





100 MILLION

PLASTIC WATER BOTTLES

diverted from landfill through use of REPREVE® recycled fibers in Milliken textiles, earning us a 2018 REPREVE Champion of Sustainability Award



100% of Milliken modular carpet in North America, Asia, and Australia feature third-party verified Red List Free Declare® labels for material transparency and ingredient optimization



DeltaMax™

Performance Modifiers for polypropylene promote a circular economy by enabling the use of up to 1009/o
POST-CONSUMER OR POST-INDUSTRIAL
RECYCLED PLASTIC CONTENT

Westex® by Milliken® flame resistant fabrics protect industrial workers from secondary thermal hazards while providing everyday comfort



Millad® NX™8000

polypropylene clarifiers save manufacturers

10-15%

energy and increase
productivity through lower
injection molding
processing temperatures
and shortened cooling
times—environmental
benefits third party
certified by UL











25
YEARS
of achieving

ISO 9001

certification, a global standard signifying excellence in quality management systems





IN THIS TOGETHER



When I joined Milliken last year, I was impressed by its rich history, strong ethical culture, and profound commitment to innovation, quality, and safety. I believe that these cornerstones help to create the company's success, both today and in the future. Though we have been committed to a sustainable enterprise since our founding, the publication of this first annual company sustainability report will help us to elevate and challenge our view of what corporate sustainability can be.

In the following pages, we outline new, aggressive company goals, such as a 25 percent reduction in greenhouse gas emissions, water consumption, and solid waste creation; 100,000 volunteer hours to enhance the communities where we live and work; zero lost work days and the safest work environment possible; and extensive reviews of products we manufacture to best understand their role in the circular economy—all by 2025.

Additionally, we will promote collaboration and advance the sustainability conversation in our industries with product end of life solutions. As an example, we recently began a joint-development relationship with PureCycle Technologies that will deliver the first plant of scale to return post-consumer polypropylene plastic to virgin quality resin. These are just a few of the milestones we are setting for ourselves as we continue our journey. I am confident that through our collective actions, we can ensure a cleaner, stronger, more beautiful, and more sustainable world for generations to come.

HALSEY M. COOK JR.

President and CEO

STRIVING FOR GLOBAL IMPACT

Milliken & Company is a global industrial manufacturer that has been solving everyday problems with innovative solutions for more than 150 years. Our research, design, and manufacturing expertise spans multiple markets floor covering, performance and protective textiles, specialty chemicals, and operational excellence consulting for industrial manufacturers.

Since our founding in 1865, our commitment to ethics has guided our daily work as a values-based business. We strive to deliver innovations without compromising our commitment to environmental stewardship, the health and safety of our associates, or the future of our communities.

In 2018, Milliken was named one of the World's Most Ethical Companies by Ethisphere® Institute, a global leader in defining and advancing the standards of ethical business practices. Milliken is one of only twelve companies to earn the World's Most Ethical Companies designation every year since the honor's inception in 2007.



Headquartered in Spartanburg, South Carolina

+8,700

around the world

Suppliers adhere to the

MILLIKEN SUPPLIER CODE OF CONDUCT

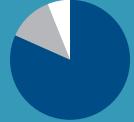
which includes a commitment to diversity, sustainability, and ethics





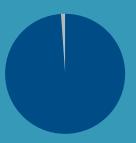
GENDER

64% male 36% female



REGIONS

82% Americas 12% Europe, Middle East, Africa 6% Asia



POSITION

99% full-time

manufacturing facilities in the United States, United Kingdom, Belgium, 43 France, China, Mexico, and Australia, with additional sales and service operations throughout the Americas, Europe, and Asia

Throughout this report, "Milliken" refers to the entire global business operations for the calendar year 2018 of



SHAPING MILLIKEN FOR THE FUTURE

At Milliken, we understand that a commitment to sustainability today provides a healthy world for future generations. We are proud of our environmental stewardship over our 153-year history, but we recognize that we can, and should, continue to evolve with goals that protect, preserve, and improve our world. Therefore, we are publishing our inaugural goals for 2025, which we will measure against our 2018 baseline data outlined in the following pages.

MILLIKEN 2025 GOALS SUPPORT THESE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS.

