experts from Milliken. These individuals are valuable thought leaders who share compliance insights and risk mitigation strategies. The Global Compliance Federation meets at least four times per year to review external reporting metrics and opportunities, compliance policy management, annual training program content, and risk assessments. The Compliance Federation oversees sub-committees which include the Human Rights Taskforce, EMEA Compliance Federation, and Asia Pacific Compliance Federation. The geographic and risk-specific sub-groups support the Compliance Federation's overall mission to identify, analyze, evaluate, and communicate compliance risks and mitigation strategies globally.

HUMAN RIGHTS TASKFORCE

The Human Rights Taskforce consists of representatives from legal, trade, sourcing, security, human resources, and safety. This team meets four times annually to operationalize our strategy to respect human rights in the workplace and along our value chain.

This cross-functional team works collaboratively to:

1. Improve our approach to human rights and uphold global standards for responsible business, including compliance with labor regulations and guidelines; providing safe working conditions; non-discrimination and equal opportunity; the freedom to associate and bargain collectively; data privacy; security; and the elimination of modern slavery, human trafficking, and harmful or exploitative forms of child labor;
2. 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
3. Collaborate with business partners on aligning business strategy with human rights strategy to address supply chain due diligence and risk.

The taskforce provides biannual updates to the Global Compliance Federation to ensure that key regulatory insights, policy updates and assessment results are shared with compliance leaders globally.

BUSINESS CONDUCT IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

CORPORATE ETHICS CULTURE

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 good faith report is prohibited. 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. 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, which drives a strong culture that supports doing the right thing.

LEADERSHIP DRIVES ETHICAL CORPORATE CULTURE

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.

THIRD PARTY ETHICS AND COMPLIANCE ASSESSMENT

We are proud to have been recognized in 2023 as one of **Ethisphere's World's Most Ethical Companies**® for 17 consecutive years. Milliken is one of 135 honorees spanning 19 countries and 46 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.

EVALUATING AND PROMOTING CORPORATE CULTURE

We listen to and engage our associates worldwide in evaluating the success and maturity of our ethics and compliance program by hosting a third-party management ethics culture survey. In 2022, through a survey conducted in partnership with Ethisphere Institute, we heard from our associates about their feelings of increased pressure at work. In response, we created targeted resources to help global teams recognize signs of stress and pressure to compromise our values, including how to talk about managing workloads and expectations along with ethical decision making. In 2023, we continued to implement our action plan with additional communication channels to reach production associates on the importance of speak-up culture, combatting pressure, and non-retaliation awareness. The communications provided managers with resources to speak about ethics effectively, such as guides on how to deal with organizational pressure, toolkits on how to prevent retaliation, and how to encourage a culture of speaking up. We also put the Helpline mobile QR code on digital posters and made the Helpline available in our Benefits Place mobile and web-based application which all associates can access.



The 2023 Integrity Award was presented to Elaine Hare-Sturm, our Senior Director of Regulatory, Chemical Business (U.S.).

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.

BUSINESS CONDUCT IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

BUSINESS CONDUCT POLICIES

We publish our business conduct policy statements on [Milliken's Ethics website](#). Our [Code of Conduct](#) and Supplier Code of Conduct 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.S. Supplier Diversity Policy](#)

[Product Safety Statement](#)

[U.K. Gender Pay Gap Report](#)

[Quality Policy](#)

[U.K. Tax Strategy Statement](#)

[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. 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 Compliance Federation 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 2023, we published an updated Global Whistleblower Policy, Global Data Privacy Policy, and Data Breach Process, which were acknowledged alongside

Milliken's Code of Conduct, Conflicts of Interest Policy, and Acceptable Use Policy. This process ensures associates 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.

WHISTLEBLOWER PROTECTIONS

1. Policy

As outlined in our [Whistleblower Policy](#), Milliken is committed to the highest standards of ethics, honesty, integrity, and to demonstrating respect and dignity for one another and those with whom we do business. We encourage prompt reporting of any concerns of wrongdoing and realize integrity is fundamental to the operation of our business.