SUSTAINABLE GEALS DEVELOPMENT GEALS

17 GOALS TO TRANSFORM OUR WORLD



















2025 PLANET GOALS

Reducing our global footprint to increase our global impact







Reduce indexed greenhouse gas emissions, water usage, and solid waste by **25%**



ZERO waste to landfill



Increase renewable energy use **10X**



ZERO environmental violations

2025 PRODUCT GOALS

Creating circular economies depends on internal assessments and industry-wide collaborations



Analyze new products launched using Life Cycle Analysis principles



Convene scientists and thought leaders to advance the goal of solving the plastics end-of-life challenge

2025 PEOPLE GOALS

Developing cutting-edge innovations begins with cared-for communities



Commit to an inclusive associate community



ZERO lost time safety incidents



ZERO data privacy breaches



100,000 volunteer hours in our communities





PLANTING THE **SEEDS TODAY FOR A GREEN TOMORROW**

MILLIKEN ARBORETUM

The nationally registered Milliken Arboretum has been thoughtfully created and nurtured by Milliken over the last six decades. It embodies our commitment to environmental stewardship with the intent that the trees will live past our lifetimes and allow the beauty we experience today to be enjoyed for generations.

600

250+

365 days per year open to the public



VERIFYING PRODUCT IMPACTS

Milliken's North American, Asian, and Australian modular carpet portfolios are Cradle to Cradle Certified[™], which examines material health, material reutilization, renewable energy, water stewardship, and social fairness.



DIVERTING WASTE FROM LANDFILL

Milliken helped repurpose more than 10 metric tons of the trim waste from installing new carpet in a skyscraper in Malaysia by using it as fuel to power cement kilns in the area and using the residual ash solids in the cement formula.

2018 ENVIRONMENTAL BASELINE

We know that part of protecting our planet requires using our natural resources responsibly in our daily operations. Using a 2018 baseline, we will target a 25% reduction in our indexed water use, waste creation, and carbon emissions by 2025.

2018 ENERGY CONSUMPTION

2,062,470

Energy (mWh)

9,009

Renewable Energy (mWh)

Increasing our use of clean and renewable energy is the next step in our efforts to reduce greenhouse gas emissions. Initiatives in landfill methane gas conversion, solar energy, and purchased renewable energy have successfully improved our energy profile, and we will expand our efforts to reduce greenhouse gas emissions.

2018 GREENHOUSE GAS EMISSIONS

1.45 mTon

per mTon of production

(Scope 1: 0.665 mTon/mTon; Scope 2: 0.786 mTon/mTon)

2018 WATER CONSUMPTION

2.82 gallons

per pound of production

2.63 gallons

per pounds of production effectively treated and released

2018 WASTE GENERATION

100 pounds

per 1,000 pounds of production*

6.2 pounds

per 1,000 pounds of production sent to landfill, 78% of which is biowaste

* From top 9 waste streams, representing 85% of solid waste

34

global manufacturing sites are ISO 14001:2015 certified for environmental compliance

additional U.S. facilities are RC14001® certified by the American Chemistry Council for Responsible Care in environmental management systems 11,000

wet tons per year of biowaste from on-site wastewater treatment at our Magnolia, Pendleton, Enterprise, and Longleaf plants diverted from landfill and used for cement production

With a goal of zero waste-to-landfill for all mediums, Milliken's commitment to landfill diversion is illustrated in both smalland large-scale programs, and we continue to explore more ways to contribute to a circular economy. The Milliken Carpet Landfill Diversion Program, for example, helps customers

reclaim used carpet for reuse, recycling, or conversion into new energy. We use reusable containers for various textile products to eliminate cardboard waste, we recycle many nonwoven scraps into new nonwoven textiles, and we donate select textile remnants to local charities for repurposing.



INSPIRED INNOVATIONS



Milliken's longstanding commitment to research and development allows us to improve everyday products and discover solutions that are smarter and safer for the environment and the people who use them. From incorporating recycled content to finding new solutions that reduce the need for added chemistries, Milliken innovators challenge themselves to achieve better outcomes for our associates, customers, and communities.

HARNESSING BIOLOGY FOR FRESHER AIR

According to the U.S. EPA, the average American spends approximately 90% of their time indoors, and we see this trend increasing globally. In response, we are using more natural chemistries in our products to positively impact the spaces in which they are used.



CREATING HEALTHY SPACES

Milliken's Chicago Showroom was the first WELL Certified™ Platinum space in Chicago and the 100th WELL Certified™ space globally.



BETTER AIR AT WORK

Milliken's water-based high-tack chemistry, applied to our Ready to Use tire reinforcement fabrics, is safer for our associates during production. The resulting products provide the tire industry with a lighter solution, allowing for increased performance and fuel efficiency.



66

As a parent, I'm concerned about what my children come in contact with every day. Breathe by Milliken pairs my knowledge as a chemist and passion as a mother to create meaningful products that enhance people's homes."

—EMILY MICHAELS, Milliken Senior Research and Development Chemist, and developer of



BETTER AIR AT HOME

Creating a family-friendly home means designing spaces that keep up with daily life while reducing exposures to volatile organic compounds (VOCs). Breathe by Milliken[™] incorporates plant-based chemistry into its stain-repellent and stain-resistant performance fabric collection.



SMART IDEAS FOR ENERGY AND FOOD

The global population is expected to reach nearly 10 billion people by 2050. This exponential growth raises many challenges, including how to responsibly increase and protect our food supply.



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Milliken is a pivotal partner in our sustainability journey at P&G. By incorporating technologies that help enhance effectiveness of cold-wash cleaning, for example, consumers can reduce their energy consumption—lowering their personal energy bill and lightening their environmental footprint."

—**SAURAV KUMAR,** Global Chemical & Ingredients Innovation Purchases, Procter & Gamble



IMPROVING WATER EFFICIENCY

Milliken is researching the potential of our wetting agents, currently used in turf management, to create optimized growing environments for crops. The technology would limit drought impact and improve seed germination by creating water- and nutrient-efficient soil in farming locations where dry or saturated soils present challenges for water absorption.







PROTECTING DAILY LIFE

Every day, people around the world need physical protection. From first responders facing the immediate threat of fire to drivers on the road, we deliver innovations that help keep people safe.

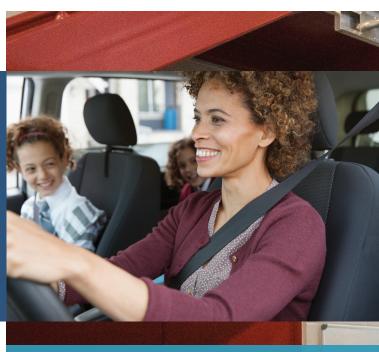


SAFETY LEADERSHIP AT ALL LEVELS

Sammy Davis, Milliken Safety and Training Facilitator, was named the 2018 South Carolina Manufacturing Employee of the Year, given by the state's chamber of commerce. "Sammy's dedication to safety exemplifies what it takes for a global company to achieve manufacturing excellence," shared Halsey Cook, President and CEO of Milliken.

SOURCE:

1 http://healthcare.milliken.com/en-us/resources/Documents/_Case%20 Studies/Successful%20Managment%20of%20a%20Complex%20 Diabetic%20Foot%20Ulcer%20with%20Heavy%20Exudate.pdf (accessed 2/24/19)



ADVANCING HEALING

Milliken's Active Fluid Management® Technology for wound dressings has been proven by UPMC Passavant Wound Healing Services to improve the patient experience, decrease the cost to treat by more than half, and significantly reduce the patient healing time.¹

Milliken is helping us explore how to efficiently incorporate recycled polyester into VF Workwear fabrics. We aim to have 50% of our nylon and polyester come from recycled materials by 2025."

—LATHAN DABBS, VP.

Global Material Supply Americas, VF Corporation

PRODUCTS



Milliken.



Milliken's success depends on the success of our associates and communities.

PROMOTING INCLUSION

Milliken is committed to improving diversity and inclusion within our company and community. To promote the diversity of our associates, we signed the Open to All Pledge, and we are:

- Increasing recruitment at historically black and single-gender colleges and universities
- Supporting new hires with tenured mentorship
- Actively and visibly supporting community diversity and inclusion initiatives

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We encourage every Milliken associate to bring their authentic self to work each and every day."