Our policy:

- Encourages associates to report wrongdoing as defined in Milliken's Whistleblower Policy;
- 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 applicable law.

BUSINESS CONDUCT IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

ACTIONS TO ADDRESS FORCED LABOR, CHILD LABOR, AND HUMAN TRAFFICKING

We exercise our influence by conducting our business operations in ways that seeks 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 around the world 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 comply with the laws and regulations of the countries in which we operate while simultaneously conducting our business ethically and sustainably.

WE ENCOURAGE THE PROMOTION OF HUMAN RIGHTS THROUGHOUT 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 our global security team respectively, 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 remedy 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 remedy.

AGE VERIFICATION REQUIREMENTS

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.

SUPPLIER DUE DILIGENCE

Milliken awards business to suppliers based on integrity, value, quality, risk, sustainability, and price. Our due diligence process includes supplier screening and reviews to prevent forced labor, child labor, and human trafficking, including onsite audits.

We adhere to a strategy that emphasizes risk assessment, and we perceive a higher level of risk in our upstream supply chain. However, this does not mean the downstream supply chain is risk-free. The greatest risk in our upstream supply chain lies with our raw material suppliers. We use the **Corruption Perceptions Index** to identify suppliers located 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 any concerns or red flags are escalated to senior management and the legal department for review and further action, where appropriate.

In 2021, we implemented a cloud-based sustainability platform that combines supplier assessments and ongoing social media monitoring. 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. 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®)

CTPAT is a voluntary partnership between the United States government and businesses to enhance global supply chain security and to prevent 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, if needed.

BUSINESS CONDUCT IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

MECHANISM FOR IDENTIFYING, REPORTING, AND INVESTIGATING MISCONDUCT

Our success depends on each of us doing the right thing. Associates, directors, and suppliers all agree to live Milliken's values by meeting the commitments outlined in our Code of Conduct and the Supplier Code of Conduct, respectively. These commitments include understanding Milliken's policies and recognizing when to report issues or misconduct if there are any concerns.

Our Code of Conduct specifically requires associates to understand and follow our code and company policies that apply, 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 ethical culture and not tolerate or engage in any type of retaliation in response to good faith inquiries or reports concerning our code, applicable 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 third-party managed Helpline.

REPORTING CHANNELS

We provide the 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 a number of 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), every policy document and online training module, 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 the importance of our speak-up culture, and to raise awareness about our non-retaliation policy. All our policies and trainings include a "Speak Up" section with instructions on how to submit inquiries or report concerns that violate our code, policies, or applicable laws.

INVESTIGATION PROCESS

All reports are investigated promptly, impartially, and appropriately aligned with Milliken's approved investigation guidelines. We are committed to keeping the reporter informed of the progress of any investigation and of any likely timescale if there is a method of contacting the individual. Sometimes the need for confidentiality may prevent giving specific details of the investigation or any disciplinary action taken as a result, but we do our best to provide the reporter with updates and outcomes within the bounds of our confidentiality requirements.

Each year, our Director of Ethics, Compliance, and Social Responsibility 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.

BUSINESS CONDUCT IMPACT, RISK, AND OPPORTUNITY 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 principles set for in 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 this code.

SUPPLIER DUE DILIGENCE AND MONITORING

We monitor supplier compliance and measure performance 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, and we are looking for ways to expand our engagement to include policy communications and ongoing training. 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.

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. 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.

SUPPLIER MENTORSHIP AND RESOURCES PROGRAM

We created a supplier mentorship program to help suppliers bridge the gap to growth. The Milliken Mentorship program provides free education and networking, with participants receiving advance notice of available bid opportunities. In 2023, we engaged with 68 unique businesses across 12 sourcing commodities. Interested suppliers can sign up for future events [here](#).

SUPPLIER DIVERSITY PROGRAM

We believe a diverse and inclusive supplier program benefits all stakeholders. We encourage diversity and inclusion when making supplier selections. Milliken awards business to the best supplier based on integrity, value, quality, risk, sustainability, and price. In 2023, we demonstrated our commitment to small and diverse-owned businesses by hosting Milliken Momentum, our first-ever supplier diversity matchmaking event at our global headquarters in South Carolina (U.S.). During this event, 50 Tier 1 suppliers had an opportunity to engage with local diverse companies to provide potential opportunities to expand their business portfolios.