—**RICAYE HARRIS**, Diversity & Inclusion Program Manager



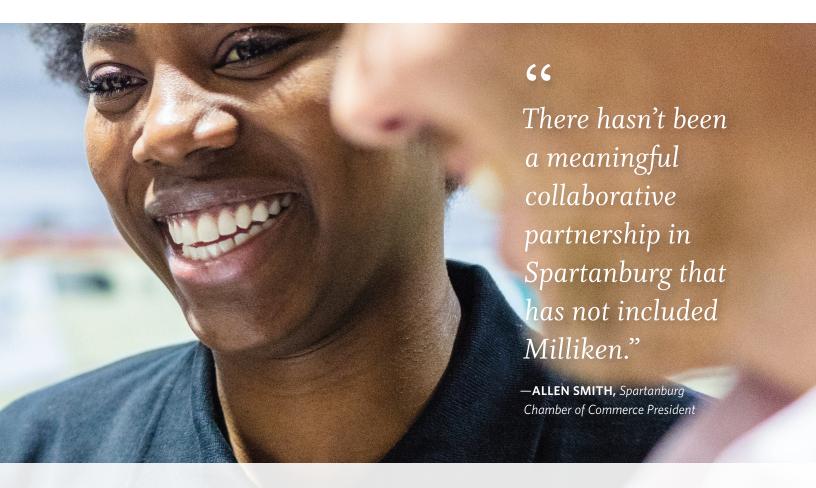
62% diverse U.S. associates

36% diverse U.S. manag

diverse U.S. managers and board members

associate networks supporting diverse groups of associates

900
associates participated in unconscious bias training



COMMUNITY PARTNERSHIPS

We hope to increase our positive impact through company programs that give back to our communities. For example, we partner with Northside Development Group in Spartanburg, South Carolina to develop a strong and safe neighborhood by honoring its past and expanding opportunities for everyone in the area. Milliken has been involved with the Northside Initiative from its beginning, working alongside individuals and organizations to address community economic, educational, recreational, health, and social needs. From building a park to providing access to locally grown produce, our commitment has helped provide affordable housing options, improve community infrastructure, and drive neighborhood inclusiveness.

FOCUSING ON SAFETY

Safety is a foundational Milliken value and defines how we approach manufacturing. We have a decades-long legacy of excellence in safety, recently highlighted by our recognition as the first-ever America's Safest Companies Hall of Fame Inductee in 2017.

26 Milliken U.S. facilities are Voluntary Protection Program (VPP) Star certified

By 2021, we plan to qualify all Milliken U.S. manufacturing sites for OSHA VPP Star certification, and because OSHA VPP Star certification is not available outside the U.S., all our non-U.S. manufacturing sites certified to ISO 450001—a global occupational health and safety management standard.