SUPPLIER RECOGNITION PROGRAM

In 2023, our corporate sourcing team held our second annual Corporate Sourcing Award Program to recognize suppliers who go above and beyond. Through the program, we recognized Advanced Handling Systems, Inc., Independent Container Line, LTD., Scheutz Container Systems Inc., Bionomic Services, Inc., and Estes Express Lines. We also awarded Corporate Stitch our Supplier Diversity Award. These suppliers were recognized for their outstanding partnership and for adhering to our business processes while providing top-tier service and competitive cost performance.



Dionne Sandiford from Corporate Stitch was awarded the Supplier Diversity Award for 2023 at our Corporate Headquarters (U.S.). Corporate Stitch was a premier partner at the Milliken Momentum event held in May.

BUSINESS CONDUCT IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

COLLECTIVE BARGAINING

Approximately 28 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 rights related to wages, working hours, health coverage, sick leave, and retirement benefits, 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.

ANIMAL WELFARE

Milliken does not conduct or outsource testing on animals unless it is specifically required by a regulation or government authority. There are rare 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 altogether. 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.

PAYMENT PRACTICES

Milliken pays invoices in accordance with the 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 any discrepancies are solved by our account payable team in a timely manner. Based on our excellent payment control environment, we had no legal proceedings for late payments in fiscal year 2023.



POLITICAL ENGAGEMENT

Milliken's political engagement is led by our government relations team, which reports to our senior leadership team. Milliken has a political action committee ("PAC") sponsored by the company and funded solely by contributions from eligible Milliken associates. The Milliken & Company PAC allows us to engage with elected officials, regardless of political affiliation, who align with the legislative interests of our company and our associates. Our PAC is administered by a committee of senior leaders who represent our key businesses and corporate support functions.

In 2023, our United States political engagement efforts focused on four primary areas: trade, manufacturing, regulation, and sustainability. For our focus on trade, we engaged in efforts to close the de minimis loophole and for a fair, transparent tariff exclusion process. For our focus on manufacturing, we engaged on expanding the Berry Amendment and Buy America provisions. For our focus on regulation, we engaged to promote greater transparency and predictability in chemical management and on the global plastics treaty. For our focus on sustainability, in addition to the global plastics treaty, we engaged to educate on policies to support our net-zero targets and on our de-shedding technology for microplastics.

BUSINESS CONDUCT IMPACT, RISK, AND OPPORTUNITY 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 our website's Ethics and Supplier Resources page, 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

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. We take these risks and mitigation efforts very seriously.

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.

WE SUPPORT



SUPPORTER OF THE CALL-TO-ACTION ON THE 20TH ANNIVERSARY OF UN CONVENTION AGAINST CORRUPTION

As a participant in the **United Nations Global Compact**, Milliken supports Principle 10 on Anti-Corruption. We do not tolerate bribery, corruption, or unethical practices of any kind. We **communicate our progress** annually including our commitment to managing our anti-corruption program. In 2023, we joined the **United Nations Call-to-Action from Business to Governments** on the 20th Anniversary of the United Nations Convention against Corruption.

CORRUPTION INCIDENT MANAGEMENT

In 2023, 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. We had one internal report of a third-party partner attempting to bribe one of our management-level sourcing associates who was trained to prevent such corruption risks. We took immediate action and upon substantiation, the contract with the business partner was terminated due to their violation of Milliken's Supplier Code of Conduct and Global Anticorruption Policy. This associate's actions were commended, and our Director of Ethics, Compliance, and Social Responsibility held an interactive case study training session to review this matter in-depth with associates globally. We used this incident as a platform for learning about real corruption risks in our business and to motivate associates to speak up without fear of retaliation. There were no corruption reports that resulted in disciplinary action or termination of an associate.

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.

“ We encourage a speak-up culture where anyone can report any concerns or issues without fear of retaliation. By doing so, we demonstrate our commitment to being a responsible and trustworthy partner in the global marketplace.

Nicole Cuadrado

Director, Ethics, Compliance, and Social Responsibility
Milliken & Company (U.S.)

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 2023	0

CHILD LABOR METRIC	#
Number of confirmed incidents of child labor identified in Milliken's own operations in 2023	0

CORRUPTION OR BRIBERY METRIC	#
Total number of confirmed incidents of corruption or bribery in 2023	1
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 2023	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	1

COLLECTIVE AGREEMENT COVERAGE METRIC	#
Percentage of employees covered by collective bargaining agreements	5%
Overall percentage of associates covered by collective bargaining agreements in Belgium in which the undertaking has at least 50 employees	96%

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 2023.

HELPLINE DATA	RESPONSE								
Total reports	141								
Substantiated reports	52%								
Total reports investigated	100%								
Total anonymous reports	30%								
Reports per 100 associates	1.8								
Non-US reports	17								
Total substantiated claims of harassment or discrimination related to pregnancy or maternity rights or gender discrimination	0								
Total allegations of discrimination/harassment	49								
Substantiated reports of discrimination/harassment	19								
Types of concerns	<table border="0"> <tr> <td>Harassment and bullying</td> <td>FCPA/Bribery</td> </tr> <tr> <td>Substance abuse</td> <td>Discrimination</td> </tr> <tr> <td>Retaliation</td> <td>Time theft and pay concerns</td> </tr> <tr> <td>Conflict of interest</td> <td>Health and safety</td> </tr> </table>	Harassment and bullying	FCPA/Bribery	Substance abuse	Discrimination	Retaliation	Time theft and pay concerns	Conflict of interest	Health and safety
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Increased training	Job transfers								
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BUSINESS CONDUCT METRICS AND TARGETS

AWARENESS IN COMPLIANCE AND ETHICS PROGRAM

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 each year with our Global Compliance Federation based on risks, trends, compliance requirements, and to support our strategy. In 2023, our associates averaged 3.7 hours of ethics and compliance training. Our compliance team administered nearly 10,000 training hours.



Over 50 associates participated in the anti-bribery ethics case study session both virtually and in-person.

CASE STUDIES AND REAL SCENARIOS

In 2023, we hosted two instructor-led, interactive ethics case study sessions on conflicts of interest and anti-bribery. These case studies were based on real-life scenarios submitted to Milliken's Helpline. The classes were engaging and resulted in positive survey feedback, with most attendees requesting additional scenario-based training to help them understand how to handle different ethical situations in their day-to-day work.

ANNUAL COMPLIANCE AND ETHICS CURRICULUM

Five out of our twenty-eight 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	ANTITRUST	CODE OF CONDUCT	WHISTLEBLOWER PROTECTIONS
Total associates receiving training*	2,681	2,681	2,681	6,900	2,681
Delivery method	Online and in-person	Online	Online	Online and in-person	Online
Duration	30 minutes	10 minutes	10 minutes	20 minutes	5 minutes
Classroom training participants	53	Not applicable	Not applicable	4,008	Not applicable
Computer-based training	2,617	2,669	2,667	2,666	2,670
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%	100%	100%	97%	100%
Topics covered include	<ul style="list-style-type: none"> Consequences of bribery and corruption High-risk activity High-risk locations Cash, gifts, and entertainment risks Government officials and politically exposed persons Books and records Laws and regulations Speaking Up 	<ul style="list-style-type: none"> Speaking Up Conflicts of Interest Disclosure Gifts and Entertainment Policy Acknowledgement 	<ul style="list-style-type: none"> Competitive Intelligence Speaking Up Trade Associations and Memberships 	<ul style="list-style-type: none"> Ethical Decision Making The Power of a Single Voice Speaking Up Code of Conduct Acknowledgement 	<ul style="list-style-type: none"> Global Whistleblower Policy Review Speaking Up Policy Acknowledgement

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 timeline. Associates have three months to complete ACE training which leads to fluctuation in total invitees during the training period.

STAY UP TO DATE ON OUR PROGRESS

Learn more about our [sustainability journey](#).

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