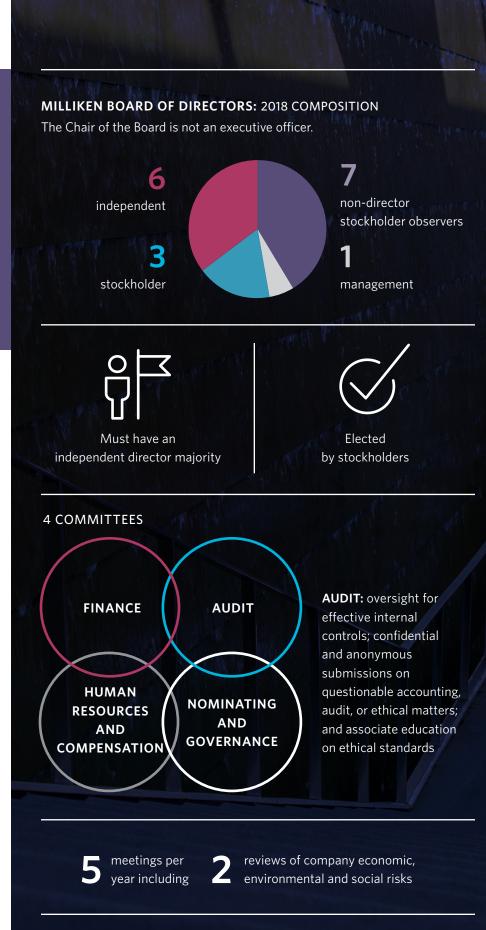


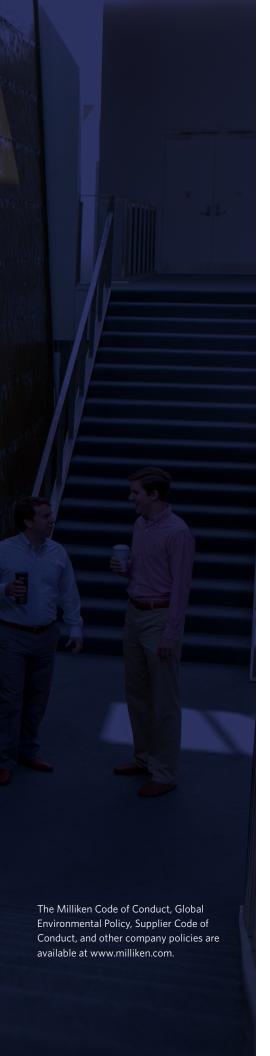
LEADING THROUGH ACTION

The Milliken Board of Directors is active in determining our company's long-term strategy, overseeing our sustainability initiatives, and reviewing critical concerns as they arise.



The Milliken Performance System (MPS) promotes a sense of ownership for safety, quality, and efficiency for every associate. Through Performance Solutions by Milliken, we share our proven MPS practices with other manufacturing companies around the world.





ADVANCING GLOBAL COMPLIANCE

CODE OF CONDUCT

100%

annual affirmation of Code of Conduct by associates and board 20+

critical topics in Code of Conduct

language translations of the Code of Conduct and related training materials

GLOBAL COMPLIANCE GOVERNANCE

BOARD OF DIRECTORS

ETHICS & COMPLIANCE STEERING COMMITTEE

COMPLIANCE FEDERATION

Annual review of policies & Code of Conduct



The Milliken Ethics Helpline provides a simple safeguard for anyone to communicate potential ethical concerns

GLOBAL ANTI-CORRUPTION

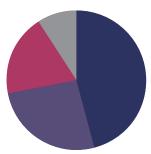
incidents of corruption reported in 2018 100%

of management associates completed anti-corruption training (1,910 in North America, 276 in Asia, 332 in Europe, 1 in Africa, 5 in the Middle East and 33 in South America)

100%

of new suppliers signed a commitment to anti-corruption

GLOBAL ONLINE TRAINING



215 TRAINING COURSES

46% compliance-related 26% safety and environmental 19% diversity and leadership 9% technical skills

100%

completion rate for online courses

5.7 average hours of training per year per associate



MATERIALITY DEFINED

Milliken collaborated with a wide range of stakeholders to determine the content of this report and establish our 2025 sustainability goals. We requested feedback on our sustainability priorities in conversations and surveys from customers, nongovernmental organizations, and sustainability experts that have an interest in our activities or are leaders in their fields, and from a cross-functional group of global Milliken associates. We also considered environmental and community impacts and stakeholder engagement beyond traditional business analytics.

In response, we commit to leverage opportunities that improve our business, our world, and well-being for all.

10 Circular Economy STAKEHOLDER PRIORITIES 07 Carbon Emissions of Products Chemical and Ingredie Product Material Traceability and Sourcing 06 Product Life Cycle Impacts Health and Wellness and Safety of Products Health and Wellness Recycled Content Human Rights Water Use Technology and Innovation Waste Disposa Governance Data Protection and Privacy Philanthropic Giving Ethics Compliance 01 06 08

MILLIKEN & COMPANY MATERIALITY MATRIX

MILLIKEN & COMPANY PRIORITIES

To determine our most important sustainability initiatives, identified in the gray area above, we surveyed internal and external stakeholders and ranked results based on frequency of participant response. While we recognize that all of the topics included are important, those outside the gray area were qualified as lower priorities because in some cases they are already well developed.



CONTRIBUTING TO LEED V4

Milliken flooring contributes to coveted LEED certification. Discover more details at:

floors.milliken.com/floors/en-us/ sustainability/sustainability-report

Milliken & Company prepared this first annual sustainability report under the direction of our Sustainability Steering Committee, consisting of our CEO and other senior leadership, and with direction from the Milliken Board of Directors. With oversight from our board, our CEO and senior leadership will hold business and support teams accountable for performance against our 2025 goals and material topics in this report. It was created in accordance with the globally accepted GRI

Standards, third-party verified by WAP Sustainability Consulting, and includes no restatements of information or significant changes. While Milliken has not formally adopted the precautionary principle at the corporate level, many areas of our company use it in their decisionmaking processes. Questions regarding this report or Milliken's sustainability initiatives can be emailed to sustainability@milliken.com.

MATERIALITY

MILLIKEN & COMPANY 2018 SUSTAINABILITY REPORT GRI STANDARD DISCLOSURES		
DISCLOSURE	STANDARD DISCLOSURES	PAGE #
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102-3	Location of headquarters	3
102-4	Location of operations	3
102-5	Ownership and legal form	3
102-6	Markets served	3
102-7	Scale of the organization	3
102-8	Information on employees and other workers	3
102-9	Supply chain	3
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	collective bargaining agreements	1
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MEMBERSHIPS AROUND THE WORLD

THE AMERICAS

ABRE (Associação Brasileira da Embalagem) Advanced Functional Fabrics of America American Apparel & Footwear Association American Association for Advancement of Science

American Chemistry Council

American Chemical Society

American Society for Testing and Materials

American Society of Safety Professionals

Americas Apparel Producers Network

Association for Contract Textiles

Association of Postconsumer Plastic Recyclers

Association of United States Army

Automotive Safety Council

Building Industry Consulting Service International

Business Ethics Leadership Alliance

Carpet America Recovery Effort

Carpet and Rug Institute™

Fire and Emergency Manufacturers and

Services Association
Georgia Association of Manufacturers

Health Product Declaration® (HPD) Collaborative

Industrial Fabrics Association International

International Facility Management Association™

International Living Future Institute

International Textile Alliance

Institute for Health for Safety and Health Management

National Association for Manufacturers

National Association of Decorative

Fabric Distributors

National Cotton Council of America

National Council of Textile Organizations

National Defense Intelligence Association

National Fire Protection Association

National Safety Council

N. American Assoc. of Uniform Manufacturers & Distributors

Plastics Industry Association

Responsible Care®

SCDHEC Smart Business Recycling Program

Society of Automotive Engineers

Society for Human Resources Management South Carolina Manufacturers Alliance

Southeastern Association of Manufacturers & Sewers

Spray Polyurethane Foam Alliance Sustainable Furnishing Council

Textile Rental Services Association

U.S. Green Building Council

Voluntary Protection Programs Participants' Association

Warrior Protection & Readiness Coalition Well Living Lab

Western Energy Institute

EUROPE, MIDDLE EAST, INDIA, AND AFRICA

AFERA European Adhesive Tape Association

Association Thermoformer

British Standards Institution

BCFA British Contract Furnishing Assoc 124/0603/B

BTTG Membership

Carpet Recycling U.K.

Catalist

Deutsche Gesellschaft fur Nachhaltiges Bauen

Elipso Association

Essencia

European Carpet & Rug Association

European Chemical Industry Council

Europur

Fachverband Schaumkunststoffe

Fedustria

Foodservice Packaging Association

German Sustainable Building Council No 13534 National Association of Technical Executives of

the Textile Industry of Belgium (UNITEX)

Pack4Food

Professional Clothing Industry Association Worldwide

Sepawa Benelux

Spain Green Building Council®

Society of Chemical Industry

U.K. Green Building Council Union Français Tapis et Moquette

UNITEX

WIRTEX

ASIA PACIFIC

Carpet and Rug Institute
Carpet Institute of Australia

ChemOrbis

China Carpet Standardization Technical Committee

China Detergents Industry Association

China Synthetic Resin Supply and Marketing Association

Green Building Council of Australia

Home of the Packing Industry Association

Japan Carpet Industry Association

Japan Hygienic Olefin & Styrene Plastics Association

New Zealand Green Building Council

Shanghai Caohejing Emerging Technology

Development Zone Enterprise Association

Shanghai Plastics Industry Association

Singapore Plastic Industry Association
Shanghai Plastics Machining Industry Association

Shanghai Chemical Building Materials
Industry Association



